



CHINA GREENFRESH GROUP CO., LTD.

中國綠寶集團有限公司\*

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

Stock code 股份代號 : 6183

# 2017 | ANNUAL REPORT 年報

Transformation and Upgrade • 轉型升級

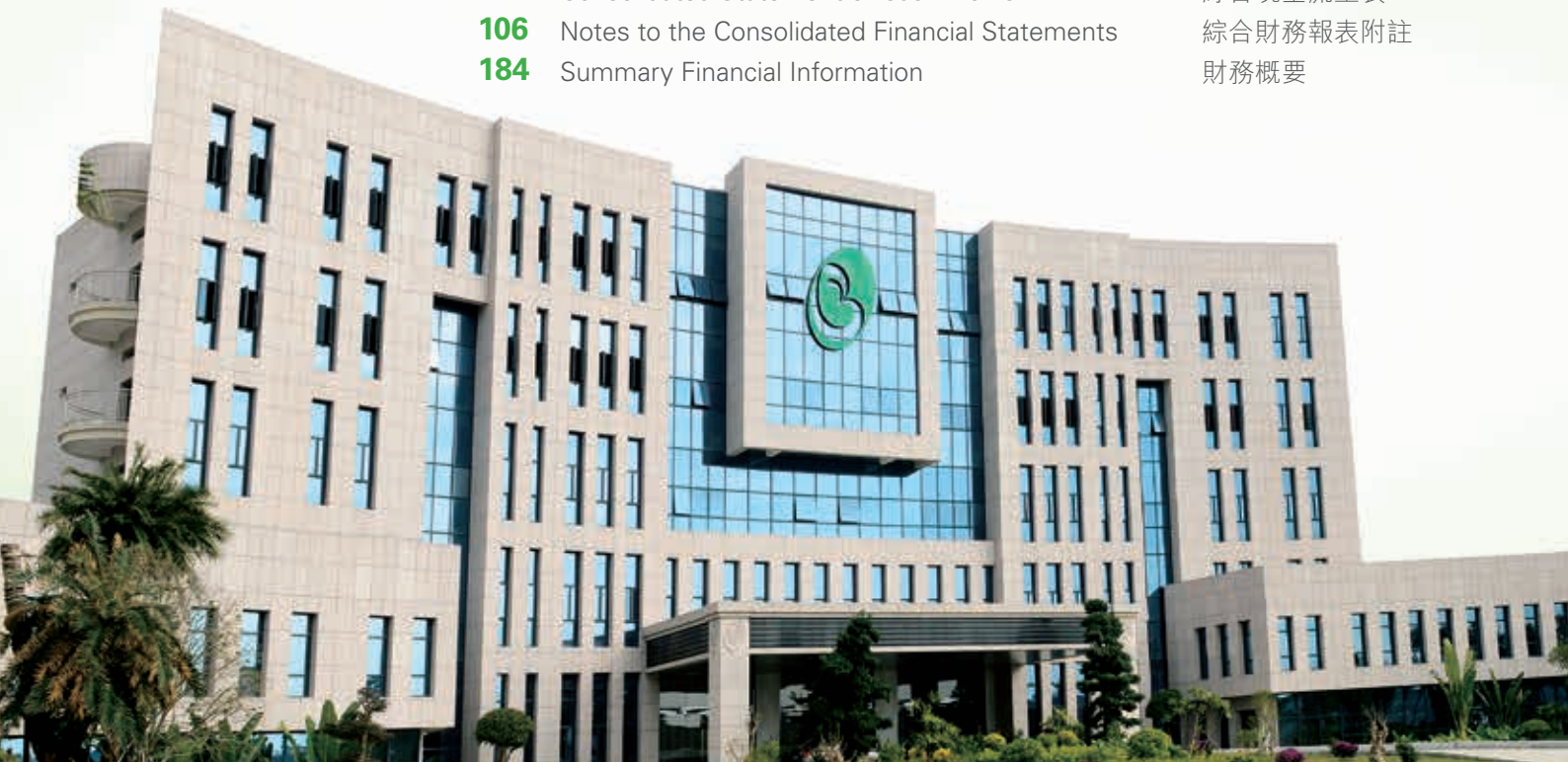


\* For identification purposes only 僅供識別



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## Corporate Profile 公司簡介

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

The Group is a leading integrated supplier of edible fungi products in the People’s Republic of China (“**China**” or the “**PRC**”). It has demonstrated outstanding performance in various respects such as industrial production of edible fungi, production and sale of primarily and intensively processed food products of edible fungi as well as domestic and overseas sales platform for edible fungi, which enables it to maintain a leading position in the industry. Products of the Company include various fresh edible fungi such as king trumpet mushrooms and shiitake mushrooms, primarily processed canned fruits and edible fungi as well as related snacks. Currently, the Group has established a vertically integrated operating model, covering technology research and development, plantation, primary and intensive processing and sale of edible fungi. With its advanced technologies, the Company has been granted a number of honours and awards, including “National Key Leading Enterprise for Agriculture Industrialization” (農業產業化國家重點龍頭企業) and “National Leading Enterprise in Edible Fungi Industry With Excellent Performance” (全國食用菌行業優秀龍頭企業).

The year 2017 was a critical year to the Group for its development and growth as well as transformation and upgrade. The Group adopts the “building up of a comprehensive industrial chain for life healthcare in China” as its corporate vision by extending its development to the fine and intensive processing of edible fungi. The edible fungi healthcare product with high added value, which was developed by the Group in collaboration with Japanese medical research institutions, was officially launched in the Japanese and Singaporean market in 2017. Leveraging the advanced research and production technologies from Japan, the product demonstrates excellent efficacy and therefore is widely recognized and popular. It is intended that the product will enter the Hong Kong and Macau retail market. In 2017, the Group completed the strategic mergers and acquisitions of two peer companies to achieve a horizontal expansion of the enterprise, which were significant to the Group for its capacity expansion, advancement in plantation technologies for edible fungi, introduction of new fungal species as well as expansion to new markets.

Looking forward, the Group will further strengthen its strategic position of the “top 1 brand in the comprehensive industrial chain for edible fungi” by promoting the research and sale of edible fungi products for general healthcare, integrating acquisition projects to create more synergies, developing the domestic and overseas sales platform for edible fungi as well as improving and optimizing the industrialized fungi cultivation technologies. Meanwhile, the Group will identify other merger and acquisition opportunities so as to further increase its market share and consolidate its leading position in the industry. The Group will put forth its best efforts to become the top leading enterprise in the edible fungi industry of China and maximize value for shareholders of the Company (the “**Shareholders**”) and investors.

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

本集團是中華人民共和國(「**中國**」)領先的食用菌產品綜合供應商。在食用菌工廠化生產、食用菌初深加工食品生產及銷售、國內外食用菌銷售平台方面均表現優異，處於行業領先地位。公司生產的產品涵蓋杏鮑菇、香菇等各類新鮮食用菌，初級加工的水果、食用菌罐頭以及休閒食品等。本集團目前已形成食用菌技術研發、種植、初深加工、產品銷售的垂直一體化經營。公司行業技術先進，已獲得「農業產業化國家重點龍頭企業」、「全國食用菌行業優秀龍頭企業」等眾多榮譽及獎項。

2017年是本集團發展壯大、實現企業轉型升級的關鍵年。集團將「打造中國生命健康全產業鏈」作為企業願景，將發展的觸角向食用菌精深加工方向延伸。集團與日本醫學科研機構合作研製的高附加值食用菌保健產品，已於2017年正式在日本及新加坡市場銷售。依托日本先進的研發及生產技術，產品功效卓著，廣受肯定及歡迎，並計劃進軍港澳零售市場。2017年，集團完成對兩家同業的策略性併購，成功實現企業的橫向擴大，對集團擴充產能、提升食用菌種植技術、引進新菌種以及進入新市場意義重大。

未來，集團將進一步強化「食用菌全產業鏈第一品牌」的戰略地位，全力推進食用菌大健康保健產品的研發及銷售，整合收購項目以創造更多協同效應，開拓國內外食用菌銷售平台，全面提升優質工廠化菌種種植技術，並持續物色其他併購機會，進一步擴大市場份額及鞏固行業龍頭地位。本集團將盡己所能，以成為中國食用菌行業領導者為己任，為本公司股東(「**股東**」)及投資者創造最大價值。

## Corporate Information 公司資料



### BOARD OF DIRECTORS

#### Executive Directors

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

#### Non-executive Director

Zhang Lin

#### Independent Non-executive Directors

Mak Hing Keung Thomas  
Lou Robert Hsiu-sung  
Cheng Hiu Yung

### JOINT COMPANY SECRETARIES

Zheng Ruyan  
Ng Wing Shan

### AUTHORISED REPRESENTATIVES

Zheng Ruyan  
Ng Wing Shan

### AUDIT COMMITTEE

Mak Hing Keung Thomas (*Committee Chairman*)  
Lou Robert Hsiu-sung  
Cheng Hiu Yung

### NOMINATION COMMITTEE

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

### REMUNERATION COMMITTEE

Cheng Hiu Yung (*Committee Chairman*)  
Zheng Songhui  
Mak Hing Keung Thomas

### 董事會

#### 執行董事

鄭松輝 (*主席兼行政總裁*)  
鄭天明  
鄭如燕

#### 非執行董事

張琳

#### 獨立非執行董事

麥興強  
樓秀嵩  
鄭曉勇

#### 聯席公司秘書

鄭如燕  
吳詠珊

#### 授權代表

鄭如燕  
吳詠珊

#### 審核委員會

麥興強 (*委員會主席*)  
樓秀嵩  
鄭曉勇

#### 提名委員會

鄭松輝 (*委員會主席*)  
樓秀嵩  
鄭曉勇

#### 薪酬委員會

鄭曉勇 (*委員會主席*)  
鄭松輝  
麥興強

**PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

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

**HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

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

**PRINCIPAL BANKER**

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

**REGISTERED OFFICE**

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

**HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC**

8th Floor, Building No. 10  
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Siming District, Xiamen  
China

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

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28 Queen's Road East, Wanchai  
Hong Kong

**STOCK CODE**

6183

**WEBSITE ADDRESS**

[www.china-greenfresh.com](http://www.china-greenfresh.com)

**主要股份過戶登記總處**

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

**香港股份過戶登記分處**

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
22樓

**主要往來銀行**

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

**註冊辦事處**

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

**中國總辦事處及主要營業地點**

中國  
廈門思明區  
觀音山運營中心  
10號樓8樓

**香港主要營業地點**

香港  
灣仔皇后大道東28號  
金鐘匯中心18樓

**股份代號**

6183

**網址**

[www.china-greenfresh.com](http://www.china-greenfresh.com)

## Chairman's Statement 主席報告



**Zheng Songhui**

Chairman

主席  
鄭松輝

On behalf of the board (the **"Board"**) of directors (the **"Directors"**) of CHINA GREENFRESH GROUP CO., LTD. (the **"Company"**), I am pleased to present the annual results of the Company and its subsidiaries (the **"Group"** or **"We"**) for the financial year ended 31 December 2017 (the **"Year"**).

In 2017, the global economy experienced the fastest pace of growth over the last decade under the backdrop of considerable recovery. As one of the major impetus to global economy, China, with steady, well progressing and better-than-expected economic development, has shown its outstanding performance in 2017. China recorded the first-ever Gross Domestic Product (GDP) of over RMB80 trillion for the year, amounting to approximately RMB82.7 trillion and representing a year-on-year increase of 6.9%. Among which, the total retail sales of consumer goods for the year was approximately RMB36.6 trillion, representing a year-on-year increase of 10.2%.

In terms of the development trend of the edible fungi industry, there was continuous and even accelerated industry integration, and the preliminary manifestation of the scale of economy was seen in 2017. According to the research statistics published by the Mushroom Market of China (中國食用菌商務網), during the five year period from 2012 to 2017, the number of enterprises engaging in industrialized cultivation of edible fungi in China dropped by more than 200, reflecting the gradual optimization of market integration. Meanwhile, the production volume of edible fungi in China continued to grow, with total output value ranking sixth across the nation, second only to grain, cotton, oil, vegetables and fruits. All in all, heading towards increasing integration, the edible fungi industry of China will have its industrialized production capability and efficiency persistently improving.

本人謹代表中國綠寶集團有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(「集團」、「本集團」或「我們」)截至2017年12月31日止財政年度(「本年」或「本年度」)的業績。

2017年，世界經濟出現了明顯的復蘇態勢，迎來了近十年來最大程度的增速。作為全球經濟增長的主要推動力量之一，中國經濟在2017年表現優異，全年經濟運行穩中向好、好於預期。全年，中國國內生產總值首次超過人民幣80萬億元，約達人民幣82.7萬億元，同比增長6.9%。其中，全年社會消費品零售總額約達人民幣36.6萬億元，同比增加10.2%。

從食用菌行業發展趨勢來看，2017年，行業繼續經歷整合和加速發展，規模效益初步顯現。根據中國食用菌商務網調查數據顯示，2012年至2017年五年期間，中國食用菌工廠化生產企業已減少二百餘家，反映市場逐步優化整合。而中國食用菌產量持續增長，總產值在中國種植業中排名僅次於糧、棉、油、菜、果，位居第六位。總體而言，中國食用菌行業呈現日益集中、工廠化生產能力與效率不斷提高的發展態勢。

## Chairman's Statement 主席報告

During the Year, driven by two favourable conditions of booming macro-economy and industrial restructuring, the Group was able to grasp the opportunities to realize a leapfrog in its development. The Company recorded satisfactory operating results for the Year with revenue of approximately RMB1,064.25 million, while the gross profit before fair value adjustment on biological assets was approximately RMB245.13 million (before business tax, other taxes and auxiliary charges).

2017 demonstrated an important development milestone of the Group. Not only did we completed the transformation and upgrade of the Group, and implemented the planned merger and acquisition strategies as scheduled, but also devoted our vigorous effort to pave the way towards comprehensive industrial chain. During the Year, leveraging on its advantage of focusing on industrialized cultivation of edible fungi, the Group eliminated outdated capacity, further optimized the production process and strengthened the setting up of domestic channels. With unremitting efforts in building up a “Comprehensive Industrial Chain for Life Healthcare in China”(中國生命健康全產業鏈), the Group carried out upgrades and replacements in four kinds of edible fungi products for general healthcare which were researched, developed and produced in Japan, and formed a strategic alliance with a leading general health product distributor in Singapore to build up all-round sales deployment and network in Asia, striving to march on the Chinese markets and further sharpen China Greenfresh's image of being the top brand in the edible fungi industrial chain. In addition, by persistently implementing strategic acquisition strategies, the Group completed the mergers and acquisitions of two peer companies, namely Zhangzhou Changfeng Edible Fungi Co., Ltd.\* (漳州市長豐食用菌有限公司) (“**Zhangzhou Changfeng**”)<sup>1</sup> and Guangxi Jiabao Food Group Co., Ltd.\* (廣西嘉寶食品集團有限公司) (“**Guangxi Jiabao**”)<sup>2</sup> in December 2017, which were of great significance to the Group in terms of introduction of precious kinds of fungi, expansion of production scale, improvement of production technologies, development of new sales channels and extension of market shares.

While working on business expansion, the Group always remember to contribute to the society. As a social responsible enterprise, the Group is always keen to advocate and implement the spirit of public welfare. In 2017, the Group participated numerous public welfare activities, namely the establishment of “Greenfresh Incentive Scholarship”(綠寶勵志助學金) at the College of Life Science of Fujian Agriculture and Forestry University, organization of “Delivering Love and Warmth to our Children Together with Greenfresh”(愛暖童心·綠寶同行), an activity which cares for children, as well as an activity for Fathers' Day known as “Filial Piety

回顧年內，在宏觀經濟向好、行業結構調整的雙重利好背景支持下，本集團抓住機遇，實現了集團跨越式的發展。年內，本公司錄得理想的經營業績，實現營業收入約人民幣1,064.25百萬元；生物資產公允值調整前毛利約為人民幣245.13百萬元(未扣除營業稅，其他稅金及附加)。

2017年是本集團發展的重要里程碑，我們順利完成企業的轉型與升級，按時實施既定的併購戰略，在打造全產業鏈的戰略道路上孜孜精進。年內，本集團在專注發揮食用菌工廠化種植優勢的基礎上淘汰落後產能，進一步優化生產工藝，並加強國內渠道的建設。集團在打造「中國生命健康全產業鏈」方面亦持續發力，實現了四款在日本研發生產的食用菌大健康保健產品的更新換代，並與新加坡領先大健康產品銷售渠道商建立了戰略合作關係，建立亞洲全方位的銷售布局及網絡，進軍華人市場，進一步深化中國綠寶作為食用菌全產業鏈的第一品牌形象。除此之外，集團堅定執行策略性收購策略，於2017年12月順利完成對漳州市長豐食用菌有限公司(「**漳州長豐**」)<sup>1</sup>和廣西嘉寶食品集團有限公司(「**廣西嘉寶**」)<sup>2</sup>兩家同業的併購，在集團引入珍貴菌種產品、擴大生產規模、提升生產技術、發展新銷售渠道、擴大市場佔有率等方面意義重大。

在企業發展壯大的路上，集團始終不忘回饋社會。作為極具社會責任感的企業，本集團向來是公益精神的傳播者和實踐者。2017年，本集團於福建農林大學生命科學學院設立「綠寶勵志助學金」，開展了「愛暖童心·綠寶同行」關愛兒童的公益活動和「百舸爭流，孝恩先行」的感恩父親節活動等諸多公益活動。身處事關人類健康的食品行業，我們嚴格遵守食品安全、環境保護等國家政策，年內淘汰了部分落後的產能，更專注發展食

1 Zhangzhou Changfeng is an indirect subsidiary of Mega Rainbow International Limited (“**Zhao Hong**”), a company incorporated in the British Virgin Islands with limited liability.

2 Guangxi Jiabao is an indirect subsidiary of Lucky Max Development Limited (“**Lucky Max**”) a company incorporated in the British Virgin Islands with limited liability.

1 漳州長豐為兆虹國際有限公司(簡稱「**兆虹**」，一間於英屬處女群島註冊成立之有限公司)之間接附屬公司。

2 廣西嘉寶為Lucky Max Development Limited(簡稱「**Lucky Max**」，一間於英屬處女群島註冊成立之有限公司)之間接附屬公司。

## Chairman's Statement 主席報告



Be First Priority Albeit Fierce Rivalry” (百舸爭流，孝恩先行). Engaging in the food industry which impacts human health, we had eliminated some outdated capacity so as to focus on the industrialized cultivation of edible fungi in strict compliance with the national policies in respect of food safety and environmental protection. We strongly believe proper execution of environmental protection policies will urge us to improve production process. Our effort has been greatly encouraged as the Group gained high recognition from the industry by winning the “Best Responsible Entrepreneurship Awards”(最佳企業社會責任獎) by the Fujian Edible Fungi Institute (福建省食用菌學會) during the Year.

The year 2017 marked a new start for the Group's development, which has been moving forward based on corporate transformation, while in the year 2018, we will carry out all-round business upgrades in order to consolidate the advantages of industrialized cultivation of king trumpet mushroom, continuously improve our sales network, further pursue opportunities for strategic merger and acquisition, and devote our best endeavor to develop the new segment of edible fungi products for general healthcare, targeting to become a highly competitive top-notch enterprise in the edible fungi industry in China.

Our every success relies mostly on the unremitting dedication of all of our staff as well as the strong support from various sectors of the community and the investors. On behalf of the Board, I hereby express my wholehearted gratitude to all the staff of the Group, the Shareholders and all of our customers and acquaintances.

**Zheng Songhui**  
*Chairman*

Hong Kong, 28 March 2018

用菌的工廠化種植。我們堅信，更好地執行環保要求是我們的職責，亦將鞭策我們進一步提升生產工藝。年內，本集團的各項努力得到行業的高度肯定，獲福建省食用菌學會頒發「最佳企業社會責任獎」，使我們備受鼓舞。

2017年是本集團發展道路上一個嶄新起點。我們在企業轉型升級的基礎上將繼續向前邁進。2018年，我們將進行全方位的業務升級，穩固在杏鮑菇工廠化方面的種植優勢，持續完善銷售網絡的建設，進一步尋求策略性併購的機會，並將大力發展食用菌大健康保健產品的新業務，致力成為中國極具競爭力的食用菌行業標杆企業。

我們所取得的每一個傲人的成就，都離不開全體員工的不懈努力，離不開社會各界及投資者的鼎力支持。在此，本人謹代表董事會向集團全體員工、股東、廣大客戶朋友，致以誠摯的謝意！

主席  
鄭松輝

香港，2018年3月28日



## Management's Discussion and Analysis 管理層討論與分析

### SUMMARY AND OVERVIEW

The Group is a leading integrated service provider of comprehensive edible fungi industrial chain in China. On 18 June 2015, the Group was successfully listed on the Stock Exchange and became the first Chinese edible fungi enterprise listed in Hong Kong. Entering into the capital market marked a new start for the Group's realization of leapfrog in its business development. After years of development, the Group accumulated extensive experience in industrialized production of edible fungi, primary and intensive processing of edible fungi products, domestic and overseas sales platform as well as research, development and sales of edible fungi products for general healthcare.

In 2017, the global economy experienced persistent expansion and the prosperous condition was encouraging, while China enabled full capitalization of its economic vitality, motivation and potentials, with its sustainability getting considerably stronger, and achieved steady and healthy growth. Sound overseas economic condition undoubtedly brought tremendous opportunities for industries and enterprises, and at the same time, integration of edible fungi industry continued, causing fragmented and outdated companies to be eliminated and stronger enterprises to grasp golden opportunities of merger, acquisition and expansion.

During the Year, the Group conducted persistent implementation of its planned strategies to realize its transformation and upgrade, the major results of which include:

- Continuous input of efforts to improve the quality of edible fungi products for general healthcare and extend the sales channels. The Group's edible fungi products for general healthcare achieved technological breakthrough at the research and development base in Japan, the second generation of high quality healthcare products were unveiled in Singapore and Japan with satisfactory market response. In respect of sales, in August 2017, the Group entered into a strategic cooperation agreement with Singapore Holly Biotechnology Pte. Ltd. ("**Singapore Holly**") to extend the reach of the Group's edible fungi products for general healthcare to Asia market by leveraging on the extensive sales network of Singapore Holly.

### 簡介及概覽

本集團是一家中國領先的食用菌全產業鏈綜合服務商。2015年6月18日，本集團順利在聯交所掛牌上市，成為首家在香港上市的中國食用菌企業。成功登陸資本市場，是本集團實現跨越式發展的嶄新起點。經過多年的發展，集團在食用菌工廠化生產及初深加工食用菌食品、國內外銷售平台、食用菌大健康保健產品研發及銷售等領域累積了豐富的經驗。

2017年，全球經濟持續擴張，向好局面令人欣喜；中國經濟活力、動力和潛力亦在這一年得到釋放，可持續性明顯增強，實現了平穩健康的增長。良好的外部經濟局勢無疑為行業和企業的發展造就了機遇。與此同時，食用菌行業繼續經歷行業整合，分散而落後的企業逐步遭市場淘汰，實力較強的企業則迎來收購合併、擴大規模的好時機。

年內，本集團堅定地實施年初的既定戰略，順利實現企業的轉型升級，取得的主要成果包括：

- 在提升食用菌大健康保健產品質量、拓寬銷售渠道業務方面持續發力。本集團的食用菌大健康保健產品在日本的研發基地取得進一步的技術突破，並於新加坡及日本市場全面推出第二代高質量保健產品，市場反應極好。在銷售方面，2017年8月，本集團與新加坡和儂生物科技有限公司（「**新加坡和儂**」）簽訂戰略合作協議，借助新加坡和儂的諸多渠道優勢，為本集團食用菌大健康保健產品打開亞洲市場。

## Management's Discussion and Analysis 管理層討論與分析



- Successful acquisitions of two peer companies. In December 2017, the Group successfully acquired two peer companies, namely Mega Rainbow International Limited (“**Zhao Hong**”) and Lucky Max Developments Limited (“**Lucky Max**”), at a total consideration of approximately RMB374.4 million. Upon the completion of the acquisitions, Zhao Hong and Lucky Max became the subsidiaries of the Company. Such that, the Company indirectly holds 86% equity interests in Zhangzhou Changfeng Edible Fungi Co., Limited (“**Zhangzhou Changfeng**”), which is held by Zhao Hong and 48.7% equity interests in Guangxi Jiabao Food Group Co., Ltd. (“**Guangxi Jiabao**”), which is held by Lucky Max. For details of the acquisitions, please refer to the announcements of the Company dated 5 December 2017, 22 December 2017, 29 December 2017 and 9 January 2018. Zhangzhou Changfeng is a leading industrialized production enterprise of king trumpet mushroom in China, which possesses state-of-the-art biological technology of liquid spawn and has already possessed major market share in the Southern China market. Upon acquisition, the Group will be able to capture a larger market share through multi-brand strategies. Guangxi Jiabao is a leading enterprise of frozen food and processed canned food products in China, which has outstanding sales performance in overseas markets such as the US, Canada, Europe, etc., and possesses the advanced technology of industrialized production of a precious kinds of fungi, the black tritermitomyces albuminosus. The acquisition will help the Group’s fresh edible fungi products to enter into the European and the US market and expand the Group’s portfolio of fungi and canned food products. These two acquisitions have provided the Group with stronger support to the edible fungi production technologies, accelerated the overall production capacity increase of the Group, extended the Group’s foothold to global market and, to a larger extent, enhanced the Group’s competitiveness, thereby further solidifying the Group’s leading position in the industry.
- Further expansion of sales network. Building on the sales network established in 2016, the Group continued the consolidation thereof during the Year. Currently, there are 13 operating subsidiaries in, among others, China, Japan and Singapore with over 130 customers and distributors across the nation.
- Gradual elimination of outdated capacity and focusing on industrialized production. Through long-term focus on healthy and environment-friendly products and comprehensive monitoring system covering all production procedures, the Group was able to carry out strategic elimination of outdated capacity during the Year and focus its resources on the optimization of the industrialized fungi cultivation so as to enhance production efficiency and quality. Such measures, as expected, had resulted in a temporary shrivel of the corresponding production capacity, however, in the long run, a steady growth of the industrialized production plant of edible fungi can be facilitated through upgraded technology and pursuit of opportunities for mergers and acquisitions. Such plan is consistent to the Group’s philosophy of “Green Production”.
- 順利收購兩家同業企業。2017年12月，本集團以總代價約人民幣374.4百萬元順利完成對兆虹國際有限公司(「兆虹」)及Lucky Max Developments Limited(「Lucky Max」)兩家同業企業的收購。完成收購後，兆虹及Lucky Max成為本公司之附屬公司，本公司從而間接持有由兆虹持有的漳州市長豐食用菌有限公司(「漳州長豐」)86%股本權益及間接持有由Lucky Max持有的廣西嘉寶食品集團有限公司(「廣西嘉寶」)48.7%股本權益(有關收購詳情，請參閱本公司日期為2017年12月5日、2017年12月22日、2017年12月29日及2018年1月9日之公告)。漳州長豐是中國行業領先的大型杏鮑菇工廠化生產企業，擁有先進的液體菌種生物技術，在華南市場擁有較高市場佔有率，併購後有助本集團以多品牌策略搶佔更大市場份額。而廣西嘉寶是中國速凍及加工罐頭食品龍頭企業，產品暢銷美國、加拿大、歐洲等海外市場，並掌握珍貴菌種黑皮雞枞菌的工廠化高產技術，併購後有助本集團開啟歐美的新鮮食用菌市場，拓闊本集團菌種及罐頭食品種類。兩項收購均為本集團提供更加強大的食用菌種植生產技術支援，迅速增大本集團的整體產能、拓展區域乃至環球銷售市場，將極大程度地提升本集團的競爭力，進一步鞏固本集團的行業龍頭地位。
- 進一步拓展銷售渠道建設。在2016年大力建設銷售渠道的基礎上，集團於年內持續鞏固該項業務的發展，目前於中國、日本及新加坡等地設立13間運營公司，在全國範圍內擁有130餘家客戶及經銷商。
- 逐步淘汰落後的產能，專注工廠化生產。本集團長期致力打造健康綠色產品，對各個生產環節建立嚴密的監控體系。年內，本集團對落後產能實施策略性淘汰，以集中資源發展優質工廠化菌種種植，提升生產效率及質量。這項措施一如預期導致本集團的相應產能暫時萎縮，但長遠而言，本集團將透過升級生產工藝及尋找併購機會來促進食用菌工廠化生產穩步發展，這亦與本集團所秉持的「綠色生產」理念一致。

## SPECIFIC BUSINESS ANALYSIS

Analysis on each business segment of the Group are set out below.

### Edible Fungi Products for General Healthcare

The segment of edible fungi products for general healthcare had been one of the development directions in 2017, which represented a profound exploration of the industrial chain of edible fungi and an important milestone of the Group's transformation. During the Year, through in-depth cooperation with certain medical and scientific technology research institutions like Japan Oriental Medical Research Center (日本東洋醫學研究所) and Kumamoto University, as well as proper utilization of the advanced medical technologies overseas, the Group has developed "CAMBO" (康寶) series of edible fungi products for general healthcare, which include: (i) FUSION (福祿仙顆粒), which helps strengthen the immune system of humans by the essence extracted from ganoderma amboinense, a major ingredient which can only be found in Kumamoto, Japan; (ii) ECONB (康益寶膠囊), which, with major ingredients including ganoderma amboinense powders and western ginseng, has the functionality of liver protection, (iii) LACTOBACILLUS (素然片), which contains biodiasmin and fish scale collagen to improve intestinal immunity, and (iv) COLLAGEN ESSENCE (膠原精華), which uses collagen protein extracted from fishes and has an excellent effect in terms of skin care. The second generation of these four products are currently under production. With prominent effects, they are well-received by the market and the relevant products had been launched in the second half of 2017. For the year ended 31 December 2017, the business segment of general healthcare products achieved a sales revenue of approximately RMB7.64 million.

## 具體業務分析

下面我們將分別對集團各業務模塊進行分析。

### 食用菌大健康保健產品

食用菌大健康保健產品業務是我們2017年既定的戰略發展方向之一，是本集團向食用菌產業鏈精深方向延伸發展、企業實現轉型升級的重要標誌。年內，本集團與日本東洋醫學研究所、熊本大學等醫藥科研機構深入合作，依託海外先進的醫藥技術，共同研發出「康寶」系列食用菌大健康保健產品，分別為：(i)福祿仙顆粒，選用日本熊本地區特有的鹿角靈芝提取精華為主要原料，有效強化人體免疫系統；(ii)康益寶膠囊，選用鹿角靈芝粉末與西洋參為主要原料，是具有護肝作用的保健品；(iii)素然片，選用活性乳酸菌及魚鱗膠原蛋白，有效提升腸道免疫力；以及(iv)膠原精華，選用魚類膠原蛋白，在美容養顏方面有卓越功效。目前，這四款產品均已投入第二代生產，功效卓越，廣受市場認可。有關產品於2017年下半年已推出市場，截至2017年12月31日止年度，大健康保健產品業務實現銷售收入約人民幣7.64百萬元。





### King Trumpet Mushrooms

The Group had paid unremitting effort in the industrialized production of king trumpet mushrooms so as to achieve ceaseless supply to customers and guarantee the quality and safety of the finished product of king trumpet mushrooms. Sales from the cultivation of king trumpet mushrooms has always contributed the majority of the Group's revenue and also forms a basis of profitability for the Group. During 2017, sales of king trumpet mushrooms contributed revenue of approximately RMB372.73 million, representing approximately 35.02% of the Group's annual revenue.

### Button, Straw and Shiitake Mushrooms

Building on the established cultivation base of button and straw mushrooms, a modern cultivation plant was set up in Pingquan County, Hebei in 2016, in which the industrialized production of shiitake mushrooms was introduced. To respond to the higher level of required standards on environmental protection announced by the state and local governments, as well as to improve the overall production technology of the Group, we had eliminated the outdated production facilities for button and straw mushrooms during the Year, which resulted in shrivel of the corresponding business. In 2017, the sales revenue of button, straw and shiitake mushrooms was approximately RMB176.37 million, representing approximately 16.57% of the Group's annual revenue.

### Processed Food Products

The processed food products supplied by the Group include canned edible fungi, canned vegetables and fruits, brined mushrooms, preserved mushrooms, etc. Since the commencement of processed canned food segment in 1995, the Group has accumulated extensive experience and a long-term and stable base of domestic and international customers. In 2017, the segment contributed revenue of approximately RMB99.14 million, accounting for approximately 9.32% of the Group's annual revenue.



### 杏鮑菇

本集團杏鮑菇業務施行全年不間斷工廠化生產，實現對客戶持續不斷的穩定供應，並能確保杏鮑菇成品的質量及安全性。杏鮑菇種植業務銷售收入是本集團收入的最大組成部分，是集團利潤形成的基礎。2017年全年，杏鮑菇銷售業務為集團貢獻收入約人民幣372.73百萬元，約佔本集團全年收入的35.02%。

### 蘑菇、草菇及香菇

在原有蘑菇、草菇種植基礎上，本集團於2016年在河北平泉縣設立現代化香菇種植工廠，引入香菇工廠化種植業務。為響應國家及地方政府更高標準的環保要求，也為全面提升本集團生產工藝，我們於年內淘汰了蘑菇及草菇的落後生產設備，導致此項業務相應萎縮。2017年全年，蘑菇、草菇和香菇合併業務銷售收入約人民幣176.37百萬元，約佔本集團全年收入的16.57%。

### 加工食品

本集團加工食品業務包括食用菌罐頭、蔬菜水果罐頭、鹽水菇、醬腌菇等。本集團自1995年開始開展罐頭加工業務，擁有豐富的經驗，並已累積長期而穩定的國內及國際客戶資源。2017年，加工食品業務為集團帶來約人民幣99.14百萬元收入，約佔本集團全年收入的9.32%。



### Trading through Domestic Network

We consider further extension of sales network for edible fungi to be beneficial to the Group's realization of national coverage and effective increase in market share. With basic success in the set-up of national sales channels and network since 2016, the Group had further explored and developed regional sales channels with higher growth potentials in 2017 so as to achieve nation-wide sales of market-needed edible fungi and vegetables procured through its own distribution model. During the Year, the Group had achieved a better result in the segment of trading through domestic network, which contributed revenue of approximately RMB160.81 million, accounting for approximately 15.11% of the Group's annual revenue.

### International Trading of Food

International trading of food business represents cross-border trading of edible fungi, fresh fruit and vegetables, canned food, frozen food and edible fungi healthcare products, etc. in the countries and regions such as the PRC, Hong Kong, Japan and Singapore. In 2017, the international food trading segment continued its steady growth and contributed sales revenue of approximately RMB255.20 million, accounting for approximately 23.98% of the Group's annual revenue.

### PROSPECT

In recent years, a year-on-year increase has been seen in the consumption proportion of edible fungi in China, which reflects a consistent link between the edible fungi industry, being a green and healthy industry, and the consumers' pursuit of scientific diet and balanced nutrition under a sonic lifestyle nowadays. In respect of industry development, while undergoing rapid growth, the edible fungi industry of China has strived to improve quality, increase efficiency and conduct gradual integration in response to the market trend. Medium-to-large enterprises possessing advanced production technologies have accelerated their progress on mergers and acquisitions, while small enterprises are eliminated gradually. The Group believes the competitive landscape of the industry will bring about golden opportunities for development to the Group.

On the other hand, along with better economic and social development, people are becoming more health-conscious, and so does the State who places high emphasis on public health. "2030 Planning Outlines for Healthy China" (《健康中國2030規劃綱要》) promulgated by the State Council of the PRC in 2016, which acts as a framework for the "Building of Healthy China" for the coming decade, pinpoints that public health is the basis of the State's sustainable development, and the raising of public health awareness and announcement of favourable government policies are the impetus to the development of general healthcare industry. The Group believes that the market of the general healthcare products embodies enormous growth potentials. In the segmental market, edible fungi healthcare products containing natural herb ingredients are gaining increasing acceptance and recognition from the public for its excellent effects and starts to stand out in the general healthcare product industry. As such, we are of great confidence in the development of the business of edible fungi products for general healthcare.

### 國內渠道銷售

我們認為，進一步拓展現有食用菌銷售渠道有利於集團實現全國覆蓋並有效地提高市場佔有率。自2016年起，本集團已基本實現銷售渠道及網絡全國佈局的目標，並於2017年繼續深化及拓展具有較高增長潛力的地區銷售渠道，依託自有經銷模式採購市場所需的食用菌及蔬菜，銷往全國。年內，本集團成功在國內銷售渠道業務方面實現進一步的提升，此板塊業務收入約人民幣160.81百萬元，約佔本集團全年收入的15.11%。

### 國際食品貿易

國際食品貿易業務是於中國、香港、日本、新加坡等國家和地區進行跨境食用菌、新鮮水果及蔬菜、罐頭食品、急凍食品及食用菌保健產品等之貿易業務。2017年，國際食品貿易業務繼續穩定發展，實現銷售收入約人民幣255.20百萬元，約佔本集團全年收入的23.98%。

### 展望

近年來，中國食用菌消費比重逐年增加，反映食用菌行業作為綠色健康產業與現代快速節奏生活方式下提倡科學飲食、平衡營養的消費需求相契合。從行業發展角度來看，中國食用菌行業在快速發展的同時，亦順應著市場發展的規律，提質增效、逐步整合，擁有先進生產技術的大中型企業加快收購兼併的步伐，而小企業則逐步被市場淘汰。本集團認為，行業的競爭格局使本集團迎來一個更好的發展時機。

另一方面，隨著經濟的發展和社會的進步，人們對自身健康日益關注，國家亦對公民健康極為重視。中國國務院於2016年頒佈的《健康中國2030規劃綱要》指出，國民健康是國家可持續發展的基礎條件，該規劃綱要成為未來十餘年「健康中國建設」的綱領性文件。公民健康意識的提升、國家利好政策的頒佈，成為大健康保健產業發展的推動力量。本集團認為，大健康保健產品市場未來發展潛力無限。而在細分市場中，食用菌保健產品以其天然的草本成分以及卓越的產品功效，越來越為廣大人群所接受與推崇，在大健康保健產品中漸漸嶄露頭角。據此，我們對集團食用菌大健康保健產品業務懷有極大的信心。

## Management's Discussion and Analysis 管理層討論與分析



In face of the rapid growth of edible fungi industry, an intense competitive landscape of survival of the fittest and the booming development of the general healthcare products, the Group needs to capture opportunities and overcome challenges. As the only Hong Kong-listed enterprise in the industry, the Group is striving to carry out cautious development layout by fully leveraging on its way to capital market through listing.

In 2018, in addition to its first priority of consolidating its leading position as the top manufacturer of king trumpet mushrooms in China by fully capitalizing on its own edge, the Group will also actively seek for new kinds of fungi which are suitable for industrialized production so as to expand product portfolio. The successful acquisitions of Zhangzhou Changfeng and Guangxi Jiabao by the end of 2017 enable further improvement in production technologies, replenishment of production capacity and expansion of market penetration in the future. Looking forward, the Group will continue to seek for opportunities for strategic merger and acquisition of peer companies and regional sales channels in order to realize operation scale expansion.

Besides, the edible fungi products for general healthcare with high added value will be a key focus of the Group. Currently, the four healthcare products jointly researched and developed, produced and sold with the scientific institutions from Japan and Singapore have gained high recognition from the market and started to contribute sales revenue to the Group. The good response of the market affirms the Group's determination to commence vertical development of edible fungi products for general healthcare. Currently, the Company has already tried further endeavor to the research and development of edible fungi products for general health and had unveiled the "520 International" (520 國際) series of product. It plans to commence penetration into the retail market in Hong Kong and Macau. Further endeavor will be devoted to the research and development of intensive processing of edible fungi so as to launch new products to satisfy market demand. It will also actively explore the application of extracted essence from edible fungi on, for example, high-end skin care and cosmetic products. Being a unique technology among its domestic peers and an important future development approach of the Group, the intensive processing of edible fungi will definitely be a source of considerable profits before long.

With the level of industrialization lifting, the production volume of edible fungi has been significantly increased. As high efficient transportation of, and distribution to customer of fresh edible fungi products is becoming more important, the Group will strengthen its domestic sales network and rationalize the sales radius of edible fungi through self-established sales channels and networks. Moreover, with the further optimization of its domestic sales channels, such business will contribute more revenue to the Group.

Looking forward, the Group will uphold its usual, active approach on the way to the cultivation, research and development, production and sales of edible fungi, dedicating itself to the intensive exploration of comprehensive industrial chain of edible fungi. Adhering to its mission and vision of being a top-notch enterprise in the edible fungi industry, the Group will try its best endeavor to generate maximum value to shareholders of the Company (the "**Shareholders**") and investors.

食用菌行業快速增長、優勝劣汰的競爭新格局以及大健康保健產業的向好局面，對本集團而言，既是機遇又是挑戰。作為行業內唯一一家在香港上市的企業，本集團正致力於充分利用上市後搭建的資本市場平台為集團的發展縝密佈局。

2018年，本集團首先將進一步發揮主業優勢，繼續鞏固其為中國杏鮑菇第一大生產廠商的龍頭地位，同時積極尋求適合進行工廠化生產的新菌種，拓寬產品線。本集團於2017年底順利完成對漳州長豐、廣西嘉寶的併購，為未來進一步提升生產技術、補充產能、擴大市場佔有率提供極大幫助。未來，本集團將繼續物色策略性收購同類企業、以及區域性銷售渠道的併購機會，擴大集團規模。

同時，本集團將著重發展高附加值的食用菌大健康保健產品市場。目前本集團與日本、新加坡科研機構共同研製、生產和銷售的四款保健品已獲得了廣泛的市場認可，開始為集團貢獻銷售收入。市場的良好反響堅定了本集團縱深發展食用菌大健康保健產品業務的決心。目前，公司已加大食用菌大健康保健產品的研發力度，研發出「520國際」系列產品，計劃進軍港澳零售市場。未來，本集團將持續加大對食用菌精深加工的研發投入，開發更多新產品滿足市場需求，並積極研究食用菌萃取精華的應用開發，如將之運用於高端護膚品、化妝品等。食用菌精深加工方向在國內同業中絕無僅有，是本集團未來堅持發展的一個重要方向，相信不久將成為本集團一個強勁的利潤增長點。

隨著行業內工廠化程度的提高，食用菌產量得到較大提升，實現高效率食用菌產品新鮮運輸、分銷以至送達客戶，顯得尤為重要。本集團將強化建設國內銷售渠道網絡，透過自建銷售渠道及網絡實現食用菌銷售半徑的更加合理化。同時，隨著國內銷售渠道建設進一步優化，該項業務將為集團貢獻更多的收入。

未來，本集團將一如既往地種植、研發、生產、銷售食用菌產品的道路上積極前行，投身於食用菌全產業鏈的深入發展。本集團以成為食用菌行業標杆企業為使命和願景，將盡全力為本公司股東（「股東」）及投資者創造最大的價值！

## Management's Discussion and Analysis 管理層討論與分析

### USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

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

		Percentage	Proceeds	Amounts utilised as of 31 December 2017
		佔比 (%)	籌集款項 (RMB million) (人民幣百萬元)	截至2017年12月31日已使用金額 (RMB million) (人民幣百萬元)
Developing the Guangxi Biological Technology Food Industry Park	發展廣西生物技術食品工業園	31.1	138.39	–
Developing the Zhangzhou Biological Technology Food Industry Park	發展漳州生物技術食品工業園	37.7	167.76	–
Acquiring two king trumpet mushroom cultivation facilities in China	收購兩處位於中國的杏鮑菇種植基地	25.7	114.36	114.36
Acquiring laboratory and testing equipment	收購實驗室及檢測設備	1.1	4.90	–
Construction of mushroom garden	興建菇類種植園	1.1	4.90	–
Working capital and other general corporate purpose	營運資金及其他一般公司用途	3.3	14.68	–
		100	444.99	114.36

### 首次公開發售所得款項用途

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

### FINANCIAL REVIEW

#### Revenue and gross profit

The Group recorded revenue of approximately RMB1,064.25 million during the Year (2016: RMB1,086.22 million), representing a decrease of approximately 2.02%. In which, sales of (I) king trumpet mushroom; (II) button mushroom, straw mushroom and shiitake mushroom; (III) canned food; (IV) other processed food products; (V) trading through domestic network; and (VI) international trading of food were approximately RMB372.73 million, RMB176.37 million, RMB65.45 million, RMB33.69 million, RMB160.81 million and RMB255.20 million, respectively (2016: RMB362.11 million, RMB191.57 million, RMB76.15 million, RMB52.35 million, RMB150.96 million and RMB253.08 million), representing approximately 35.02%, 16.57%, 6.15%, 3.17%, 15.11% and 23.98% of the turnover of the Group, respectively (2016: approximately 33.34%, 17.64%, 7.00%, 4.82%, 13.90% and 23.30%).

### 財務回顧

#### 收入及毛利

年內，本集團營業收入約為人民幣1,064.25百萬元（2016年：人民幣1,086.22百萬元），下降約2.02%。其中，(I)杏鮑菇、(II)釀菇、草菇及香菇、(III)罐頭食品、(IV)其他加工食品、(V)國內渠道銷售及(VI)國際食品貿易銷售額分別約為：人民幣372.73百萬元，人民幣176.37百萬元，人民幣65.45百萬元，人民幣33.69百萬元，人民幣160.81百萬元及人民幣255.20百萬元。分別約佔本集團收入35.02%，16.57%，6.15%，3.17%，15.11%及23.98%（2016年為：人民幣362.11百萬元，人民幣191.57百萬元，人民幣76.15百萬元，人民幣52.35百萬元，人民幣150.96百萬元及人民幣253.08百萬元，分別約佔本集團收入33.34%，17.64%，7.00%，4.82%，13.90%及23.30%）。

## Management's Discussion and Analysis 管理層討論與分析



The decrease in revenue during the Year was mainly because (1) sales of canned food were affected by the international market, which led to the decrease in sales revenue of the Group; (2) sales of other processed food products diminished, which led to the decrease in sales revenue of the Group; (3) there was a shrink in the cultivation areas for button mushroom and straw mushroom due to the phase out of mushroom houses with obsolete production facilities during the Year, causing a substantial decline in revenue.

本年內收入的下降主要由於(1)本年本集團罐頭食品受國際市場影響，使得本集團銷售收入下降；(2)本年本集團其他加工食品銷量減少，使得本集團銷售收入下降；(3)由於年內本集團淘汰生產設施陳舊的菇房，導致蘑菇、草菇種植面積減少，從而導致收入減少較多。

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

下表載列本集團按產品類別劃分之收入及佔比：

Product categories 產品類別	For the year ended 31 December 2017 截至2017年12月31日止年度		For the year ended 31 December 2016 截至2016年12月31日止年度	
	Revenue RMB'000 人民幣千元	Percentage of sales revenue 佔銷售 收入百分比 (%)	Revenue RMB'000 人民幣千元	Percentage of sales revenue 佔銷售 收入百分比 (%)
King trumpet mushroom 杏鮑菇	372,734	35.02	362,106	33.34
Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇及香菇	176,371	16.57	191,564	17.64
Canned food 罐頭食品	65,448	6.15	76,146	7.00
Other processed food products 其他加工食品	33,692	3.17	52,352	4.82
Trading through domestic network 國內渠道銷售	160,812	15.11	150,964	13.90
International trading of food 國際食品貿易	255,197	23.98	253,084	23.30
Total 合計	1,064,254		1,086,216	



## Management's Discussion and Analysis 管理層討論與分析

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

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

Product categories 產品類別	For the year ended 31 December 2017 截至2017年12月31日止年度					For the year ended 31 December 2016 截至2016年12月31日止年度			
	After fair value adjustment 公允價值調整後		Before fair value adjustment 公允價值調整前		After fair value adjustment 公允價值調整後		Before fair value adjustment 公允價值調整前		
	Gross profit	Gross Profit margin	Gross profit	Gross Profit margin	Gross profit	Gross Profit margin	Gross profit	Gross Profit margin	
	毛利	毛利率	毛利	毛利率	毛利	毛利率	毛利	毛利率	
	RMB'000 人民幣千元	(%) (%)	RMB'000 人民幣千元	(%) (%)	RMB'000 人民幣千元	(%) (%)	RMB'000 人民幣千元	(%) (%)	
King trumpet mushroom 杏鮑菇	106,869	28.67	110,278	29.59	126,297	34.88	129,065	35.64	
Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇 及香菇	69,860	39.61	81,429	46.17	96,276	50.26	90,997	47.50	
Canned food 罐頭食品	15,068	23.02	15,068	23.02	16,078	21.11	16,078	21.11	
Other processed food products 其他加工食品	5,879	17.45	5,879	17.45	9,868	18.85	9,868	18.85	
Trading through domestic network 國內渠道銷售	12,224	7.60	12,224	7.60	15,660	10.37	15,660	10.37	
International trading of food 國際食品貿易	20,249	7.93	20,249	7.93	14,406	5.69	14,406	5.69	
Total 合計	230,149	21.63	245,127	23.03	278,585	25.65	276,074	25.42	

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

下表載列按產品類別劃分之銷量及平均售價：

	For the year ended 31 December 2017 截至2017年12月31日止年度			For the year ended 31 December 2016 截至2016年12月31日止年度	
	Sales volume	Average selling price	Sales volume	Average selling price	
	銷量	平均售價	銷量	平均售價	
	(kilogram) (公斤)	(RMB) (人民幣)	(kilogram) (公斤)	(RMB) (人民幣)	
<b>Fresh edible fungi</b> 新鮮食用菌產品					
King trumpet mushroom 杏鮑菇	52,555,898	7.09	46,478,441	7.79	
Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇及香菇	19,233,453	8.61	22,881,915	8.25	
<b>Processed food</b> 加工食品					
Canned food 罐頭食品	8,041,918	8.14	10,951,171	6.95	
Other processed food products 其他加工食品	2,016,549	16.71	5,050,057	10.37	
<b>Trading of food</b> 食品貿易					
Trading through domestic network 國內渠道銷售	15,098,544	10.65	17,897,572	8.43	
International trading of food 國際食品貿易	23,202,917	11.00	14,604,930	17.33	



### Analysis of the changes in revenue

The revenue of the Group decreased by approximately RMB21.96 million or 2.02% from approximately RMB1,086.22 million for the year ended 31 December 2016 to approximately RMB1,064.25 million for the Year, primarily due to: (I) the drop of sales revenue from button mushroom, straw mushroom and shiitake mushroom of approximately RMB15.19 million or 7.93%; (II) the decline in sales of other mushrooms and brined mushroom of approximately RMB18.66 million or 35.64%; (III) sales of canned food decreased by approximately RMB10.70 million or 14.05%; (IV) the increase in revenue from international trading of food of approximately RMB2.11 million or 0.83%; (V) the increase in revenue from trading through domestic network of approximately RMB9.85 million or 6.52%; and (VI) the rise in revenue from the sales of king trumpet mushroom of approximately RMB10.63 million or 2.93%.

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

The sales volume of king trumpet mushroom for the Year increased by approximately 6,077 tonnes, primarily due to rise in sales orders after optimization of sales channels of the Group during the Year. However, the imbalanced demand and supply of the market resulted in decline in the average unit selling price per kilogram by RMB0.70, therefore causing the overall decrease in the gross profit margin of the king trumpet mushroom during the Year. As sales volume increased and the unit selling price decreased, sales revenue from king trumpet mushroom in 2017 rose by approximately RMB10.63 million as compared to that of the corresponding period of last year, while gross profit margin decreased from 34.88% for the corresponding period of last year to 28.67% for the Year.

### 收入變動分析

本集團收入由截至2016年12月31日止年度約人民幣1,086.22百萬元下降約人民幣21.96百萬元或2.02%至年內約人民幣1,064.25百萬元，主要由於(I)蘑菇、草菇及香菇銷售收入下降約人民幣15.19百萬元或7.93%，(II)其他菇、鹽水菇銷售下降約人民幣18.66百萬元或35.64%，(III)罐頭食品銷售下降約人民幣10.70百萬元或14.05%，(IV)國際食品貿易銷售收入增長約人民幣2.11百萬元或0.83%，(V)國內渠道銷售收入增長約人民幣9.85百萬元或6.52%及(VI)杏鮑菇銷售收入增長約人民幣10.63百萬元或2.93%。

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

年內杏鮑菇銷量增加約6,077噸，主要是由於本年本集團銷售渠道優化，銷售訂單增加，但由於市場供求失衡影響，平均每公斤銷售單價下降人民幣0.70元，致使年內杏鮑菇整體毛利率降低。由於銷量上升及銷售單價下降，致使2017年杏鮑菇銷售收入比去年同期增加約人民幣10.63百萬元（毛利率由去年同期的34.88%下降為年內的28.67%）。

## Management's Discussion and Analysis 管理層討論與分析

The sales volume of button mushroom, straw mushroom and shiitake mushroom for the Year decreased by approximately 3,648 tonnes, primarily because the Group phased out mushroom houses with obsolete production facilities, which led to drop of the cultivation area for button mushroom and straw mushroom in Fujian province of China. The cultivation area of button mushroom decreased from 890,000 sq.m in the first half of 2016 to 590,000 sq.m in 2017, and that of straw mushroom shrank from 880,000 sq.m in the first half of 2016 to 790,000 sq.m in 2017, resulting in decline in the production volume of button mushroom and shiitake mushroom and therefore drop in sales volume. The average unit selling price per kilogram of button mushroom and straw mushroom for the Year rose by RMB0.45 as compared to that of last year and the average unit selling price per kilogram of the shiitake mushroom segment was RMB6.78, representing an increase of RMB0.72 over that of last year. The unit price of button mushroom, straw mushroom and shiitake mushroom generally increased by RMB0.36 as compared to that of last year due to the change of product sales structure. As a result, the sale revenue of button mushroom, straw mushroom and shiitake mushroom in 2017 decreased by RMB15.19 million as compared to that of 2016.

The sales volume of canned food for the Year decreased by approximately 2,909 tonnes, which was primarily attributable to the impact of the international market, such as the decline in demand for edible fungi canned food in Russia, Europe and the US, hence resulting in the decrease in sales volume. The average selling price per kilogram for the Year increased by RMB1.19 as compared to that of 2016, mainly due to the improved product quality which pushed up selling price. Due to the decrease in sales volume and increase in selling price, the revenue from canned food products in 2017 dropped by RMB10.70 million as compared to that of 2016.

The sales volume of other processed food products for the Year decreased by 3,034 tonnes as compared to that of 2016, primarily due to the drop of market demand for brined mushroom and the decrease in sales of dried foods this Year. The average unit selling price per kilogram of brined mushroom for the Year decreased by RMB2.40 as compared to that of 2016, therefore the revenue from the sales of other processed food products in 2017 decreased by RMB18.66 million as compared to that of 2016.

During the Year, the Group placed much effort in building up domestic channels and establishing new subsidiaries in various regions in the mainland China, namely Guangdong, Yunnan, Hebei and Heilongjiang based on the foundation laid out by the subsidiaries in Jiangxi, Xinjiang and Fujian. We purchased a wide variety of local edible fungi and vegetables, and sold them all over the country after primary processing. In 2017, the sales volume from trading through domestic network was 15,099 tonnes (2016: 17,898 tonnes), representing a decrease of 2,799 tonnes as compared to that of 2016; the revenue amounted to RMB160.81 million (2016: RMB150.96 million), representing an increase of approximately RMB9.85 million as compared of that of 2016.

年內蘑菇、草菇及香菇銷量減少約3,648噸，主要由於本集團淘汰生產設施陳舊的菇房，導致於中國福建省內蘑菇及草菇的種植面積下降，蘑菇種植面積由2016年上半年的89萬平方米減少至2017年的59萬平方米，草菇種植面積由2016年上半年的88萬平方米減少至2017年的79萬平方米；致使種植蘑菇及草菇相應減少且銷量也相應減少；本年蘑菇及草菇平均每公斤銷售單價相比去年上升人民幣0.45元，香菇業務平均每公斤銷售單價人民幣6.78元，平均每公斤銷售單價相比去年上升人民幣0.72元；由於產品銷售結構的改變，使蘑菇、草菇及香菇單價相比去年上升人民幣0.36元；由於產品銷售結構的改變，致使2017年蘑菇、草菇及香菇銷售收入比2016年減少人民幣15.19百萬元。

年內罐頭食品銷量減少約2,909噸，主要是由於受國際市場影響，俄羅斯、歐美等地的食用菌類罐頭食品需求量降低，銷量減少；年內每公斤平均價格較2016年上升人民幣1.19元，主要是由於優化了產品品質，產品價格上升。由於銷量下降及銷售價格上升相抵，致使2017年罐頭食品銷售收入較2016年減少人民幣10.70百萬元。

年內其他加工食品較2016年銷量下降3,034噸，主要因為本年鹽水菇市場需求下降及乾貨類銷售減少，且年內鹽水菇每公斤平均銷售單價比2016年下降人民幣2.40元，致使2017年其他加工食品銷售收入較2016年下降人民幣18.66百萬元。

年內，本集團加大國內渠道建設力度，在中國江西、新疆、福建等附屬公司的基礎上，於廣東、雲南、河北及黑龍江等地新設附屬公司，購進當地多品種食用菌、蔬菜等，經過初級加工以後銷往全國各地；2017年國內渠道銷售業務的銷量為15,099噸（2016年銷量17,898噸），較2016年銷量下降2,799噸；收入為人民幣160.81百萬元（2016年收入150.96百萬元），較2016年收入上升約9.85百萬元。

## Management's Discussion and Analysis 管理層討論與分析



The Group reinforced its endeavor to develop food trading business in the international market during the Year, which mainly involves trading of edible fungi products, fruits, vegetables, canned food and frozen food as well as edible fungi healthcare products. The sales volume of international trading of food for the Year increased by 8,598 tonnes as compared to that of last year, while the unit selling price per kilogram for the Year decreased by RMB6.33 as compared to that in 2016, which was mainly because the products sold during the Year were primarily fruit, vegetables and frozen food with lower value and lower selling prices. As a result of the increase in sales volume and decrease in unit selling price, revenue from international trading of food for the Year rose by RMB2.11 million as compared to that of 2016.

### Analysis of gross profit and gross profit margin

During the Year, gross profit of the Group (before business tax, other taxes and auxiliary charges) was approximately RMB230.15 million (2016: RMB278.59 million), and gross profit margin was 21.63% (2016: 25.65%). In particular, gross profit margin of (I) king trumpet mushroom; (II) button mushroom, straw mushroom and shiitake mushroom; (III) canned food; (IV) other processed food products; (V) trading through domestic network; and (VI) international trading of food was approximately 28.67%, 39.61%, 23.02%, 17.45%, 7.60% and 7.93% respectively (2016: 34.88%, 50.26%, 21.11%, 18.85%, 10.37% and 5.69%).

The sales volume of king trumpet mushroom for the Year uplifted by approximately 6,077 tonnes as compared to that of 2016, and the average unit selling price of king trumpet mushroom per kilogram went down by RMB0.7 from that of 2016. As a result of offset of the decrease in unit selling price against the increase in the sales volume, the gross profit from sales of king trumpet mushroom for the Year dropped by RMB19.43 million as compared to that of 2016. The decline in the gross profit margin of king trumpet mushroom for the Year was mainly attributable to the growth of contract farming which drove up the sales volume of king trumpet mushroom during the Year, while the lower gross profit margin of contract farming than that of the Group's own cultivation had dragged down the gross profit margin of king trumpet mushroom in general, leading to a decrease in the gross profit margin from 34.88% in 2016 to 28.67% for this Year.

於國際市場，本集團於年內加大發展食品貿易業務的力度，該業務主要是買賣食用菌、水果、蔬菜、罐頭、速凍食品及食用菌類保健食品，年內國際食品貿易銷量相比去年同期增加8,598噸；年內每公斤銷售單價比2016年減少人民幣6.33元，主要因為本年銷售低價值的水果、蔬菜及速凍產品等產品，售價較低；由於銷量的提升及銷售單價的下降，致使國際食品貿易的銷售收入較2016年增加人民幣2.11百萬元。

### 毛利及毛利率分析

年內，本集團毛利(未扣除營業稅、其他稅金及附加)約為人民幣230.15百萬元(2016年：人民幣278.59百萬元)，而毛利率則為21.63%(2016年：25.65%)，其中(I)杏鮑菇、(II)蘑菇、草菇及香菇、(III)罐頭食品、(IV)其他加工食品、(V)國內渠道銷售及(VI)國際食品貿易毛利率分別約為28.67%，39.61%，23.02%，17.45%，7.60%及7.93%(2016年：34.88%，50.26%，21.11%，18.85%，10.37%及5.69%)。

年內杏鮑菇銷量較2016年增加約6,077噸，杏鮑菇平均單價較2016年下降人民幣0.7元每公斤。由於銷售單價下降抵銷銷量的上升，致使年內杏鮑菇銷售毛利較2016年減少人民幣19.43百萬元。年內杏鮑菇毛利率下降，主要是由於本年度杏鮑菇銷量的增加主要來源於訂單式農業訂單增加，而訂單式農業的毛利率相比自有種植的毛利率低，從而拉低了整體杏鮑菇的毛利率，致使毛利率由2016年的34.88%下降至本年的28.67%。

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The sales volume of button mushroom, straw mushroom and shiitake mushroom for the Year decreased by 3,648 tonnes as compared to that of 2016 and there was an increase in unit cost per kilogram of approximately RMB0.42 in 2017 over that in 2016. The primary reasons were the slight increase in the purchase price of key raw materials for cultivation of button mushroom and straw mushroom in the market and the higher unit price of raw materials for cultivation of shiitake mushroom, which increased the overall unit cost of button mushroom, straw mushroom and shiitake mushroom. As a result of the increased cost and unit selling price as well as change in the sales structure of products, gross profit from sales of button mushroom, straw mushroom and shiitake mushroom for the Year dropped by RMB26.42 million as compared to that of 2016. The increase in the average unit selling price of button mushroom, straw mushroom and shiitake mushroom per kilogram for the Year by RMB0.36 and increase of average cost per kilogram by RMB0.42 resulted in the higher increase in costs than selling price, which led to the decrease in gross profit margin from 50.26% in 2016 to 39.61% for this Year.

Sales volume of the canned food for the Year went down by 2,909 tonnes as compared to that of 2016, while the cost per kilogram climbed up by RMB0.78 over that of 2016, which was mainly attributable to the slight increase in the cost of raw materials. As the increase in unit selling price and unit cost offset each other, while the sales volume decreased, the gross profit of canned food decreased by RMB1.01 million during the Year as compared to that of 2016. The average unit selling price of canned food per kilogram for the Year rose by RMB1.19 and the unit cost per kilogram increased by RMB0.78, leading to the increase in the gross profit margin from 21.11% in 2016 to 23.02% in 2017.

The sales volume of other processed food products (including brined mushroom, dried foods and *sparassis crispa*) for the Year decreased by 3,034 tonnes as compared to that of 2016, which was mainly attributable to the decline in sales volume of brined mushroom and dried foods and the decrease in unit selling price per kilogram of brined mushroom by RMB2.4 during the Year. Due to the change of product sales structure, the average unit costs of other processed food increased. As a result of which, the gross profit from sales of other processed food in 2017 decreased by RMB3.99 million as compared to that of 2016. The gross profit margin decreased from 18.85% in 2016 to 17.45% for this Year.

The sales volume of the segment of trading through domestic network for the Year slid down by 2,799 tonnes over that of 2016, which was mainly attributable to the decline in the sales volume of edible fungi such as shiro-shimeji and enokitake, and the cost per kilogram increased by RMB2.28 during the Year as compared to that of 2016, and the unit selling price per kilogram increased by RMB2.22. As the increase in the selling price and the increase in the cost per kilogram offset each other, together with the drop of sales volume had caused, the gross profit from the trading through domestic network for the Year to decline by RMB3.44 million over that of 2016. The gross profit margin from trading through domestic network dropped from 10.37% of 2016 to 7.60% for this Year.

本年蘑菇、草菇及香菇銷量較2016年減少3,648噸，而2017年每公斤銷售單位成本較2016年上升約人民幣0.42元，主要原因是種植蘑菇及草菇的主要原材料的採購市場價格略有上升，且種植香菇的原料單位成本較高，也拉高了整體蘑菇、草菇及香菇的單位成本。由於成本上升與銷售單價上升且銷售產品結構發生改變，致使本年蘑菇、草菇及香菇的銷售毛利較2016年減少人民幣26.42百萬元。由於本年蘑菇、草菇及香菇平均銷售單價上升人民幣0.36元每公斤，平均銷售成本上升人民幣0.42元每公斤，成本上升幅度高於售價致使毛利率由2016年的50.26%下降至本年的39.61%。

年內罐頭食品的銷量較2016年減少2,909噸，每公斤成本較2016年上升人民幣0.78元，主要由於原材料的成本略有上升導致。由於銷售單價上升與單位成本上升相抵且銷量下降，致使年內罐頭食品銷售毛利較2016年減少人民幣1.01百萬元。年內罐頭食品的平均銷售單價上升人民幣1.19元每公斤，單位成本上升人民幣0.78元每公斤，致使毛利率由2016年的21.11%上升至2017年的23.02%。

年內其他加工食品(含鹽水菇、乾貨、繡球菌等)的銷量較2016年減少3,034噸，主要由於鹽水菇及乾貨銷售量減少，且年內鹽水菇銷售單價下降人民幣2.4元每公斤，而由於產品銷售結構發生改變，拉高了其他加工食品的平均單位成本。致使2017年其他加工食品的銷售毛利較2016年下降人民幣3.99百萬元。毛利率由2016年的18.85%下降至本年的17.45%。

年內國內渠道銷售業務的銷量較2016年減少2,799噸，主要由於海鮮菇、金針菇等食用菌類銷售量減少，且年內每公斤成本較2016年增加人民幣2.28元，銷售單價上升人民幣2.22元每公斤，銷售價上升與單位成本上升相抵且銷量下降，致使年內國內渠道銷售業務銷售毛利較2016年減少人民幣3.44百萬元，2017年國內渠道銷售業務毛利率由2016年的10.37%下降至本年的7.60%。

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The sales volume of international trading of food for the Year increased by 8,598 tonnes as compared to that of 2016, which was mainly due to the increase in sales of fresh fruits and vegetables in international trading of food and the sales of healthcare products with higher profit margin. Due to the change of product sales structure, the gross profit margin increased from 5.69% in 2016 to 7.93% in 2017.

年內國際食品貿易的銷量較2016年上升8,598噸，主要是本年國際食品貿易銷售產品中的新鮮水果、蔬菜銷售增加，且新增了高毛利的保健品銷售業務，由於銷售產品結構發生改變，致使毛利率由2016年的5.69%上升至2017年的7.93%。

### Cost of sales

Cost of sales primarily consists of costs of raw materials, direct labour and the manufacturing overheads. Direct labour cost includes wages and other compensation payable to workers, while the manufacturing overheads include depreciation, transportation cost, packaging and utilities charges. Cost of raw materials constitutes the majority of the cost of sales and it represented approximately 73.97% of the cost of sales for the Year (2016: 70.82%).

### 銷售成本

銷售成本主要為原材料成本、直接勞工及製造間接成本。直接勞工包括支付予生產工人的工資及其他補償。製造間接成本包括折舊、運輸成本、包裝、水電開支。原材料成本構成銷售成本最大部分，並佔年內銷售成本約73.97%（2016年：70.82%）。

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

下表載列我們於所示年度經營業務銷售成本的明細：

		2017 2017年		2016 2016年	
		RMB'000	% of cost of sales 佔銷售成本 百分比 (%)	RMB'000	% of cost of sales 佔銷售成本 百分比 (%)
		人民幣千元	(%)	人民幣千元	(%)
<b>Raw materials</b>	原材料				
– Cultivation materials	– 種植材料	101,736	10.26	101,814	10.03
– Fresh fruit and vegetables	– 新鮮水果及蔬菜	620,414	62.55	602,716	59.38
– Packaging materials	– 包裝材料	11,513	1.16	14,336	1.41
<b>Direct labour</b>	直接勞工	23,347	2.35	24,282	2.39
<b>Labour subcontracting fee</b>	勞務承包費	16,268	1.64	19,669	1.94
<b>Cultivation overheads</b>	種植經常性開支	44,492	4.49	41,713	4.11
<b>Manufacturing overheads</b>	生產經常性開支	1,358	0.14	5,612	0.55
<b>Change in fair value of biological assets</b>	生物資產公允價值變動	172,680	17.41	204,908	20.19
<b>Total</b>	總計	<b>991,808</b>		1,015,050	

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

下表載列我們於所示年度的產品類別劃分的銷售成本：

		For the year ended 31 December 截至12月31日止年度			
		2017 2017年		2016 2016年	
		RMB'000	% of cost of sales 佔銷售成本 百分比(%)	RMB'000	% of cost of sales 佔銷售成本 百分比(%)
		人民幣千元		人民幣千元	
<b>Fresh edible fungi products</b>	<b>新鮮食用菌產品</b>				
King trumpet mushroom	杏鮑菇	345,608	34.85	340,007	33.50
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	184,471	18.60	198,510	19.56
<b>Processed food products</b>	<b>加工食品</b>				
Canned food	罐頭食品	50,380	5.08	60,068	5.91
Other processed food products	其他加工食品	27,813	2.80	42,482	4.19
<b>Trading of food</b>	<b>食品貿易</b>	<b>383,536</b>	<b>38.67</b>	373,983	36.84
<b>Total</b>	<b>總計</b>	<b>991,808</b>		1,015,050	

### Other income

Other income for the Year was approximately RMB12.85 million (2016: RMB19.16 million) which mainly included (I) interest income; (II) gain from foreign exchange; (III) government subsidies and rewards; (IV) gains on disposal of property, plant and equipment and prepaid land lease payments; (V) rental income; (VI) income from sales of scrap; and (VII) others.

The interest income for the Year increased by RMB1.73 million as compared to that of 2016, primarily due to the increase in time deposit. The loss from foreign exchange, net of the Group in 2017 was RMB7.37 million (2016: gain of RMB5.43 million). The decrease was primarily caused by the depreciation of exchange rate at the end of the reporting period, which led to the loss from foreign exchange, net upon translation. Government subsidies and rewards was RMB1.00 million (2016: RMB1.76 million), representing a decrease of RMB0.76 million as compared to that of 2016, which was mainly attributable to the decrease in government subsidies during the Year as compared to last year.

### 其他收入

本年其他收入約為人民幣12.85百萬元(2016年：人民幣19.16百萬元)，主要包括(I)利息收入、(II)匯兌收益、(III)政府補貼及獎勵、(IV)出售物業、廠房及設備及預付土地租賃款收益、(V)租金收入、(VI)銷售廢包收入及(VII)其他收入。

本年利息收入較2016年增加人民幣1.73百萬元，主要是因為定期存款增加所致；2017年本集團淨匯兌損失為人民幣7.37百萬元(2016年收益：人民幣5.43百萬元)，主要是因為本集團報告期末的外幣之間結算時匯率下降，因此調匯時產生的淨匯兌損失；政府補貼及獎勵為人民幣1.00百萬元(2016年為人民幣1.76百萬元)，較2016年減少人民幣0.76百萬元，主要是由於本年較去年政府補貼減少所致。

## Management's Discussion and Analysis 管理層討論與分析



### Finance costs

The Group's finance costs represented the interest on bank borrowing repayable in full within a year. The Group's finance costs amounted to RMB560,000 in 2017 (2016: RMB810,000), representing a decrease of RMB250,000 as compared to that of 2016. The main reason for the decrease was the diminished interests on other payables as compared to 2016.

### Income tax expense

The Group's income tax expense decreased by 5.48% from approximately RMB3.80 million in 2016 to RMB3.59 million in 2017. The decrease was mainly due to the decline in the proportion of revenue contributed by the Group's subsidiaries in the PRC which enjoy preferential tax treatment. The drop of revenue from canned food resulted in decrease in income tax expense.

### Selling expenses

Selling expenses for the Year mainly included (I) wages; (II) transportation costs; and (III) advertising and promotion expenses, which increased to RMB6.15 million for the Year from approximately RMB4.58 million in 2016. The increase was mainly caused by the newly added segment of healthcare products by the Group during the Year, which resulted in increase in the advertising and promotion expenses.

### Administrative expenses

Administrative expenses of the Group for the Year were approximately RMB46.36 million (2016: RMB65.05 million), which mainly included (I) wages; (II) equity-settled share-based payments; (III) professional fee; and (IV) research and development expenditure.

The decrease in administrative expenses for the Year as compared to that of 2016 was mainly caused by the recognition of equity-settled share-based payment of RMB7.43 million (2016: RMB33.51 million), representing a decrease of RMB26.08 million as compared to that of last year.

### Profit before tax and profit attributable to owners of the Company

During the Year, the Group recorded profit before tax of approximately RMB187.62 million (2016: RMB225.44 million), representing a slide down of approximately 16.78%. The Group's profit for the Year attributable to owners of the Company was approximately RMB184.55 million (2016: RMB222.09 million), representing a decrease of approximately 16.90%.

### 財務成本

本集團的財務成本是指需於一年內悉數償還的銀行借貸利息。2017年本集團財務成本為人民幣0.56百萬元(2016年：人民幣0.81百萬元)，相比2016年度減少了人民幣0.25百萬元。該減少主要是因為其他應付款項利息相較2016年度有所減少所致。

### 所得稅開支

本集團的所得稅開支由2016年度的約人民幣3.80百萬元下降5.48%至2017年度的人民幣3.59百萬元。所得稅開支下降主要由於本集團享有稅務優惠政策的中國附屬公司所貢獻的收入比例降低，罐頭食品收入下降，導致了所得稅開支減少。

### 銷售開支

本年銷售開支主要包括(I)工資、(II)運費及(III)廣告宣傳費，由2016年年度約人民幣4.58百萬元上升至年內的人民幣6.15百萬元，主要由於本集團年內新增了保健產品的業務，致使廣告宣傳費用支出增加。

### 行政開支

本年行政開支約為人民幣46.36百萬元(2016年：人民幣65.05百萬元)，主要為(I)工資、(II)以權益結算股份為基礎的付款、(III)專業費用及(IV)研發費用。

本年的行政開支較2016年減少，主要是因為確認以權益結算股份為基礎之付款人民幣7.43百萬元(2016年：人民幣33.51百萬元)，較上年減少人民幣26.08百萬元。

### 稅前利潤及本公司擁有人應佔溢利

年內本集團稅前利潤約為人民幣187.62百萬元(2016年：人民幣225.44百萬元)，下降約16.78%。本公司擁有人應佔本集團本年年利潤約為人民幣184.55百萬元(2016年：人民幣222.09百萬元)，下降約16.90%。



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During the Year, net profit of the Group decreased by approximately RMB37.61 million to approximately RMB184.03 million (2016: RMB221.64 million); net profit margin was 17.29% (2016: 20.40%), representing a drop of approximately 3.11%. It was primarily due to the equity-settled share-based payments of RMB7.43 million (2016: RMB33.51 million). Excluding the said expenses, net profit of the Group for the Year would be approximately RMB191.46 million, representing a decrease of approximately 24.96% as compared to that of 2016, and net profit margin would be 17.99%.

Basic earnings per share attributable to owners of the Group for the Year was approximately RMB17.19 cents (2016: RMB21.8 cents (restated)).

### Trade receivables

As at 31 December 2017, trade receivables of the Group were approximately RMB151.26 million (2016: RMB196.65 million). The decrease was mainly attributable to the Company's unremitting effort made in the collection of trade receivables from domestic food trading and sales of king trumpet mushroom, which resulted in decrease in the balance of trade receivables.

### Deposits, prepayments and other receivables

As at 31 December 2017, deposits, prepayments and other receivables of the Group were approximately RMB147.47 million (2016: RMB121.87 million), which mainly included (I) land prepayments; (II) deposits; and (III) prepayments. The overall increase for the Year was mainly attributable to the increase in other receivables of RMB32.65 million and the decrease in operating lease prepayments of RMB7.00 million.

## CAPITAL STRUCTURE

As at 31 December 2017, the issued share capital of the Company was US\$10.75 million, divided into 1,075,000,000 shares with nominal value of US\$0.01 each. Gearing ratio (calculated by dividing total borrowings by total equity) was 0.53% (2016: 0.60%) as at 31 December 2017. Current ratio (calculated by dividing current assets by current liabilities) was 23.1 times (2016: 13.7 times) as at 31 December 2017. The Group will continue to stringently monitor the policy of debt recovery to minimise the risk of credit sale and ensure timely recovery of capital.

### Liquidity and financial resources

As at 31 December 2017, the total bank and cash balances of the Group were RMB1,056.63 million (2016: RMB1,174.00 million). The Shares were listed on the Main Board of the Stock Exchange on 18 June 2015 and the net proceeds raised (net of underwriting commission and the relevant listing expenses) was approximately RMB444.99 million. As at 31 December 2017, interest-bearing bank borrowings of the Group amounted to approximately RMB10.00 million, which had an original due date of 14 March 2018 but will be postponed to 14 March 2019 upon renewal of the bank borrowings for one year by the Group.

年內本集團淨利潤約為人民幣184.03百萬元(2016年:人民幣221.64百萬元),下降約人民幣37.61百萬元;淨利潤率約為17.29%(2016年:20.40%),下降約3.11%,主要原因為以權益結算股份為基礎之付款人民幣7.43百萬元(2016年:人民幣33.51百萬元)。若剔除上述開支,本集團年內淨利潤約為人民幣191.46百萬元,較2016年下降約24.96%,淨利潤率為17.99%。

年內本集團擁有人應佔每股基本盈利約為人民幣17.19分(2016年:經重列人民幣21.8分)。

### 應收貿易款項

於2017年12月31日,本集團應收貿易款項約為人民幣151.26百萬元(2016年:人民幣196.65百萬元)。減少的主要原因為公司加強回收國內食品貿易銷售及杏鮑菇銷售的貨款,而導致應收貿易款項餘額減少。

### 按金、預付款項及其他應收款

於2017年12月31日,本集團按金、預付款項及其他應收款約為人民幣147.47百萬元(2016年:人民幣121.87百萬元),主要包括:(I)土地預付金、(II)定金及(III)預付帳款。年內整體增加主要是其他應收款增加了人民幣32.65百萬元及經營租賃預付款項減少人民幣7.00百萬元。

### 股本架構

於2017年12月31日,本公司已發行股本為10.75百萬美元,分為1,075,000,000股每股面值0.01美元之股份。於2017年12月31日之資產負債比率(按總借款除以權益總額計算)為0.53%(2016年:0.60%)。於2017年12月31日之流動比率(按流動資產除以流動負債計算)為23.1倍(2016年:13.7倍)。本集團繼續嚴密監察債務回收政策,以將信貸銷售之風險減至最低,並確保及時收回資金。

### 流動資金及財務資源

於2017年12月31日,本集團銀行與現金結餘總額為人民幣1,056.63百萬元(2016年:人民幣1,174.00百萬元),股份於2015年6月18日在聯交所主板上市,募集資金淨額約為人民幣444.99百萬元(扣除包銷佣金及相關上市有關費用);於2017年12月31日,本集團之計息銀行借款約為人民幣10.00百萬元,原於2018年3月14日到期,但本集團已對該筆銀行借款進行續貸,續貸期為一年,將於2019年3月14日到期。



### Exposure to exchange rate risk and related hedge

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

### Pledge on the Group's assets

As at 31 December 2017, machineries and facilities with a net value of RMB19.33 million had been pledged as a security of a bank borrowing (2016: RMB22.13 million).

### Capital commitments and operating leases commitments

As at 31 December 2017, capital commitments of the Group contracted but not provided were approximately RMB72.85 million (2016: RMB75.48 million). As at 31 December 2017, operating leases commitments of the Group in respect of lands, buildings and other properties were approximately RMB13.10 million (2016: RMB54.55 million).

### Employee benefits and remuneration policy

As at 31 December 2017, the Group had 641 employees in total (2016: 654). The remunerations of employees of the Group were determined according to their experience and qualifications, operating results of the Group and the market condition. During the Year, staff costs, including directors' emoluments, were approximately RMB44.09 million (2016: RMB69.58 million). During the Year, staff costs accounted for approximately 4.14% of the Group's revenue (2016: 6.41%).

The Group adopted a pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**") on 27 May 2015. On 17 June 2015, the Group granted share options to certain eligible individuals to subscribe for 25 million ordinary shares of US\$0.01 each of the Company pursuant to the Pre-IPO Share Option Scheme adopted on 27 May 2015.

The Group adopted a share option scheme (the "**Share Option Scheme**") on 27 May 2015. On 31 March 2016, the Group granted share options to certain eligible individuals to subscribe for 25 million ordinary shares of US\$0.01 each of the Company pursuant to the Share Option Scheme adopted on 27 May 2015.

### 匯率波動風險及有關對沖

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

### 本集團資產抵押

於2017年12月31日，機器設備淨值為人民幣19.33百萬元用於銀行貸款抵押擔保(2016年：人民幣22.13百萬元)。

### 資本承擔及經營租賃承擔

於2017年12月31日，本集團之已訂約但未撥備資本承擔約為人民幣72.85百萬元(2016年：人民幣75.48百萬元)。於2017年12月31日，本集團有關土地、樓宇及其他物業之經營租賃承擔約為人民幣13.10百萬元(2016年：人民幣54.55百萬元)。

### 僱員福利及酬金政策

於2017年12月31日，本集團共有641名僱員(2016年：654名)。本集團僱員之薪酬根據其經驗、資格、本集團經營業績及市場狀況釐定。本年內，員工成本(包括董事酬金)約為人民幣44.09百萬元(2016年：人民幣69.58百萬元)。年內，員工成本佔本集團收入約4.14%(2016年：6.41%)。

本集團於2015年5月27日採納一項首次公開發售前購股權計劃(「**首次公開發售前購股權計劃**」)。於2015年6月17日，本集團根據於2015年5月27日之首次公開發售前購股權計劃向若干合資格人士授出可認購本公司25百萬股每股面值0.01美元的普通股購股權。

本集團於2015年5月27日採納一項購股權計劃(「**購股權計劃**」)。於2016年3月31日，本集團根據於2015年5月27日之購股權計劃向若干合資格人士授出可認購本公司25百萬股每股面值0.01美元的普通股購股權。

## Management's Discussion and Analysis 管理層討論與分析

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

### Directors' rights to subscribe for shares or debentures

Apart from the share options for ordinary shares granted to certain Directors and employees of the Company on 17 June 2015 and 31 March 2016, the Company or any of its subsidiaries did not have any arrangements which enabled the Directors to gain profit by purchasing the shares or debt securities, including debentures, of the Company or of any other legal entities.

### Significant investment held

During the Year, the Group has completed the acquisitions of the entire equity interest in Zhao Hong and Lucky Max, at the consideration of RMB180.2 million and RMB194.2 million, respectively.

The consideration of Zhao Hong of RMB180.2 million shall be settled by a combination of cash consideration of RMB170.6 million and the issue of 8,889,568 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board of the Company), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board of the Company; the consideration of Lucky Max of RMB194.2 million shall be settled by a combination of cash consideration of RMB179.8 million and the issue of 13,334,353 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board of the Company), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board of the Company.

Upon the completion of the acquisition, Zhao Hong became the subsidiary of the Company; therefore, the Company holds 86% equity interests in Zhangzhou Changfeng, which is held by Zhao Hong, upon the completion of the acquisition.

Upon the completion of the acquisition, Lucky Max became the subsidiary of the Company; therefore, the Company holds 48.7% equity interests in Guangxi Jiabao, which is held by Lucky Max, upon the completion of the acquisition.

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

### 董事認購股份或債券之權利

除本公司於2015年6月17日及2016年3月31日授出若干普通股的購股權予本公司若干董事及僱員外，本公司或其任何附屬公司並無參與任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債務證券(包括債券)而獲利。

### 所持重大投資

年內，本集團以人民幣1.802億元完成收購兆虹全部股本權益，及以人民幣1.942億元代價完成收購 Lucky Max全部股本權益事項。

兆虹代價人民幣1.802億元則以現金代價人民幣1.706億元及按發行價1.33港元(為本公司董事會批准該項交易之日股票收盤價)發行8,889,568股股份(乃根據本公司董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付；Lucky Max代價為人民幣1.942億元則以現金代價人民幣1.798億元及按發行價1.33港元(為本公司董事會批准該項交易之日股票收盤價)發行13,334,353股股份(乃根據本公司董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付。

收購事項完成後，兆虹成為本公司之附屬公司；由此，本公司於收購事項完成後持有由兆虹持有的漳州長豐86%股本權益。

收購事項完成後，Lucky Max成為本公司之附屬公司；由此，本公司於收購事項完成後持有由 Lucky Max持有的廣西嘉寶48.7%股本權益。



#### Contingent liabilities

As at 31 December 2017, the Group did not have any significant contingent liabilities.

#### Dividends

The Board recommended not to declare any final dividend for the year ended 31 December 2017.

#### Purchase, sale or redemption of the listing securities of the Company

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

#### Model code for securities transactions by directors of listed issuer

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors by the Company, all Directors have confirmed that they had complied with the required standards set out in the Model Code during the Year.

#### 或然負債

於2017年12月31日，本集團並無重大或然負債。

#### 股息

董事會建議不宣派本集團截至2017年12月31日止年度之末期股息。

#### 購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於年內概無購買、出售或贖回任何本公司上市證券。

#### 上市發行人董事進行證券交易的標準守則

本公司已採納聯交所證券上市規則(「上市規則」)附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易之行為守則。本公司於向全體董事作出具體查詢後確認，於本年，全體董事均已遵守標準守則所載之規定標準。

## Profile of Edible Fungi Products for General Healthcare 食用菌大健康保健產品簡介

### CAMBO SERIES:

康寶系列：

#### ECONB • 康益寶

##### Zero burden on livers

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

##### 呵護肝臟0負擔

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



#### FUSION • 福祿仙

##### An elixir that activates cells and strengthens immune system

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

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

##### 激活細胞強化免疫，福澤仙物

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

堅持服用能增強人體免疫力，平衡新陳代謝，活化細胞。





## COLLAGEN ESSENCE • 膠原精華

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

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

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

破除歲月「皺」語，童顏重現

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

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



## LACTOBACILLUS • 素然

**The first lactic acid bacterium collagen in the world**

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

全球首款乳酸菌膠原蛋白

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



**520 INTERNATIONAL SERIES:**

520國際系列：

**宜延壽**

**Activates cells and strengthens the immune system**

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

**激活細胞 強化免疫**

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



**植元**

**Safe and reliable active lactic acid bacteria**

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

**活性乳酸菌 安全可靠**

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



**益延禧**

**The best and the most considerate prescription for your liver**

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

**護肝金方 更懂得你的肝**

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



## Profile of Edible Fungi Products for General Healthcare 食用菌大健康保健產品簡介



### 冉然

#### A hydra booster to rejuvenate your skin

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

#### 水潤彈滑 肌齡逆轉

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



### 西妃寶

#### Get rid of exhaustion and look beautiful

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

#### 美麗蛻變 向透支說再見

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



### 鎖二喬

#### Activates cells and supplements daily energy needs

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

#### 激活能量 補充日常精力

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





## Biographical Details of Directors and Senior Management 董事及高級管理層履歷

### DIRECTORS

#### Executive Directors

**Mr. Zheng Songhui (鄭松輝)**, aged 55, is the founder of the Group. Mr. Zheng is the chairman of the Board, the chief executive officer and an executive Director of the Company. Mr. Zheng was appointed as a Director of the Company on 28 March 2011. Mr. Zheng also currently holds directorship in each of the subsidiaries of the Company. Mr. Zheng is the chairman of the nomination committee and a member of the remuneration committee of the Company. Mr. Zheng is in charge of the overall operations and development strategy and overseeing internal control of the Group. Mr. Zheng founded the Group in November 1995 when he established our first operating subsidiary, Fujian Greenfresh Foods Group Co., Ltd. Mr. Zheng has around 20 years of experience in fresh and processed food industry. Mr. Zheng was awarded Asia Top 10 Innovation Personality (亞洲品牌十大創新人物) by Asia Brand Ceremony (亞洲品牌盛典) in September 2009; China Outstanding Innovation Entrepreneur (中國優秀創新企業家) jointly by China Private Entrepreneur Association (中國民營企業家協會) and China Academy of Science Information Consulting Center (中國科學院信息諮詢中心) in August 2010; Outstanding Entrepreneur in the PRC (中國傑出企業家) by China Economy And Trade Promotion Association (中國經濟貿易促進會) in January 2011; and was recognised as an intermediate engineer of food processing by the Office of Human Resources Development of Fujian Province (福建省人力資源開發辦公室) and the Public Servant Bureau of Fujian Province (福建省公務員局) in July 2011. Moreover, Mr. Zheng was awarded Outstanding Talent (優秀人才) by the government of Zhangzhou (漳州市人民政府) in 2012; was elected as the vice chairperson of Industrial Sub-committee of China Edible Fungi Association (中國食用菌協會工廠化專業委員會) in 2013; and was appointed as the leading talent of technology entrepreneurship of Fujian province (福建省科技創業領軍人才) by the talent working committee of Fujian Provincial Committee of Communist Party of the PRC (中共福建省委人才工組領導小組) in October 2014. In addition, Mr. Zheng is also a member of the China Edible Fungi Association (中國食用菌協會), vice director of China Canned Food Association (中國罐頭協會), vice chairman of Fujian Edible Fungi Industry Association (福建省食用菌行業協會), standing member of Fujian Edible Fungi Institute (福建省食用菌學會) and standing director of Fujian Food Industry Association (福建省食品工業協會). Mr. Zheng graduated with a bachelor degree in earth study from Fujian Agriculture and Forestry University (福建農林大學) (formerly known as Fujian Agriculture Institute (福建農學院)) in July 1984. Mr. Zheng was admitted to a program of executive master of business administration at Xiamen University in July 2007.

**Mr. Zheng Tianming (鄭天明)**, aged 49, is an executive Director of the Company. Mr. Zheng was appointed as a Director of the Company on 4 February 2013. Mr. Zheng has joined the Group since its inception in November 1995 and has since then been assisting Mr. Zheng Songhui in the development of the Group by taking an active part in the production and operation of the Group. Mr. Zheng graduated from the Open University of China (中央廣播電視大學) in July 2013 with a certificate in Business Administration (majoring in sales and marketing).

### 董事

#### 執行董事

鄭松輝先生，55歲，本集團創辦人。鄭先生乃本公司董事會主席、行政總裁及執行董事。鄭先生於2011年3月28日獲委任為本公司董事。鄭先生目前亦於本公司各附屬公司擔任董事職務。鄭先生為本公司提名委員會主席及薪酬委員會成員。鄭先生負責本集團的整體運營、發展策略及監督內部監控。鄭先生於1995年11月創辦本集團，成立集團第一間營運附屬公司，福建綠寶食品集團有限公司。鄭先生於新鮮及加工食品行業擁有約20年的經驗。鄭先生於2009年9月獲「亞洲品牌盛典」授予「亞洲品牌十大創新人物」稱號；於2010年8月獲中國民營企業家協會及中國科學院信息諮詢中心聯合授予「中國優秀創新企業家」稱號；於2011年1月獲中國經濟貿易促進會授予「中國傑出企業家」稱號，同年7月獲福建省人力資源開發辦公室及福建省公務員局認可為「食品加工中級工程師」；於2012年獲漳州市人民政府授予「優秀人才」稱號；於2013年獲選為中國食用菌協會工廠化專業委員會副會長；於2014年10月獲中共福建省委人才工組領導小組任命為「福建省科技創業領軍人才」。此外，鄭先生亦是中國食用菌協會理事、中國罐頭協會副理事長、福建省食用菌行業協會副會長、福建省食用菌學會常務理事及福建省食品工業協會常務理事。鄭先生1984年7月畢業於福建農林大學(前稱為「福建農學院」)，取得土壤農業化學學士學位；2007年7月於廈門大學修讀高級管理人員工商管理碩士課程。

鄭天明先生，49歲，本公司執行董事。鄭先生於2013年2月4日獲委任為本公司董事。自本集團於1995年11月成立後，鄭先生加入本集團，自此之後，鄭先生透過積極參與本集團的生產及營運協助鄭松輝先生發展本集團。鄭先生於2013年7月畢業於中央廣播電視大學，持有工商管理(主修銷售及行銷)證書。

## Biographical Details of Directors and Senior Management 董事及高級管理層履歷

**Ms. Zheng Ruyan** (鄭如燕), aged 43, is an executive Director, the vice president, the chief financial officer and joint company secretary of the Company and is responsible for the daily operation of the Group. She was appointed as a Director of the Company on 4 February 2013. Ms. Zheng obtained the certificate of Certified Internal Auditor issued by China Institute of Internal Auditors (中國內部審計師協會). Ms. Zheng has over 22 years of experience in auditing, accounting consultancy and financial management. From December 1995 to November 2006, she was responsible for the internal auditing management of the internal units of Huadian Fujian Power Generation Company Limited (now known as Huadian Fuxin Energy Corporation Limited (a company listed on the Stock Exchange, stock code: 816)). From December 2006 to December 2011, Ms. Zheng had been the vice president of Changfeng Axle (China) Company Limited (a company listed on the Stock Exchange, stock code: 1039) responsible for financial management, corporate management, human resources and administration management. Ms. Zheng obtained a master degree in accounting from Xiamen University (廈門大學).

### Non-executive Director

**Ms. Zhang Lin** (張琳), aged 49, is a non-executive Director of the Company. Ms. Zhang was appointed as a Director of the Company on 4 February 2013. Ms. Zhang is currently the deputy general manager of COFCO Agricultural Industrial Investment Fund Management Co., Ltd. and continues to serve as the secretary of the board and the general legal counsel of COFCO Agricultural Industrial Investment Fund Management Co., Ltd.. She has been working in China Oil & Foodstuffs Corporation and its affiliated companies for more than 23 years since April 1994. Ms. Zhang graduated from Shanghai Maritime University (上海海事大學) with a bachelor degree and a master degree, both of international economics law, in July 1991 and April 1994 respectively.

### Independent Non-executive Directors

**Mr. Mak Hing Keung, Thomas** (麥興強), aged 55, is an independent non-executive Director of the Company appointed on 27 May 2015. Mr. Mak is the chairman of the audit committee and a member of the remuneration committee of the Company. Mr. Mak obtained a bachelor degree of commerce from Queen's University, Canada. Mr. Mak is a member of the Canadian Institute of Chartered Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Mak is currently the chief financial officer of Fortunet e-Commerce Group Limited (a company listed on the Stock Exchange, stock code: 1039). Mr. Mak is also the non-executive director of Huge China Holdings Limited (a company listed on the Stock Exchange, stock code: 428) and an independent non-executive director of Tao Heung Holdings Limited (a company listed on the Stock Exchange, stock code: 573). From 26 May 2015 to 17 July 2017, Mr. Mak was the executive director of Millennium Pacific Group Holdings Limited (a company listed on the Stock Exchange, stock code: 8147).

鄭如燕女士，43歲，本公司執行董事、副總裁、首席財務官及聯席公司秘書，主持集團日常運營工作。鄭女士於2013年2月4日獲委任為本公司董事。鄭女士擁有中國內部審計師協會頒發的註冊內部審計師證書，於審計、會計諮詢及財務管理方面擁有逾22年經驗。於1995年12月至2006年11月，彼於華電福建發電有限公司(現為華電福新能源股份有限公司(一間於聯交所上市的公司，股份代號：816))負責內部單位的內部審計管理。自2006年12月起至2011年12月，鄭女士擔任暢豐車橋(中國)有限公司(一間於聯交所上市的公司，股份代號：1039)的副總裁，負責財務管理、公司管理、人力資源及行政管理工作。鄭女士擁有廈門大學會計碩士學位。

### 非執行董事

張琳女士，49歲，本公司非執行董事。張女士於2013年2月4日獲委任為本公司董事，張女士現時為中糧農業產業基金管理有限責任公司副總經理並同時繼續兼任中糧農業產業基金管理有限責任公司董事會秘書和總法律顧問職位。自1994年4月起，彼一直於中糧集團有限公司及其聯屬公司工作，至今已超過23年。張女士分別於1991年7月及1994年4月取得上海海事大學國際經濟法學士及碩士學位。

### 獨立非執行董事

麥興強先生，55歲，於2015年5月27日獲委任為本公司獨立非執行董事。麥先生為本公司審核委員會主席及薪酬委員會成員。麥先生擁有加拿大皇后大學學士學位。麥先生為加拿大會計師公會會員及香港會計師公會資深會員。麥先生於現時為鑫網易商集團有限公司(一間於聯交所上市的公司，股份代號：1039)首席財務官。麥先生現擔任滙嘉中國控股有限金公司(一間於聯交所上市的公司，股份代號：428)的非執行董事及稻香控股有限公司(一間於聯交所上市的公司，股份代號：573)的獨立非執行董事。於2015年5月26日至2017年7月17日，麥先生為滙思太平洋集團控股有限公司(一間於聯交所上市的公司，股份代號：8147)的執行董事。

## Biographical Details of Directors and Senior Management 董事及高級管理層履歷

Mr. Mak has over 25 years of corporate finance and accounting experience in Hong Kong and overseas. Mr. Mak has been the chief financial officer and company secretary in various listed companies listed on the Main Board of the Stock Exchange and private companies. Mr. Mak also worked for the Listing Division of the Stock Exchange and an investment bank from 1997 to 2000 and 2000 to 2001, respectively. Mr. Mak also worked in an international accounting firm in their Hong Kong, Singapore and Canada offices for over 7 years.

**Mr. Lou Robert Hsiu-sung** (樓秀嵩), aged 44, is an independent non-executive Director of the Company appointed on 27 May 2015. Mr. Lou is a member of the audit committee and nomination committee of the Company. Mr. Lou is qualified as a solicitor in Hong Kong in December 2002 and has over 15 years of experience in legal field. From August 2012 to November 2013, Mr. Lou was the legal manager of Acer Incorporated (宏碁股份有限公司). Mr. Lou was the chief legal officer of TransAsia Airways Corporation (復興航空運輸股份有限公司) from December 2013 to April 2016. Mr. Lou was appointed as the senior consultant of Lin & Partners, Attorneys-at-Law in Taipei, Taiwan, since 1 June 2016. Mr. Lou obtained a bachelor degree in foreign languages and literature from National Taiwan University (台灣大學) in June 1995 and a bachelor of arts in jurisprudence from Oxford University in August 2000. Mr. Lou obtained a Postgraduate Certificate in Laws from the City University of Hong Kong in July 2000 and a master of laws from Northwestern University School of Law (西北大學) in June 2004.

**Mr. Cheng Hiu Yung** (鄭曉勇), aged 41, is an independent non-executive Director of the Company appointed on 27 May 2015. Mr. Cheng is the chairman of the remuneration committee and a member of the audit committee and nomination committee of the Company. Mr. Cheng is currently a production manager of Hong Kong Rainigrace Agricultural Science Group Holding Company Limited (香港澤雨農科集團控股有限公司) which he has joined since November 2014. He worked as production manager in Epicurean and Company (Hong Kong) Limited from April 2013 to October 2014, production manager of City Super Limited from September 2009 to March 2013, assistant production manager in Original Taste Workshop Ltd (原味家作有限公司) from February 2007 to June 2009. From April 2004 to November 2006, Mr. Cheng worked in the Hung Fook Tong (China) Development Limited, which was a subsidiary company of Hung Fook Tong Holdings (鴻福堂集團). Mr. Cheng has over 10 years of experience in food testing and quality control industry. Mr. Cheng obtained basic food hygiene certificate for hygiene managers by School of Continuing and Professional Education, City University of Hong Kong in October 2008, and was awarded "level 2 award in food safety in catering" by Chartered Institute of Environmental Health in September 2008. Mr. Cheng completed food safety management systems auditor – lead auditor training course in April 2008. Mr. Cheng obtained a bachelor degree of science majoring in applied chemistry from Hong Kong Baptist University in December 2000.

麥先生擁有逾25年之香港及海外企業融資和會計經驗。麥先生曾任多間於聯交所主板上市的上市公司及私人公司之首席財務官及公司秘書。麥先生曾分別於1997年至2000年和2000年至2001年於聯交所上市科及投資銀行工作。麥先生亦曾在一家國際會計師事務所之香港、新加坡及加拿大辦事處工作逾七年。

樓秀嵩先生，44歲，於2015年5月27日獲委任為本公司獨立非執行董事。樓先生為本公司審核委員會及提名委員會成員，樓先生於2002年12月取得香港執業律師資格，且於法律方面擁有逾15年經驗。自2012年8月至2013年11月間，樓先生擔任宏碁股份有限公司的法務經理。樓先生自2013年12月至2016年4月擔任復興航空運輸股份有限公司的法務長，樓先生於2016年6月1日起擔任台灣台北恒業法律事務所資深顧問職位。樓先生於1995年6月取得台灣大學外國語文學士學位，並於2000年8月取得牛津大學法學學士學位。樓先生於2000年7月取得香港城市大學法學專業證書，及於2004年6月取得西北大學法律碩士學位。

鄭曉勇先生，41歲，於2015年5月27日獲委任為本公司獨立非執行董事。鄭先生為本公司薪酬委員會主席兼審核委員會及提名委員會成員。鄭先生於2014年11月加入香港澤雨農科集團控股有限公司，目前為該公司的生產經理。彼自2013年4月至2014年10月間擔任惟膳有限公司的生產經理，自2009年9月至2013年3月間擔任City Super Limited的生產經理，自2007年2月至2009年6月間擔任原味家作有限公司的助理生產經理。自2004年4月至2006年11月間任職於鴻福堂集團的附屬公司鴻福堂(中國)發展有限公司。鄭先生於食品測試及品質控制行業擁有逾10年經驗。鄭先生於2008年10月取得香港城市大學專業進修學院的「基礎食品衛生經理證書」，並2008年9月獲英國環境衛生協會頒發「二級食物安全證書」。鄭先生於2008年4月完成食品安全管理體系—「主任審核員證書」培訓課程。鄭先生於2000年12月自香港浸會大學取得理學士學位，主修應用化學。

## Biographical Details of Directors and Senior Management 董事及高級管理層履歷

### SENIOR MANAGEMENT

**Mr. Wei Hao** (危昊), aged 39, is the vice president of the Company. Mr. Wei joined the Group in January 2016, who is responsible for businesses such as strategic planning, marketing planning, investment analysis. Before joining the Group, Mr. Wei served as a reporter at Xiamen TV from 1999 to 2009 and was engaged in reporting “three-dimensional rural issues” in a long term. He was an assistant to the president of Fujian Minneng Group (福建閩能集團) from 2009 to 2011 and the general manager of Xiamen Bohui Financial Guarantee Limited (廈門博匯融資擔保有限公司) from 2011 to 2013. He has accumulated experiences of operation management, investment planning and marketing advertisement.

### JOINT COMPANY SECRETARIES

**Ms. Zheng Ruyan** (鄭如燕), as to the biographical details of Ms. Zheng Ruyan, please refer to “Executive Directors” of this section.

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

### 高級管理層

危昊先生，39歲，本公司副總裁。危先生於2016年1月加入本集團，負責集團的戰略規劃、市場企劃、投資分析等業務。加入本集團前，危先生於1999年至2009年擔任廈門電視台記者，並長期從事三農問題報導。2009年至2011年擔任福建閩能集團總裁助理，2011年至2013年擔任廈門博匯融資擔保有限公司總經理，積累了豐富的運營管理、投資策劃、市場宣導等經驗。

### 聯席公司秘書

鄭如燕女士，有關鄭女士的履歷，請參閱本節「執行董事」履歷。

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

## Corporate Governance Report 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

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

### DIRECTORS’ SECURITIES TRANSACTIONS

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

### BOARD OF DIRECTORS

#### Composition of the Board

The members of the Board during the Year and up to the date of this report are set out in the Directors’ Report on page 76. Each of the Directors, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years, as stipulated by the CG Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the CG Code.

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

### 企業管治常規

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

### 董事證券交易

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

### 董事會

#### 董事會組成

於本年度內及直到本報告日期，董事會成員已載於第76頁董事會報告內。根據企業管治守則之規定，每名董事(包括有指定任期的董事)應輪流退任，至少每三年一次。因此，本公司認為其已符合企業管治守則有關條文之宗旨。

根據本公司組織章程細則之規定，於每屆股東週年大會上，當時為數三分之一的董事(或如董事人數並非三(3)的倍數，則須為最近但不少於三分之一的董事人數)均須輪席退任，而每名董事須至少每三年輪值告退一次。董事鄭天明先生，鄭如燕女士及張琳女士均將於應屆股東週年大會上輪值退任，彼等均符合資格並願意應選連任。

### Board Meetings and General Meetings

### 董事會會議及股東大會

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

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

Name of Director	董事姓名	General Meeting 股東大會		Board Meeting 董事會會議	
		Attendance 出席次數	Number of meetings held 會議舉行次數	Attendance 出席次數	Number of meetings held 會議舉行次數
<b>Executive Directors</b> 執行董事					
Mr. Zheng Songhui (Chairman)	鄭松輝先生(主席)	1	1	4	4
Mr. Zheng Tianming	鄭天明先生	1	1	4	4
Ms. Zheng Ruyan	鄭如燕女士	1	1	4	4
<b>Non-executive Director</b> 非執行董事					
Ms. Zhang Lin	張琳女士	0	1	4	4
<b>Independent Non-executive Directors</b> 獨立非執行董事					
Mr. Mak Hing Keung Thomas	麥興強先生	1	1	4	4
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	1	1	4	4
Mr. Cheng Hiu Yung	鄭曉勇先生	1	1	4	4

### SEPARATE ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

### 主席與行政總裁之區分

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

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

## OPERATIONS OF THE BOARD

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

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

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

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

### Independence of the Independent Non-Executive Directors

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

## 董事會運作

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

董事會已授權本公司及其附屬公司之管理層負責本集團業務之日常管理及營運。

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

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

### 獨立非執行董事之獨立性

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

### Relationship Among Members of the Board

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

### Directors' Training and Continuous Professional Development

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

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

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

### 董事會成員之間的關係

各董事之間並無財政、業務、家族或其他重要關係。

### 董事培訓及持續專業發展

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

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

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

Name of Director	董事姓名	Type of Training 培訓類型
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. Zheng Songhui	鄭松輝先生	A、B
Mr. Zheng Tianming	鄭天明先生	A、B
Ms. Zheng Ruyan	鄭如燕女士	A、B
<b>Non-executive Director</b>	<b>非執行董事</b>	
Ms. Zhang Lin	張琳女士	A、B
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Mak Hing Keung Thomas	麥興強先生	A、B
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	A、B
Mr. Cheng Hiu Yung	鄭曉勇先生	A、B

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

A: 出席研討會／課程／會議及發展專業技能及知識  
B: 閱讀最新監管資料



## NON-EXECUTIVE DIRECTORS

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

## BOARD COMMITTEES

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

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

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

## BOARD DIVERSITY POLICY

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

## 非執行董事

各非執行董事(包括獨立非執行董事)已與本公司訂立一份委任書,為期三年,可由任何一方另向另一方發出不少於三個月書面之通知予以終止。根據本公司組織章程細則及企業管治守則,彼等須於股東週年大會上輪值退任。

## 董事委員會

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

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

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

## 董事多元化政策

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

## REMUNERATION COMMITTEE

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

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

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

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

Name of committee members	委員會成員姓名	Number of meetings held/ attendance 舉行會議次數/ 出席次數
Mr. Cheng Hiu Yung ( <i>Chairman</i> )	鄭曉勇先生(主席)	1/1
Mr. Mak Hing Keung Thomas	麥興強先生	1/1
Mr. Zheng Songhui	鄭松輝先生	1/1

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

- recommended to the Board the Directors' fees for the year ended 31 December 2017 for the approval of Shareholders;
- reviewed the Share Option Scheme; and
- reviewed the employee's remuneration policy.

## 薪酬委員會

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

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

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

於本年度內，本公司舉行一次薪酬委員會會議，個別成員出席之情況載列如下：

下列為薪酬委員會於本年度之工作摘要：

- 就截至2017年12月31日止年度之董事之袍金向董事會作出建議，以供股東批准；
- 檢討購股權計劃；及
- 檢討員工之薪酬政策。

### Level and Make-up of Remuneration

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

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

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

### COMPENSATION OF THE DIRECTORS AND SENIOR MANAGEMENT

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

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

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

		Number of people 人數
Nil to HK\$1,000,000 (approximately RMB866,000)	零至1,000,000港元(約人民幣866,000元)	1

### NOMINATION COMMITTEE

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

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

### 薪酬水平及釐定

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

非執行董事之薪酬水平反映其責任水平。

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

### 董事及高級管理層薪酬

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

於本年度內，董事酬金之詳情列載於綜合財務報表附註14。

於本年度內，本公司高級管理層(不包括董事)薪酬金額介乎以下範圍：

### 提名委員會

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

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

## Corporate Governance Report 企業管治報告

As at the date of this annual report, the Nomination Committee had met and proposed the re-election of retiring Directors Mr. Zheng Tianming, Ms. Zheng Ruyan and Ms. Zhang Lin at the forthcoming annual general meeting of the Company.

於本年報日期，提名委員會已舉行會議並建議於應屆本公司股東週年大會上重選退任董事鄭天明先生，鄭如燕女士及張琳女士。

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

於本年度內，本公司共舉行了一次提名委員會會議，個別成員出席之情況載列如下：

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

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

下列為提名委員會於本年度之工作摘要：

- reviewed the structure, size and composition as well as diversity policy for the Board members (including without limitation, gender, age, cultural and educational background, ethnicity, skills, knowledge, professional experience, competences, length of service, and the balance between executive, non-executive and independent non-executive Directors) and is of the view that there is an appropriate and diverse mix of skills and experience;
- reviewed the independence of INEDs; it also confirmed that all INEDs are considered independent;
- reviewed the continuous training and development programs undertaken by Directors and confirmed that an appropriate program is in place; and
- considered the retirement and re-election of the Directors.
- 檢討董事會之架構、規模及組成，及董事會成員多元化政策(包括但不限於性別、年齡、文化及教育背景、種族、技能、知識、專業經驗、能力、服務任期以及執行、非執行及獨立非執行董事間之平衡)，並認為董事會成員具備適當而多元化之技能及經驗；
- 提名委員會已審閱獨立非執行董事之獨立性；並確認全體獨立非執行董事均屬獨立；
- 檢討董事負責之持續培訓及發展項目，並確認已具備適合之項目；及
- 審議董事退任及重選事宜。

### AUDIT COMMITTEE

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

### 審核委員會

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

## Corporate Governance Report 企業管治報告

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

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

Name of committee members	委員會成員姓名	Number of meetings held/ attendance 舉行會議次數/ 出席次數
Mr. Mak Hing Keung Thomas (Chairman)	麥興強先生(主席)	2/2
Mr. Cheng Hiu Yung	鄭曉勇先生	2/2
Mr. Lou Robert Hsiu-sung	樓秀嵩先生	2/2

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

- reviewed the audited annual results, consolidated financial statements and the independent auditor's report of the Group for the year ended 31 December 2016;
- reviewed the adequacy and effectiveness of the risk management and internal control systems of the Group;
- reviewed the unaudited interim results of the Group for the six months ended 30 June 2017;
- reviewed the appropriateness of the Group's accounting policies;
- reviewed at various times the potential impact of the generally accepted accounting principles in Hong Kong on the Company's accounts;
- reviewed the nature and scope of external audit and approved the external audit fee;

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

於本年度內，本公司共舉行兩次審核委員會會議，個別成員出席之情況載列如下：

下列為審核委員會於本年度之工作摘要：

- 審閱本集團截至2016年12月31日止年度經審核年度業績、綜合財務報表及附載其內之獨立核數師報告書；
- 檢討本集團風險管理及內部監控系統是否合乎需要及有效；
- 審閱本集團截至2017年6月30日止六個月未經審核中期業績；
- 檢討本集團會計政策是否合適；
- 不時審閱香港普遍採納之會計準則對本公司賬目之潛在影響；
- 審閱外部核數之性質及範圍及批准外部核數費用；

- reviewed adequacy of resources, qualifications and experiences of staff of the Company's accounting and financial reporting function, and their training programmes; and
- reviewed connected transactions entered into by the Group or subsisting during the Year.

### DIRECTORS' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

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

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 97 to 99 of this annual report.

### JOINT COMPANY SECRETARIES

The Company has appointed Ms. Ng Wing Shan, the assistant vice president of SW Corporate Services Group Limited, as its joint company secretary. Her primary corporate contact person at the Company is Ms. Zheng Ruyan, the other joint company secretary and an executive Director of the Company. Ms. Ng Wing Shan and Ms. Zheng Ruyan had taken the relevant professional trainings for no less than 15 hours during the Year in accordance with the Rule 3.29 of the Listing Rules.

### AUDITOR'S REMUNERATION

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

– audit service	RMB980,000
– non-audit services <sup>1</sup>	RMB430,000

1: The non-audit service mainly included the review service of the Group's 2017 interim financial information.

### CORPORATE GOVERNANCE FUNCTIONS

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

- a. developing and reviewing the Company's policies and practices on corporate governance, and make recommendations to the Board;
- b. reviewing and monitoring the training and continuous professional development of Directors and senior management;
- c. reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;

- 檢討本公司在會計及財務匯報職能方面之資源、員工資歷及經驗之完善性，以及員工之培訓課程之足夠性；及
- 審閱於本年度由本集團訂立或仍存續之關連交易。

### 董事有關編製財務報表之責任

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

本公司外聘核數師就其對財務報表申報責任發出之聲明載於本年報第97至99頁之獨立核數師報告內。

### 聯席公司秘書

本公司委聘信永方圓企業服務集團有限公司的副總監吳詠珊女士擔任其聯席公司秘書。彼在本公司的主要公司聯絡人為另一名本公司聯席公司秘書兼執行董事鄭如燕女士。吳詠珊女士及鄭如燕女士均已遵照上市規則第3.29條，於本年度內接受了不少於十五小時的相關專業培訓。

### 核數師酬金

本年度內，經由審核委員會審閱及核准作支付或應計予本集團核數師，中瑞岳華(香港)會計師事務所，有關其提供予本集團的審計和非審計範圍服務的酬金如下：

– 審計服務	人民幣980,000元
– 非審計服務 <sup>1</sup>	人民幣430,000元

1: 非審計服務主要包括審閱本集團2017年中期財務資料的服務。

### 企業管治職能

董事會負責履行企業管治職能，主要包括以下幾個方面如下：

- a. 制定及檢討本公司的企業管治政策及常規，並向董事會作出推薦建議；
- b. 檢討及監察董事及高級管理層的培訓及持續專業發展；
- c. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；

- d. developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- e. reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report in the annual report of the Company.

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

### RISK MANAGEMENT AND INTERNAL CONTROL

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

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

- d. 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊(如有); 及
- e. 檢討本公司遵守企業管治守則的情況及在本公司年報中的企業管治報告的披露。

於本年度內，董事會已履行上述企業管治職能。

### 風險管理及內部監控

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

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

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

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

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

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

#### INSIDE INFORMATION MANAGEMENT

The Company strictly implements inside information and insider management according to the regulatory requirements of the place of listing and the Company's requirements to ensure the collection, transmission, organization, preparation and disclosure of such information are in compliance with laws and regulations. During the Year, the Company continued to strengthen the confidentiality management of inside information, arrange registration and filing of insiders, and conduct self-checking on insider trading on a regular basis. After such self-checking, the Company was not aware of any insiders who trade shares of the Company using inside information during the Year.

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

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

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

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

#### 內幕信息管理

本公司嚴格按照上市地監管要求及本公司制度規定開展內幕消息及知情人管理工作，確保依法合規收集、傳遞、整理、編制和披露相關信息。於本年度內，本公司持續加強內幕信息保密管理，組織內幕知情人登記備案，定期開展內幕交易自查。經自查，於本年度內，本公司未發現內幕信息知情人利用內幕信息買賣本公司股份的情況。



## SHAREHOLDERS' RIGHTS

### Convening an Extraordinary General Meeting

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

### Putting Forward Proposals at General meetings

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

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

## 股東權利

### 召開股東特別大會

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

### 於股東大會上提呈建議

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

本公司股東提名人選參選董事之程序已刊登於本公司網站。

## COMMUNICATION WITH SHAREHOLDERS

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

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

Shareholders and the investment community may make a request for the Company's information to the extent such information is publicly available or send their enquiries to the Board in writing by email to [service@greenfresh.com](mailto:service@greenfresh.com) or by addressing their enquiries to the Board in the following manners: The Board of China Greenfresh Group Co., Ltd. at 18/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong or 8th Floor, Building No. 10, Guanyinshan Business Center, Siming District, Xiamen, China.

## AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATIONS

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

## INVESTOR RELATIONS

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

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

## 與股東之溝通

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

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

股東及投資人士可索取本公司可公開之資料或以書面形式或透過電郵([service@greenfresh.com](mailto:service@greenfresh.com))向董事會發出彼等的查詢請求或按以下方式向董事會提出查詢請求：中國綠寶集團有限公司董事會(地址為香港灣仔皇后大道東28號金鐘匯中心18樓或中國廈門思明區觀音山運營中心10號樓八樓)。

## 組織章程大綱及細則修訂

於本年度內，本公司並無對其組織章程大綱及細則作出任何修訂。

## 投資者關係

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

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

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1 CORPORATE PROFILE

1.1.1 Established in 1995, China Greenfresh Co., Ltd. (hereinafter referred to “China Greenfresh” or the “Group”) is an integrated supplier of edible fungi products. China Greenfresh adopts a vertically integrated model from cultivation to the manufacturing of edible fungi. The Group’s main products include King Trumpet Mushroom, Common Cultivated Mushroom and Button Mushroom. In addition to edible fungi production, China Greenfresh also engages in the manufacturing of processed food, such as canned edible fungi, canned vegetables and canned fruits.

1.1.2 The Group has achieved a large scale of automatic, mechanized, and streamlined edible fungi production, and taken the leading position of the industry. Aiming at the global market, China Greenfresh proactively employs world-wide advanced processing technology for edible fungi production, and successfully discovers the added value of mushroom industry. The Group has established business relationships with countries such as Japan and Singapore, and been focusing on researching healthcare products, and forming a diversified industry chain.

### 2 ABOUT THIS REPORT

#### 2.1 REPORTING SCOPE

2.1.1 This Environmental, Social and Governance (“ESG”) Report is the second report published by China Greenfresh on social responsibility to disclose the corporate sustainable development strategies and contributions, and open to public supervision on its ESG matters.

2.1.2 Unless otherwise stated, this report is consistent with the period of the annual report, covering the environmental and social performances of China Greenfresh in 2017 financial year (i.e. 1 January 2017 to 31 December 2017).

2.1.3 This report covers business scopes of all of China Greenfresh’s manufacturing plants, which are located at Fujian, Hebei Pingquan, Jiangsu Changzhou. The Group’s oversea business is not included in the report since the environmental and social impacts are not significant.

#### 2.2 REPORTING STANDARD

2.2.1 This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide, Appendix 27 of the Listing Rules of the HKEx. This report has incorporated reporting principles of materiality, quantitative, balance and consistency. The information relating to corporate governance of China Greenfresh is discussed in the annual report of the Group according to the Corporate Governance Code, Appendix 14 of the Listing Rules.

### 1 集團簡介

1.1.1 中國綠寶集團有限公司(下稱「中國綠寶」,或「集團」)是一家創立於一九九五年的食用菌產品綜合供應商。中國綠寶從菇菌種植到生產及銷售加工產品採用垂直一體化食用菌生產模式。產品包括杏鮑菇、雙孢菇、香菇等。除食用菌生產外,集團亦從事加工食品的生產,如罐頭蘑菇、罐頭蔬菜和罐頭水果等。

1.1.2 集團目前已實現食用菌大規模自動化、機械化、流水線化生產,處於同行業領先地位。中國綠寶放眼全球市場,積極運用全球先進的食用菌精深加工技術,成功挖掘食用菌產業附加值,與日本、新加坡等國家地區開展生物醫療技術合作,專注於保健產品的研發,形成多元化的產業鏈。

### 2 關於本報告

#### 2.1 報告範圍

2.1.1 本環境、社會及管治(ESG)報告是本集團的第二份社會責任相關報告,公開集團的可持續發展策略和貢獻,並接受大眾監督。

2.1.2 除另有說明,本報告將與年報匯報期一致,涵蓋中國綠寶2017財政年度(即2017年1月1日至2017年12月31日)在環境和社會的績效表現。

2.1.3 本報告涵蓋的業務範圍包括中國綠寶國內所有生產和種植基地,即福建基地、河北平泉、江蘇常州的業務範圍。本集團於中國大陸以外的業務,對環境及社會的影響較小,因此不被納入報告範圍內。

#### 2.2 報告準則

2.2.1 本報告根據聯交所上市規則附錄二十七《環境、社會及管治報告指引》,界定報告的內容。本報告依照重要性、量化、平衡和一致性的原則披露內容。中國綠寶的企業管治相關資訊將根據聯交所主板上市規則附錄14的《企業管治守則》,於集團年報載述。



2.2.2 This report has been compiled by Allied Environmental Consultants Limited. The Group's senior management team would like to express its gratitude to all responsible parties for their precious contribution to the report.

### 2.3 REPORTING THEME: WIN-WIN WITH THE ENVIRONMENT AND SOCIETY

2.3.1 China Greenfresh prioritized sustainable development and strived to achieve a "win-win" situation with the environment and the society. Throughout the production processes, the Group carefully assesses and addresses all environmental and social issues. Hence, the report structure is divided into two sections: "win-win with the environment" and "mutually beneficial with the society."

#### *Win-win with the environment*

2.3.2 Achieving a win-win situation with the environment consists of fully embedding green practices into the manufacturing chain and production management. From the supply chain management to operation and quality control, China Greenfresh strives to protect the environment by optimizing resource usage and reducing emissions.

#### *Mutually beneficial with the society*

2.3.3 The Group is committed to re-invest in the community and create values to shareholders through satisfying customers' heightened expectations, promoting employees' wellness and contributing to the social development.

## 3 WIN-WIN WITH THE ENVIRONMENT

China Greenfresh adopts a green and sustainable business model. In addition to cost-effectiveness and quality, the Group also considers the location of suppliers and their in-house environmental protection initiatives. China Greenfresh creates a green circular production chain under its **zero-waste** concept. From procurement to production, each process is strictly controlled to reduce the waste. The Group purchases local agricultural wastes as raw materials for edible fungus cultivation, and sells its cultivation wastes back to local farmers as natural fertilizer.

2.2.2 本報告由沛然環境評估工程顧問有限公司協助撰寫，報告內容根據所搜集資料編寫。集團的高級管理團隊由衷感謝所有協助報告撰寫的單位的付出與貢獻。

### 2.3 報告主題：與環境和社會共贏

2.3.1 中國綠寶重視可持續發展，謀求社會和環境的共贏。本集團認真評估環境及社會問題，並將其影響納入生產考慮中，故此，本報告分為「與環境共贏」及「與社會互利」兩個方面進行闡述。

#### *與環境共贏*

2.3.2 致力於與環境共贏，本集團在生產線及管理上，均植入環境保護的概念。通過對供應鏈到營運乃至質量管控各個環節的節能減排，本集團努力保護環境。

#### *與社會互利*

2.3.3 秉持「取之社會，用之社會」的理念，本集團通過滿足客戶需求，關懷員工、助力社區發展，為持份者創造更多價值。

## 3 與環境共贏

中國綠寶採用綠色可持續的商業模式。選擇供應商時，除考慮價格及質量外，亦著重於供應商是否在環境保護方面有相應措施以及地理位置。中國綠寶的**零排放**生產理念在其綠色循環生產鏈中貫徹始終。從採購到生產，各個環節都嚴格把控，節能減排。本集團購買本地農廢料作為可食用菌種植的原料，並將種植廢料銷售給本地農戶作為天然肥料。



### 3.1 PRUDENT PROCUREMENT

- 3.1.1 China Greenfresh strived to firstly reuse self-produced raw materials as much as possible and to safeguard production quality. With increasing market demands, certain raw materials needed to be purchased from suppliers or farmers. Fully aware that achieving green production begins with procurement, the Group is committed to engaging its supply chain in the sustainable development process with strict compliance to related policy and regulations.
- 3.1.2 All suppliers should comply with environmental policies and regulations, reach the emission standards, and take initiatives on resource conservation and emission reduction. Suppliers' reputation is also considered by the Group in terms of services quality and employment legitimacy.
- 3.1.3 China Greenfresh evaluated its suppliers annually in all aspects, including material quality, cost-effectiveness, delivery punctuality, and production capacity.
- 3.1.4 Moreover, the Group opted nearby suppliers to minimize transportation emissions. At least two suppliers were selected for each procurement process to secure the supply and provide equal opportunity to the suppliers with transparency.

### 3.1 謹慎採購

- 3.1.1 中國綠寶盡可能優先使用自己生產的原材料，並保證產品質量。隨著市場需求的增加，部分原材料需向供應商或農戶採購。深知實現綠色生產從採購開始，本集團對供應鏈認真負責，並嚴格遵守供應商選擇及原材料採購的相關法律法規。
- 3.1.2 所有供應商符合相關的環保法規，達到排放標準，並在生產中有節能減排的相應措施。本集團亦考察供應商信譽是否良好，是否存在非法僱傭的現象。
- 3.1.3 集團每年都對供應商各方面表現進行評估，其中包括質量、成本、交貨及生產能力。
- 3.1.4 此外，為減少原材料運輸過程中所產生的污染，本集團盡量選用生產地點附近的供應商。本集團選擇至少2家以上的供應商以確保供應鏈的穩定性，以及為供應商提供公平公開的機會。



### 3.2 GREEN PRODUCTION LINE

3.2.1 The production process includes prewetting and mixing, bagging, sterilization, and cooling. After fruiting, the mushrooms were processed through trimming and packaging. Preventive measures were implemented to minimize generated waste from this process.

3.2.2 In order to promote a green production line, the Group strived to implement the concept of “eco-friendly production” into the operation process through resource optimization, emission reduction and environmental protection. China Greenfresh complied with all environmental-related policy and regulations, and established internal rules to achieve a green production standard:

- Optimizing use of water, energy, and other resources
- Minimizing heavy pollutants and greenhouse gas emissions
- Minimizing disposal and reducing the ecological footprint
- Promoting material recycling and reuse
- Reducing business negative impacts on the environment

#### Waste minimization

3.2.3 China Greenfresh is committed to “zero-waste” production through reusing the cultivation polyethylene bags and recycling production waste such as corncob, cornhusk, and sweet potato peels into fuel or selling at a lower price or donating to local farmers as agricultural inputs. On the other side, the Group purchased agricultural wastes such as sawdust and straws from the local farmers to cultivate its edible fungus. During the reporting period, the Group has produced and recycled **18,496** tonnes of cultivation wastes.

### 3.2 綠色生產線

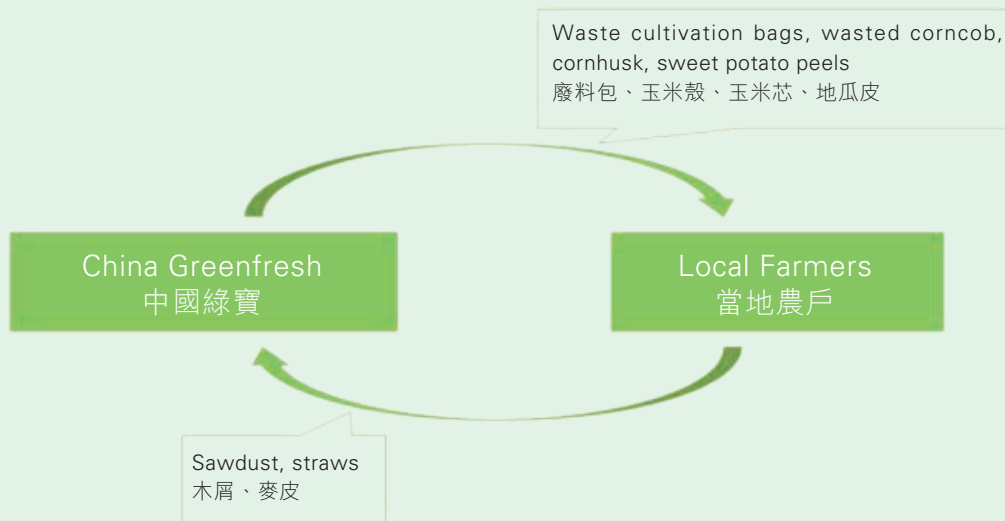
3.2.1 本集團的生產程序主要包括對原材料進行預濕攪拌、裝袋及滅菌冷卻。在出菇後，於修剪及包裝菌菇的環節實施減少廢料的措施，盡可能減少廢棄物的產生。

3.2.2 致力於促進綠色生產，本集團將「用綠色之本，創民族之寶」的理念融合至生產過程中，節約資源、減少排放、保護環境。本集團不僅嚴格遵守相關的法律法規，亦在生產過程中設立相關規則：

- 高效利用水、能源及其他資源
- 減少污染物及溫室氣體的排放
- 堅持達標排放，不斷提升集團的環境績效
- 最大限度循環無害廢棄物
- 減低業務對環境或其他自然資源的負面影響

#### 減少廢棄物排放

3.2.3 本集團重覆使用培養菌菇時所用的聚乙烯盛裝袋，並充分利用廢料包、玉米殼、玉米芯以及地瓜皮等，將這些廢棄物以低價銷售或贈送給附近農戶，或重新利用作為燃料，以堅持「零」廢棄物生產模式。同時，本集團亦向農戶購買木屑、麥皮等邊角料，作為培育菌菇的原料。報告期間，本集團共循環利用了**18,496**噸養殖廢料。



*Water conservation*

- 3.2.4 Water resource plays an important role in the production process, and it was used in prewetting, mixing, sterilization, and mushroom cultivation.
- 3.2.5 To optimize the water usage, the Group installed water saving devices to save production water usage. In addition, over the cooling process, the water was sterilized, cooled, and re-used in the cooling tower.
- 3.2.6 The wastewater was produced from prewetting the sawdust and sterilization. It was collected to cesspool and treated through suspended and floating particulates filtration and hydrolytic acidification for reusing in cooling. Water discharge amount was not significant and was strictly complies with the local standard. The sludge from wastewater treatment was recycled and reused as fuel in the production chain.

*Energy efficiency*

- 3.2.7 Coal, natural gas and wood-fuel were consumed during the manufacturing. They were used to power machines for sterilization and maintaining appropriate edible fungi growing environment.
- 3.2.8 The electricity was provided by local power supply group, while coal, natural gases and wood fuel were purchased from suppliers. Under its sustainable development vision, the Group strived to improve its production chain and the efficiency of energy, through gradually eliminating the low energy efficiency fuel such as wood-fuel and installing variable speed drives for large power consumption machines such as mixers and water pumps.

*節約用水*

- 3.2.4 生產過程中，水資源的使用至關重要，在預濕攪拌、滅菌冷卻以及培育菌菇的環節，均需要使用水。
- 3.2.5 為更有效的運用水資源，本集團安裝節水裝置，節省生產用水。另外，在冷卻環節中使用的水，經過消毒、冷卻，在冷卻塔中重覆使用。
- 3.2.6 工廠的廢水主要分為生產前期木屑預濕後流出的廢水以及殺菌消毒時所產生的廢水。廢水收集至污水池後，通過過濾漂浮物、懸浮物以及水解酸化後，循環使用於產品冷卻環節。僅少量污水被排出，所排出部分經檢測，均符合排放標準。處理污水所產生的污泥則製成泥餅，用於燃料的使用。

*善用能源*

- 3.2.7 生產過程中需使用煤、天然氣以及薪柴作為機器燃料，為菌菇消毒以及為其提供恆溫恆濕的生產環境。
- 3.2.8 電力主要來自本地供電集團，而煤、天然氣及薪柴等則向供應商採買。為推動可持續發展，本集團致力於改善生產鏈，有效應用能源，逐漸淘汰如薪柴一類的低效能源，並為大功率設備，例如攪拌機以及抽水機，安裝變頻設備。



3.2.9 Moreover, in 2017, the Group replaced the coal-fired boilers by gas condensing steam boilers. This initiative reduced the use of wood-fuel and coal, and partially eliminated greenhouse gases and other hazardous emissions, such as CO<sub>2</sub>, NO<sub>x</sub>, PM and SO<sub>2</sub>, from the fumes and smoke during the steam cooling process. As a result, the Group achieved cost-effective operations with potential benefit to the environment.

3.2.9 本年度，本集團將原本的煤炭鍋爐改換成全自動燃氣冷凝式蒸汽鍋爐。這一舉措除了減少薪柴及煤炭資源的使用，更可在鍋爐冷凝煙氣中的水蒸氣的同時，去除部分煙氣中的溫室氣體及有害氣體，如CO<sub>2</sub>、NO<sub>x</sub>及SO<sub>2</sub>。不僅長遠的為集團節省了經濟開支，也使環境受益。

#### 4 MUTUALLY BENEFICIAL WITH THE SOCIETY

The Group believes that there is a close correlation between corporate sustainable development and social welfare. By upholding a devoted, responsible, and down-to-earth principle, China Greenfresh focuses not only on customers' needs, but also on the society wellness. Through exploring the industry, the Group has developed healthy products for the satisfaction of customers and the promotion of national health. The Group pays close attention to employee's professional development and provides trainings to support staff capacity building. In terms of social actions, the Group actively supports charities through donating to local schools and working with local farmers to improve their incomes and life condition.

##### 4.1 ASSURING CUSTOMERS' SATISFACTION

###### *Product quality assurance*

4.1.1 The Group was committed to providing customers with safe, healthy, and high-quality products, and has established a Quality Control (QC) Team to examine product quality. Product quality assessment scope included product sizes, appearance, weight, contamination risks, and compliance with the national standards. In addition, the QC team ensured that the packaging and label descriptions were consistent with the relevant quality standards. Quality checks were performed on the shelf life, storage temperature and ventilation system according to the technical requirements of various types of products.

4.1.2 China Greenfresh fully endorsed the responsibility of the product quality and assured customers' satisfaction. Over the reporting period, the Group has not received any complaint or feedback relating product quality, health and safety issues.

#### 4 與社會互利

本集團相信企業的可持續發展與社會福利密切相關。秉持著認真負責、腳踏實地的原則，中國綠寶不僅注重客戶需求，更關心社區福利。本集團通過不斷探究行業可能性，以滿足不同客戶的需求，為健康助力。本集團關注員工發展，為員工設置各方面的課程，從基礎技能到綜合實力，提高員工工作能力。取之社會，用之社會，本集團積極支持慈善事業，捐資助學，並與本地農戶合作，幫助其增加收入。

##### 4.1 客戶為先

###### *品質保證*

4.1.1 本集團致力於為客戶提供安全、健康、高質素的产品，並設立專門的品質監控(品控)團隊，並對產品進行檢測監控。檢測範圍涵蓋：產品大小、外觀及重量，產品是否受到污染、產品是否符合國家制定標準。另外，品控團隊確保包裝及標籤所描述者一致符合相關品質標準，並針對不同產品，對其保定期、儲存溫度及通風進行品質檢查。

4.1.2 秉持著對產品負責，令消費者滿意的原則，本集團對所有客戶或消費者投訴均認真對待，集團於報告年度內無重大投訴、退貨事件或因安全或健康而回收的產品。



#### Intellectual property and data privacy

- 4.13 The Group established a confidential agreement with its employees, so that all employees shall keep the confidentiality of customer data and the Group's intellectual properties during or after the period of employment.
- 4.14 Fully aware that sustainable development depends not only on innovation, but also on intellectual property protection. The Group has complied with the *Intellectual Property Management System and Policy*, and currently possesses **60** registered trademarks and **58** registered patents.

#### Research and innovation

- 4.15 Citizen health issue is crucial to the community and is gaining increasing attention in People's Republic of China. As stated in "Healthy China 2030 Planning Outline," health is considered as a basic condition for sustainable development of the country. In this regard, China Greenfresh has developed a new business direction on healthcare product to satisfy the diversified needs of customers and respond to the PRC's initiative.
- 4.16 Through international cooperation and research with medical research institutions, such as Japan Oriental Medical Research Centre and Kumamoto University in Japan, the Group has developed "**CAMBO**" series and "**520 International**" series for liver function, digestion system, immune system, and skincare.

#### 保護知識產權及資料隱私

- 4.13 本集團確保資料安全以及知識產權，與僱員訂立保密協議，據此，僱員承諾在受聘期內及之後保守客戶資料隱私及集團知識產權。
- 4.14 可持續發展仰賴不斷的創新進步，而知識產權的相關政策法規則給予創新能力以保障。因此，本集團嚴格遵守《知識產權管理體系和制度》，並依賴該法律的保護，在中國擁有**60**個註冊商標及**58**個註冊專利。

#### 研發創新

- 4.15 國家對公民健康日益重視，並於《健康中國2030規劃綱要》中指出國民健康是國家可持續發展的基礎條件。因此，為滿足客戶多元化的需求，以及響應政策的號召，本集團積極拓展新的發展方向—大健康保健產品。
- 4.16 通過與日本東陽醫學研究所、熊本大學等醫藥科研機構的深入合作、共同研發，本集團在肝功能、消化系統、免疫系統以及護膚方面，推出了「康寶」系列產品及「520國際」系列產品。



“CAMBO” Series  
「康寶」系列產品

“520 International” Series  
「520國際」系列產品



4.1.7 The products have received several patents on the extraction and manufacturing techniques. In addition, the Group has strictly followed the hygienic quality requirements in the production chain, in order to deliver healthy and safe products.

4.1.8 Through the strategic industrial transformation, the Group aimed to consolidate an integrated business of edible fungus, as well as develop new sustainable business and gradually eliminate outdated production.

4.1.7 產品在提取和生產技術上獲得多個專利，並在各個生產環節中嚴格按照衛生質量要求，生產出健康、安全，令客戶放心的產品。

4.1.8 本集團希望通過產業的戰略轉型，穩固發展食用菌綜合業務之餘，開發新的可持續發展產品替代產能較為落後的產業。

## 4.2 CARING EMPLOYEES

### Employment and labour standard

4.2.1 China Greenfresh complied with employment-related laws and regulations, maintains a good relationship with employees, and encourages their feedback. Employees were encouraged to address their questions and complaints directly to the responsible department for appropriate solutions and improvement.

4.2.2 The Group prohibited any recruitment of child or other workers who do not meet national statutory requirements. The Human Resource Department has followed relevant child and forced labour policies, and staff background investigation procedures to ensure identity and accuracy of qualification credentials for each candidate.

4.2.3 The recruiting process was strictly on merit without consideration on gender, religion, race, or other similar factors, to ensure the working environment is equal and diverse.

## 4.2 關愛員工

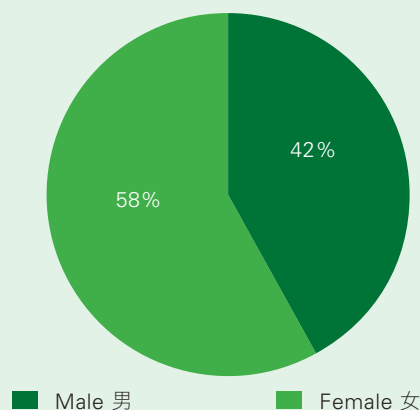
### 僱傭和勞工標準

4.2.1 中國綠寶遵守國家勞動法等僱傭和勞工的相關法律法規，並與員工保持良好的僱傭關係，積極接受員工的問題反饋。如員工對僱傭政策產生任何疑問，可尋找負責單位進行詢問或投訴。

4.2.2 本集團杜絕童工及不符合國家法定要求的員工。人力資源部門一向貫徹防止童工和強制勞工的招聘政策，在招聘過程中，對應聘者的背景資料進行嚴格核查，確保其合法性。

4.2.3 招聘過程中，本集團僅考慮員工的能力，除此之外，性別、宗教信仰、種族或其他相類似因素，將不作考慮。從而確保員工擁有一個平等及多元的工作環境。

2017 Ratio of Employees by Gender  
 2017按性別分類的男女人數比





#### Healthy and safe workplace

- 4.2.4 The Group has complied with policies related to occupational health and safety and implemented a safety control system. The system covered handling safety issues, incident investigation process, protection and remedial measures, notification mechanisms, employee health check with occupational health monitoring and proper recording system. The Group provided regular physical examination, health and safety trainings, and conducted safety inspections to protect employees from occupational hazards.
- 4.2.5 China Greenfresh endeavors to create a safe working environment for its employees, and has set up first aid kits, fire protection equipment, as well as escape route map and emergency equipment in respond to emergencies.
- 4.2.6 The Group has no fatalities or injuries occurred during the reporting period.

#### Staff training and activities

- 4.2.7 The Group's business success depends on professional development of each employee. In this regard, the Group establishes Greenfresh Business School, and provides all-round courses to support full professional development of employees.
- 4.2.8 With the healthcare product developed in partnership with Japanese corporations, **training on Japanese taxation law** has provided to employees. Moreover, the Group provided continuous professional development training such as **PowerPoint Presentation Skills Development** and **Time Management Training**. China Greenfresh also helped enriching its staffs' leisure time through establishing courses such as **News Photo Shooting**.

#### 健康與安全的工作環境

- 4.2.4 本集團遵守與員工健康安全的相關法例法規，並實施安全管理體系。系統涵蓋處理安全問題、事故調查程式、保護及補救措施、意外通報機制以及安排健康檢查及建立職業健康記錄。定期為員工提供必要的身體檢查及安全健康生產培訓，並堅持進行安全生產巡查，避免員工發生職業傷害。
- 4.2.5 本集團努力為員工提供安全的生產環境，在當眼處設置急救箱、防火設備，並提供逃生路線圖以及緊急設備，以應對突發事件。
- 4.2.6 本集團本年度無發生傷亡意外。

#### 員工職業培訓及活動

- 4.2.7 人才為企業成功的關鍵，每一位綠寶員工的個人成長都融為集團的持續進步。本集團為員工設立綠寶商學院，提供全方位課程，鼓勵員工全面發展。
- 4.2.8 由於本集團開發新的健康產品業務，並與日本當地的企業合作。故此，集團組織了**日本稅法培訓**，提升員工基礎知識。本集團培訓課程多元，亦有提升職業能力的培訓，如**演示文稿展示力及時間管理培訓**。除此之外，集團樂於培養員工業餘愛好，激發員工潛力，為員工提供**拍攝新聞照片**的培訓。



23 August 2017, the Group organized *Japanese Taxation Training*. The training enabled employees understanding the difference between Chinese and Japanese taxation laws and regulation and helped the Group to develop its business in Japan.

2017年8月23日，本集團舉辦日本税法培訓。該培訓講解了日本相關税法的基本知識和中日税法及準則的差異，幫助集團更好的開展業務。



3 June 2017, the Group held *PowerPoint Presentation Skills Development* training, to help its employees to improve their working capability by using PowerPoint efficiently.

2017年6月3日，本集團舉辦演示文稿展示力培訓，利用演示文稿這一有利的工具，提升自身工作能力。



9 September 2017, the Group held *Time Management Training* for employees to improve their working efficiency.  
2017年9月9日，本集團舉辦時間管理培訓，幫助員工提升工作效率。

4.2.9 In addition to the provision of trainings, China Greenfresh also cares for employees' families. Family activities were regularly organized to enhance the cohesion of the Group while improving the relationship between employees and their families.

4.2.9 中國綠寶不僅重視員工的個人發展，亦關心員工的家庭。本集團定期組織豐富的業餘活動，讓員工工作之餘可以與家人共度愉快時光，從而提升集團凝聚力。

*Case Study: China Greenfresh organized Father's Day activity*

案例分享：中國綠寶舉行感恩父親節活動





A Father's Day Activity was held by China Greenfresh on 18 June 2017, at Xiamen, Fujian. The Group appreciates employees' efforts and would like using this as an opportunity to thank their families for their support.

中國綠寶2017年度「百舸爭流·孝恩先行」感恩父親節活動於2017年6月18日在福建廈門舉行。本集團珍視員工為崗位的付出，藉此感謝員工家屬們一直以來的支持。

#### 4.3 ANTI-CORRUPTION

4.3.1 The Group has established anti-corruption policy to ensure integrity and transparent business activities under the sustainable development vision. An auditing department has been delegated to investigate and follow-up corruptive and inappropriate behaviours. In the case where violations are formally identified, the Group will take the necessary disciplinary action. The anti-corruption policy and initiatives were evaluated regularly on the quarterly meetings held by the auditing department.

4.3.2 In order to prevent corruption, the Group promoted its anti-corruption policies and related measures within the Company in various forms such as employee manuals, publicity or training, etc., to ensure employees' full awareness of the relevant policies and regulations and their understanding of legitimacy and merit.

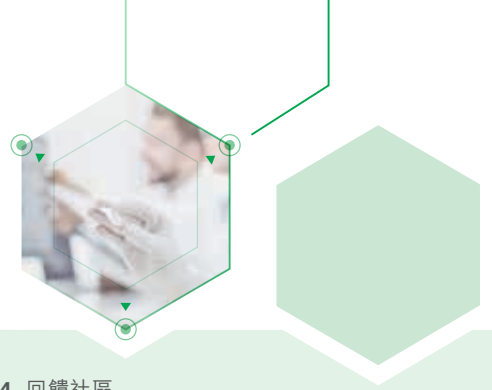
4.3.3 No concluded legal cases relating to violation of anti-corruption policy have been noticed in the Group over the reporting period.

#### 4.3 反腐敗

4.3.1 本集團積極設置反腐敗政策並嚴格執行，確保誠信透明的商業活動。特別設置稽核部作為本集團腐敗及不當行為的主要調查及跟進部門，一旦發現違規事件屬實，本集團將依法追究。該部門每季度舉行例會，檢討反腐敗工作的制度並提出修改意見。

4.3.2 在貪污的預防和控制方面，本集團將反腐敗政策及有關措施在公司內部以多種形式，包括員工手冊、宣傳或培訓等，進行教育，確保員工瞭解有關法律法規，幫助員工區分合法與違法、誠通道德與非誠通道德的行為。

4.3.3 本年度本集團未發現任何貪污訴訟案。



#### 4.4 COMMUNITY INVESTMENT

- 4.4.1 Caring for the community is one of the key aspects of the sustainable development. The Group upheld the principle of paying back to the community through charities and donations. China Greenfresh focused on giving back to various social groups, such as farmers and children, and supporting education.
- 4.4.2 The Group strived to help local farmers through financial support, technical services, and governance instructions. Through partnership with the farmers, China Greenfresh purchased agricultural wastes from the nearby farmers and helps increasing their income.
- 4.4.3 The Group cares about the children, and initiated several charity activities including visiting the children welfare centres in Fujian, and donating edible vegetation and fungus, organic rice and books. The Group has also organized a one-day tour for the children at the local Greenfresh factories, and shared useful information and knowledge on mushroom planting.

#### 4.4 回饋社區

- 4.4.1 社區是可持續發展的重要指標之一。本集團秉持「取之社會，用之社會」的經營理念，積極支持公益事業。本集團著眼於幫助三農、關懷兒童以及支持教育，在不同領域為有需要人士帶來幫助。
- 4.4.2 本集團致力於為幫助本地農戶創收，向其提供財政支援、技術服務及管理指引。更通過與農戶們達成合作，向其購買種植邊角料，以增加其收入。
- 4.4.3 集團關愛社區兒童，多次發起公益活動，前往福建的兒童福利院，為孩子們送上新鮮食用菌、蔬菜、有機大米及大量書籍。本集團亦邀請社會福利院的小朋友前往集團位於福建漳州綠寶生態工業園一日遊，參觀綠寶食用菌科技館及杏鮑菇種植基地進行科普教育。



1 June 2017, China Greenfresh visited the children welfare centre in Zhangzhou, Fujian.  
2017年6月1日，中國綠寶前往漳州兒童福利院進行捐贈活動。





7 July 2017, China Greenfresh held the event “Delivering Love and Warmth to Our Child with Greenfresh,” and invited children to visit the Science and Technology Museum of Mushroom.  
2017年7月7日，中國綠寶舉辦「愛暖童心，綠寶同行」公益活動。

4.4.4 Promotion of local talents is another important aspect of the community development. China Greenfresh has established “Greenfresh Incentive Scholarship” with College of Life Science of Fujian Agriculture and Forestry University to support local students that are in financial difficulties.

4.4.4 人才的培養是社區發展的關鍵之一，中國綠寶在福建農林大學設立「綠寶勵志助學金」，幫助家庭困難的品優生更好地完成學業。



China Greenfresh and Fujian Agriculture and Forestry University established “Greenfresh Incentive Scholarship.”  
中國綠寶為福建農林大學捐資助學。



## 5 LOOKING FORWARD

- 5.1.1 Under its sustainable development vision, China Greenfresh will improve its eco-friendly production and management system to enhance its reputation and customers' recognition. As a competitive advantage, the development of the healthcare product will be reinforced and fully integrated into the Group's sustainable business strategy and programme.
- 5.1.2 The Group will enhance communication with stakeholders and build long lasting relationships with all parties to increase values for stakeholders. Research on green production process and techniques will be reinforced to staff through capacity building strategy. The Group will continuously support the community through actively participating charity, donation, and volunteering activities. China Greenfresh is fully committed to keeping innovating and devoting itself to achieve the win-win sustainable future.

## 5 願景

- 5.1.1 秉承著其可持續發展的願景，中國綠寶將持續改進生產技術及管理系統，以獲得更多客戶的認可。保健產品作為本集團的優勢產業之一，將被持續發展，並全面融入可持續發展的戰略及計劃當中。
- 5.1.2 本集團將通過多種渠道與各持份者建立並保持良好關係，並為其增添價值。中國綠寶亦將持續對綠色生產以及技術進行研究，並通過相關培訓對其員工進行教育。中國綠寶牢記企業責任，積極組織並參加公益活動。本集團將持續貢獻於慈善捐贈及義務服務。中國綠寶將持續探索、溝通、創新並奉獻自己，以謀求與可持續發展未來的雙贏局面。

6 ENVIRONMENTAL PERFORMANCE TABLE

6 環境績效表

Indicator 指標	Unit 單位	2017
<b>Water Consumption</b> 用水情況		
<b>Total</b> 總量	m <sup>3</sup> 立方米	147,245
Water consumption intensity 用水強度	m <sup>3</sup> /RMB M'Revenue 立方米/百萬人民幣收入	138
<b>Energy Usage</b> 能源耗用量		
Electricity 電	kWh 千瓦時	18,903,576
Coal 煤	kWh 千瓦時	25,059,767
Natural Gas 天然氣	kWh 千瓦時	46,142,054
Wood-fuel 薪柴	kWh 千瓦時	18,956,233
Petrol 汽油	kWh 千瓦時	251,665
<b>Total</b> 總量	kWh 千瓦時	109,313,295
Energy intensity 能源強度	kWh/RMB M' revenue 千瓦時/百萬人民幣收入	102,738
<b>Greenhouse Gas (GHG) Emissions</b>		
溫室氣體排放		
Scope 1: Direct emission 範圍一：直接溫室氣體排放	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> ) 噸(二氧化碳當量)	18,108
Scope 2: Indirect emission 範圍二：間接氣體排放	tCO <sub>2</sub> 噸(二氧化碳當量)	12,872
<b>Total</b> 總量	tCO <sub>2</sub> 噸(二氧化碳當量)	30,980
GHG intensity 溫室氣體排放強度	tCO <sub>2</sub> /RMB M' Revenue 噸二氧化碳當量/百萬人民幣收入	29
<b>Gaseous Emissions</b>		
氣體排放		
Nitrogen oxides (NOx) 氮氧化物(NOx)	Tonnes 噸	24
Particulate Matter 微粒物質	Tonnes 噸	87
<b>Non-Hazardous Waste</b>		
無害廢棄物		
<b>Total</b> 總量	Tonnes 噸	18,496



7 ESG CONTENT INDEX

7 聯交所《環境、社會及管治報告指引》索引

Aspect/Description/KPI 一般披露及關鍵績效指標描述	Section/Statement 章節/聲明	Page No. 頁數
<b>A. Environmental</b> 環境		
<b>A1 Emissions</b> 層面A1：排放物		
A1	General Disclosure 一般披露	3.2 53-55
A1.1	Types of emissions and respective emissions data 排放物種類及相關排放數據	3.2 53-55
A1.2	Greenhouse gas emissions in total 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)	Performance Table 數據表 66
A1.3	Total hazardous waste produced 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 hazardous waste is generated in the Group's production process. 本集團生產中不產生有害廢棄物 -
A1.4	Total non-hazardous waste produced and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	3.2 53-55
A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	3.2 53-55
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	3.2 53-55
<b>A2 Use of Resources</b> 層面A2：資源使用		
A2	General Disclosure 一般披露	3.2 53-55
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)	Performance Table 數據表 66
A2.2	Water consumption in total and intensity 總耗水量及密度	Performance Table 數據表 66
A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計畫及所得成果	3.2 53-55
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畫及所得成果	3.2 53-55
A2.5	Total packaging material used for finished products 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	The Group produced <b>1,658</b> tonnes of package 本集團本年度共使用包裝 <b>1,658</b> 噸 -

Aspect/Description/KPI 一般披露及關鍵績效指標描述	Section/Statement 章節/聲明	Page No. 頁數
<b>A3 The Environment and Natural Resources</b>		
層面A3：環境及天然資源		
A3	General Disclosure 一般披露	3.2 53-55
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	3.2 53-55
<b>B. Social</b>		
社會		
<b>B1 Employment</b>		
層面B1：僱傭		
B1	General Disclosure 一般披露	4.2 58-62
B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、年齡組別及地區劃分的僱員總數	4.2 58-62
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	The Group is currently extending its data collection system, and chooses not to disclose this information in this reporting period. 本集團目前正升級其數據收集系統，在本報告期間選擇不披露該信息。
<b>B2 Health and Safety</b>		
層面B2：健康與安全		
B2	General Disclosure 一般披露	4.2 58-62
B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	No fatality and injury have occurred during the reporting period. 報告期間內沒有發生傷亡。
B2.2	Lost days due to work injury 因工傷損失工作日數	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施，以及相關執行及監察方法	4.2 58-62



Aspect/Description/KPI 一般披露及關鍵績效指標描述	Section/Statement 章節／聲明	Page No. 頁數
<b>B3 Development and Training</b>		
層面B3：發展及培訓		
B3	General Disclosure 一般披露	4.2 58-62
B3.1	Percentage of employees trained by gender and employee category  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	The Group is currently extending its data collection system, and chooses not to disclose this information in this reporting period. 本集團目前正升級其數據收集系統，在本報告期間選擇不披露該信息。
B3.2	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	The Group is currently extending its data collection system, and chooses not to disclose this information in this reporting period. 本集團目前正升級其數據收集系統，在本報告期間選擇不披露該信息。
<b>B4 Labour Standard</b>		
層面B4：勞工準則		
B4	General Disclosure 一般披露	4.2 58-62
B4.1	Description of measures to review employment practices to avoid child and forced labour 描述檢討招聘慣例的措施以避免童工及強制勞工	4.2 58-62
B4.2	Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除有關情況所採取的步驟	4.2 58-62
<b>B5 Supply Chain Management</b>		
層面B5：供應商管理		
B5	General Disclosure 一般披露	3.1 52
B5.1	Number of suppliers by geographical region  按地區劃分的供應商數目	The Group is currently extending its data collection system, and chooses not to disclose this information in this reporting period. 本集團目前正升級其數據收集系統，在本報告期間選擇不披露該信息。
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關的執行及監察方法	3.1 52

Aspect/Description/KPI 一般披露及關鍵績效指標描述	Section/Statement 章節/聲明	Page No. 頁數	
<b>B6 Product Responsibility</b>			
層面B6：產品責任			
B6	General Disclosure 一般披露	4.1	55-58
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	No product subject to recalls for safety and health reasons during the reporting period. 報告期間內，無因安全、健康原因被召回的產品。	-
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	4.1	55-58
B6.3	Description of practices relating to observing and protecting intellectual property rights 描述與維護及保障智慧財產權有關的慣例	4.1	55-58
B6.4	Description of quality assurance process and recall procedures 描述品質檢定過程及產品回收程式	4.1	55-58
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 消費者資料保障和私隱以及相關執行及監察方法。	4.1	55-58
<b>B7 Anti-Corruption</b>			
層面B7：反貪污			
B7	General Disclosure 一般披露	4.3	62
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases  於匯報期內對發行人或其僱員提出並已審結的貪污案件的數目和訴訟結果	No concluded legal cases relating to violation of anti-corruption policy have been noticed in the Group over the reporting period. 本年度本集團未發現任何貪污訴訟案。	-
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored 描述防範措施及舉報程序，以及相關執行及監察方法	4.3	62
<b>B8 Community Investment</b>			
層面B8：社區投資			
B8	General Disclosure 一般披露	4.4	63-64
B8.1	Focus areas of contribution 專注貢獻範圍	4.4	63-64
B8.2	Resources contributed to the focus areas 在專注範疇所動用的資源	4.4	63-64

## Directors' Report 董事會報告

The Directors present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017.

### PRINCIPAL ACTIVITIES

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

### PARTICULARS OF SUBSIDIARIES AND ASSOCIATES

All subsidiaries incorporated in the PRC are wholly owned enterprises established in the PRC (except for Pingquan County Lvhe Biotechnology Co., Limited, which is a joint venture and is owned as to 60% by the Company, and Zhangzhou Changfeng Edible Fungi Co., Limited, which is owned as to 86% by the Company). As at 31 December 2017, the bank and cash balances of the Group's subsidiaries in the PRC denominated in RMB amounted to RMB1,002,512,000 (2016: RMB1,003,375,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations. Detailed analysis of the subsidiaries of the Company are set out in note 40 to the consolidated financial statements.

### BUSINESS REVIEW

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

### PRINCIPAL RISKS AND UNCERTAINTIES

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

#### Market Risk

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

董事謹提呈截至2017年12月31日止年度之本集團的年度報告及經審核綜合財務報表。

### 主要業務

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

### 附屬公司、聯營公司詳情

所有於中國註冊成立的附屬公司均為於中國成立的全資擁有企業(平泉縣綠河生物科技有限公司乃合資企業,其中,本公司股權佔比60%及漳州市長豐食用菌有限公司,其中,本公司股權佔比86%)。於2017年12月31日,本集團於中國的附屬公司的銀行及現金結餘(以人民幣列值)為人民幣1,002,512,000元(2016年:人民幣1,003,375,000元)。將人民幣兌換為外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》。本公司附屬公司之詳情分析列載於綜合財務報表附註40。

### 業務審視

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

### 主要風險及不確定因素

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

#### 市場風險

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



### Foreign Exchange Risk

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

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

### Liquidity Risk

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

### Operational Risk

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

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

## FINANCIAL REVIEW AND ANALYSIS OF FINANCIAL KEY PERFORMANCE INDICATORS

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

## FUTURE DEVELOPMENT PLANS

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

## EVENTS AFTER THE REPORTING PERIOD

Following the completion of the acquisition of Zhao Hong and Lucky Max, on 9 January 2018, the Company allotted and issued 22,223,921 consideration shares to the former shareholders of Zhao Hong and Lucky Max.

### 外匯風險

本集團主要業務位於中國，其主要交易以人民幣進行。

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

### 流動性風險

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

### 營運風險

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

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

## 財務回顧及財務關鍵表現指標之分析

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

## 未來發展計劃

本公司未來發展計劃詳情載列於本年報「管理層討論與分析」章節。

## 報告期後事項

於完成收購兆虹及Lucky Max後，本公司於2018年1月9日向兆虹及Lucky Max的前股東配發及發行22,223,921股代價股份。

## DIVIDENDS

During the Year, the Board has decided not to declare any final dividend for the year ended 31 December 2017.

## ENVIRONMENTAL POLICY AND PERFORMANCE

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

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

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

## 股息

回顧年內，董事會已決定不宣派截至2017年12月31日止的年度末期股息。

## 環境政策及表現

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

## 對本集團有重大影響的法律及法規的遵守

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

## RELATIONSHIP WITH EMPLOYEES

### Working environment

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

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

### Staff training and career development

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

## RELATIONSHIP WITH CUSTOMERS

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

## RELATIONSHIP WITH SUPPLIERS

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

## CONSOLIDATED FINANCIAL STATEMENTS

The profit of the Group for the Year, the financial position of the Group as at 31 December 2017 and the Group's cash flows and statement of changes in equity for the Year are set out in the consolidated financial statements on pages 100 to 183.

## 與員工的關係

### 工作環境

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

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

### 僱員培訓與職業發展

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

## 與客戶的關係

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

## 與供應商關係

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

## 綜合財務報表

本集團於本年度的溢利、本集團於2017年12月31日的財務狀況，以及本年度本集團的現金流量及權益變動表，均載列於第100頁至183頁的綜合財務報表內。

## SHARE CAPITAL

On 12 June 2017, the Company completed the bonus issue and a total of 537,500,000 bonus shares were issued on the basis of one bonus share for every one existing share held on the record date, i.e. 7 June 2017.

During the Year, the Group has completed the acquisitions of the entire equity interest in Zhao Hong and Lucky Max, at the consideration of RMB180.2 million and RMB194.2 million, respectively.

The consideration of Zhao Hong of RMB180.2 million shall be settled by a combination of cash consideration of RMB170.6 million and the issue of 8,889,568 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board of the Company), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board of the Company; the consideration of Lucky Max of RMB194.2 million shall be settled by a combination of cash consideration of RMB179.8 million and the issue of 13,334,353 shares at the issue price of HK\$1.33 (being the closing price of the date of the transaction approved by the Board of the Company), calculated based on the average exchange rate of RMB0.8458 to 1 Hong Kong dollars at the People's Bank of China on the date of the transaction approved by the Board of the Company.

Upon the completion of the acquisition, Zhao Hong became the subsidiary of the Company; therefore, the Company holds 86% equity interests in Zhangzhou Changfeng, which is indirect held by Zhao Hong, upon the completion of the acquisition.

Upon the completion of the acquisition, Lucky Max became the subsidiary of the Company; therefore, the Company holds 48.7% equity interests in Guangxi Jiabao, which is indirect held by Lucky Max, upon the completion of the acquisition.

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

## 股本

本公司於2017年6月12日完成紅股發行，紅股發行項下合共537,500,000股紅股已於記錄日期(即2017年6月7日)按每持有1股現有股份獲發1股紅股之基準發行。

年內，本集團以人民幣1.802億元完成收購兆虹全部股本權益，及以人民幣1.942億元代價完成收購Lucky Max全部股本權益事項。

兆虹代價人民幣1.802億元則以現金代價人民幣1.706億元及按發行價1.33港元(為本公司董事會批准該項交易之日股票收盤價)發行8,889,568股股份(乃根據本公司董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付；Lucky Max代價為人民幣1.942億元則以現金代價人民幣1.798億元及按發行價1.33港元(為本公司董事會批准該項交易之日股票收盤價)發行13,334,353股股份(乃根據本公司董事會批准該項交易之日中國人民銀行之平均匯率人民幣0.8458元兌1港元折算股份數)兩者結合之方式結付。

收購事項完成後，兆虹成為本公司之附屬公司；由此，本公司於收購事項完成後持有由兆虹間接持有的漳州長豐86%股本權益。

收購事項完成後，Lucky Max成為本公司之附屬公司；由此，本公司於收購事項完成後持有由Lucky Max間接持有的廣西嘉寶48.7%股本權益。

本公司本年度股本的變動詳列於綜合財務報表附註27。

## BONDS

The Group did not issue any bonds during the Year.

## PROPERTY, PLANT AND EQUIPMENT

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

## BANK LOANS

Particulars of bank loans of the Group as at 31 December 2017 are set out in note 32 to the consolidated financial statements.

## DIRECTORS

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

### Executive Directors:

Mr. Zheng Songhui  
Mr. Zheng Tianming  
Ms. Zheng Ruyan

### Non-executive Director:

Ms. Zhang Lin

### Independent Non-executive Directors:

Mr. Mak Hing Keung Thomas  
Mr. Lou Robert Hsiu-sung  
Mr. Cheng Hiu Yung

## DIRECTORS' SERVICE CONTRACTS

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

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

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

## 債券

本集團本年度並無發行任何債券。

## 物業廠房及設備

本集團物業、廠房及設備的年內變動詳情載於綜合財務報表附註17。

## 銀行貸款

本集團於2017年12月31日的銀行貸款詳情載於綜合財務報表附註32。

## 董事

本年度及直至本年度報告日期之董事如下：

### 執行董事：

鄭松輝先生  
鄭天明先生  
鄭如燕女士

### 非執行董事：

張琳女士

### 獨立非執行董事：

麥興強先生  
樓秀嵩先生  
鄭曉勇先生

## 董事的服務合約

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

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

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

## DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

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

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

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

## PRE-EMPTIVE RIGHTS

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

## PERMITTED INDEMNITY

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

## REMUNERATION OF DIRECTORS

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

## FIVE HIGHEST PAID INDIVIDUALS

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

## 董事及高層管理層之履歷

本公司董事及高級管理層之履歷載於本年報「董事及高級管理層履歷」一節。

## 董事在重大交易、安排或合約的權益

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

## 優先購股權

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

## 獲准許的彌償保證

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

## 董事酬金

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

## 五名最高薪酬人士

於本年度內，本集團五名最高薪酬人士的薪酬詳情載於綜合財務報表附註13。

## DISTRIBUTABLE RESERVE

As at 31 December 2017, the distributable reserve of the Group amounted to approximately RMB457.95 million.

## CHARITABLE DONATIONS

During the Year, the Company made charitable donations totalling to RMB0.03 million.

## CONNECTED TRANSACTIONS

### Exempt Continuing Connected Transaction

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

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

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

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

## 可供分配儲蓄

於2017年12月31日，本集團可供分配儲備合共約人民幣457.95百萬元。

## 慈善捐款

本年度內，本公司做出的慈善捐款合計0.03百萬元人民幣。

## 關連交易

### 豁免持續關連交易

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

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

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

## Directors' Report 董事會報告

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

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

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

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

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

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

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

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

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

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

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



### Non-Exempt Connected Transaction

Reference is made to the announcement of the Company dated 23 December 2016. On 23 December 2016, Fujian Greenfresh Foods Group Company Limited\* (福建綠寶食品集團有限公司), an indirect wholly-owned subsidiary of the Company, as vendor entered into an asset transfer agreement with Ms. Zheng Ying (鄭滢), the daughter of Mr. Zheng Songhui, as purchaser. Pursuant to the asset transfer agreement, Fujian Greenfresh Foods Group Company Limited\* agreed to dispose and Ms. Zheng Ying agreed to acquire the following land use rights and related buildings ("Land Use Rights and Related Buildings") at a consideration of RMB7,800,000 in cash:

- (1) the land use right of the industrial land situated at Qiaoshan Village of Yan Cuo, Longhai, Zhangzhou, Fujian Province, the PRC (中國福建省龍海市顏厝鎮巧山村) of approximately 3,570 square meters (Long Guo Yong (2015) No.G2915) and the related buildings with a total gross floor area of approximately 1,832 square meters constructed on such land;
- (2) the land use right of the industrial land situated at Qiaoshan Village of Yan Cuo, Longhai, Zhangzhou, Fujian Province, the PRC (中國福建省龍海市顏厝鎮巧山村) of approximately 6,406 square meters (Long Guo Yong (2015) No.G2916) and the related buildings with a total gross floor area of approximately 4,082 square meters constructed on such land; and
- (3) the related buildings with a gross floor area of approximately 3,424.22 square meters in respect of which building ownership certificates have not been obtained and which are located on the abovementioned two parcels of land.

The consideration was arrived at after arm's length negotiations between the purchaser and the vendor with reference to the valuation for the Land Use Rights at RMB3,600,000 and Related Buildings at RMB4,200,000 prepared by the independent valuer. The disposal was completed in full on 1 April 2017.

### RELATED PARTY TRANSACTIONS

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

### 非豁免關連交易

茲提述本公司於2016年12月23日刊發之公告。於2016年12月23日，福建綠寶食品集團有限公司（為本公司之間接全資附屬公司，作為賣方）與鄭滢女士（為鄭松輝先生的女兒，作為買方）訂立資產轉讓協議。根據資產轉讓協議，福建綠寶食品集團有限公司同意出售，而鄭滢女士同意收購下列土地使用權及相關建築物（「土地使用權及相關建築物」），代價為現金人民幣7,800,000元：

- (1) 位於中國福建省龍海市顏厝鎮巧山村且面積約為3,570平方米的工業用地之土地使用權（龍國用(2015)第G2915號）及建於有關土地上總建築面積約為1,832平方米的相關建築物；
- (2) 位於中國福建省龍海市顏厝鎮巧山村且面積約為6,406平方米的工業用地之土地使用權（龍國用(2015)第G2916號）及建於有關土地上總建築面積約為4,082平方米的相關建築物；及
- (3) 位於上述兩塊土地上尚未取得房屋產權證，而建築物面積約為3,424.22平方米的相關建築物。

代價乃由買方與賣方經參考獨立估值師對土地使用權及相關建築物進行之估值後公平磋商釐定，土地使用權的估值為人民幣3,600,000元，而相關建築物則為人民幣4,200,000元。該出售事項已於2017年4月1日全部完成。

### 關聯方交易

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

## NON-COMPETITION DEED

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

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

## PRE-IPO SHARE OPTION SCHEME

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

### (i) Purpose of the scheme

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

### (ii) Grantee

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

### (iii) Maximum number of shares to be allotted

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

## 不競爭契約

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

獨立非執行董事已審閱有關合規情況，並已得到控股股東的確認，按此確認基準，彼等認為控股股東已遵守不競爭契約，且此等不競爭契約亦已由本公司根據其條款強制執行。

## 首次公開發售前購股權計劃

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

### (i) 計劃目的

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

### (ii) 承授人

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

### (iii) 將予配發的最高股份數目

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

**(iv) Maximum number of options to any individual**

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

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

**(v) Subscription price**

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

**(vi) Remaining term of the scheme**

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

**(iv) 向任何個別人士授出購股權的數目上限**

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

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

**(v) 認購價**

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

**(vi) 計劃的剩餘年期**

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

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

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

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

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

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

**(ix) Exercise of options**

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

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

**(x) Rights personal to grantees**

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

**(vii) 期權行使之前必須持有的最短期限**

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

**(viii) 行使期及歸屬期及行使期屆滿日**

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

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

**(ix) 購股權的行使**

行使根據首次公開發售前購股權計劃授出的購股權須以下條件達成後，方可行使：

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

**(x) 承授人個人的權利**

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

## Directors' Report 董事會報告

The following table discloses the details of the outstanding options of the Company held by the Directors, connected persons and certain employees of the Company under Pre-IPO Share Option Scheme during the Year.

下表披露本公司董事、關連人士及若干僱員於本年度根據首次公開發售前購股權計劃持有的本公司未行使購股權的詳情。

Name of grantees	Date of grant	Vesting period	On 1 January 2017 於 2017年 1月1日	Exercised	Cancelled	Lapsed	Adjustments due to the bonus issue (Note 1) 因紅股發行 作出之調整 (附註1)	On 31 December 2017 於 2017年 12月31日	Exercise price (Note 1) (HKS) (港元)	Exercise period
<b>Directors</b> 董事										
Zheng Songhui 鄭松輝	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	1,200,000	600,000	-	-	600,000	1,200,000	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Zheng Tianming 鄭天明	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	450,000	-	-	450,000	900,000	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
Zheng Ruyan 鄭如燕	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	450,000	-	-	450,000	900,000	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
<b>Senior Management</b> 高級管理層										
Chen Wei 陳偉	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	900,000	450,000	-	-	450,000	900,000	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
<b>Employee's in aggregate</b> 僱員合共	17 June 2015 2015年6月17日	18 June 2015 to 17 June 2018 2015年6月18日至 2018年6月17日	11,100,000	5,550,000	840,000	-	5,550,000	10,260,000	1.00	Notes (2)(3)(4) 附註(2)(3)(4)
			15,000,000	7,500,000 (Note 5) (附註5)	840,000	-	7,500,000	14,160,000		

Note:

- Pursuant to the terms of the Pre-IPO Share Option Scheme, adjustments are required to be made to the exercise price of and the number of shares entitled to be subscribed for under the outstanding share options granted under the Pre-IPO Share Option Scheme as a result of the completion of the bonus issue on 12 June 2017. Details of which is set out in the announcement of the Company dated 12 June 2017.
- The grantee is entitled to exercise 40% of the total number of share options after 6 months from the Listing Date.
- The grantee is entitled to exercise an additional 30% of the total number of share options after 18 months from the Listing Date.
- The grantee is entitled to exercise a further additional 30% of the total number of share options 30 months from the Listing Date.
- The weighted average closing price of the shares of the Company immediately before the exercise date of share option was HK\$3.68.

附註：

- 根據首次公開發售前購股權計劃之條款，由於紅股發行於2017年6月12日完成，故根據首次公開發售前購股權計劃授出之尚未行使購股權項下有權認購之股份之行使價及數目須作出調整。有關詳情載於本公司日期為2017年6月12日之公告。
- 承授人可於上市日期6個月後行使購股權總數的40%。
- 承授人可於上市日期18個月後行使購股權總數的額外30%。
- 承授人可於上市日期30個月後行使購股權總數的再額外30%。
- 本公司股份緊接購股權行使日期前的加權平均收市價為3.68港元。

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

## SHARE OPTION SCHEME

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

### (i) Purpose of the scheme

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

### (ii) Grantee

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

### (iii) Maximum number of shares to be allotted

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

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

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

## 購股權計劃

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

### (i) 計劃目的

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

### (ii) 承授人

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

### (iii) 將予配發的最高股份數目

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

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

**(iv) Maximum number of options to any individual**

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

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

**(v) Remaining term of the scheme**

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

**(vi) Subscription price**

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

**(iv) 向任何個別人士授出購股權的數目上限**

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

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

**(v) 計劃的剩餘年期**

購股權計劃獲批准當日起計十年屆滿後不得再授出購股權。

**(vi) 認購價**

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

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

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

The followings are details of share options exercised by employees under the share option scheme during the Year:

Name of grantees	Date of grant	Vesting period	On 1 January 2017	Exercised	Cancelled	Lapsed	Adjustments due to the bonus issue (Note 1)	On 31 December 2017	Exercise price (Note 1)	Exercise period
承授人姓名	授出日期	有效期	於 2017年 1月1日	已行使	已註銷	已失效	因紅股發行 作出之調整 (附註1)	於 2017年 12月31日	行使價 (附註1) (HK\$) (港元)	行使期
Employee's in aggregate 僱員合共	31 March 2016 2016年3月31日	31 March 2016 to 30 March 2019 2016年3月31日至 2019年3月30日	15,000,000	10,000,000	680,000	-	5,000,000	9,320,000	1.86 Notes (5)(6) 附註(5)(6)	Notes (2)(3)(4) 附註(2)(3)(4)

Notes:

- Pursuant to the terms of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of shares entitled to be subscribed for under the outstanding share options granted under the Share Option Scheme as a result of the completion of the bonus issue on 12 June 2017. Details of which is set out in the announcement of the Company dated 12 June 2017.
- The grantee is entitled to exercise 40% of the total number of share options after the date of grant.
- The grantee is entitled to exercise an additional 40% of the total number of share options after 6 months from the date of grant.
- The grantee is entitled to exercise a further additional 20% of the total number of share options after 12 months from the date of grant.
- The closing price of the shares of the Company immediately before the date of grant of the share options was HK\$3.78.
- The weighted average closing price of the shares of the Company immediately before the exercise date of the share options was HK\$3.69.

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

**MANAGEMENT CONTRACTS**

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

**(vii) 期權行使之前必須持有的最短期限**

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

以下為於年內僱員根據購股權計劃下行駛購股權之詳情：

附註：

- 根據購股權計劃之條款，由於紅股發行於2017年6月12日完成，故根據購股權計劃授出之尚未行使購股權項下有權認購之股份之行使價及數目須作出調整。有關詳情載於本公司日期為2017年6月12日之公告。
- 承授人可於授出日期後行使購股權總數的40%。
- 承授人可於授出日期6個月後行使購股權總數的額外40%。
- 承授人可於授出日期12個月後行使購股權總數的再額外20%。
- 本公司股份於緊接購股權授出日期之前一天收市價為3.78港元。
- 本公司股份緊接購股權行使日期前的加權平均收市價為3.69港元。

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

**管理合約**

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



### DIRECTORS' INTERESTS IN COMPETING BUSINESS

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

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

As at 31 December 2017, the Directors and chief executives of the Company have the following interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), Chapter 571 of the Laws of Hong Kong) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange:

### 董事於競爭業務之權益

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

### 董事及最高行政人員於股份、相關股份及債券證之權益

於2017年12月31日，本公司董事或最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉，或根據證券及期貨條例第352條記錄於該條例所述的登記冊內的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉如下：

Name of directors 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 所持股份／相關股份數	Approximate percentage of shareholding in the Company (Note 1) 本公司持股之 概約百分比 (附註1)
Mr. Zheng Songhui 鄭松輝先生	Interests in controlled corporations 於受控法團的權益	547,717,554 (Note 2) (附註2)	
	Beneficial owner 實益擁有人	4,580,000 (Notes 4 and 5) (附註4及5)	
	Total 總數	552,297,554	51.37%
Mr. Zheng Tianming 鄭天明先生	Interests in controlled corporations 於受控法團的權益	12,620,610 (Note 3) (附註3)	
	Beneficial owner 實益擁有人	1,560,000 (Notes 4 and 5) (附註4及5)	
	Total 總數	14,180,610	1.31%
Ms. Zheng Ruyan 鄭如燕女士	Beneficial owner 實益擁有人	1,590,000 (Notes 4 and 5) (附註4及5)	0.14%

## Directors' Report 董事會報告

### Notes:

- (1) As at 31 December 2017, the Company has issued 1,075,000,000 shares.
- (2) Held by Mr. Zheng Songhui through his wholly owned Song Rising Co., Ltd (“**Song Rising**”) and Grand Ample Limited (“**Grand Ample**”), and Song Rising and Grand Ample owned 527,027,320 and 20,690,234 shares respectively. Consequently, Mr. Zheng Songhui was deemed to be interested in an aggregate of 547,717,554 shares held by Song Rising and Grand Ample.
- (3) Held by Mr. Zheng Tianming through his wholly owned Sunny Foods Co., Ltd (“**Sunny Foods**”) and Sunny Foods owned 12,620,610 shares. Consequently, Mr. Zheng Tianming was deemed to be interested in the 12,620,610 shares held by Sunny Foods.
- (4) The Company adopted the Pre-IPO Share Option Scheme on 27 May 2015. Mr. Zheng Songhui, Mr. Zheng Tianming and Ms. Zheng Ruyan were granted 2,000,000, 1,500,000 and 1,500,000 share options respectively. During the year ended 31 December 2017, according to the Pre-IPO Share Option Scheme, Mr. Zheng Songhui, Mr. Zheng Tianming and Ms. Zheng Ruyan had 1,200,000, 900,000 and 900,000 outstanding shares options.
- (5) On 12 June 2017, the Company completed the bonus issue and a total of 537,500,000 bonus shares were issued on the basis of one bonus share for every one existing share held on the record date, i.e. 7 June 2017.

Save from disclosed above, as at 31 December 2017, none of the Directors nor chief executive of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

### 附註：

- (1) 於2017年12月31日，本公司已發行1,075,000,000股股份。
- (2) 鄭松輝先生透過其全資擁有Song Rising Co., Ltd(「**Song Rising**」)與Grand Ample Limited(「**Grand Ample**」)持有，而Song Rising與Grand Ample則分別擁有527,027,320及20,690,234股股份。因此，鄭松輝先生被視為於Song Rising與Grand Ample合計持有的547,717,554股股份中擁有權益。
- (3) 鄭天明先生透過其全資擁有Sunny Foods Co., Ltd(「**Sunny Foods**」)持有，而Sunny Foods則擁有12,620,610股股份。因此，鄭天明先生被視為於Sunny Foods持有的12,620,610股股份中擁有權益。
- (4) 本公司於2015年5月27日採納首次公開發售前購股權計劃，鄭松輝先生、鄭天明先生及鄭如燕女士分別獲授200萬股、150萬股及150萬股購股權。截至2017年12月31日止，根據首次公開發售的購股權計劃，鄭松輝先生、鄭天明先生及鄭如燕女士分別有120萬股、90萬股及90萬股購股權尚未行使。
- (5) 本公司於2017年6月12日完成紅股發行，紅股發行項下合共537,500,000股紅股已於記錄日期(即2017年6月7日)按每持有1股現有股份獲發1股紅股之基準發行。

除上文所披露者外，於2017年12月31日，本公司董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉，或根據證券及期貨條例第352條記錄於該條例所述的登記冊內的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2017, to the best knowledge of the Directors, as indicated by the register recording share interests and short positions required to be kept under Section 336 of Part XV of the SFO, the persons (not being Directors or chief executives of the Company) listed in the following table had interest and/or short positions in the shares or underlying shares of the Company:

Name 姓名／名稱	Nature of interest 權益性質	Number of ordinary shares/ underlying shares held 所持普通股／相關股份數	Approximate percentage of shareholding in the Company (Note 1) 本公司持股之 概約百分比 (附註1)
Song Rising	Beneficial owner 實益擁有人	527,027,320 (Long positions) (好倉)	49.02%

Note:

(1) As at 31 December 2017, the Company has issued 1,075,000,000 shares.

Save from disclosed above, as at 31 December 2017, the Directors were not aware of any other persons (not being Directors or chief executives of the Company) who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO.

## CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Other than the share option schemes as set out in this annual report, the Company had no other outstanding convertible securities, options, warrants or similar rights as at 31 December 2017.

## EQUITY-LINKED AGREEMENTS

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

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

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

## 主要股東之持股權益

於2017年12月31日，據董事所知，根據證券及期貨條例第XV部第336條規定須存置之股份權益及淡倉登記冊所示，下表所列人士（並非本公司董事或最高行政人員）擁有本公司股份或相關股份的權益及／或淡倉：

附註：

(1) 於2017年12月31日，本公司已發行1,075,000,000股股份。

除上文所披露者外，於2017年12月31日，就董事所知，概無任何其他人士（並非本公司董事或最高行政人員）擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露或須記錄於須根據證券及期貨條例第336條存置之登記冊的本公司股份或相關股份的任何權益或淡倉。

## 可換股證券、購股權、認股權證或類似權利

除本年報所載購股權計劃外，本公司於2017年12月31日並無其他尚未行使可換股證券、購股權、認股權證或類似權利。

## 股權掛鈎協議

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

## 購買、出售或贖回本公司之上市證券

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

## MAJOR CUSTOMERS AND SUPPLIERS

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

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

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

## SUFFICIENCY OF PUBLIC FLOAT

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

## PROFESSIONAL TAX ADVICE RECOMMENDED

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

## AUDITOR

RSM Hong Kong has audited the consolidated financial statements of the Group for the year ended 31 December 2017. RSM Hong Kong will retire, being eligible, and is willing to offer themselves for re-appointment as auditor of the Company at the AGM.

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

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

**Zheng Songhui**  
Chairman

Hong Kong, 28 March 2018

## 主要客戶及供應商

本集團最大的首五位客戶的收入共佔本集團本年度銷售額約31.74%，其中，最大客戶的銷售額佔本集團本年度銷售總額約8.95%。

本集團購自最大的首五位供應商的購貨額共佔本集團本年度購貨總額約51.02%。其中，最大供應商的購貨額佔本集團本年度購貨總額約24.2%。

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

## 足夠之公眾持股量

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

## 建議的專業稅務意見

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

## 核數師

中瑞岳華(香港)會計師事務所已審核本集團截至2017年12月31日止年度之綜合財務報表。中瑞岳華(香港)會計師事務所將於股東週年大會上退任並符合資格及願意續聘為本公司核數師。

本公司過往三年並沒有更換核數師。

承董事會命  
中國綠寶集團有限公司\*

主席  
鄭松輝

香港，2018年3月28日



RSM Hong Kong 中瑞岳華(香港)會計師事務所

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

致中國綠寶集團有限公司  
列位股東  
(於開曼群島註冊成立的有限公司)

## OPINION

## 意見

We have audited the consolidated financial statements of CHINA GREENFRESH GROUP CO., LTD. (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 100 to 183, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

吾等已審核列載於第100至183頁中國綠寶集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表。此綜合財務報表包括於2017年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

吾等認為，該等綜合財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而公平地反映貴集團於2017年12月31日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

## BASIS FOR OPINION

## 意見之基礎

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

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

## KEY AUDIT MATTERS

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

1. Valuation of goodwill and identifiable assets and liabilities acquired through business combination
  2. Accounting for the acquisition of an associate
  3. Fair value measurement of biological assets
1. Valuation of goodwill and identifiable assets and liabilities acquired through business combination

### Key Audit Matter

#### 關鍵審核事項

Refer to note 38(a) to the consolidated financial statements.

茲提述綜合財務報表附註38(a)。

During the year, the Group completed the acquisition of 86% equity interests in 漳州市長豐食用菌有限公司 (Zhangzhou Changfeng Edible Fungi Co., Ltd.) ("Zhangzhou Changfeng"), through the acquisition of an investment holding vehicle company, Mega Rainbow International Limited.

年內，貴集團透過收購一間投資工具公司兆虹國際有限公司完成收購漳州市長豐食用菌有限公司(「漳州長豐」)之86%股本權益。

## 關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，認為對本期間綜合財務報表之審核最為重要之事項。該等事項於吾等審核整體綜合財務報表及出具意見時處理，而吾等不會對該等事項提供個別之意見。吾等識別之關鍵審核事項為：

1. 對透過業務合併收購之商譽以及可識別資產及負債進行估值
  2. 收購一家聯營公司之會計處理
  3. 生物資產之公允價值計量
1. 對透過業務合併收購之商譽以及可識別資產及負債進行估值

### How our audit addressed the Key Audit Matter

#### 吾等之審核如何處理關鍵審核事項

Our procedures in relation to valuation of goodwill and identifiable assets and liabilities acquired through business combination included:

吾等對透過業務合併收購之商譽以及可識別資產及負債進行估值之程序包括：

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

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

1. Valuation of goodwill and identifiable assets and liabilities acquired through business combination (Continued)

1. 對透過業務合併收購之商譽以及可識別資產及負債進行估值(續)

Key Audit Matter

關鍵審核事項

The Group has determined this acquisition to be a business combination for which the purchase price is to be allocated between acquired assets and liabilities, identified intangible assets and contingent liabilities at their respecting fair values, and leading to the resultant recognition of goodwill.

貴集團將此收購事項釐定為業務合併，而購買價乃於已收購資產及負債、已識別無形資產及或然負債之間按其各自之公允價值分配，導致由此產生之商譽確認。

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

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

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

- Assessing the completeness and appropriateness of the accounting by reviewing the key documents associated with the acquisition including the equity transfer agreement, Zhangzhou Changfeng management accounts, articles of association of Zhangzhou Changfeng, the announcements issued by the Group for the disclosable transaction in relation to the acquisition of equity interests in Zhangzhou Changfeng;

通過審閱與收購有關的關鍵文件評估會計處理方法是否完整及適當，有關文件包括股權轉讓協議、漳州長豐之管理賬目、漳州長豐之章程、貴集團就有關收購漳州長豐股權的須予披露交易刊發的公告；

- Visiting Zhangzhou Changfeng to understand the nature of its operations and assess the condition of its assets; and  
拜訪漳州長豐，以瞭解其業務性質及評估其資產狀況；及

- Assessing the reasonableness of the assumptions used in the valuation models based on the past performance of Zhangzhou Changfeng, the current operating environment and our knowledge of the industry.

根據漳州長豐的過往表現、當前經營環境以及吾等的行業知識，評估估值模型中所用之假設是否合理。

KEY AUDIT MATTERS (Continued)

2. Accounting for the acquisition of an associate

Key Audit Matter  
關鍵審核事項

Refer to note 19 to the consolidated financial statements.

茲提述綜合財務報表附註19。

During the year the Group acquired 48.7% equity interests in an associate, 廣西嘉寶食品集團有限公司 (Guangxi Jiabao Food Group Co., Ltd.) (“**Guangxi Jiabao**”), through the acquisition of an investment holding vehicle company, Lucky Max Development Limited. The associate is principally engaged in sales and processing of canned food, quick-freezing for fruit and vegetables, sales and production of frozen food, and cultivation of agricultural products in the People's Republic of China.

年內，貴集團透過收購一間投資工具公司 Lucky Max Development Limited 完成收購一間聯營公司 廣西嘉寶食品集團有限公司（「廣西嘉寶」）之48.7%股本權益。該聯營公司主要於中華人民共和國從事銷售及加工罐頭食品、速凍水果及蔬菜、銷售及生產急凍食品，以及種植農產品。

Upon acquisition of the associate, management is required to determine the Group's share of the fair value of the associate's identifiable assets and liabilities and the goodwill relating to the associate, which is included in the carrying amount of the investment. This requires the exercise of significant management judgement to ensure the completeness of the assets and liabilities identified and in relation to any fair value adjustments to the associate's book values. There is a risk that the cost of the investment is not allocated correctly, which could impact the Group's share of the associate's profit or loss after acquisition.

於收購聯營公司後，管理層須釐定貴集團應佔該聯營公司之可識別資產及負債以及有關該聯營公司之商譽之公允價值，而有關公允價值會計入投資賬面值。這需要管理層行使重大判斷，以確保所識別資產及負債，以及對該聯營公司之賬面值作出任何公允價值調整之完整程度。這存在不正確分配投資成本之風險，並可能對貴集團於收購後應佔聯營公司之損益造成影響。

Management engaged an independent external valuer to assist with the determination of the fair values.

管理層已委聘獨立外部估值師協助釐定公允價值。

關鍵審核事項(續)

2. 收購一家聯營公司之會計處理

How our audit addressed the Key Audit Matter  
吾等之審核如何處理關鍵審核事項

Our procedures in relation to the accounting for the acquisition of an associate included:

吾等就收購一家聯營公司之會計處理之程序包括：

- Evaluation of the external valuer's competence, capabilities and objectivity;  
評估外部估值師之資歷、能力及客觀性；
- Assessing the appropriateness of the valuation methodologies applied and valuation inputs, and the integrity of the valuation models with the assistance of our internal valuation specialists;  
在吾等的內部估值專家協助下，評估所採用之估值方法及估值輸入數據是否適當以及估值模式是否完整；
- Assessing the completeness and appropriateness of the accounting by reviewing the key documents associated with the acquisition including the equity transfer agreement, Guangxi Jiabao management accounts, articles of association of Guangxi Jiabao, the announcements issued by the Group for the disclosable transaction in relation to the acquisition of equity interests in Guangxi Jiabao;  
透過審閱與收購有關的關鍵文件評估會計處理方法是否完整及適當，有關文件包括股權轉讓協議、廣西嘉寶之管理賬目、廣西嘉寶之章程、貴集團就有關收購廣西嘉寶股權的須予披露交易刊發的公告；
- Visiting Guangxi Jiabao to understand the nature of its operations and assess the condition of its assets; and  
拜訪廣西嘉寶，以瞭解其業務性質及評估其資產狀況；及
- Assessing the reasonableness of the assumptions used in the valuation models based on the past performance of Guangxi Jiabao, the current operating environment and our knowledge of the industry.  
根據廣西嘉寶的過往表現、當前經營環境及吾等的行業知識，評估估值模型中所用之假設是否合理。



**KEY AUDIT MATTERS** (Continued)

3. Fair value measurement of biological assets

**Key Audit Matter**  
關鍵審核事項

Refer to note 23 to the consolidated financial statements.

茲提述綜合財務報表附註23。

The Group's biological assets comprise mushrooms. During the growing period, fair value is estimated using a cost approach and during the harvest period a market approach is adopted. The determination of fair value requires significant management estimation, particularly with respect to unobservable inputs such as expected crop yields. As at 31 December 2017, the Group had biological assets with a carrying amount of RMB13.58 million.

貴集團之生物資產包括菇類產品。在生長期間採用成本法估算公允價值，而收成期則採用市場法。釐定公允價值需要管理層行使重大評估，尤其是對不可觀察數據，如預期作物產量。於2017年12月31日，貴集團生物資產賬面值為人民幣13.58百萬元。

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

貴集團委聘獨立外部估值師協助董事評估生物資產之公允價值。

關鍵審核事項(續)

3. 生物資產之公允價值計量

**How our audit addressed the Key Audit Matter**  
吾等之審核如何處理關鍵審核事項

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

吾等就生物資產之公允價值計量之程序包括：

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

## Independent Auditor's Report 獨立核數師報告

### OTHER INFORMATION

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

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

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

### RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

### AUDITORS RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

### 其他資料

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

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式之保證結論。

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

### 董事就綜合財務報表須承擔之責任

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

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

審核委員會協助董事履行彼等監督貴集團之財務報告過程之責任。

### 核數師就審核綜合財務報表須承擔之責任

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

**AUDITORS RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS** (Continued)

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表須承擔之責任(續)

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

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

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

**AUDITORS RESPONSIBILITIES FOR THE AUDIT OF THE  
CONSOLIDATED FINANCIAL STATEMENTS** *(Continued)*

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

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

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

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

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

**RSM Hong Kong**  
*Certified Public Accountants*

28 March 2018

核數師就審核綜合財務報表須承擔之責任(續)

- 就 貴集團內實體或業務活動之財務資料獲取充足適當之審核憑證，以便對綜合財務報表發表意見。吾等負責 貴集團審核之方向、監督及執行。吾等為審核意見承擔全部責任。

吾等與審核委員會溝通(其中包括)審核之計劃範圍及時間以及重大審核發現等，包括吾等在審核中識別出內部控制之任何重大不足之處。

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

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

出具此獨立核數師報告之審核項目合夥人為譚承裕。

中瑞岳華(香港)會計師事務所  
執業會計師

2018年3月28日

## Consolidated Statement of Profit or Loss

### 綜合損益表

For the year ended 31 December 2017  
截至2017年12月31日止年度

		Note	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Revenue</b>	收入	7	<b>1,064,254</b>	1,086,216
Changes in fair value of biological assets less cost to sell	生物資產公允價值變動減銷售成本		<b>157,703</b>	207,419
Cost of goods sold	已售物品成本		<b>(991,808)</b>	(1,015,050)
Business tax, other taxes and auxiliary charges	營業稅、其他稅金及附加		<b>(2,310)</b>	(1,867)
<b>Gross profit</b>	毛利		<b>227,839</b>	276,718
Other income	其他收入	8	<b>12,852</b>	19,161
Selling expenses	銷售開支		<b>(6,148)</b>	(4,582)
Administrative expenses	行政開支		<b>(46,363)</b>	(65,051)
<b>Profit from operations</b>	經營溢利		<b>188,180</b>	226,246
Finance costs	財務成本	10	<b>(564)</b>	(808)
<b>Profit before tax</b>	稅前溢利		<b>187,616</b>	225,438
Income tax expense	所得稅開支	11	<b>(3,591)</b>	(3,799)
<b>Profit for the year</b>	年內溢利	12	<b>184,025</b>	221,639
<b>Attributable to:</b>	歸屬於：			
Owners of the Company	本公司擁有人		<b>184,551</b>	222,092
Non-controlling interests	非控股權益		<b>(526)</b>	(453)
			<b>184,025</b>	221,639
<b>Earnings per share</b>	每股盈利	16		Restated 經重列
Basic (RMB cents per share)	基本(每股人民幣分)		<b>RMB人民幣 17.19 cents分</b>	RMB人民幣 21.80 cents分
Diluted (RMB cents per share)	攤薄(每股人民幣分)		<b>RMB人民幣 17.09 cents分</b>	RMB人民幣 21.71 cents分

## Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

For the year ended 31 December 2017  
截至2017年12月31日止年度

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Profit for the year</b>	年內溢利	<b>184,025</b>	221,639
<b>Other comprehensive income for the year, net of tax</b>	年內其他全面收益，扣除稅項	-	-
<b>Total comprehensive income for the year</b>	年度全面收益總額	<b>184,025</b>	221,639
<b>Attributable to:</b>	歸屬於：		
Owners of the Company	本公司擁有人	<b>184,551</b>	222,092
Non-controlling interests	非控股權益	<b>(526)</b>	(453)
		<b>184,025</b>	221,639

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2017  
於2017年12月31日

	Note 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>ASSETS</b>			
		資產	
<b>Non-current assets</b>		非流動資產	
Property, plant and equipment	17	物業、廠房及設備	180,214
Goodwill	18	商譽	–
Investment in an associate	19	於一間聯營公司的投資	–
Prepaid land lease payments	20	預付土地租賃款	32,784
Other assets	21	其他資產	690
<b>Total non-current assets</b>		<b>非流動資產總額</b>	<b>213,688</b>
<b>Current assets</b>		流動資產	
Inventories	22	存貨	19,037
Biological assets	23	生物資產	59,319
Trade receivables	24	貿易應收款項	196,645
Deposits, prepayments and other receivables	25	按金、預付款項及其他應收款項	121,865
Due from a related party		應收一名關連方款項	6,800
Due from non-controlling interests		應收非控股權益款項	1,962
Bank and cash balances	26	銀行及現金結餘	1,174,002
<b>Total current assets</b>		<b>流動資產總額</b>	<b>1,579,630</b>
<b>TOTAL ASSETS</b>		<b>資產總額</b>	<b>1,793,318</b>
<b>EQUITY AND LIABILITIES</b>		權益及負債	
Equity attributable to owners of the Company		歸屬於本公司擁有人權益	
Share capital	27	股本	31,919
Other reserves	29	其他儲備	1,639,434
			<b>1,888,911</b>
Non-controlling interests		非控股權益	5,311
<b>Total equity</b>		<b>權益總額</b>	<b>1,676,664</b>
<b>LIABILITIES</b>		負債	
<b>Non-current liabilities</b>		非流動負債	
Operating lease rentals received in advance		預先收取的經營租賃租金	1,091
<b>Current liabilities</b>		流動負債	
Trade payables	30	貿易應付款項	79,993
Accruals and other payables	31	應計費用及其他應付款項	24,566
Bank loan	32	銀行貸款	10,000
Current tax liabilities		即期稅項負債	1,004
Due to non-controlling interests	33	應付非控股權益款項	–
<b>Total current liabilities</b>		<b>流動負債總額</b>	<b>115,563</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>權益及負債總額</b>	<b>1,793,318</b>

Approved by the Board of Directors on 28 March 2018 and are signed on its behalf by:

董事會於2018年3月28日批准並由下列董事代表簽署：

Zheng Songhui  
鄭松輝

Zheng Ruyan  
鄭如燕

## Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2017  
截至2017年12月31日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人										
		Share capital	Other reserve	Share premium	Capital reserve	Statutory surplus reserve	Share option reserve	Shares to be issued	Retained earnings	Total	Non-controlling interests	Total equity
		股本	其他儲備	股份溢價	資本儲備	法定盈餘儲備	購股權儲備	將予發行之股份	保留盈利	總計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2016	於2016年1月1日	30,586	(1,000)	544,255	-	31,625	31,801	-	816,029	1,453,296	-	1,453,296
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	222,092	222,092	(453)	221,639
Transfer	轉撥	-	-	(200,000)	-	-	-	-	200,000	-	-	-
Receipt for exercise of share options	行使購股權已收款	-	-	-	-	-	-	34,010	-	34,010	-	34,010
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	-	-	-	-	33,510	-	-	33,510	-	33,510
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	-	-	3,014	-	-	(3,014)	-	-	-
Issue of shares under share option schemes	根據購股權計劃發行股份	1,333	-	75,877	-	-	(28,699)	-	-	48,511	-	48,511
Dividends paid (note 15)	已付股息(附註15)	-	-	-	-	-	-	-	(122,506)	(122,506)	-	(122,506)
Capital injection to a subsidiary by non-controlling interests	非控股權益向一家附屬公司注資	-	-	-	2,440	-	-	-	-	2,440	5,764	8,204
Changes in equity for the year	年內權益變動	1,333	-	(124,123)	2,440	3,014	4,811	34,010	296,572	218,057	5,311	223,368
At 31 December 2016	於2016年12月31日	31,919	(1,000)	420,132	2,440	34,639	36,612	34,010	1,112,601	1,671,353	5,311	1,676,664
At 1 January 2017	於2017年1月1日	31,919	(1,000)	420,132	2,440	34,639	36,612	34,010	1,112,601	1,671,353	5,311	1,676,664
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	-	184,551	184,551	(526)	184,025
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	-	-	-	9,606	-	9,606	3,509	13,115
Acquisition of an associate	收購一家聯營公司	-	-	-	-	-	-	14,411	-	14,411	-	14,411
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	-	-	-	-	7,431	-	-	7,431	-	7,431
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	-	-	1,189	-	-	(1,189)	-	-	-
Issue of shares under share option schemes	根據購股權計劃發行股份	1,203	-	69,130	-	-	(23,871)	(34,010)	-	12,452	-	12,452
Issue of bonus shares	發行紅股	36,940	-	(36,940)	-	-	-	-	-	-	-	-
Dividends paid (note 15)	已付股息(附註15)	-	-	-	-	-	-	-	(9,333)	(9,333)	-	(9,333)
Capital injection to a subsidiary	向一家附屬公司注資	-	-	-	(1,560)	-	-	-	-	(1,560)	1,560	-
Changes in equity for the year	年內權益變動	38,143	-	32,190	(1,560)	1,189	(16,440)	(9,993)	174,029	217,558	4,543	222,101
At 31 December 2017	於2017年12月31日	70,062	(1,000)	452,322	880	35,828	20,172	24,017	1,286,630	1,888,911	9,854	1,898,765



## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended 31 December 2017  
截至2017年12月31日止年度

	Note 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>經營活動之現金流量</b>	
Profit before tax	稅前溢利	<b>187,616</b>	225,438
Adjustments for:	經調整：		
Changes in fair value of biological assets less cost to sell	生物資產公允價值變動減銷售成本	<b>157,703</b>	207,419
Finance costs	財務成本	<b>564</b>	808
Interest income	利息收入	<b>(11,082)</b>	(9,357)
Depreciation	折舊	<b>12,221</b>	11,053
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	<b>719</b>	761
Gain on disposal of property, plant and equipment and prepaid land lease payment	處置物業、廠房及設備及預付土地租賃款之收益	<b>(3)</b>	(1,399)
Equity-settled share-based payments	以權益結算股份為基礎之付款	<b>7,431</b>	33,510
Operating profit before working capital changes	營運資金變動前的經營溢利	<b>355,169</b>	468,233
Decrease in other assets	其他資產減少	<b>16</b>	16
Decrease/(increase) in inventories	存貨減少/(增加)	<b>2,755</b>	(38)
Increase in biological assets	生物資產增加	<b>(106,230)</b>	(213,636)
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)	<b>49,770</b>	(72,165)
Increase in deposits, prepayment and other receivables	按金、預付款項及其他應收款項增加	<b>(25,138)</b>	(9,049)
(Decrease)/increase in trade payables	貿易應付款項(減少)/增加	<b>(62,821)</b>	38,715
(Decrease)/increase in accruals and other payables	應計費用及其他應付款項(減少)/增加	<b>(2,553)</b>	7,083
Due from non-controlling interests	應收非控股權益款項	<b>7,207</b>	(1,962)
(Refund of)/cash received from operating lease rental	經營租賃租金(退回)/所收之現金	<b>(971)</b>	1,091
Cash generated from operations	經營活動所得現金	<b>217,204</b>	218,288
Income taxes paid	已付所得稅	<b>(1,811)</b>	(3,847)
Interest paid	已付利息	<b>(564)</b>	(808)
Net cash generated from operating activities	經營活動所得現金淨額	<b>214,829</b>	213,633
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>投資活動之現金流量</b>	
Acquisition of a subsidiary	收購一間附屬公司	<b>(168,381)</b>	–
Purchase of property, plant and equipment	購買物業、廠房及設備	<b>(5,247)</b>	(32,553)
Proceeds from disposals of property, plant and equipment and prepaid land lease payment	出售物業、廠房及設備及預付土地租賃款的所得款項	<b>227</b>	7,800
Due from a related party	應收一名關連方款項	<b>6,800</b>	(6,800)
Investment in an associate	於一間聯營公司的投資	<b>(179,800)</b>	–
Interest received	已收利息	<b>11,082</b>	9,357
Net cash used in investing activities	投資活動所用現金淨額	<b>(335,319)</b>	(22,196)

## Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2017  
截至2017年12月31日止年度

	Note 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b> 融資活動之現金流量			
Bank loan raised	取得銀行貸款	10,000	10,000
Repayment of bank loan	償還銀行貸款	(10,000)	(10,000)
Issue of share capital	發行股本	12,452	48,511
Receipt for exercise of share options	行使購股權已收款	–	34,010
Capital injection to a subsidiary by non-controlling interests	非控股權益向一家附屬公司注資	–	8,204
Dividends paid to owners of the Company	支付予本公司擁有人之股息	(9,333)	(122,506)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	3,119	(31,781)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	現金及現金等價物(減少)/增加淨額	<b>(117,371)</b>	159,656
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	於1月1日的現金及現金等價物	<b>1,174,002</b>	1,014,346
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	於12月31日的現金及現金等價物	<b>1,056,631</b>	1,174,002
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b> 現金及現金等價物分析			
Bank and cash balances	銀行及現金結餘	1,056,631	1,174,002

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 1. GENERAL INFORMATION

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

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

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

### 2. BASIS OF PREPARATION

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

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

### 1. 一般資料

中國綠寶集團有限公司(「本公司」)於開曼群島註冊成立為有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。其主要營業地點位於中華人民共和國(「中國」)廈門思明區觀音山運營中心10號樓8樓。本公司之股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為投資控股公司。其附屬公司之主要業務活動載於綜合財務報表附註40。

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

### 2. 編製基準

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

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

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

#### Application of new and revised IFRSs

IASB has issued a number of new and revised IFRSs that are first effective for annual periods beginning on or after 1 January 2017. Of these, the following new or revised IFRSs are relevant to the Group.

#### *Amendments to IAS 7 Statement of Cash Flows: Disclosure Initiative*

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided this information in note 38(b).

#### New and revised IFRSs in issue but not yet effective

The Group has not early applied new and revised IFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2017. These new and revised IFRSs include the following which may be relevant to the Group.

### 3. 採納新訂及經修訂之國際財務報告準則

#### 應用新訂及經修訂國際財務報告準則

國際會計準則委員會已頒佈多項於2017年1月1日或之後開始之年度期間首次生效之新訂及經修訂國際財務報告準則。該等準則中，以下新訂及經修訂國際財務報告準則與本集團相關：

#### *國際會計準則第7號(修訂本)現金流量表：披露計劃*

該等修訂本要求實體提供有關其於融資活動所產生負債變動的披露資料，包括因現金流量和非現金變化(例如匯兌收益或虧損)而產生的變動。本集團已於附註38(b)提供有關資料。

已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早應用已頒佈但尚未於2017年1月1日開始之財政年度生效之新訂及經修訂的國際財務報告準則。此等新訂及經修訂國際財務報告準則或與本集團有關，包括以下各項。

Effective for accounting periods  
beginning on or after  
於以下日期  
或之後開始  
之會計期間生效

IFRS 9 Financial Instruments 國際財務報告準則第9號金融工具	1 January 2018 2018年1月1日
IFRS 15 Revenue from Contracts with Customers 國際財務報告準則第15號來自客戶合約收入	1 January 2018 2018年1月1日
IFRS 16 Leases 國際財務報告準則第16號租賃	1 January 2019 2019年1月1日
IFRIC 23 Uncertainty over Income Tax Treatments 國際財務報告詮釋委員會第23號所得稅處理之不確定因素	1 January 2019 2019年1月1日

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

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

#### New and revised IFRSs in issue but not yet effective (Continued)

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for IFRS 9 and IFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ended 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that interim financial report.

#### IFRS 9 Financial Instruments

IFRS 9 will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classification and measurement of financial assets, new rules for hedge accounting and a new impairment model for financial assets.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

### 3. 採納新訂及經修訂之國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

本集團正在評估該等修訂及新訂準則於初次應用期間預期產生之影響。本集團迄今已識別新訂準則之若干方面可能對綜合財務報表產生重大影響。有關預期影響之更多詳情於下文討論。對國際財務報告準則第9號及國際財務報告準則第15號的評估基本上已完成，由於迄今完成之評估乃基於本集團現時所得之資料，因此與初步採納該等準則後之實際影響或有所不同，而於本集團截至2018年6月30日止六個月之中期財務報告首次應用該等準則前亦可能識別進一步的影響。本集團或更改其會計政策選擇，包括過渡選擇權，直至該等準則首次應用於中期財務報告。

#### 國際財務報告準則第9號金融工具

國際財務報告準則第9號將取代國際會計準則第39號金融工具：確認及計量。國際財務報告準則第9號引入金融資產分類及計量之新規定、對沖會計之新規則以及金融資產之新減值模式。

國際財務報告準則第9號按追溯基準於2018年1月1日或之後開始之年度期間生效。本集團計劃於規定生效日期採納新準則且將不會重列比較資料。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

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

#### New and revised IFRSs in issue but not yet effective (Continued)

##### IFRS 9 Financial Instruments (Continued)

Based on an analysis of the Group's financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed the impact of IFRS 9 to the Group's consolidated financial statements as follows:

##### (a) Impairment

IFRS 9 requires the Group to recognise and measure either a 12-month expected credit loss or lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the expected credit loss model will result in earlier recognition of credit losses. Based on a preliminary assessment, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would be similar to that recognised under IAS 39.

##### IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. IFRS 15 will replace the existing revenue standards, IAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and IAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

### 3. 採納新訂及經修訂之國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

##### 國際財務報告準則第9號金融工具(續)

根據本集團於2017年12月31日之金融資產及金融負債分析(按照該日存在之事實及情況得出),本公司董事已評估國際財務報告準則第9號對本集團綜合財務報表之影響如下:

##### (a) 減值

國際財務報告準則第9號要求本集團確認及計量12個月內的預期信貸虧損或整個期間的預期信貸虧損,視乎資產以及事實及情況而定。本集團預期應用預期信貸虧損模式將導致提前確認信貸虧損。基於初步評估,倘本集團於2017年12月31日採納新減值規定,則於該日的累計減值虧損與根據國際會計準則第39號確認者相若。

##### 國際財務報告準則第15號來自客戶合約收入

國際財務報告準則第15號建立了一個確認客戶合約收入之全面框架。國際財務報告準則第15號將取代現有收入準則國際會計準則第18號收入(涵蓋銷售貨品及提供服務產生之收入)及國際會計準則第11號建造合約(規定建築合約收入之會計處理)。

國際財務報告準則第15號於2018年1月1日或之後開始之年度期間生效。該準則允許運用全面追溯性或修改追溯性方法採納準則。本集團擬採用修改追溯性方法採納準則,該方法指採納之累積影響將於截至2018年1月1日之保留盈利內確認且將不會重列比較資料。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

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

#### New and revised IFRSs in issue but not yet effective (Continued)

#### IFRS 15 Revenue from Contracts with Customers (Continued)

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

##### (a) Timing of revenue recognition

Currently, revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under IFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. IFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- (b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced; and
- (c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under IFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

For contracts with customers in which the sale of goods is generally expected to be the only performance obligation, adoption of IFRS 15 is not expected to have any impact on the Group's revenue or profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

### 3. 採納新訂及經修訂之國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

#### 國際財務報告準則第15號來自客戶合約收入(續)

根據迄今完成之評估，本集團已識別下列預期將受影響之方面：

##### (a) 收入確認之時間

目前，銷售貨品產生之收入通常在所有權風險及回報轉移至客戶時確認。

根據國際財務報告準則第15號，收入於客戶獲得合約中承諾貨品或服務之控制權時確認。國際財務報告準則第15號確定了對承諾貨品或服務之控制權被視為隨時間轉移的三種情況：

- (a) 當客戶同時取得及消耗實體履約所提供之利益時；
- (b) 當實體之履約行為創造或改良資產（如施工中工程），該被創造或改良的資產由客戶控制；及
- (c) 實體之履約行為並未創造一項可被實體用於替代用途之資產，且實體具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

倘合約條款及實體之活動並不屬於任何該三種情況，則根據國際財務報告準則第15號，實體於某一時間點（即控制權轉移時）就銷售該商品或服務確認收入。所有權風險及回報之轉移僅為釐定控制權轉移發生時將考慮的其中一項指標。

就本集團與客戶所訂立且一般預期銷售貨品為唯一履約責任之合約而言，預期採納國際財務報告準則第15號不會對本集團之收入或損益構成任何影響。本集團預期收入確認於資產之控制權轉移至客戶時（一般在交付商品時）發生。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

#### New and revised IFRSs in issue but not yet effective (Continued)

##### IFRS 16 Leases

IFRS 16 replaces IAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). IFRS 16 carries forward the accounting requirements for lessors in IAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's office property leases and production plants are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under IFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

As disclosed in note 37, the Group's future minimum lease payments under non-cancellable operating leases for its office properties and production plants amounted to RMB13,096,000 as at 31 December 2017. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once IFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

### 3. 採納新訂及經修訂之國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

##### 國際財務報告準則第16號租賃

國際財務報告準則第16號取代國際會計準則第17號租賃及相關詮釋。該新準則引入有關承租人的單一會計處理模式。對承租人而言，經營租賃與融資租賃之間的區別已剔除，承租人將就所有租賃確認使用權資產與租賃負債(對短期租賃及低價值資產租賃進行選擇性豁免)。國際財務報告準則第16號維持國際會計準則第17號內有關出租人的會計規定大致不變。因此，出租人會繼續將租賃分類為經營租賃或融資租賃。

國際財務報告準則第16號於2019年1月1日或之後開始的年度期間生效。本集團擬應用簡化過渡法及將不會於首次採納前重列年內比較金額。

根據初步評估，該準則將主要影響本集團經營租賃之會計處理。本集團之辦公室物業租賃及工廠現分類為經營租賃，租賃付款(扣除任何來自出租人之獎勵金額)於租期內按直線法確認為開支。根據國際財務報告準則第16號，本集團或需按未來最低租賃付款的現值確認及計量負債，並就該等租賃確認相應的使用權資產。租賃負債的利息開支以及使用權資產的折舊將於損益內確認。本集團的資產與負債將會增加，而認開支的時間亦會因此受到影響。

誠如附註37所披露，本集團於2017年12月31日根據其辦公室物業及工廠之不可撤銷經營租賃之未來最低租賃付款為人民幣13,096,000元。一經採納國際財務報告準則第16號後，該等租賃預期將確認為租賃負債，並附帶相應使用權資產。該等款項將就折現影響及本集團可得之過渡緩解作出調整。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

#### New and revised IFRSs in issue but not yet effective (Continued)

##### *IFRIC 23 Uncertainty over Income Tax Treatments*

The interpretation of IAS 12 Income Taxes sets out how to apply that standard when there is uncertainty about income tax treatments. Entities are required to determine whether uncertain tax treatments should be assessed separately or as a group depending on which approach will better predict the resolution of the uncertainties. Entities will have to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If yes, the accounting treatment will be consistent with the entity's income tax filings. If not, however, entities are required to account for the effects of the uncertainty using either the most likely outcome or expected value method depending on which method is expected to better predict its resolution.

The Group is unable to estimate the impact of the interpretation on the consolidated financial statements until a more detailed assessment has been completed.

### 4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. biological assets that are measured at fair value).

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

### 3. 採納新訂及經修訂之國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

##### *國際財務報告詮釋委員會第23號所得稅處理之不確定因素*

國際會計準則第12號所得稅之詮釋載有於存在所得稅處理之不確定因素時應用該準則之方式。實體須決定應單獨或整體評估稅項處理之不確定因素(視乎何種方法將能更好地預測不確定因素之解決方案而定)。實體將須評估稅務機構是否可能接受不確定之稅項處理。倘接受，會計處理將符合該實體之所得稅申報；然而倘不接受，該實體則須採用可能性最大之結果或預期價值法(視乎何種方法預期能更好地預測其解決方案而定)將不確定因素之影響入賬。

本集團須於完成更為詳細之評估後方可估計詮釋對綜合財務報表之影響。

### 4. 重大會計政策

除下文會計政策另有說明外(例如生物資產乃按公允值計量)，本綜合財務報表乃按歷史成本法編製。

編製符合國際財務報告準則的財務報表須使用若干關鍵會計估計，亦需要管理層於應用本集團會計政策的過程中作出判斷。假設及估計對本綜合財務報表屬重大的範疇於附註5中披露。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### 4. 重大會計政策(續)

編製本綜合財務報表時採用的重大會計政策載列如下。

#### (a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至12月31日的財務報表。附屬公司為本集團擁有控制權的實體。當本集團可以或有權力透過參與該實體而取得浮動回報及有能力透過其權力影響實體的回報即控制該實體。當本集團現有的權力賦予其能力指揮有關活動(即對實體回報有重大影響的活動)，即表示本集團對該實體有權力。

當評估控制時，本集團考慮其潛在投票權，以及由其他人士持有的潛在投票權。潛在投票權只有在其持有人有行使此權利的實際能力時方會被考慮。

附屬公司自其控制權轉移予本集團當日起綜合入賬，並於控制權終止當日不再綜合入賬。

因失去控制權而產生出售附屬公司的收益及虧損為(i)出售代價的公允值加任何保留於該附屬公司的投資公允值及(ii)本公司應佔該附屬公司淨資產的部分加該附屬公司餘下的任何商譽及任何相關累計外幣換算儲備的差額。

集團內的交易、結餘及未變現利潤均予以對銷。除交易提供證據顯示所轉讓之資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司的會計政策會作出調整，以確保符合本集團採納的政策。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Consolidation (Continued)

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

#### (b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

### 4. 重大會計政策(續)

#### (a) 綜合賬目(續)

非控股權益指並非直接或間接屬於本公司之附屬公司權益。非控股權益乃呈列於綜合財務狀況表及綜合權益變動表之權益中。非控股權益作為非控股權益股東與本公司擁有人之間分配本年度溢利或虧損及全面收益總額，呈列於綜合損益表及綜合損益及其他全面收益表內。

溢利或虧損及其他全面收益的各部份歸屬予本公司擁有人及非控股權益股東，即使導致非控股權益產生虧絀結餘亦然。

本公司並無導致失去附屬公司控制權的擁有權益變動入賬列作權益交易(即與以擁有人身份進行的擁有人交易)。控股及非控股權益的賬面值經調整以反映其於附屬公司相關權益的變動。非控股權益的調整數額與已付或已收代價公允值之間的任何差額乃直接於權益確認，並歸屬於本公司擁有人。

於本公司之財務狀況表內，於一間附屬公司的投資乃按成本減去減值虧損列賬，除非該投資分類為持作出售(或歸入分類為持作出售之出售組別)則作別論。

#### (b) 業務合併及商譽

本公司採用收購法為業務合併中所收購的附屬公司列賬。業務合併時轉撥的代價乃按所獲資產收購日期的公允值、所發行的股本工具及所產生的負債以及任何或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時附屬公司的可識別資產及負債，均按其於收購日期的公允值計量。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Business combination and goodwill (Continued)

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

### 4. 重大會計政策(續)

#### (b) 業務合併及商譽(續)

倘所轉撥代價總額超出本集團應佔附屬公司可識別資產及負債的公允淨值，則差額將以商譽列賬。倘本集團應佔可識別資產及負債的公允淨值高於所轉撥代價總額，則有關差額乃於綜合損益內確認為本集團應佔議價購買的收益。

對於分階段進行的業務合併而言，先前已持有的附屬公司的股本權益乃按收購日期的公允值重新計量，而由此產生的盈虧於綜合損益內確認。公允值被加入至業務合併時轉撥的代價總額以計算商譽。

於附屬公司的非控股權益初步按非控股股東應佔該附屬公司於收購當日的可識別資產及負債的公允淨值比例計算。

在初步確認後，商譽按成本減累計減值虧損計量。為了進行減值測試，業務合併中收購的商譽會被分配至預期受惠於合併協同效益的各現金產生單位（「現金產生單位」）或現金產生單位組別。獲分配商譽的每個單位或一組單位指為內部管理目的而對商譽進行監督之本集團內最低級別單位。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，則作出更頻密檢討。包含商譽的現金產生單位的賬面值與其可收回金額作比較，可收回金額為使用價值與公平值減出售成本的較高者。任何減值即時確認為開支，其後不會撥回。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

### 4. 重大會計政策(續)

#### (c) 聯營公司

聯營公司為本集團對其有重大影響力的實體。重大影響力乃於有關實體的財務及營運政策的決策擁有參與權而非控制或共同控制權。包括其他實體持有的潛在投票權在內的現時可行使或可兌換的潛在投票權的存在及影響會於評估本集團有否重大影響力時予以考慮。在評估一項潛在投票權有否重大影響時，不會考慮持有人是否有意及在財務上是否有能力行使或兌換該項權利。

於聯營公司的投資乃採用權益會計法於綜合財務報表列賬，並按成本作出初步確認。所收購聯營公司的可識別資產及負債乃按其於收購當日的公允值計量。倘投資成本超出本集團應佔聯營公司的可識別資產及負債的公允淨值，則差額將以商譽列賬，而該商譽將列入投資的賬面值，並在有客觀證據顯示投資出現減值時連同於各報告期末的投資一併進行減值測試。倘本集團應佔可識別資產及負債的公允淨值高於收購成本，則有關差額將於綜合損益內確認。

本集團應佔聯營公司收購後損益及其他全面收益於綜合損益及其他全面收益表內確認。倘本集團應佔聯營公司虧損等於或多於其於該聯營公司的權益(包括實際組成本集團於該聯營公司投資淨值其中部分的任何長期權益)，則本集團不會進一步確認虧損，除非其已產生負債或代聯營公司付款。倘聯營公司其後報收溢利，則本集團僅於其應佔溢利等於其應佔未確認的虧損後恢復確認其應佔的該等溢利。

出售聯營公司而導致失去重大影響的收益或虧損乃指(i)出售代價公允值連同於該聯營公司任何保留投資公允值與(ii)本集團於該聯營公司的全部賬面值(包括商譽)以及任何相關累計外幣換算儲備兩者間差額。如果在一間聯營公司的投資成為一間合營企業中的投資，本集團會繼續採用權益法而不重新計量保留權益。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Associates (Continued)

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (d) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional and presentation currency.

##### (ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

### 4. 重大會計政策(續)

#### (c) 聯營公司(續)

對銷本集團與其聯營公司間交易的未變現溢利乃以本集團於聯營公司的權益為限；而未變現虧損則僅會於交易有證據顯示所轉讓的資產出現減值時方予以對銷。聯營公司的會計政策已於有需要時作出變動，以確保與本集團所採納的政策貫徹一致。

#### (d) 外幣換算

##### (i) 功能及呈列貨幣

本集團各實體之財務報表內的項目均使用該實體經營的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表按本公司的功能及呈列貨幣人民幣(「人民幣」)呈列。

##### (ii) 各實體之財務報表中的交易及結餘

外幣交易於初次確認時均按交易日之通行匯率換算為功能貨幣。外幣貨幣資產及負債按每個報告期結束時的匯率換算。匯兌政策產生的盈虧於損益確認。

按公允值計量及以外幣計值的非貨幣項目乃按釐定公允值當日的匯率換算。

當一非貨幣項目的盈虧於其他全面收入確認時，該盈虧的任何匯兌部份於其他全面收入確認。當一非貨幣項目的盈虧於損益確認時，該盈虧的任何匯兌部份於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Foreign currency translation (Continued)

##### (iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### 4. 重大會計政策(續)

#### (d) 外幣換算(續)

##### (iii) 綜合賬目時換算

所用功能貨幣與本公司呈列貨幣不同的所有本集團旗下公司的業績及財務狀況均按下列方式換算為本公司的呈列貨幣：

- 各財務狀況表所列資產及負債於該財務狀況表結算日按收市匯率換算；
- 收入及開支按期內平均匯率匯兌(除非該平均數並非交易日的通行匯率累計影響的合理約數，則在此情況下收入及開支按交易日的匯率換算)；及
- 所有產生的匯兌差額均於其他全面收入確認並於外幣匯兌儲備累計。

綜合賬目時，因換算貨幣項目產生的匯兌差額構成海外實體投資淨額之部分，並於其他全面收益確認及於外幣匯兌儲備累計。出售海外業務時，有關的匯兌差額重新分類至綜合損益作為部份出售之盈虧。

收購海外實體時產生之商譽及公允值調整會被視作海外實體之資產及負債處理，並按收市匯率換算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Property, plant and equipment

Property, plant and equipment, including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Buildings	20 years
Plant and machinery	10 years
Leasehold improvements	5 years
Motor vehicles	2 to 5 years
Office equipment and others	5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and equipment pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

### 4. 重大會計政策(續)

#### (e) 物業、廠房及設備

物業、廠房及設備包括持作用於生產或提供貨物或服務或作行政用途之樓宇(下文所述之在建物業除外)，載於綜合財務狀況表內，以成本減其後累計折舊及其後累計減值虧損(如有)呈列。

其後成本僅於與該項目有關的未來經濟利益可能流入本集團，而該項目的成本能可靠計算時，方會列入資產之賬面值或確認為獨立資產(如適用)。所有其他維修及保養於其產生期間於損益內確認。

物業、廠房及設備之折舊乃於其估計可使用年期按足以撇銷其成本減剩餘價值的比率以直線法計算，其主要使用年期如下：

樓宇	20年
廠房及設備	10年
租賃裝修	5年
汽車	2年至5年
辦公室設備及其他	5年

剩餘價值、可使用年期及折舊方法於各報告期完結日進行檢討及作出調整(如適用)。

在建工程指在建樓宇及有待安裝的廠房及設備，按成本減減值虧損入賬。折舊於有關資產可使用時開始計算。

處置物業、廠房及設備的盈虧指出售所得款項淨額與有關資產賬面值兩者間的差額，並於損益確認。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Leases

##### *The Group as lessee*

##### (i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

Prepaid land lease payments are stated at cost and subsequently amortised on the straight-line basis over the remaining term of the lease.

##### *The Group as lessor*

##### (i) Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (g) Research and development expenditures

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

#### (h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 4. 重大會計政策(續)

#### (f) 租賃

##### *本集團作為承租人*

##### (i) 經營租賃

資產擁有權的所有風險及回報並無大部分轉予本集團的租賃入賬為經營租賃。租賃款項(扣除自出租人收取的任何獎勵金後)於租期內以直線法確認為費用。

預付土地租賃款項按成本列賬，其後再按餘下的租期內以直線法攤銷。

##### *本集團作為出租人*

##### (i) 經營租賃

資產擁有權的所有風險及回報並無大部分轉予承租人的租賃入賬為經營租賃。經營租賃的租金收入於相關租期內以直線法予以確認。

#### (g) 研發費用

研究活動的開支於其產生期間確認為開支。

#### (h) 存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本以加權平均法計算。產成品及在製品之成本包括原材料、直接勞工及所有生產經常性開支之適當部分和轉包費用(如適用)。可變現淨值為日常業務過程中之估計售價減估計完成成本及銷售所需估計成本。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (i) Mushrooms

The Group is involved in the agricultural activities of the transformation of biological assets into agricultural produce. The mushrooms are measured at fair value less costs to sell at initial recognition and at the end of each reporting period. The fair value of the mushrooms under growing period and harvest period are determined based on costs incurred to grow the mushroom and the market approach respectively. Gain or loss on initial recognition and from subsequent changes in fair value less costs to sell is included in profit or loss for the period in which it arises.

The mushrooms are initially measured at their fair value less costs to sell at the time of harvest. The fair value of the mushrooms is determined based on market prices in the local area. Gain on initial recognition at fair value less costs to sell is included in profit or loss for the period in which it arises.

The fair value less costs to sell at the time of harvest of the mushrooms becomes their cost for the measurement of inventories. Such inventories are subsequently stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### (j) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

### 4. 重大會計政策(續)

#### (i) 菇類

本集團從事將生物資產轉化為農產品的農業活動。菇類於初步確認時以及於各報告期間結束時按公允值減銷售成本計量。處於生長期及採收期的菇類的公允值乃分別按種植菇類所產生的成本及市場法而釐定。初步確認產生的盈虧以及其後之公允值變動減銷售成本乃於產生期間於損益確認。

菇類初步按公允值減收成時的銷售成本計量。菇類的公允值乃根據當地之市價釐定。按公允值減銷售成本而初步確認的收益乃於產生期間計入損益內。

公允值減菇類收成時的銷售成本為存貨之成本值。有關存貨隨後按成本值與可變現淨值兩者中之較低者入賬。可變現淨值為正常業務過程中的估計售價減銷售所需的估計成本。

#### (j) 確認及終止確認金融工具

金融資產及金融負債於本集團成為工具合約條文之訂約方時於綜合財務狀況表確認。

倘自資產取得現金流量之合約權利屆滿，本集團轉讓資產所有權之絕大部分風險及回報；或本集團概無轉讓亦不保留資產所有權之絕大部分風險及回報但不保留資產之控制權，則終止確認金融資產。終止確認金融資產時，資產賬面值與已收代價連同已於其他全面收入確認之累計盈虧之總和兩者間之差額於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (j) Recognition and derecognition of financial instruments (Continued)

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

#### (k) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs.

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically trade and other receivables, bank balances and cash are classified in this category.

#### (l) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

### 4. 重大會計政策(續)

#### (j) 確認及終止確認金融工具(續)

倘相關合約訂明之責任獲解除、註銷或屆滿，則終止確認金融負債。已終止確認之金融負債賬面值與已付代價之差額於損益確認。

#### (k) 金融資產

金融資產乃按交易日基準(即購買或出售金融資產之合約條款所規定及經由所屬市場設定的時限交付該項金融資產之日)確認及終止確認，並初始按公允值加上直接應佔交易成本計量。

本集團之金融資產分為貸款及應收款項。此等分類乃按購入金融資產時之目的而歸類，並由管理層在最初確認金融資產時決定其分類。

##### *貸款及應收款項*

貸款及應收款項指提供固定或可釐訂付款之非衍生工具金融資產，其並無活躍市場報價。該等資產按攤銷成本以實際利率法(利息屬微不足道之短期應收款項除外)減任何減值削減或不可收回款項計算。一般貿易應收款項及其他應收款項、銀行結餘及現金乃分類為此類別。

#### (l) 貿易應收款項及其他應收款項

貿易應收款項為在日常業務過程中因出售商品或提供服務而應收客戶之款項。倘貿易應收款項及其他應收款項預計將在一年或以內收回(或屬業務正常經營週期(倘較長))，則分類為流動資產。否則，則呈列為非流動資產。

貿易應收款項及其他應收款項初步按公允值確認，其後以實際利率法按攤銷成本減減值撥備計算。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

#### (n) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

#### (o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### (p) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (q) Equity instruments

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

### 4. 重大會計政策(續)

#### (m) 現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行現金及手頭現金、銀行及其他金融機構的活期存款、及可隨時兌換為確實數額的現金及存在非重大價值變動風險的短期高流通性投資。須按要求償還並構成本集團現金管理的整體的一部分的銀行透支亦入賬列作現金及現金等價物部份。

#### (n) 金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及國際財務報告準則項下金融負債和股本工具的定義分類。股本工具乃證明於本集團經扣除所有負債後的資產中擁有剩餘權益的任何合約。下文載列就特定金融負債及股本工具採納的會計政策。

#### (o) 借貸

借貸初步按公允值(扣除已產生的交易成本)確認，其後以實際利息法按攤銷成本計量。

除非本集團具無條件權利將負債還款期遞延至報告期末後至少12個月，否則借貸將被劃分為流動負債。

#### (p) 貿易應付款項及其他應付款項

貿易應付款項及其他應付款項初步按其公允值列賬，其後採用實際利率法按攤銷成本計量，除非貼現影響甚微，於此情況下，則以成本列賬。

#### (q) 股本工具

本公司所發行的股本工具按已收所得款項(已扣除直接發行成本)入賬。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenues from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

Interest income is recognised on a time-proportion basis using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

#### (s) Employee benefits

##### (i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

##### (iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

### 4. 重大會計政策(續)

#### (r) 收入確認

收入按已收或應收代價的公允值計量，並於經濟利益可能流向本集團及收入金額能可靠計量時確認。

貨品的銷售收入於貨品所有權的重大風險及回報轉移時(一般指貨品交付及所有權轉移予客戶時)確認。

利息收入按時間基準使用實際利率法確認。

租金收入於租期內以直線法予以確認。

#### (s) 僱員福利

##### (i) 僱員應享假期

僱員的年假及長期服務假期於僱員應享有時予以確認。截至報告期末，僱員所提供的服務而產生的年假及長期服務假期的估計負債已計提撥備。

僱員的病假及產假於僱員休假時方會確認。

##### (ii) 退休金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員對計劃的供款乃按僱員的基本薪金的百分比計算。在損益內扣除的退休福利計劃成本乃指本集團應付該等基金的供款。

##### (iii) 離職福利

離職福利於本集團再無能力撤銷提供有關福利及本集團確認重組成本並包括支付離職福利之日期(以較早者為準)時確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (t) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

#### (u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 4. 重大會計政策(續)

#### (t) 以股份支付之支出

本集團向若干董事及僱員發放以權益結算股份為基礎之付款。以權益結算股份為基礎之付款於授出日期以權益工具的公允值計量(不包括非市場歸屬條件之影響)。按以權益結算股份為基礎之付款授出日期釐定之公允值，乃根據本集團估計最終歸屬之股份及就非市場歸屬條件調整，按歸屬期以直線法支銷。

#### (u) 借貸成本

直接用作購入、建造或生產合資格資產(即需要相當長期間以達致其擬定用途或銷售的資產)的借貸成本資本化作為資產的部分成本，直至資產大致用作其擬定用途或銷售。特定用於合資格資產的借貸在其尚未支銷時用作短暫投資所賺取的投資收入，乃於合資格資本化的借貸成本內扣除。

倘一般性借入資金用於獲取一項合資格資產，合資格資本化的借貸成本金額乃按該資產支銷的資本化率釐定。資本化率為適用於本集團於期間未償還借款的加權平均借貸成本，不包括為取得一項合資格資產而專門借入的借款。

所有其他借貸成本均於產生期間於損益中確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (v) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### (w) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

### 4. 重大會計政策(續)

#### (v) 政府補助

政府補助乃當可合理保證本集團將符合其所附帶條件且補助將可獲取時予以確認。

與收入有關之政府補助乃作遞延處理，並在與其擬補償之相關成本相配之期間內於損益內確認。

提供予本集團作為已產生開支或虧損的補償或給予即時財務援助而日後不再有相關成本的政府補助，乃於可收取的期間在損益確認。

#### (w) 稅項

所得稅是指即期稅項及遞延稅項之總額。

即期應付稅項乃根據本年度之應課稅溢利計算。應課稅溢利與於損益確認的溢利有所不同，乃由於其他年度之應課稅或可予扣稅之收入或開支項目及免稅或不可扣稅之項目所致。本集團有關即期稅項之負債乃採用於報告期末已實行或實質已實行之稅率計算。

遞延稅項乃指在綜合財務報表內資產及負債之賬面值與採用應課稅溢利計算之相應稅基之差額。遞延稅項負債一般按所有應課稅暫時差額確認入賬，而遞延稅項資產則會在預期應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認入賬。倘暫時差額乃因商譽或首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司及聯營公司之投資而產生之應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額之撥回，並預期該暫時差額將不會在可見將來撥回者除外。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (w) Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### (x) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

### 4. 重大會計政策(續)

#### (w) 稅項(續)

遞延稅項資產之賬面值乃於各報告期末進行檢討，並調低至預期將不可能有充裕之應課稅溢利以收回所有或部份資產。

遞延稅項乃根據於報告期末已實行或實質實行之稅率，按預期在負債償還或資產變現期間適用之稅率計算。遞延稅項乃自損益中確認，惟倘遞延稅項於其他全面收益確認或直接於權益確認時，則在此情況下亦會於其他全面收益或直接於權益確認。

遞延稅項資產及負債之計量反映按照本集團預期於報告期末可收回或結算其資產及負債之賬面值方式計算而得出之稅務結果。

當可合法執行權利許可將即期稅項資產與即期稅項負債抵銷，並且當涉及與同一稅務機關所徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

#### (x) 非金融資產減值

擁有無限可使用年期或尚未可供使用之無形資產會每年進行減值檢討，並且當任何事件發生或情況改變顯示其賬面值可能無法收回時，亦會進行減值檢討。

其他非金融資產之賬面值於各報告期末檢討是否有減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公允值減出售成本兩者中之較高者。



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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (x) Impairment of non-financial assets (Continued)

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

#### (y) Impairment of financial assets

At the end of each reporting period, the Group assesses whether its financial assets (other than those at fair value through profit or loss) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

### 4. 重大會計政策(續)

#### (x) 非金融資產減值(續)

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位的其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。

#### (y) 金融資產減值

於各報告期末，本集團均會根據客觀證據(即(一組)金融資產之估計未來現金流量由於初步確認後發生之一項或多項事件而受到影響)評估其金融資產(按公允值計入損益賬的金融資產除外)有否減值。

就單獨評估並無減值之應收款項而言，本集團將根據本集團之過往收款經驗、投資組合內延遲還款之增加、與應收款項違約情況有連帶關係之經濟狀況出現明顯改變等共同評估有否減值。

僅應收款項之賬面值會使用撥備賬扣減，而其後收回之前已撇銷之數額乃計入撥備賬。撥備賬之賬面值變動於損益中確認。

就所有其他金融資產而言，賬面值會直接按減值虧損作出扣減。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (y) Impairment of financial assets (Continued)

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

#### (z) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

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

#### (aa) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

### 4. 重大會計政策(續)

#### (y) 金融資產減值(續)

就按攤銷成本計量的金融資產而言，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回(直接或藉著調整應收款項之撥備賬)。然而，撥回不得導致賬面值高於假使並無確認減值該項金融資產於撥回減值當日之攤銷成本。

#### (z) 撥備及或然負債

當本集團因已發生的事件須承擔現有之法律或推定責任，而履行責任時有可能導致經濟利益流出時，並可作出估計責任金額的情況下，須對這些在時間或金額之不確定負債確認撥備。倘金額之時間價值為重要因素，則撥備之金額乃按預期用於解除該責任之支出之現值列賬。

倘使經濟利益流出的機會不大，或責任金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可出現之責任，即是否存在將取決於日後是否會發生一宗或多宗事件，除非經濟利益流出之可能性極低，否則這些負債亦披露為或然負債。

#### (aa) 報告期末後事項

為本集團於報告期末之狀況提供額外資料之報告期末後事項均屬於調整事項，並於綜合財務報表內反映。並非調整事項之重大報告期末後事項則於綜合財務報表附註中披露。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 5. KEY ESTIMATES

#### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### (a) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned.

The carrying amount of property, plant and equipment as at 31 December 2017 was RMB186,623,000 (2016: RMB180,214,000).

#### (b) Fair values of biological assets

The Group appointed an independent professional valuer to assess the fair values of the biological assets. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and input used are reflective of the current market conditions.

The carrying amount of biological assets as at 31 December 2017 was RMB13,580,000 (2016: RMB59,319,000).

### 5. 主要估計

#### 不確定估計的主要來源

下文討論有關未來的主要假設及於報告期間完結時的其他不確定估計的主要來源，而該等假設及不確定估計存在導致下一財政年度的資產及負債賬面值須作出重大調整的重大風險。

#### (a) 物業、廠房及設備及折舊

本集團自行釐定其物業、廠房及設備的估計可使用年期、剩餘價值及相關折舊開支。該等估計乃根據就類似性質及功能的物業、廠房及設備的實際可使用年期及剩餘價值之過往經驗作出。當可使用年期及剩餘價值與先前估計不同時，本集團將修訂折舊開支，或將已棄用之技術過時或非策略資產作出撤銷或撇減。

於2017年12月31日，物業、廠房及設備之賬面值為人民幣186,623,000元(2016年：人民幣180,214,000元)。

#### (b) 生物資產的公允值

本集團委聘獨立專業估值師評估生物資產的公允值。在釐定公允值時，估值師使用涉及若干估計的估值方法。董事已作出判斷，信納所用之估值方法及輸入數據能反映現時的市況。

於2017年12月31日，生物資產之賬面值為人民幣13,580,000元(2016年：人民幣59,319,000元)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 5. KEY ESTIMATES (Continued)

#### (c) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts, in particular of a loss event, requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

As at 31 December 2017, impairment loss for bad and doubtful debts amounted to RMB Nil (2016: RMB Nil).

#### (d) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the aging and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed. No allowance for slow-moving inventories was made for the year ended 31 December 2017 (2016: RMB Nil).

#### (e) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was RMB158,648,000. No impairment has been recognised during the year.

### 5. 主要估計(續)

#### (c) 呆壞賬減值虧損

本集團根據對應收貿易賬款及其他應收款項可收回程度(包括各債務人當前信用狀況及過往付款記錄)的評估,作出呆壞賬減值虧損。倘有事件或情況有變顯示餘額可能無法收回時,將出現減值。識別是否出現呆壞賬(特別在虧損的情況下)需要作出判斷及估計。倘實際結果有別於原先估計時,表示估計有所變動,該差額將影響該年度內的應收貿易賬款及其他應收款項的賬面值以及呆壞賬開支。

於2017年12月31日,呆壞賬減值虧損為人民幣零元(2016年:人民幣零元)。

#### (d) 滯銷存貨撥備

滯銷存貨撥備乃根據存貨賬齡及估計可變現淨值作出。撥備金額的評估涉及判斷及估計。倘日後實際結果有別於原先估計,該等差額將影響估計變動的期間內存貨的賬面值及撥備計入/撥回。截至2017年12月31日止年度,概無就滯銷存貨作出撥備(2016年:人民幣零元)。

#### (e) 商譽減值

釐定商譽是否減值須對獲分配商譽之現金產生單位之使用價值作出估計。使用價值計算要求本集團估計預期產生自現金產生單位之未來現金流量及合適之折現率以計算現值。商譽於報告期末之賬面值為人民幣158,648,000元。年內概無確認減值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities, Hong Kong dollars ("HK\$"), United States dollars ("US\$") and RMB. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2017, if the HK\$ had weakened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB1,000 (2016: RMB40,000) lower, arising mainly as a result of the foreign exchange loss on bank and cash balances denominated in HK\$. If the HK\$ had strengthened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB1,000 (2016: RMB40,000) higher, arising mainly as a result of the foreign exchange gain on bank and cash balances denominated in HK\$.

At 31 December 2017, if the US\$ had weakened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB746,000 (2016: RMB681,000) lower, arising mainly as a result of the net foreign exchange loss on bank and cash balances, trade receivables and trade payables denominated in US\$. If the US\$ had strengthened 1 per cent against RMB with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB746,000 (2016: RMB681,000) higher, arising mainly as a result of the net foreign exchange gain on bank and cash balances, trade receivables and trade payables denominated in US\$.

### 6. 財務風險管理

本集團的業務須承受多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，旨在盡可能減低對本集團財務表現構成的潛在不利影響。

#### (a) 外匯風險

由於本集團的絕大部分業務交易、資產及負債主要以本集團各實體的功能貨幣港元(「港元」)、美元(「美元」)及人民幣計價，故本集團須面對外匯風險的可能性甚微。本集團目前並無就外匯交易、資產及負債制訂任何外匯對沖政策。本集團會密切監察其外匯風險，並於有需要時考慮對沖重大外匯風險。

於2017年12月31日，倘港元兌人民幣轉弱1%，而所有其他變量維持不變，年內綜合除稅後溢利將減少約人民幣1,000元(2016年：人民幣40,000元)，主要由於以港元計值的銀行及現金結餘的外匯虧損。倘港元兌人民幣轉強1%，而所有其他變量維持不變，年內綜合除稅後溢利將增加約人民幣1,000元(2016年：人民幣40,000元)，主要由於以港元計值的銀行及現金結餘的外匯收益。

於2017年12月31日，倘美元兌人民幣轉弱1%，而所有其他變量維持不變，年內綜合除稅後溢利將減少約人民幣746,000元(2016年：人民幣681,000元)，主要由於以美元計值的銀行及現金結餘、貿易應收款項及貿易應付款項的淨外匯虧損。倘美元兌人民幣轉強1%，而所有其他變量維持不變，年內綜合除稅後溢利將增加約人民幣746,000元(2016年：人民幣681,000元)，主要由於以美元計值的銀行及現金結餘、貿易應收款項及貿易應付款項的淨外匯收益。

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### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Credit risk

The Group has no significant concentrations of credit risk.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### (c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's financial liabilities is as follows:

### 6. 財務風險管理(續)

#### (b) 信貸風險

本集團並無顯著集中的信貸風險。

本集團有政策以確保銷售乃向擁有適當信貸記錄之客戶作出。

現金及銀行結餘的信貸風險有限，原因是對方均為獲國際信貸評級機構給予高度信貸評級的銀行。

#### (c) 流動資金風險

本集團的政策為定期監察現時及預期的流動資金需要，以確保其維持足以應付短期及較長遠流動資金需要的現金儲備。

就本集團財務負債根據訂約未折現現金流量的到期日之分析載列如下：

		Less than 1 year 少於1年 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 超過5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>At 31 December 2017</b>	<b>於2017年12月31日</b>					
Trade payables	貿易應付款項	19,532	-	-	-	19,532
Accruals and other payables	應計費用及 其他應付款項	22,573	-	-	-	22,573
Bank loan	銀行貸款	10,113	-	-	-	10,113
Due to non-controlling interests	應付非控股 權益款項	5,245	-	-	-	5,245
		<b>57,463</b>	-	-	-	<b>57,463</b>
At 31 December 2016	於2016年12月31日					
Trade payables	貿易應付款項	79,993	-	-	-	79,993
Accruals and other payables	應計費用及 其他應付款項	24,566	-	-	-	24,566
Bank loan	銀行貸款	10,087	-	-	-	10,087
		114,646	-	-	-	114,646

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### 6. FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits. These deposits bear interests at variable rates varied with the then prevailing market condition.

The Group's bank borrowing and certain of the Group's bank deposits bear interest at fixed rate and therefore is subject to fair value interest rate risk.

At 31 December 2017, it is estimated that a general increase/decrease of 10 basis points in interest rates, with all other variables held constant, would have increased/(decreased) the Group's profit after tax for the year as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Increase/(decrease) in interest rates</b>	利率增加/(減少)		
10 basis points	10個基點	800	910
(10) basis points	(10)個基點	(800)	(910)

The sensitivity analysis above indicates the impact on the Group's profit for the year and retained profits that would have arisen assuming that there is an annualised impact on interest income and expense by a change in interest rates. The analysis has been performed on the same basis thorough for the years ended 31 December 2017 and 2016.

#### (e) Categories of financial instruments

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Financial assets:</b>	金融資產：		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	1,350,654	1,379,949
<b>Financial liabilities:</b>	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債	57,350	114,559

#### (f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair value.

### 6. 財務風險管理(續)

#### (d) 利率風險

本集團的利率風險主要來自銀行存款。該等存款乃浮息，因應當時的市況而定。

本集團的銀行貸款及本集團的若干銀行存款乃定息，並因此遭受公允值利率風險。

於2017年12月31日，如所有其他可變因素維持不變，估計倘整體利率上升/下降10個基點，本集團的年內稅後利潤將增加/(減少)如下：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Increase/(decrease) in interest rates</b>	利率增加/(減少)		
10 basis points	10個基點	800	910
(10) basis points	(10)個基點	(800)	(910)

上述敏感度分析說明假設利率變動會對利息收入及開支產生年化影響，利率變動可能對本集團年內溢利及保留溢利產生的影響。該分析於截至2017年及2016年12月31日止年度按相同基準進行。

#### (e) 金融工具類別

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Financial assets:</b>	金融資產：		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	1,350,654	1,379,949
<b>Financial liabilities:</b>	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債	57,350	114,559

#### (f) 公允值

本集團金融資產及金融負債於綜合財務狀況表反映的賬面值與其各自的公允值相若。

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### 7. REVENUE

The Group's revenue which represents sales of goods to customers are as follows:

### 7. 收入

本集團銷售貨品予客戶的收入如下：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
King trumpet mushroom	杏鮑菇	<b>372,734</b>	362,106
Button mushroom, straw mushroom and shiitake mushroom	蘑菇、草菇及香菇	<b>176,371</b>	191,564
Canned food	罐頭食品	<b>65,448</b>	76,146
Other processed food products	其他加工食品	<b>33,692</b>	52,352
Trading through domestic network	國內渠道銷售	<b>160,812</b>	150,964
International trading of food	國際食品貿易	<b>255,197</b>	253,084
		<b>1,064,254</b>	1,086,216

### 8. OTHER INCOME

### 8. 其他收入

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Exchange gain	匯兌收益	-	5,429
Government subsidies and awards (note)	政府補助及獎勵(附註)	<b>998</b>	1,762
Bank interest income	銀行利息收入	<b>11,082</b>	9,357
Rental income	租金收入	<b>435</b>	448
Gain on disposal of property, plant and equipment and prepaid land lease payments	處置物業、廠房及設備及預付土地租賃款收益	<b>3</b>	1,399
Scrap sales	銷售廢包	<b>73</b>	730
Others	其他	<b>261</b>	36
		<b>12,852</b>	19,161

Note: Government subsidies and awards mainly related to the subsidy received from the local government authority to support the local business development.

附註：政府補助及獎勵主要指從當地政府機構收取為支持當地業務發展的補助。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 9. SEGMENT INFORMATION

The Group has six reportable segments as follows:

King trumpet mushroom	– Planting of king trumpet mushroom
Button mushroom, straw mushroom and shiitake mushroom	– Planting of button mushroom, straw mushroom and shiitake mushroom
Canned food	– Manufacturing and trading of canned food
Other processed food products	– Manufacturing and trading of other processed food products such as brined mushroom, preserved vegetables and dried mushroom and etc.
Trading through domestic network	– Trading of edible fungi and fresh fruit and vegetables in PRC
International trading of food	– Trading of edible fungi, fresh fruit and vegetables, canned food, frozen food, edible fungi healthcare products and etc other than in PRC

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include unallocated business tax, other taxes and auxiliary charges, selling expenses, administrative expenses, other income, finance costs and income tax expense. Segment assets include trade receivables, inventories, biological assets and goodwill.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

### 9. 分部資料

本集團六個可呈報分部如下：

杏鮑菇	– 種植杏鮑菇
蘑菇、草菇及香菇	– 種植蘑菇、草菇及香菇
罐頭食品	– 生產及買賣罐頭食品
其他加工食品	– 生產及買賣其他加工食品，例如鹽水菇、醬腌菜及乾菇等
國內渠道銷售	– 於中國買賣食用菌以及新鮮水果及蔬菜
國際食品貿易	– 於中國以外地區買賣食用菌、新鮮水果及蔬菜、罐頭食品、急凍食品及食用菌保健品等

本集團的可呈報分部乃為提供不同產品及服務的策略性業務單位。由於各業務要求不同技術及市場推廣策略，故各呈報分部乃分別管理。

經營分部之會計政策與綜合財務報表附註4所述者相同。分部損益不包括未歸類的營業稅、其他稅金及附加、銷售開支、行政開支、其他收入、財務成本及所得稅開支。分部資產包括貿易應收款項、存貨、生物資產及商譽。

本集團將分部間銷售及轉撥視作向第三方進行銷售或轉撥處理，即以當前市價進行處理。

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### 9. SEGMENT INFORMATION (Continued)

Information about reportable segment profit or loss, assets and liabilities:

### 9. 分部資料(續)

有關可呈報分部損益、資產及負債的資料：

		King trumpet mushroom 杏鮑菇 RMB'000 人民幣千元	Button mushroom, straw mushroom and shiitake mushroom 蘑菇、草菇 及香菇 RMB'000 人民幣千元	Canned food 罐頭食品 RMB'000 人民幣千元	Other processed food products 其他 加工食品 RMB'000 人民幣千元	Trading through domestic network 國內渠道 銷售 RMB'000 人民幣千元	International trading of food 國際 食品貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>							
Revenue from external customers	來自外部客戶的收入	372,734	176,371	65,448	33,692	160,812	255,197	1,064,254
Intersegment revenue	分部間收入	68	-	-	-	-	-	68
Segment profit	分部溢利	110,278	81,429	15,068	5,879	12,224	20,249	245,127
Other material items of income and expense:	其他重大收入及支出項目：							
Income tax expense	所得稅開支	-	56	1,975	-	7	1,553	3,591
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>							
Segment assets	分部資產	187,552	4,288	9,486	4,230	-	104,854	310,410
<b>Year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>							
Revenue from external customers	來自外部客戶的收入	362,106	191,564	76,146	52,352	150,964	253,084	1,086,216
Intersegment revenue	分部間收入	4,606	970	-	22,107	-	-	27,683
Segment profit	分部溢利	129,065	90,997	16,078	9,868	15,660	14,406	276,074
Other material items of income and expense:	其他重大收入及支出項目：							
Income tax expense	所得稅開支	-	56	2,362	9	30	1,342	3,799
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>							
Segment assets	分部資產	15,421	48,388	10,926	61,877	22,943	70,495	230,050

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9. SEGMENT INFORMATION (Continued)

Reconciliations of reportable segment revenue, profit or loss and assets:

9. 分部資料(續)

可呈報分部收入、損益及資產的對賬：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>		
Total revenue of reportable segments	可呈報分部的收入總額	<b>1,064,322</b>	1,113,899
Elimination of intersegment revenue	抵銷分部間收入	<b>(68)</b>	(27,683)
Consolidated revenue	綜合收入	<b>1,064,254</b>	1,086,216
<b>Profit or loss</b>	<b>損益</b>		
Total profit or loss of reportable segments	可呈報分部的損益總額	<b>245,127</b>	276,074
Elimination of intersegment profits	抵銷分部間溢利	<b>14</b>	(12,205)
Change in profit or loss from change in fair value of biological assets	生物資產公允值變動所產生的損益變動	<b>(14,978)</b>	(15,315)
Depreciation	折舊	<b>(12,221)</b>	(11,053)
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	<b>(719)</b>	(761)
Unallocated amounts	未分配款項	<b>(33,198)</b>	(15,101)
Consolidated profit for the year	年內綜合溢利	<b>184,025</b>	221,639
<b>Assets</b>	<b>資產</b>		
Total assets of reportable segments	可呈報分部的總資產	<b>310,410</b>	230,050
Unallocated amounts	未分配金額		
– Property, plant and equipment	– 物業、廠房及設備	<b>186,623</b>	180,214
– Prepaid land lease payments	– 預付土地租賃款	<b>32,065</b>	32,784
– Bank and cash balances	– 銀行及現金結餘	<b>1,056,631</b>	1,174,002
– Investment in an associate	– 於一間聯營公司的投資	<b>194,210</b>	–
– Others	– 其他	<b>179,080</b>	176,268
Consolidated total assets	綜合資產總值	<b>1,959,019</b>	1,793,318

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9. SEGMENT INFORMATION (Continued)

9. 分部資料(續)

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Geographical information:</b>	<b>地區資料：</b>		
Revenue	收入		
PRC	中國		
– Eastern China	– 華東	<b>353,636</b>	439,516
– Southern China	– 華南	<b>127,440</b>	79,522
– Northern China	– 華北	<b>51,857</b>	38,576
– Central China	– 華中	<b>175,577</b>	166,069
– North Eastern China	– 中國東北	<b>50,682</b>	47,054
– South Western China	– 中國西南	<b>21,287</b>	29,353
– North Western China	– 中國西北	<b>28,578</b>	32,774
New Zealand	紐西蘭	<b>4,351</b>	21,118
Malaysia	馬來西亞	<b>94,117</b>	132,435
Netherlands	荷蘭	–	8,808
Philippines	菲律賓	<b>4,633</b>	32,949
Indonesia	印度尼西亞	<b>1,828</b>	2,139
Singapore	新加坡	<b>20,764</b>	15,875
United Kingdom	英國	<b>8,392</b>	5,993
Nigeria	尼日利亞	<b>14,896</b>	10,045
United States of America	美利堅合眾國	<b>46,051</b>	9,375
Belgium	比利時	<b>10,640</b>	1,163
Canada	加拿大	<b>4,525</b>	2,942
Germany	德國	<b>4,034</b>	129
Israel	以色列	<b>10,193</b>	644
Poland	波蘭	<b>4,389</b>	662
Taiwan	台灣	<b>8,912</b>	–
Others	其他	<b>17,472</b>	9,075
Consolidated total	綜合總計	<b>1,064,254</b>	1,086,216

In presenting the geographical information, revenue is prepared based on the shipment destination so that the economic environments, in which the goods are shipped, can be evaluated.

於呈列地區資料時，收入乃根據付運目的地劃分，故可評估所付運貨品目的地之經濟環境。

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9. SEGMENT INFORMATION (Continued)

Non-current assets

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Hong Kong	香港	785	550
PRC except Hong Kong	中國(香港除外)	571,435	213,138
Consolidated total		572,220	213,688

During the year, there was no individual customer with revenue from each of them accounted for 10% or more of the Group's total external revenue (2016: Nil).

9. 分部資料(續)

非流動資產

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Hong Kong	香港	785	550
PRC except Hong Kong	中國(香港除外)	571,435	213,138
Consolidated total		572,220	213,688

於本年度，並無個別客戶的各自收入佔本集團外部收入總額的10%或以上(2016年：無)。

10. FINANCE COSTS

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interest on bank borrowings	銀行借款利息	542	495
Interest on other payables	其他應付款項利息	22	313
		564	808

10. 財務成本

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### 11. INCOME TAX EXPENSE

### 11. 所得稅開支

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current tax – PRC	即期稅項 – 中國		
Provision for the year	年內撥備	2,054	2,342
Under provision for prior year	以往年度撥備不足	–	115
Current tax – Hong Kong	即期稅項 – 香港		
Provision for the year	年內撥備	2,407	1,359
Over provision for prior year	以往年度超額撥備	(870)	(17)
		<b>3,591</b>	<b>3,799</b>

Hong Kong Profits Tax has been provided at 16.5% based on the assessable profit for the year (2016: 16.5%).

香港利得稅乃按本年度應課稅溢利以16.5%的稅率計提(2016年: 16.5%)。

PRC Enterprise Income Tax has been provided at a rate of 25% (2016: 25%).

中國企業所得稅已按25%(2016年: 25%)的稅率計提。

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

其他地區應課稅溢利的稅項支出乃根據本集團經營所在國家的現行法例、詮釋及慣例按其現行稅率計算。

Under the Law of PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards except as described below.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自2008年1月1日起，中國附屬公司稅率為25%，惟下述者除外。

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### 11. INCOME TAX EXPENSE (Continued)

According to the EIT Law, income derived from primary processing of agricultural produce is exempt from the PRC Enterprise Income Tax. The production and trading of mushroom of certain of the subsidiaries are recognised as primary processing of agricultural produce under the EIT Law and therefore are exempt from the PRC Enterprise Income Tax commenced from 1 January 2008. The following subsidiaries are recognised as primary processing of agricultural produce which obtained the exemption from the PRC Enterprise Income Tax:

#### Year ended 31 December 2016 and 2017

綠寶生態農業(漳州)有限公司  
(Greenfresh Ecological Agriculture (Zhangzhou) Company Limited)  
("Greenfresh Ecological Agriculture")

漳州盛泰農業開發有限公司  
(Zhangzhou Shengtai Agricultural Development Company Limited)  
("Shengtai Agricultural Development")

漳州景翔食品有限公司  
(Zhangzhou Jingxiang Foods Company Limited)  
("Jingxiang Foods")

綠寶(南昌)生物科技有限公司  
(Greenfresh (Nanchang) Biological Technology Limited)  
("Greenfresh Nanchang")

綠寶(新疆)生物科技有限公司  
(Greenfresh (Xinjiang) Biological Technology Limited)  
("Xinjiang Greenfresh")

河北綠寶生物科技有限公司  
(Hebei Greenfresh Biological Technology Limited)  
("Hebei Greenfresh")

平泉縣綠河生物科技有限公司  
(Pingquan County Lvhe Biotechnology Co., Limited)  
("Lvhe")

漳州市長豐食用菌有限公司  
(Zhangzhou Changfeng Edible Fungi Co., Limited)  
("Zhangzhou Changfeng")

### 11. 所得稅開支(續)

根據企業所得稅法，農產品初加工業務所產生的收入將獲豁免繳納中國企業所得稅。若干附屬公司的菇類生產及買賣業務獲確認為企業所得稅法中農產品初加工業務，故從2008年1月1日起獲豁免繳納中國企業所得稅。以下附屬公司獲確認為農產品初加工業務，獲豁免繳納中國企業所得稅：

#### 截至2016年及2017年12月31日止年度

綠寶生態農業(漳州)有限公司  
(「綠寶生態農業」)

漳州盛泰農業開發有限公司  
(「盛泰農業開發」)

漳州景翔食品有限公司  
(「景翔食品」)

綠寶(南昌)生物科技有限公司  
(「綠寶南昌」)

綠寶(新疆)生物科技有限公司  
(「新疆綠寶」)

河北綠寶生物科技有限公司  
(「河北綠寶」)

平泉縣綠河生物科技有限公司  
(「綠河」)

漳州市長豐食用菌有限公司  
(「漳州長豐」)

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### 11. INCOME TAX EXPENSE (Continued)

The reconciliation between the income tax expense and the product of profit before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit before tax	稅前溢利	187,616	225,438
Tax at the domestic income tax rate of 25%	按25%國內所得稅率計算的稅項	46,863	56,136
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(4,574)	(371)
Tax effect of expenses that are not deductible	不獲扣減開支的稅務影響	15,717	5,347
Tax effect of tax concession	稅項優惠的稅務影響	(52,069)	(58,371)
Tax effect of tax loss not recognised	未確認稅項虧損的稅務影響	-	315
Tax effect of tax rate in different jurisdiction	不同司法權區稅率差異的稅務影響	(1,479)	645
Tax effect of temporary differences not recognised	未確認之暫時差額的稅務影響	3	-
(Over)/under provision in prior year	以往年度(超額撥備)/撥備不足	(870)	98
Income tax expense	所得稅開支	3,591	3,799

Pursuant to the EIT Law, the subsidiaries incorporated in the PRC are required to withhold 10% PRC enterprise income tax when it distributes dividends to its non-PRC resident enterprise shareholders. According to the tax treaty between Hong Kong Special Administrative Region and PRC for avoidance of double taxation and prevention of tax evasion, dividends declared from PRC subsidiaries to Hong Kong holding companies are subject to 5% withholding income tax from 1 January 2008 and onwards. At the end of the reporting period, the temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is RMB65,423,000 (2016: RMB54,488,000).

No liability has been recognised in respect of these differences because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. At the end of the reporting period the Group has unused tax losses of RMB Nil (2016: RMB1,124,283) available for offset against future profits. No deferred tax asset has been recognised in respect of the RMB Nil (2016: RMB1,124,283) due to the unpredictability of future profit streams. As at 31 December 2016, included in unrecognised tax losses are losses RMB1,124,283 that will expire in 2021.

### 11. 所得稅開支(續)

所得稅開支與除稅前溢利乘以中國企業所得稅率所得值的對賬如下：

根據企業所得稅法，於中國註冊成立的附屬公司向非中國居民企業股東派發股息時，須代扣代繳10%企業所得稅。根據香港特別行政區與中國就避免雙重徵稅及防止偷漏稅的稅務協定，中國附屬公司向香港控股公司宣派的股息自2008年1月1日及以後須代扣代繳5%的所得稅。報告期末，與附屬公司尚未分派盈利有關而並未確認遞延稅項負債的暫時差額約為人民幣65,423,000元(2016年：人民幣54,488,000元)。

本集團並無就此等差額確認任何負債，乃由於本集團能夠控制暫時差額的撥回時間，而此等暫時差額很可能不會於可見將來撥回。於報告期末，本集團的未動用稅項虧損人民幣零元(2016年：人民幣1,124,283元)可供抵銷未來溢利。由於未能預測未來溢利來源，故尚未就人民幣零元(2016年：人民幣1,124,283元)確認遞延稅項資產。於2016年12月31日已計入未確認稅項虧損的人民幣1,124,283元虧損將於2021年到期。



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### 12. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

### 12. 年內溢利

本集團年內溢利已扣除／(計入)下列各項：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	<b>719</b>	761
Acquisition related cost (included in administrative expenses)	收購相關成本(計入行政開支)	<b>236</b>	-
Depreciation	折舊	<b>12,221</b>	11,053
Gain on disposal of property, plant and equipment and prepaid land lease payments	出售物業、廠房及設備及預付土地 租賃款之收益	<b>(3)</b>	(1,399)
Operating lease charges	經營租賃開支		
– Land and buildings	– 土地及樓宇		
– Minimum lease payments	– 最低租賃付款	<b>21,156</b>	19,481
– Others	– 其他		
– Minimum lease payments	– 最低租賃付款	<b>294</b>	374
Research and development expenditure	研發開支	<b>4,062</b>	3,597
Auditor's remuneration	核數師酬金		
– Current	– 即期	<b>1,410</b>	1,320
– Under provision prior year	– 以往年度撥備不足	<b>-</b>	290
Cost of inventories sold	已出售存貨成本	<b>991,808</b>	1,015,050
Fair value change of biological assets	生物資產公允值變動		
– realised	– 已變現	<b>154,712</b>	190,488
– unrealised	– 未變現	<b>2,991</b>	16,931

Cost of inventories sold includes staff costs, depreciation and operating lease charges of approximately RMB24,432,000, RMB8,611,000 and RMB19,843,000 respectively, (2016: RMB26,068,000, RMB8,056,000 and RMB19,058,000) which are included in the amounts disclosed separately above.

已出售存貨成本包括員工成本、折舊及經營租賃開支，分別約為人民幣24,432,000元、人民幣8,611,000元及人民幣19,843,000元(2016年：人民幣26,068,000元、人民幣8,056,000元及人民幣19,058,000元)，均已計入上文分別披露的金額。

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13. EMPLOYEE BENEFITS EXPENSE

13. 僱員福利費用

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Employee benefits expense:	僱員福利費用：		
– Salaries, bonus and allowances	– 薪金、花紅及津貼	30,857	30,231
– Equity-settled share-based payments	– 以權益結算股份為基礎之付款	7,431	33,510
– Retirement benefit scheme contribution	– 退休福利計劃供款	5,806	5,835
		<b>44,094</b>	69,576

Five highest paid individuals

五名最高薪酬人士

The five highest paid individuals in the Group during the year included 3 (2016: 3) directors whose emoluments are reflected in the analysis presented in note 14. The emoluments of the remaining 2 (2016: 2) individuals are set out below:

於年內，本集團五名最高薪酬人士包括3名（2016年：3名）董事，而該等董事之酬金於附註14呈報的分析中反映。其餘2名（2016年：2名）人士之酬金如下所示：

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	186	193
Equity-settled share-based payments	以權益結算股份為基礎之付款	649	698
Retirement benefit scheme contributions	退休福利計劃供款	12	15
		<b>847</b>	906

The emoluments fell within the following band:

薪酬級別如下所示：

		2017 2017年	2016 2016年
Nil to HK\$1,000,000 (approximately RMB866,000)	零至1,000,000港元 (約人民幣866,000元)	4	2
HK\$1,000,001 to HK\$2,000,000 (approximately RMB866,001 to RMB1,732,000)	1,000,001港元至2,000,000港元 (約人民幣866,001元至 人民幣1,732,000元)	1	2
HK\$2,000,001 to HK\$3,000,000 (approximately RMB1,732,001 to RMB2,598,000)	2,000,001港元至3,000,000港元 (約人民幣1,732,001元至 人民幣2,598,000元)	–	1

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14. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of every director is set out below:

14. 董事福利及權益

(a) 董事酬金

各董事之酬金如下所示：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任(不論為本公司或其附屬公司)董事職務已付或應收之酬金							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 董事就管理本公司或其附屬公司事務的其他服務已付或應收之酬金	Total
		Fees	Salaries	Discretionary bonus	(Note (i)) Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Housing allowance		
		袍金	薪金	酬情花紅	(附註(i)) 其他福利之估計現金價值	僱主就退休福利計劃作出之供款	就接受委任為董事已付或應收酬金	住房津貼	董事就管理本公司或其附屬公司事務的其他服務已付或應收之酬金	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事：									
- Zheng Songhui	- 鄭松輝	-	600	-	519	8	-	-	-	1,127
- Zheng Tianming	- 鄭天明	-	90	-	389	8	-	-	-	487
- Zheng Ruyan	- 鄭如燕	-	438	-	389	3	-	-	-	830
Non-executive director:	非執行董事：									
- Zhang Lin	- 張琳	-	-	-	-	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：									
- Mak Hing Keung, Thomas	- 麥興強	86	-	-	-	-	-	-	-	86
- Lou Robert Hsiu-sung	- 樓秀嵩	86	-	-	-	-	-	-	-	86
- Cheng Hiu Yung	- 鄭煥勇	86	-	-	-	-	-	-	-	86
<b>Total for 2017</b>	<b>2017年之總額</b>	<b>258</b>	<b>1,128</b>	<b>-</b>	<b>1,297</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,702</b>

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### 14. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

#### (a) Directors' emoluments (Continued)

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任(不論為本公司或其附屬公司)董事職務已付或應收之酬金							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking 董事就管理本公司或其附屬公司事務的其他服務之酬金		Total
		Fees	Salaries	Discretionary bonus	(Note (i)) Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Housing allowance			
		袍金	薪金	酬情花紅	(附註(i)) 其他福利之估計現金價值	僱主就退休福利計劃作出之供款	就接受委任為董事已付或應收之酬金	住房津貼	之酬金	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Executive directors	執行董事：										
- Zheng Songhui	- 鄭松輝	-	593	-	1,393	8	-	-	-	1,994	
- Zheng Tianming	- 鄭天明	-	91	-	1,044	8	-	-	-	1,143	
- Zheng Ruyan	- 鄭茹燕	-	494	-	1,044	7	-	-	-	1,545	
Non-executive director:	非執行董事：										
- Zhang Lin	- 張琳	-	-	-	-	-	-	-	-	-	
Independent non-executive directors:	獨立非執行董事：										
- Mak Hing Keung, Thomas	- 麥興強	90	-	-	-	-	-	-	-	90	
- Lou Robert Hsiu-sung	- 樓秀嵩	90	-	-	-	-	-	-	-	90	
- Cheng Hiu Yung	- 鄭曉勇	90	-	-	-	-	-	-	-	90	
<b>Total for 2016</b>	<b>2016年之總計</b>	<b>270</b>	<b>1,178</b>	<b>-</b>	<b>3,481</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,952</b>	

Neither the chief executive nor any of the directors waived any emoluments during the year (2016: RMB Nil).

Note:

(i) Estimated money values of other benefits include share options.

#### (b) Directors' material interests in transactions, arrangements or contracts

Other than those disclosed in the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 14. 董事福利及權益(續)

#### (a) 董事酬金(續)

於年內，概無主要行政人員及董事放棄任何酬金(2016年：人民幣零元)。

附註：

(i) 其他福利之估計現金價值包括購股權。

#### (b) 董事於交易、安排或合約中的重大權益

除已於綜合財務報表披露者外，於年末或年內的任何時間，本集團概無就其業務訂立使本公司董事及董事之關連方直接或間接擁有重大權益之重要交易、安排或合約。

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15. DIVIDENDS

15. 股息

(i) Dividends payable to owners of the Company attributable to the year:

(i) 以下年度應佔應付本公司擁有人之股息：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Interim dividend in respect of the financial year, approved and paid during the year, of HK Nil cents per ordinary share (equivalent RMB Nil cents per ordinary share) (2016: HK8.00 cents per ordinary share (equivalent RMB6.88 cents per ordinary share))	-	35,774
Final dividend proposed after the end of the reporting period of HK Nil cents per ordinary share (equivalent RMB Nil cents per ordinary share) (2016: HK2.00 cents per ordinary share (equivalent RMB1.77 cents per ordinary share))	-	9,514
	-	45,288

(ii) Dividends payables to owners of the Company attributable to the previous financial year, approved and paid during the year:

(ii) 過往財政年度應佔應付本公司擁有人之股息(於年內批准及派付)：

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK2.00 cents per ordinary share (equivalent RMB1.74 cents per ordinary share) (2016: HK20.00 cents per ordinary share (equivalent to approximately RMB17.09 cents per ordinary share))	9,333	86,732

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### 16. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately RMB184,551,000 (2016: RMB222,092,000) for the year ended 31 December 2017 and the weighted average number of ordinary shares of 1,073,890,411 in issue during the year (2016: Restated 1,020,782,732).

The calculation of diluted earnings per share attributable to owners of the Company for the year, is based on the profit for the year attributable to owners of the Company of approximately RMB184,551,000 (2016: RMB222,092,000) and the weighted average number of ordinary shares of 1,073,890,411 (2016: Restated 1,020,782,732) in issue during the year, plus the effect of dilutive potential ordinary shares arising from share options issued by the Company during the year of 6,124,260 (2016: Restated 2,395,611) shares, arrived at the weighted average number of ordinary shares for the purpose of calculating diluted earnings per share of ordinary shares of 1,080,014,671 (2016: Restated 1,023,178,343).

### 16. 每股盈利

本公司擁有人應佔每股基本盈利乃根據截至2017年12月31日止年度本公司擁有人應佔年內溢利約人民幣184,551,000元(2016年：人民幣222,092,000元)，以及按年內已發行普通股的加權平均數1,073,890,411股(2016年：經重列1,020,782,732股)計算。

本公司擁有人應佔年內每股攤薄盈利乃根據本公司擁有人應佔年內溢利約人民幣184,551,000元(2016年：人民幣222,092,000元)，以及按年內已發行普通股的加權平均數1,073,890,411股(2016年：經重列1,020,782,732股)計算，加上本公司於年內發行6,124,260股(2016年：經重列2,395,611股)購股權產生具攤薄效應之潛在普通股之影響，達至普通股的加權平均數以計算1,080,014,671股(2016年：經重列1,023,178,343股)普通股之每股攤薄盈利。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements	Motor vehicles	Office equipment and others	Construction in progress	Total
		樓宇	廠房及設備	租賃裝修	汽車	辦公室設備及其他	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost</b>	<b>成本</b>							
At 1 January 2016	於2016年1月1日	99,635	52,900	3,436	2,622	4,485	45,921	208,999
Additions	添置	5,098	4,045	-	663	295	22,452	32,553
Transfer	轉撥	21,009	5,845	(129)	-	-	(26,725)	-
Disposals	處置	(7,196)	-	-	-	(2)	-	(7,198)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	118,546	62,790	3,307	3,285	4,778	41,648	234,354
Additions	添置	51	1,058	332	35	89	3,682	5,247
Acquisition of a subsidiary	收購一間附屬公司	1,455	12,111	-	-	41	-	13,607
Transfer	轉撥	2,713	4,249	-	-	-	(6,962)	-
Disposals	處置	-	(515)	-	(300)	-	-	(815)
At 31 December 2017	於2017年12月31日	122,765	79,693	3,639	3,020	4,908	38,368	252,393
<b>Accumulated depreciation</b>	<b>累計折舊</b>							
At 1 January 2016	於2016年1月1日	20,467	19,304	3,314	1,406	2,706	-	47,197
Charge for the year	年內計提	5,268	4,962	(6)	400	429	-	11,053
Transfer	轉撥	5	-	(5)	-	-	-	-
Disposals	處置	(4,108)	-	-	-	(2)	-	(4,110)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	21,632	24,266	3,303	1,806	3,133	-	54,140
Charge for the year	年內計提	6,258	5,153	23	408	379	-	12,221
Transfer	轉撥	-	-	-	-	-	-	-
Disposals	處置	-	(321)	-	(270)	-	-	(591)
At 31 December 2017	於2017年12月31日	27,890	29,098	3,326	1,944	3,512	-	65,770
<b>Carrying amount</b>	<b>賬面值</b>							
At 31 December 2017	於2017年12月31日	94,875	50,595	313	1,076	1,396	38,368	186,623
At 31 December 2016	於2016年12月31日	96,914	38,524	4	1,479	1,645	41,648	180,214

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### 17. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 December 2017, the carrying amount of property, plant and equipment pledged as security for the Group's bank loan amounted to approximately RMB19,334,000 (2016: RMB22,126,000).

Certain buildings constructed on the leased land for which the Group had not applied for the property ownership certificate amounted to RMB813,000 as at 31 December 2017 (2016: RMB978,000). Such leased land are used by the Group for production of canned food and other processed food.

### 18. GOODWILL

		RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>	
At 1 January 2016, 31 December 2016 and 1 January 2017	於2016年1月1日、2016年12月31日及2017年1月1日	-
Arising on acquisition of a subsidiary (Note 38(a))	因收購一間附屬公司而產生 (附註38(a))	158,648
At 31 December 2017	於2017年12月31日	158,648
<b>Accumulated impairment</b>	<b>累計減值</b>	
At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	於2016年1月1日、2016年12月31日、2017年1月1日及2017年12月31日	-
<b>Carrying amount</b>	<b>賬面值</b>	
At 31 December 2017	於2017年12月31日	158,648
At 31 December 2016	於2016年12月31日	-

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. The carrying amount of goodwill (net of accumulated impairment losses) had been allocated as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
King trumpet mushroom	杏鮑菇	158,648	-
Mega Rainbow International Limited	兆虹國際有限公司		

### 17. 物業、廠房及設備(續)

於2017年12月31日，就本集團銀行貸款作抵押的物業、廠房及設備的賬面值約為人民幣19,334,000元(2016年：人民幣22,126,000元)。

於2017年12月31日，本集團並未就建於租賃土地的若干樓宇金額為人民幣813,000元(2016年：人民幣978,000元)申請房屋所有權證。本集團將有關租賃土地用作生產罐頭產品及其他加工食品。

### 18. 商譽

於業務合併中收購的商譽在收購時分配予預期自該業務合併獲益之現金產生單位。商譽賬面值(扣除累計減值虧損)已分配如下：



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### 18. GOODWILL (Continued)

The recoverable amounts of the CGUs have been determined on the basis of their value in use using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 3%. This rate does not exceed the average long-term growth rate for the relevant markets.

The rate used to discount the forecast cash flows from the Group's king trumpet mushroom segment is 17.02%.

### 19. INVESTMENT IN AN ASSOCIATE

Unlisted investment:	非上市投資：
Share of net assets	應佔資產淨值
Goodwill	商譽

		<b>194,210</b>	-
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### 18. 商譽(續)

現金產生單位的可收回金額乃採用折現現金流量法按其使用價值釐定。折現現金流量法涉及的主要假設為與期內的折現率、增長率及預算毛利率與營業額相關之假設。本集團估計折現率時採用反映對貨幣時間值之現行市場評估及現金產生單位特有風險之稅前折現率。增長率乃基於現金產生單位業務經營所在地區之長期平均經濟增長率得出。預算毛利率與營業額乃基於過往慣例及對市場發展之預期得出。

本集團編製之現金流量預測乃按最近期由董事批准之未來五年財務預算以及餘下期間採用3%之增長率計算。該增長率並不超出有關市場的平均長期增長率。

用以折現本集團杏鮑菇分部的預測現金流量之折現率為17.02%。

### 19. 於一間聯營公司的投資

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Unlisted investment:		
Share of net assets	46,295	-
Goodwill	147,915	-
	<b>194,210</b>	-

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 19. INVESTMENT IN AN ASSOCIATE (Continued)

Details of the Group's associate at 31 December 2017 are as follows:

Name	Place of incorporation/ registration 註冊成立/ 註冊地點	Paid-up issued share capital 繳足已發行股本	Percentage of ownership interest/ voting power 佔擁有權權益/ 投票權百分比	Principal activities 主要業務
廣西嘉寶食品集團有限公司 (Guangxi Jiabao Food Group Co., Ltd.)中國 ("Guangxi Jiabao") 廣西嘉寶食品集團有限公司 (「廣西嘉寶」)	PRC	RMB46,000,000 人民幣46,000,000元	48.70%	Sales and processing of canned food, quick-freezing for fruit and vegetables, sales and production of frozen food and cultivation of agricultural products in the PRC 於中國銷售及加工罐頭食品、速凍水果及蔬菜、銷售及生產急凍食品，以及種植農產品

The following table shows information of an associate of the Group. The associate is accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the IFRS financial statements of the associate.

### 19. 於一間聯營公司的投資(續)

本集團聯營公司於2017年12月31日之詳情如下：

下表顯示本集團一間聯營公司之資料。該聯營公司採用權益法於綜合財務報表中入賬。所呈列的財務資料概要乃基於該聯營公司根據國際財務報告準則編製的財務報表。

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19. INVESTMENT IN AN ASSOCIATE (Continued)

19. 於一間聯營公司的投資(續)

Name 名稱	Guangxi Jiabao 廣西嘉寶	RMB'000 人民幣千元
Principal place of business/country of incorporation 主要營業地點/註冊成立國家	PRC 中國	
Principal activities 主要業務	Sales and processing of canned food, quick-freezing for fruit and vegetables, sales and production of frozen food and cultivation of agricultural products in the PRC 於中國銷售及加工罐頭食品、速凍水果及蔬菜、銷售及生產急凍食品，以及種植農產品	
% of ownership interests/voting rights held by the Group 本集團持有的擁有權權益/投票權之百分比	48.70%	
<b>At 31 December 2017:</b>		
Non-current assets	於2017年12月31日： 非流動資產	45,705
Current assets	流動資產	89,863
Non-current liabilities	非流動負債	(1,573)
Current liabilities	流動負債	(38,934)
Net assets	資產淨值	95,061
Group's share of net assets	本集團應佔資產淨值	46,295
Goodwill	商譽	147,915
Group's share of carrying amount of interests	本集團應佔權益賬面值	194,210
<b>From the date of acquisition to 31 December 2017:</b>		
Revenue	自收購日期至 2017年12月31日： 收入	-
Profit	溢利	-
Profit after tax	除稅前溢利	-
Other comprehensive income	其他全面收益	-
Total comprehensive income	全面收益總額	-
Dividend received from the associate	自聯營公司收取之股息	-

20. PREPAID LAND LEASE PAYMENTS

20. 預付土地租賃款

	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
At 1 January	32,784	36,858
Disposal	-	(3,313)
Amortisation of prepaid land lease payments	(719)	(761)
At 31 December	32,065	32,784

The Group's prepaid land lease payments represent payments for land use rights in the PRC under medium term leases.

本集團的預付土地租賃款指於中國就根據中期租賃支付的土地使用權款項。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 21. OTHER ASSETS

Other assets of the Group represented the rental prepaid for a piece of land on 1 December 2008 of 50 years for mushroom plantation purposes.

### 22. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	產成品

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元

		<b>4,194</b>	3,903
		<b>12,056</b>	13,959
		<b>1,607</b>	1,175
		<b>17,857</b>	19,037

### 23. BIOLOGICAL ASSETS

The Group is engaged in mushroom plantation for supply to customers.

Reconciliation of carrying amount of mushroom:

At 1 January	於1月1日
Increases due to plantation	因種植而增加
Gain from changes in fair value less costs to sell	公允值變動減銷售成本所產生之收益
Acquisition of a subsidiary	收購一家附屬公司
Decreases due to harvest	因採收而減少
At 31 December	於12月31日

Gain from changes in fair value less cost to sell included those biological assets sold during the year (realised) and those biological assets not yet sold as at the end of the reporting period (unrealised).

Biological assets were mushroom and were stated at fair value less costs to sell as at the end of the reporting period. The fair value was determined by the professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited with reference to market-determined prices, cultivation areas, species, growing conditions, cost incurred and expected yield of crops.

### 21. 其他資產

本集團的其他資產指於2008年12月1日就一幅土地預付的租金，為期50年，用作菇類種植。

### 22. 存貨

Raw materials	原材料
Work in progress	在製品
Finished goods	產成品

		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元

		<b>4,194</b>	3,903
		<b>12,056</b>	13,959
		<b>1,607</b>	1,175
		<b>17,857</b>	19,037

### 23. 生物資產

本集團從事菇類種植以向客戶供應。

菇類的賬面值對賬如下：

At 1 January	於1月1日
Increases due to plantation	因種植而增加
Gain from changes in fair value less costs to sell	公允值變動減銷售成本所產生之收益
Acquisition of a subsidiary	收購一家附屬公司
Decreases due to harvest	因採收而減少
At 31 December	於12月31日

公允值變動減銷售成本所產生之收益包括於年內已出售的生物資產(已變現)以及截至報告期末尚未出售的生物資產(未變現)。

生物資產為菇類，其於報告期末按公允值減銷售成本列賬。公允值乃由專業估值師仲量聯行企業評估及諮詢有限公司參考市場定價、種植面積、品種、生長情況、所涉成本及預期之農產品收成而釐定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 23. BIOLOGICAL ASSETS (Continued)

Market and cost approaches are adopted to value the agricultural produce of mushroom as at the end of respective years. During the growing period, cost approach is adopted. The costs of direct raw material, direct labour, labour service and leasing have been considered in the calculation of the fair values for the growing period and these costs are approximately to their fair value. During the harvesting period, market approach is adopted. Therefore, the fair values of the biological assets as at the end of respective years are calculated to be the product of market price and estimated the agricultural produce mushroom after deducting the reasonable cost related to selling.

The fair value measurement of the mushroom is categorised as level 3 fair value measurement within the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. Significant unobservable inputs are mainly the expected future cash flow and the discount rate. The higher the future cash flows or the lower the discount rate, the higher the fair value determined. Due to the production cycle of the mushroom is relatively short, the impact on the valuation of the expected future cash flow and discount rate are immaterial.

During the year, there was no transfer occurred between levels in the hierarchy (2016: Nil).

The movement in the fair value of the assets within level 3 of the hierarchy is as follows:

### 23. 生物資產(續)

於相關年末採用市場法及成本法對菇類農產品進行估值。於生長期採用成本法。計算生長期的公允值時已考慮直接原材料、直接勞工、勞務及租賃成本，而有關成本與彼等的公允值相若。於採收期採用市場法。因此，於相關年末的生物資產公允值為於扣減有關出售的合理成本後按市價乘以估計菇類農產品產量計算。

菇類公允值計量歸類為三級公允值等級(定義見國際財務報告準則第13號，公允價值計量)的第三級公允值計量。重要不可觀察數據主要為預期未來現金流及貼現率。未來現金流愈高或貼現率愈低，釐定的公允值則愈高。由於菇類的生產周期相對較短，預期未來現金流及貼現率的估值影響並不重大。

於年內，等級中各等級並無出現轉移(2016年：無)。

第三級等級內資產公允值的變動如下：

		<b>King trumpet mushroom, button mushroom and shiitake mushroom 杏鮑菇、蘑菇及香菇</b>	
		<b>2017</b>	2016
		<b>2017年</b>	2016年
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	<b>59,319</b>	53,102
Increases due to plantation	因種植而增加	<b>151,740</b>	178,807
Gain from changes in fair value less costs to sell (#)	公允值變動減銷售成本所產生之收益 (#)	<b>157,703</b>	207,419
Acquisition of a subsidiary	收購一家附屬公司	<b>5,734</b>	-
Decreases due to harvest	因採收而減少	<b>(360,916)</b>	(380,009)
At 31 December	於12月31日	<b>13,580</b>	59,319
(#) Included gains or losses for assets held at the end of the reporting period	(#)包括於報告期末所持資產之收益或虧損	<b>2,991</b>	16,931

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 23. BIOLOGICAL ASSETS (Continued)

The following unobservable inputs were used to measure the Group's mushroom plantation:

### 23. 生物資產(續)

下列為計量本集團菇類種植所用的不可觀察數據：

Description	Valuation technique	Unobservable inputs	Range as at 31 December		Effect on fair value for increase of inputs	Fair value as at 31 December	
			範圍	範圍		公允值	公允值
概況	估值技巧	不可觀察數據	於12月31日	於12月31日	數據增加對公允值的影響	於12月31日	於12月31日
			2017 2017年	2016 2016年		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
King trumpet mushroom 杏鮑菇	Cost and Market approach 成本法及市場法	King trumpet mushroom yield 杏鮑菇產量	0.20 kg – 0.41 kg 0.20公斤至 0.41公斤	0.27 kg – 0.36 kg 0.27公斤至 0.36公斤	Increase 增加	12,908	15,266
		Price of king trumpet mushroom 杏鮑菇價格	RMB6.99 – RMB10.57 per kg 每公斤 人民幣6.99元至 人民幣10.57元	RMB7.7 – RMB11.54 per kg 每公斤 人民幣7.7元至 人民幣11.54元	Increase 增加		
Button mushroom 蘑菇	Cost and Market approach 成本法及市場法	Button mushroom yield 蘑菇產量	N/A 不適用	21.50 kg 21.50公斤	Increase 增加	-	43,963
		Price of button mushroom 蘑菇價格	N/A 不適用	RMB7.65 per kg 每公斤 人民幣7.65元	Increase 增加		
Shiitake mushroom 香菇	Cost and Market approach 成本法及市場法	Shiitake mushroom yield 香菇產量	0.70 kg 0.70公斤	0.30 kg 0.30公斤	Increase 增加	672	90
		Price of shiitake mushroom 香菇價格	RMB8.05 per kg 每公斤 人民幣8.05元	RMB6.20 per kg 每公斤 人民幣6.20元	Increase 增加		

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### 23. BIOLOGICAL ASSETS (Continued)

The Group is exposed to a number of risks related to its mushroom plantation:

#### (1) Regulatory and environmental risks

The Group is subject to laws and regulations in the PRC where it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

#### (2) Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of mushroom. Where possible the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

#### (3) Climate and other risks

The Group's mushroom plantations are exposed to the risk of damage from climatic changes, diseases and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections and industry pest and disease surveys.

### 24. TRADE RECEIVABLES

The credit terms of trade receivables are in accordance with specific payment schedules agreed with various customers and generally range from 30 to 90 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

### 23. 生物資產(續)

本集團面臨若干與其蘑菇種植有關的風險：

#### (1) 監管及環境風險

本集團須遵守中國(其經營所在)之法律及法規。本集團已制定符合地方環境及其他法律的環境政策及措施。管理層定期進行檢討，以確認環境風險並確保現行制度足以管理該等風險。

#### (2) 供求風險

本集團面臨因蘑菇價格及銷量而產生波動的風險。本集團盡可能透過根據市場供求狀況調整其採收量，以管理此項風險。管理層定期進行市場趨勢分析，以確保本集團的定價結構與市場一致，並確保預期採收量與預期需求一致。

#### (3) 氣候及其他風險

本集團的蘑菇種植面臨因氣候變化、病害及其他自然力量造成的損害風險。本集團已制定大量旨在監控及緩解有關風險的程序，包括定期健康檢查以及行業害蟲及病害調查。

### 24. 貿易應收款項

貿易應收款項之信貸期按與不同客戶達成的具體付款安排而定且一般介乎30至90天。各客戶均訂有信貸上限。就新客戶而言，一般須提前付款。本集團尋求對未償還應收款項維持嚴謹的控制。董事會定期審閱逾期結餘。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 24. TRADE RECEIVABLES (Continued)

The aging analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 to 90 days	0至90天	<b>150,405</b>	196,487
91 to 180 days	91至180天	<b>854</b>	2
Over 1 year	1年以上	-	156
		<b>151,259</b>	196,645

As at 31 December 2017, trade receivables of RMB2,719,000 (2016: RMB29,237,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade receivables is as follows:

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Up to 3 months	三個月內	<b>2,503</b>	29,079
3 to 6 months	三至六個月	<b>216</b>	2
6 months to 1 year	六個月至一年	-	156
		<b>2,719</b>	29,237

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
RMB	人民幣	<b>52,084</b>	130,974
US\$	美元	<b>99,175</b>	65,671
Total	總計	<b>151,259</b>	196,645

### 24. 貿易應收款項(續)

以下為本集團按發票日期的貿易應收款項(扣除撥備)的賬齡分析：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 to 90 days	0至90天	<b>150,405</b>	196,487
91 to 180 days	91至180天	<b>854</b>	2
Over 1 year	1年以上	-	156
		<b>151,259</b>	196,645

於2017年12月31日，貿易應收款項人民幣2,719,000元(2016年：人民幣29,237,000元)已逾期但尚未減值。此等款項與近期並無拖欠記錄的多名獨立客戶有關。此等貿易應收款項之賬齡分析如下：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Up to 3 months	三個月內	<b>2,503</b>	29,079
3 to 6 months	三至六個月	<b>216</b>	2
6 months to 1 year	六個月至一年	-	156
		<b>2,719</b>	29,237

本集團貿易應收款項的賬面值按以下幣值計算：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
RMB	人民幣	<b>52,084</b>	130,974
US\$	美元	<b>99,175</b>	65,671
Total	總計	<b>151,259</b>	196,645



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25. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

25. 按金、預付款項及其他應收款項

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Deposits	按金	<b>22,702</b>	25,433
Earnest money paid for acquisition of land use rights	已付收購土地使用權之誠意金	<b>89,940</b>	87,600
Prepayments	預付款項	<b>1,641</b>	8,292
Other receivables	其他應收款項	<b>33,189</b>	540
		<b>147,472</b>	121,865

26. BANK AND CASH BALANCES

26. 銀行及現金結餘

The bank and cash balances of the Group denominated in the currencies as follows:

本集團的銀行及現金結餘按以下幣值計值：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
RMB	人民幣	<b>1,055,842</b>	1,143,747
HK\$	港元	<b>184</b>	5,355
US\$	美元	<b>309</b>	24,604
Singapore dollars	新加坡元	<b>190</b>	190
Japanese Yen	日元	<b>106</b>	106
		<b>1,056,631</b>	1,174,002

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

將人民幣兌換外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》。

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### 27. SHARE CAPITAL

### 27. 股本

		Authorised 法定		Issued and fully paid 已發行及繳足	
		Number of shares 股份數量	US\$'000 千美元	Number of shares 股份數量	RMB'000 人民幣千元
Ordinary shares of US\$0.01 each	每股面值0.01美元的普通股				
Balance at 1 January 2016	於2016年1月1日的結餘	2,000,000	20,000	500,000	30,586
Issue of shares under share option schemes	根據購股權計劃發行股份	-	-	20,000	1,333
Balance at 31 December 2016 and 1 January 2017	於2016年12月31日及2017年1月1日的結餘	2,000,000	20,000	520,000	31,919
Issue of shares under share option schemes	根據購股權計劃發行股份	-	-	17,500	1,203
Issue of bonus shares (note)	發行紅股(附註)	-	-	537,500	36,940
Balance at 31 December 2017	於2017年12月31日的結餘	2,000,000	20,000	1,075,000	70,062

Notes: On 12 June 2017, the Company made a bonus issue on the basis of 1 bonus share for every 1 existing share held by shareholders in recognition of their continual support. A total of 537,500,000 shares were issued pursuant to the bonus issue.

附註：於2017年6月12日，本公司按照股東每持有一股現有股份獲發一股紅股之基準發行紅股，以表揚股東的持續支持。根據紅股發行，已發行合共537,500,000股股份。

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團資本管理的主要目標是維護本集團有能力作為持續經營的機構，並通過優化債務及權益比重給予股東最大回報。

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

本集團按比例就風險設定資本金額。本集團管理其資本結構，並因應經濟狀況及相關資產風險特徵的變化而調整。為了維持或調整資本結構，本集團可能會調整派付股息，發行新股份，回購股份，融入新債，贖回現有債務或出售資產以減少債務。

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Total debt comprises borrowings. Adjusted capital comprises all components of equity (i.e. share capital, retained profits, other reserves and non-controlling interests).

本集團以負債對經調整股本比率為基準監察資本。此比率以負債淨額除以經調整資本計算。負債總額包括借款。經調整資本包括權益之所有部分(即股本、保留溢利、其他儲備及非控股權益)。

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### 27. SHARE CAPITAL (Continued)

During 2017, the Group's strategy, which was unchanged from 2016, was to maintain the debt-to-adjusted capital ratio at a level of industry average. The debt-to-adjusted capital ratios at 31 December 2017 and at 31 December 2016 were as follows:

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Total debt	負債總額	<b>10,000</b>	10,000
Less: cash and cash equivalents	扣除：現金及現金等價物	<b>(1,056,631)</b>	(1,174,002)
Net debt	負債淨額	<b>(1,046,631)</b>	(1,164,002)
Total equity	權益總額	<b>1,898,765</b>	1,676,664
Debt-to-adjusted capital ratio	負債對經調整資本比率	<b>N/A 不適用</b>	N/A 不適用

The externally imposed capital requirement for the Group is in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group receives a report from the share registrars weekly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit throughout the period. As at 31 December 2017, 43% (2016: 41%) of the shares were in public hands.

### 27. 股本(續)

於2017年，本集團之策略(與2016年相同)乃維持負債對經調整資本比率在行業平均水平。於2017年12月31日及2016年12月31日之負債對經調整資本比率如下所示：

本集團維持其於聯交所之上市地位的外部強制資本要求為本集團須保持至少25%股份為公眾持股量。

本集團每週接獲股份過戶登記處發出之報告，當中列示非公眾持股量之重大股份權益，並顯示本集團於期內一直持續遵守25%之限額。於2017年12月31日，43%(2016年：41%)之股份由公眾持有。

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28. STATEMENT OF FINANCIAL POSITION AND RESERVE  
MOVEMENT OF THE COMPANY

28. 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

	Note 附註	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries		328	328
<b>Current assets</b>			
Due from subsidiaries		560,258	569,360
Other receivables		42	–
Bank and cash balances		239	5,944
<b>Total current assets</b>		<b>560,539</b>	575,304
<b>Total assets</b>		<b>560,867</b>	575,632
<b>Equity and liabilities</b>			
Equity attributable to owners of the Company			
Share capital		70,062	31,919
Reserves	28(b)	478,125	530,880
<b>Total equity</b>		<b>548,187</b>	562,799
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accruals and other payables		1,257	2,050
Due to subsidiaries		11,423	10,783
<b>Total current liabilities</b>		<b>12,680</b>	12,833
<b>Total equity and liabilities</b>		<b>560,867</b>	575,632

Approved by the Board of Directors on 28 March 2018 and are  
signed on its behalf by:

董事會於2018年3月28日批准並由下列  
董事代表簽署：

Zheng Songhui  
鄭松輝

Zheng Ruyan  
鄭如燕

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28. STATEMENT OF FINANCIAL POSITION AND RESERVE  
MOVEMENT OF THE COMPANY (Continued)

28. 本公司之財務狀況表及儲備變動(續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

		Share premium	Share option reserve	Shares to be issued	Accumulated losses/ retained earnings	Total
		股份溢價	購股權儲備	將予發行股份	累計虧損/ 保留盈利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(note 29(b)(v)) (附註29(b)(v))			
At 1 January 2016	於2016年1月1日	544,255	31,801	-	(19,263)	556,793
Total comprehensive income for the year	年內全面收益總額	-	-	-	(18,105)	(18,105)
Transfer	轉撥	(200,000)	-	-	200,000	-
Receipt for exercise of share options	行使購股權已收款	-	-	34,010	-	34,010
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	33,510	-	-	33,510
Issue of shares under share option schemes	根據購股權計劃發行股份	75,877	(28,699)	-	-	47,178
Dividends paid	已付股息	-	-	-	(122,506)	(122,506)
Changes in equity for the year	年內權益變動	(124,123)	4,811	34,010	59,389	(25,913)
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	420,132	36,612	34,010	40,126	530,880
Total comprehensive income for the year	年內全面收益總額	-	-	-	(25,162)	(25,162)
Equity-settled share-based payments	以權益結算股份為基礎之付款	-	7,431	-	-	7,431
Issue of shares under share option schemes	根據購股權計劃發行股份	69,130	(23,871)	(34,010)	-	11,249
Issue of bonus shares	發行紅股	(36,940)	-	-	-	(36,940)
Dividend paid	已付股息	-	-	-	(9,333)	(9,333)
Changes in equity for the year	年內權益變動	32,190	(16,440)	(34,010)	(34,495)	(52,755)
At 31 December 2017	於2017年12月31日	452,322	20,172	-	5,631	478,125

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### 29. RESERVES

#### (a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

#### (b) Nature and purpose of reserves

##### (i) Other reserve

Other reserve arose as a result of the group reorganisation as described in the prospectus published by the Company dated 8 June 2015 and represented the difference between the consideration of repurchase of equity interests in 福建綠寶食品集團有限公司 (Fujian Greenfresh Foods Group Company Limited) ("**Fujian Greenfresh Foods**") by Jingxiang Foods over the registered capital of Fujian Greenfresh Foods.

##### (ii) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

##### (iii) Capital reserve

Capital reserve represented the excess of the contribution by the non-controlling interests to a subsidiary which is non-distributable.

##### (iv) Statutory surplus reserve

The statutory surplus reserve, which is non-distributable, is appropriated from the profit after taxation of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.

### 29. 儲備

#### (a) 本集團

本集團的儲備金額及其變動呈列於綜合損益及其他全面收益表以及綜合權益變動表內。

#### (b) 儲備性質及用途

##### (i) 其他儲備

其他儲備由本集團重組產生(如本公司日期為2015年6月8日之招股章程中刊載者所示)，指景翔食品回購福建綠寶食品集團有限公司(「**福建綠寶食品**」)股權的代價與福建綠寶食品的註冊資本之間的差額。

##### (ii) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可供分派予本公司股東。惟緊隨建議派發股息之日期後，本公司須有能力清償於一般業務過程中到期之債項。

##### (iii) 資本儲備

資本儲備指非控股權益向一家附屬公司之超額注資，該金額為不可分派。

##### (iv) 法定盈餘儲備

法定盈餘儲備，乃根據中國適用法律及規例自本集團中國附屬公司的除稅後溢利中撥付為不可分派。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2017  
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### 29. RESERVES (Continued)

#### (b) Nature and purpose of reserves (Continued)

##### (v) Share option reserve

The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to the directors and employees of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payment in note 4(t) to the consolidated financial statements.

### 30. TRADE PAYABLES

The aging analysis of the Group's trade payables, based on the date of receipt of goods, is as follows:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
0 to 90 days	0至90天	17,215	75,498
91 to 180 days	91至180天	1,094	2,984
181 to 365 days	181至365天	433	1,009
Over 1 year	一年以上	790	502
		<b>19,532</b>	79,993

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
RMB	人民幣	19,532	79,396
US\$	美元	-	597
		<b>19,532</b>	79,993

### 29. 儲備(續)

#### (b) 儲備性質及用途(續)

##### (v) 購股權儲備

購股權儲備要求授予本集團董事及僱員之實際或估計未行使購股權數目之公允值按照綜合財務報表附註4(t)以權益結算股份為基礎之付款所採納的會計政策確認。

### 30. 貿易應付款項

本集團貿易應付款項按收取貨物日期的賬齡分析如下：

本集團貿易應付款項的賬面值按以下幣值計值：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 31. ACCRUALS AND OTHER PAYABLES

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Accruals	應計費用	13,294	12,346
Other payables	其他應付款項	9,279	12,220
		<b>22,573</b>	24,566

### 31. 應計費用及其他應付款項

### 32. BANK LOAN

		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Bank loan repayable on demand or within one year	按要求或於一年內償還之銀行貸款	10,000	10,000

### 32. 銀行貸款

The carrying amount of the Group's bank loan is denominated in RMB.

本集團銀行貸款的賬面值以人民幣計值。

The average interest rates at 31 December were as follows:

於12月31日的平均利率如下：

		2017 2017年	2016 2016年
Bank loan	銀行貸款	5.65% per annum 每年5.65%	4.35% per annum 每年4.35%

Bank loan of RMB10,000,000 (2016: RMB10,000,000) is arranged at fixed interest rate and expose the Group to fair value interest rate risk.

銀行貸款人民幣10,000,000元(2016年：人民幣10,000,000元)乃按固定利率計息，故本集團須承擔公允值利率風險。

Bank loan of RMB10,000,000 as at 31 December 2017 and 2016 was secured by corporate guarantee of the group companies and pledge of the Group's property, plant and equipment.

於2017年及2016年12月31日，銀行貸款人民幣10,000,000元由集團公司之企業擔保及本集團之物業、廠房及設備作抵押。

### 33. DUE TO NON-CONTROLLING INTERESTS

Except RMB700,000 included in the amount due to non-controlling interests is unsecured, interest bearing at 12% and repayable within 1 year, the remaining balances are unsecured, interest free and repayable on demand.

### 33. 應付非控股權益款項

除計入應付非控股權益款項之人民幣700,000元為無抵押、按12%計息及須於一年內償還外，餘下結餘均為無抵押、免息及須按要求償還。



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### 34. SHARE-BASED PAYMENTS

#### Pre-IPO share option scheme adopted on 27 May 2015

The Company operates a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) for the purpose of providing incentive or reward to eligible persons (being any director or employee (whether full time or part time), of any member of the Group) for their contribution to, and continuing efforts to promote the interests of the Company and to enable the Group to recruit and retain high-calibre employees. The Pre-IPO Share Option Scheme became effective on 27 May 2015.

The maximum number of shares of the Company in respect of which the share options may be granted under the Pre-IPO Share Option Scheme shall be 25,000,000 shares of the Company representing approximately 5% of the issued share capital of the Company upon listing of the shares of the Company on the Stock Exchange.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of RMB1 in total by the grantee. The share options granted under the Pre-IPO Share Option Scheme can only be exercised during the three years from the date of listing of the shares of the Company on the Stock Exchange (the “**Listing Date**”) and as set out below:

- 40% of the total number of share options granted after 6 months from the Listing Date;
- 30% of the total number of share options granted after 18 months from the Listing Date; and
- 30% of the total number of share options granted after 30 months from the Listing Date.

The exercise price of the share options is HK\$2.

Share options do not confer rights on the holder to dividends or to vote at shareholders’ meetings.

### 34. 股份為基礎之付款

#### 於2015年5月27日採納的首次公開發售前購股權計劃

本公司設有首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」），為本集團任何成員公司的合資格人士（董事或僱員（不論全職或兼職））提供激勵或回報，以獎勵彼等為本公司的利益作出貢獻和持續效力，並讓本集團得以招聘和挽留優質的僱員。首次公開發售前購股權計劃於2015年5月27日開始生效。

根據首次公開發售前購股權計劃可能授出的購股權涉及本公司之股份最高數目為25,000,000股本公司股份，約佔本公司股份於聯交所上市後本公司之已發行股本約5%。

提呈授出之購股權可於提呈日期起計28日內接納，而承授人須支付合共人民幣1元之象徵式代價。根據首次公開發售前購股權計劃所授出之購股權僅可於本公司股份在聯交所上市日期（「**上市日期**」）起計三年內按下列方式行使：

- 於上市日期6個月後行使已授出購股權總數的40%；
- 於上市日期18個月後行使已授出購股權總數的30%；及
- 於上市日期30個月後行使已授出購股權總數的30%。

購股權之行使價為2港元。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

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34. SHARE-BASED PAYMENTS (Continued)

**Pre-IPO share option scheme adopted on 27 May 2015**  
(Continued)

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2015A	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2015 2015年6月17日至 2015年12月17日	18 December 2015 to 17 June 2018 2015年12月18日至 2018年6月17日	2.00
2015B	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2016 2015年6月17日至 2016年12月17日	18 December 2016 to 17 June 2018 2016年12月18日至 2018年6月17日	2.00
2015C	17 June 2015 2015年6月17日	17 June 2015 to 17 December 2017 2015年6月17日至 2017年12月17日	18 December 2017 to 17 June 2018 2017年12月18日至 2018年6月17日	2.00

If the options remain unexercised after a period of 3 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group.

34. 股份為基礎之付款(續)

於2015年5月27日採納的首次公開發售前購股權計劃(續)

購股權之特定類別詳情如下：

倘購股權未有於授出日期起計3年後期間行使，其將會到期。倘僱員離開本集團，其購股權將被沒收。

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### 34. SHARE-BASED PAYMENTS (Continued)

#### Pre-IPO share option scheme adopted on 27 May 2015 (Continued)

Details of the movement of share options during the year are as follows:

		2017 2017年		2016 2016年	
		Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數量	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the period	期初未行使	15,000,000	2.00	25,000,000	2.00
Exercised during the year	年內行使	(7,500,000)	2.00	(10,000,000)	2.00
Adjustment due to bonus issue	因紅股發行而調整	7,500,000	—	—	—
Cancelled during the year	年內註銷	(840,000)	1.00	—	—
Outstanding at the end of the year	年末未行使	14,160,000	1.00	15,000,000	2.00
Exercisable at the end of the year	於年末可行使	14,160,000	1.00	7,500,000	2.00

The weighted average share price at the date of exercise of share options exercised during the year was HK\$3.66. The options outstanding at the end of the year have a weighted average remaining contractual life of 0.5 years.

These fair values were calculated using the Binomial Model. The inputs into the model are as follows:

	2015A, 2015B and 2015C
Weighted average share price	HK\$4.71
Weighted average exercise price	HK\$2.00
Expected volatility	46.40%
Expected life	3 years
Risk free rate	0.78%
Expected dividend yield	2.80%

Expected volatility was determined by calculating the historical volatility of the comparable companies as at the date of grant of the share options.

### 34. 股份為基礎之付款(續)

#### 於2015年5月27日採納的首次公開發售前購股權計劃(續)

年內，購股權的變動詳情如下：

年內行使的購股權於行使當日之加權平均股價為3.66港元。於年末未行使購股權的加權平均餘下合約年期為0.5年。

公允值乃使用二項式定價模式計算。該模式的輸入數據如下：

	2015A、2015B 及2015C
加權平均股價	4.71港元
加權平均行使價	2.00港元
預期波幅	46.40%
預計年期	3年
無風險利率	0.78%
預期股息率	2.80%

預計波幅乃按購股權授出日可比較公司的歷史波幅計算釐定。

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### 34. SHARE-BASED PAYMENTS (Continued)

#### Share option scheme adopted on 27 May 2015

The Company operates a share option scheme (the “**Share Option Scheme**”) for the purpose of providing incentive or reward to eligible persons (being any director or employee (whether full time or part time), consultants or adviser of the Group who in the sole discretion of the board of the directors of the Company has contributed to and/or will contribute to the Group) for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the board of directors of the Company may approve from time to time. The Share Option Scheme became effective on 27 May 2015 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

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

At the time of adoption by the Company of the Share Option Scheme or any new share option scheme, the aggregate number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, the new share option scheme and all schemes existing at such time of the Company must not in aggregate exceed 10% of the total number of the shares in issue as at the Listing Date (the “**Scheme Mandate Limit**”). The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

The Scheme Mandate Limit may be refreshed by ordinary resolution of the shareholders of the Company in general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective close associates, is required to be approved by the independent non-executive directors of the Company. In addition, if the Company proposes to grant options to a substantial shareholder or an independent non-executive director of the Company, or to their respective associates which will result in the number and value of the shares of the Company issued and to be issued upon exercise of all options granted and to be granted to such person in the 12-month period up to and including the date of the offer of such grant in aggregate exceeding: (i) 0.1% of the shares of the Company in issue at the relevant time of grant and (ii) HK\$5 million, based on the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange at the date of each grant.

### 34. 股份為基礎之付款(續)

#### 於2015年5月27日採納的購股權計劃

本公司設有購股權計劃(「購股權計劃」)，為合資格人士(本公司董事會全權酌情認為已及／或將對本集團作出貢獻的任何本集團董事或僱員(不論全職或兼職)、專業顧問或顧問)提供激勵或回報，以獎勵彼等為本集團的利益作出貢獻和持續效力，或為本公司董事會不時批准的其他用途。購股權計劃於2015年5月27日生效，除另行取消或修訂外，將自該日起10年內有效。

根據有關購股權計劃及本公司任何其他購股權計劃授出而尚未行使的所有購股權獲行使而可能發行的股份最高總數，不得超過本公司不時已發行股份總額的30%。倘超過該上限，則不得根據有關購股權計劃及任何其他購股權計劃授出購股權。

本公司於採納有關購股權計劃或任何新購股權計劃時，根據有關購股權計劃、新購股權計劃及本公司當時採納之所有現有購股權計劃將予授出之全部購股權獲行使時可予發行之股份總額，不可超逾於上市日期已發行股份總數之10%(「計劃授權限制」)。於任何12個月期間根據購股權計劃可向購股權計劃各合資格參與者發行的最高股份數目限於本公司在任何時間已發行股份的1%。授出任何超逾該限制的額外購股權須經股東於股東大會上批准。

計劃授權限制可經本公司股東於股東大會上透過普通決議案形式更新。

授予本公司董事、主要行政人員或主要股東或任何彼等各自緊密聯繫人士之購股權須經本公司獨立非執行董事批准。此外，倘本公司建議向本公司主要股東或獨立非執行董事或彼等各自聯繫人士授予購股權，致使於截至提呈授出日期起12個月期間(包括當日)內向該人士授出及將授出的所有購股權行使時，本公司已發行及將予發行股份的數量及價值合共：(i)超逾本公司於有關授出時間已發行股份之0.1%及(ii)根據本公司股份於各授出日期在聯交所日報表所載之收市價計算，超逾5百萬港元。

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### 34. SHARE-BASED PAYMENTS (Continued)

#### Share option scheme adopted on 27 May 2015 (Continued)

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of RMB1 in total by the grantee. The exercise period of the share options granted is determinable by the board of directors, and commences after a certain vesting period and ends on a date which is not later than ten years from the date of the offer of the share options or the expiry date of the Share Option Scheme, if earlier.

The exercise price of the share options is determinable by the board of directors of the Company, but may not be less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations on the date of the offer of the share options; (ii) the average of the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares of the Company on the date of the offer, when applicable.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

Details of the specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2016A	31 March 2016 2016年3月31日	31 March 2016 to 1 April 2016 2016年3月31日至 2016年4月1日	1 April 2016 to 30 March 2019 2016年4月1日至 2019年3月30日	3.71
2016B	31 March 2016 2016年3月31日	31 March 2016 to 30 September 2016 2016年3月31日至 2016年9月30日	1 October 2016 to 30 March 2019 2016年10月1日至 2019年3月30日	3.71
2016C	31 March 2016 2016年3月31日	31 March 2016 to 31 March 2017 2016年3月31日至 2017年3月31日	1 April 2017 to 30 March 2019 2017年4月1日至 2019年3月30日	3.71

If the options remain unexercised after 30 March 2019, the options expire. Options are forfeited if the employee leaves the Group.

### 34. 股份為基礎之付款(續)

#### 於2015年5月27日採納的購股權計劃(續)

提呈授出之購股權可於提呈日期起計28日內接納，而承授人須支付合共人民幣1元之象徵式代價。所授出之購股權之行使期由董事會釐定，並由若干歸屬期後開始，而屆滿日期不得遲於提呈購股權日期起計十年或有關購股權計劃屆滿日期(以較早者為準)。

購股權之行使價由本公司董事會釐定，惟不得低於以下之較高者：(i)本公司股份於提呈購股權日期在聯交所日報表所載之收市價；(ii)本公司股份於緊接提呈日期前五個交易日在聯交所日報表所載之平均收市價；及(iii)本公司股份於提呈日期之面值(如適用)。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

購股權之特定類別詳情如下：

倘購股權於2019年3月30日後仍未行使，其將會到期。倘僱員離開本集團，其購股權將被沒收。

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### 34. SHARE-BASED PAYMENTS (Continued)

#### Share option scheme adopted on 27 May 2015 (Continued)

Details of the movement of share options during the year are as follows:

	2017 2017年	Weighted average exercise price 加權平均 行使價 HK\$ 港元	2016 2016年	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year 年初未行使	15,000,000	3.71	–	–
Granted during the year 年內授出	–	–	25,000,000	3.71
Exercised during the year 年內行使	(10,000,000)	3.71	(10,000,000)	3.71
Adjustment due to bonus issue 因紅股發行而調整	5,000,000	–	–	–
Cancelled during the year 年內註銷	(680,000)	1.86	–	–
Outstanding at the end of the year 於年末未行使	9,320,000	1.86	15,000,000	3.71
Exercisable at the end of the year 於年末可行使	9,320,000	1.86	10,000,000	3.71

The weighted average share price at the date of exercise of share options exercised during the year was HK\$3.71. The options outstanding at the end of the year have a weighted average remaining contractual life of 1.3 years. During the year ended 31 December 2016, options were granted on 31 March 2016. The estimated fair value of the options on this date is approximately HK\$19,698,000.

These fair values were calculated using the Binomial Model. The inputs into the model are as follows:

	2016A	2016B	2016C
Weighted average share price	HK\$3.53	HK\$3.53	HK\$3.53
Weighted average exercise price	HK\$3.71	HK\$3.71	HK\$3.71
Expected volatility	55.06%	55.06%	55.06%
Expected life	1.85 years	2.05 years	2.33 years
Risk free rate	0.83%	0.83%	0.83%
Expected dividend yield	5.66%	5.66%	5.66%

Expected volatility was determined by calculating the historical volatility of the comparable companies as at the date of grant of the share options.

### 34. 股份為基礎之付款(續)

#### 於2015年5月27日採納的購股權計劃(續)

於年內，購股權的變動詳情如下：

於年內行使之購股權行使當日之加權平均股價為3.71港元。於年末未行使購股權的加權平均餘下合約年期為1.3年。於截至2016年12月31日，購股權於2016年3月31日授出。購股權於該日期的估計公允值約為19,698,000港元。

公允值乃使用二項式定價模式計算。該模式的輸入數據如下：

	2016A	2016B	2016C
加權平均股價	3.53港元	3.53港元	3.53港元
加權平均行使價	3.71港元	3.71港元	3.71港元
預期波幅	55.06%	55.06%	55.06%
預計年期	1.85年	2.05年	2.33年
無風險利率	0.83%	0.83%	0.83%
預期股息率	5.66%	5.66%	5.66%

預計波幅乃按購股權授出日可比較公司的歷史波幅計算釐定。

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### 35. CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities (2016: Nil).

### 36. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not incurred are as follows:

	<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Prepaid land lease payment and property, plant and equipment	<b>72,850</b>	75,477

### 37. LEASE AND OTHER COMMITMENTS

#### The Group as lessee

At 31 December 2017 the total future minimum lease and other payment under non-cancellable operating lease are repayable as follows:

	<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Within one year	<b>2,784</b>	17,700
In the second to fifth years inclusive	<b>6,939</b>	32,248
After five years	<b>3,373</b>	4,600
	<b>13,096</b>	54,548

Operating lease and other payments represent rentals payable by the Group for certain of its offices and production plants and subcontracting fee payable to the contractors for planting of the mushrooms. Leases are negotiated for an average term from 1 to 50 years.

The above lease commitments only include commitments for basic rentals based on the prevailing terms and prices of rental as at the end of the reporting periods, and do not include commitments for additional/decrement of rental payable (contingent rents), if any, which are to be determined generally by applying prevailing market prices of agricultural products when the Group are demanded for rental payments, as it is not possible in advance the amount of such additional rental.

### 35. 或然負債

於2017年12月31日，本集團並無任何重大或然負債(2016年：無)。

### 36. 資本承擔

於報告期末已訂約但尚未發生之資本承擔如下：

### 37. 租賃及其他承擔

本集團作為承租人

於2017年12月31日根據不可撤銷經營租賃的未來最低租賃及其他付款總額於以下日期支付：

經營租賃及其他付款指本集團就其若干辦公室及種植菇類之生產廠房應付之租金以及應付承包商的分包費用。租約乃按介乎1至50年的平均年期磋商。

上述租賃承擔僅包括根據報告期末的當時條款及租賃價格計算之基本租賃承擔，並不包括額外／遞減應付租賃承擔(或然租金)(如有)，由於不可能事先計算該等額外租金之金額，故該等額外租金一般於本集團需要支付租賃款項時應用農產品的現行市價而釐定。

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**37. LEASE AND OTHER COMMITMENTS** (Continued)

**The Group as lessor**

Property rental income earned during the year was RMB435,000 (2016: RMB415,000).

At 31 December 2017 the total future minimum lease payments under non-cancellable operating leases are receivable as follows:

**37. 租賃及其他承擔(續)**

本集團作為出租人

年內物業租金收入為人民幣435,000元(2016年：人民幣415,000元)。

於2017年12月31日根據不可撤銷經營租賃的未來最低租賃款項總額於以下日期收取：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Within one year	一年內	<b>340</b>	60
In the second to fifth years inclusive	第二至第五年內(包括首尾兩年)	<b>395</b>	135
		<b>735</b>	195



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### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Acquisition of a subsidiary

During the year ended 31 December 2017, the Group completed the acquisition of the equity interests of Mega Rainbow International Limited. The consideration for the acquisition is RMB180,206,000 which includes: 1) the first consideration of RMB170,600,000 which was settled in cash on completion date; and 2) the share consideration of RMB9,606,000 which was satisfied by the allotment and issue of 8,889,568 new shares of the Company on 9 January 2018. The acquisition is for the purpose of expansion of the market share of king trumpet mushroom.

The fair value of the identifiable assets and liabilities of Mega Rainbow International Limited acquired as at the date of acquisition are as follows:

### 38. 綜合現金流量表附註

#### (a) 收購一間附屬公司

於截至2017年12月31日止年度，本集團完成收購兆虹國際有限公司之股本權益。收購事項之代價為人民幣180,206,000元，包括：1)首筆代價人民幣170,600,000元，於完成日期以現金結付；及2)股份代價人民幣9,606,000元，透過於2018年1月9日配發及發行8,889,568股本公司新股份償付。收購乃為擴展杏鮑菇之市場份額而作出。

於收購日期所收購之兆虹國際有限公司可識別資產及負債之公允值如下：

		Notes 附註	RMB'000 人民幣千元
<b>Assets acquired and liabilities recognised at the date of acquisition</b>	於收購日期之已收購資產及已確認負債		
Property, plant and equipment	物業、廠房及設備		13,607
Inventories	存貨		1,575
Biological assets	生物資產		5,734
Trade receivables	貿易應收款項		4,384
Prepayment	預付款項		469
Bank balances and cash	銀行結餘及現金		2,219
Trade and other payables	貿易及其他應付款項		(2,921)
			25,067
Non-controlling interests	非控股權益		(3,509)
Goodwill	商譽	(i)	158,648
			180,206
<b>Consideration transferred</b>	已轉撥代價		
Cash	現金		170,600
Issue of new shares of the Company, at fair value	發行本公司新股份，按公允值	(ii)	9,606
			180,206
<b>Net cash outflow arising on acquisition</b>	因收購事項而產生之現金流出淨額		
Cash consideration paid	已付現金代價		170,600
Less: bank balances and cash acquired	減：已收購銀行結餘及現金		(2,219)
			168,381

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

#### (a) Acquisition of a subsidiary (Continued)

The fair value of trade receivables acquired is approximately RMB4,384,000. The gross amount due under the contracts is RMB4,384,000, of which RMB Nil is expected to be uncollectible.

The goodwill arising on the acquisition of Mega Rainbow International Limited is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

No revenue or profit was contributed by Mega Rainbow International Limited to the Group, as the Group acquired Mega Rainbow International Limited at the end of the reporting period.

If the acquisition had been completed on 1 January 2017, total Group revenue for the year from continuing operations would have been RMB1,133,345,000, and profit for the year from continuing operations would have been RMB215,368,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is intended to be a projection of future results.

Notes:

- (i) The goodwill arising on the acquisition of Mega Rainbow International Limited is measured as the excess of the sum of the consideration transferred over the identifiable assets acquired and the liabilities assumed at the date of acquisition.
- (ii) The fair value of the share consideration (consideration shares) is estimated with reference to the trading price of the Company's shares at the acquisition date.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

#### (b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 January 2017 2017年1月1日	Cash flows 現金流量	Interest expenses 利息開支	31 December 2017 2017年 12月31日
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Bank borrowings (note 32) 銀行借貸(附註32)	10,000	(542)	542	10,000

### 38. 綜合現金流量表附註(續)

#### (a) 收購一間附屬公司(續)

所收購的應收貿易款項之公允值約為人民幣4,384,000元。合約項下應付之總金額為人民幣4,384,000元，當中人民幣零元預期不可收回。

收購兆虹國際有限公司時產生商譽，乃由於預計在新市場分銷本集團產品有利可圖，以及預計該合併日後將帶來經營協同效應。

由於本集團於報告期末收購兆虹國際有限公司，故此兆虹國際有限公司概無為本集團帶來任何收入或溢利。

假設收購事項於2017年1月1日完成，本集團來自持續經營業務之年內收入總額將為人民幣1,133,345,000元，而來自持續經營業務之年內溢利將為人民幣215,368,000元。備考資料僅作說明用途，未必反映本集團在收購事項於2017年1月1日完成的情況下實際可取得的收入及經營業績，亦非對未來業績的預測。

附註：

- (i) 收購兆虹國際有限公司產生之商譽乃按已轉撥代價總額超出於收購日期所收購可識別資產及所承擔負債之差額計量。
- (ii) 股份代價(代價股份)之公允值乃經參考本公司股份於收購日期之成交價後估計得出。

預期此收購事項產生之商譽概無可作扣稅。

#### (b) 融資活動產生之負債之對賬

下表詳述本集團融資活動產生之負債之變動，包括現金及非現金變動。融資活動產生之負債為其現金流量或未來現金流量已經或將會於本集團綜合現金流量表中分類為融資活動所得現金流量之負債。

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**39. RELATED PARTY TRANSACTIONS**

(a) The Group had the following transactions with its related parties as follows:

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Rental paid to a close family member of a director	支付予一名董事近親的租金	<b>192</b>	160
Property, plant and equipment and prepaid land lease payments sold to a close family member of a director	向一名董事近親出售物業、廠房及設備及預付土地租賃款	-	7,800

(b) **Due from a related party**

This represented the balance of the proceed for disposal of property, plant and equipment and prepaid land lease payments receivable from a close member of a director.

(c) The remuneration of directors and other members of key management during the year was as follows:

**39. 關連方交易**

(a) 本集團與其關連方的交易如下：

(b) 應收一名關連方款項

此為就處置物業、廠房及設備以及預付土地租賃款應收一名董事近親的所得款項結餘。

(c) 年內董事及其他主要管理層成員之酬金如下所示：

		<b>2017</b> <b>2017年</b> <b>RMB'000</b> 人民幣千元	2016 2016年 RMB'000 人民幣千元
Short-term benefits	短期福利	<b>1,723</b>	1,822
Post-employment benefit	退休福利	<b>44</b>	50
Equity-settled share-based payments	以權益結算股份為基礎付款	<b>1,946</b>	5,224
		<b>3,713</b>	7,096

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### 40. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries are as follows:

Name 名稱	Date and place of incorporation/ establishment 註冊成立/ 成立之日期和地點	Issued and paid- up/registered capital 已發行及已繳付/ 註冊資本	Effective interests held by the Group (%) 本集團持有之實際權益(%)		Principal activities 主要業務活動
			2017 2017年	2016 2016年	
<b>Directly held 直接持有</b>					
Empire Foods Limited	23 June 2011 British Virgin Islands	US\$50,000	100	100	Investment holding
Empire Foods Limited	2011年6月23日 英屬處女群島	50,000美元	100	100	投資控股
<b>Indirectly held 間接持有</b>					
China Green Group Co., Limited	25 February 2011 Hong Kong	HK\$10,000	100	100	Investment holding and trading
中國綠寶集團有限公司	2011年2月25日 香港	10,000港元	100	100	投資控股及貿易
Jingxiang Foods	24 December 2001 PRC	US\$17,820,000	100	100	Investment holding and trading of mushroom
景翔食品	2001年12月24日 中國	17,820,000美元	100	100	投資控股及菇類貿易
Fujian Greenfresh Foods	3 November 1995 PRC	RMB68,000,000	100	100	Investment holding and manufacturing of canned food
福建綠寶食品	1995年11月3日 中國	人民幣68,000,000元	100	100	投資控股及製造罐頭食品
綠鮮食品(漳州)有限公司 (Greenfresh Foods (Zhangzhou) Company Limited)	11 January 1999 PRC	RMB7,000,000	100	100	Manufacturing of canned food
綠鮮食品(漳州)有限公司	1999年1月11日 中國	人民幣7,000,000元	100	100	製造罐頭食品
Greenfresh Ecological Agriculture	24 November 2009 PRC	RMB30,000,000	100	100	Investment holding and mushroom plantation
綠寶生態農業	2009年11月24日 中國	人民幣30,000,000元	100	100	投資控股及菇類種植
Shengtai Agricultural Development	26 August 2011 PRC	RMB500,000	100	100	Trading of food
盛泰農業開發	2011年8月26日 中國	人民幣500,000元	100	100	食品貿易

### 40. 於附屬公司之投資

附屬公司之詳情如下所示：

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

40. 於附屬公司之投資(續)

Name 名稱	Date and place of incorporation/ establishment 註冊成立/ 成立之日期和地點	Issued and paid- up/registered capital 已發行及已繳付/ 註冊資本	Effective interests held by the Group (%) 本集團持有之實際權益(%)		Principal activities 主要業務活動
			2017 2017年	2016 2016年	
漳州綠寶生物科技有限公司 (Zhangzhou Greenfresh Biological Technology Limited)	9 October 2016 PRC	RMB15,000,000	100	100	Mushroom plantation
漳州綠寶生物科技有限公司	2016年10月9日 中國	人民幣15,000,000元	100	100	菇類種植
Greenfresh Nanchang	15 October 2016 PRC	HK\$3,000,000	100	100	Trading of food
綠寶南昌	2016年10月15日 中國	3,000,000港元	100	100	食品貿易
Xinjiang Greenfresh	23 November 2016 PRC	RMB10,000,000	100	100	Trading of food
新疆綠寶	2016年11月23日 中國	人民幣10,000,000元	100	100	食品貿易
Singapore Cambo Biological Technology PTE. Ltd	09 December 2016 Singapore	US\$300,000	100	100	Trading of food
新加坡康寶生物公司	2016年12月9日 新加坡	300,000美元	100	100	食品貿易
グリーン・シャイニー株式会社 ("Japan Lvhui")	14 January 2016 Japan	JPY20,000,000	99.75	99.75	Trading of food
グリーン・シャイニー株式会社 ("日本綠輝")	2016年1月14日 日本	20,000,000日元	99.75	99.75	食品貿易
Hebei Greenfresh	24 March 2016 PRC	US\$2,002,000	100	100	Trading of food
河北綠寶	2016年3月24日 中國	2,002,000美元	100	100	食品貿易
Lvhe	11 May 2016 PRC	RMB10,000,000	60	60	Mushroom plantation
綠河	2016年5月11日 中國	人民幣10,000,000元	60	60	菇類種植
黑龍江綠寶生物科技有限公司 (Heilongjiang Greenfresh Biological Technology Limited)	1 November 2016 PRC	HK\$10,000,000	100	100	Not yet commenced business
黑龍江綠寶生物科技有限公司	2016年11月1日 中國	10,000,000港元	100	100	未開展業務

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40. INVESTMENTS IN SUBSIDIARIES (Continued)

40. 於附屬公司之投資(續)

Name 名稱	Date and place of incorporation/ establishment 註冊成立/ 成立之日期和地點	Issued and paid- up/registered capital 已發行及已繳付/ 註冊資本	Effective interests held by the Group (%) 本集團持有之實際權益(%)		Principal activities 主要業務活動
			2017 2017年	2016 2016年	
虎林綠寶生物科技有限公司 (Hulin Greenfresh Biological Technology Limited)	3 November 2016 PRC	RMB10,000,000	100	100	Not yet commenced business
虎林綠寶生物科技有限公司	2016年11月3日 中國	人民幣10,000,000元	100	100	未開展業務
雲南綠輝生物科技有限公司 (Yunnan Lvhui Biological Technology Limited)	23 December 2016 PRC	HK\$10,000,000	100	100	Not yet commenced business
雲南綠輝生物科技有限公司	2016年12月23日 中國	10,000,000港元	100	100	未開展業務
深圳新綠寶生物科技有限公司 (Shenzhen New Biological Technology Limited)	1 November 2016 PRC	US\$2,000,000	100	100	Not yet commenced business
深圳新綠寶生物科技有限公司	2016年11月1日 中國	2,000,000美元	100	100	未開展業務
Mega Rainbow International Limited ("Zhao Hong")	5 July 2016 BVI	US\$50,000	100	-	Investment holding
兆虹國際有限公司(「兆虹」)	2016年7月5日 英屬處女群島	50,000美元	100	-	投資控股
Topfai International Investment Limited	2 August 2016 Hong Kong	HK\$1,000,000	100	-	Investment holding
鼎輝國際投資有限公司	2016年8月2日 香港	1,000,000港元	100	-	投資控股
Zhangzhou Changfeng	10 January 2011 PRC	RMB16,000,000	86	-	Mushroom plantation
漳州長豐	2011年1月10日 中國	人民幣16,000,000元	86	-	菇類種植
Lucky Max Developments Limited ("Lucky Max")	18 October 2017 BVI	USD50,000	100	-	Investment holding
Lucky Max Developments Limited (「Lucky Max」)	2017年10月18日 英屬處女群島	50,000美元	100	-	投資控股
United Pioneer Industry (Hong Kong) Limited	15 November 2017 Hong Kong	USD50,000	100	-	Investment holding
協鋒實業(香港)有限公司	2017年11月15日 香港	50,000美元	100	-	投資控股

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For the year ended 31 December 2017  
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### 40. INVESTMENTS IN SUBSIDIARIES (Continued)

The following table shows information on the subsidiaries that have non-controlling interests (“**NCI**”) material to the Group. The summarised financial information represents amounts before inter-company eliminations.

### 40. 於附屬公司之投資(續)

下表所示為擁有對本集團而言屬重大之非控股權益(「非控股權益」)之附屬公司資料。財務資料概要反映公司間對銷前之金額。

Name		Lvhe 綠河		Japan Lvhui 日本綠輝		Zhangzhou Changfeng 漳州長豐
		2017 2017年	2016 2016年	2017 2017年	2016 2016年	2017 2017年
Principal place of business/ country of incorporation	主要營業地點／註冊成立國家	PRC 中國	PRC 中國	Japan 日本	Japan 日本	PRC 中國
% of ownership interests/ voting rights held by NCI	非控股權益持有之擁有權權益／ 投票權百分比	40%	40%	0.25%	0.25%	14%
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 31 December:</b>	於12月31日：					
Non-current assets	非流動資產	20,868	20,771	-	-	13,607
Current assets	流動資產	7,547	9,252	562	224	14,381
Non-current liabilities	非流動負債	-	-	-	-	-
Current liabilities	流動負債	(12,547)	(16,746)	(1,280)	(55)	(2,921)
Net assets	資產淨額	15,868	13,277	(718)	169	25,067
Accumulated NCI	累計非控股權益	6,347	5,311	(2)	-	3,509
<b>Year ended 31 December/ From the date of acquisition to 31 December:</b>	截至12月31日止年度／ 自收購日期至12月31日：					
Revenue	收入	23,875	8,896	1,719	3	-
Loss	虧損	(1,309)	(1,124)	(887)	(949)	-
Total comprehensive income	全面收益總額	(1,309)	(1,124)	(887)	(949)	-
Loss allocated to NCI	分配予非控股權益的虧損	(524)	(450)	(2)	(3)	-
Dividends paid to NCI	支付予非控股權益的股息	-	-	-	-	-
Net cash (used in)/generated from operating activities	經營活動(所用)／所得現金淨額	(5,656)	6,137	(1,016)	(1,012)	-
Net cash used in investing activities	投資活動所用現金淨額	(2,503)	(20,291)	-	-	-
Net cash generated from financing activities	融資活動所得現金淨額	8,707	14,401	1,015	1,118	-
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	548	247	(1)	106	-

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For the year ended 31 December 2017  
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### 40. INVESTMENTS IN SUBSIDIARIES (Continued)

As at 31 December 2017, the bank and cash balances of the Group's subsidiaries in the PRC denominated in RMB amounted to RMB1,002,512,000 (2016: RMB1,003,375,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

### 41. EVENTS AFTER THE REPORTING PERIOD

Following the completion of the acquisition of Zhao Hong and Lucky Max, on 9 January 2018, the Company allotted and issued 22,223,921 consideration shares to the former shareholders of Zhao Hong and Lucky Max.

### 40. 於附屬公司之投資(續)

於2017年12月31日，本集團於中國的附屬公司的銀行及現金結餘(以人民幣列值)為人民幣1,002,512,000元(2016年：人民幣1,003,375,000元)。將人民幣兌換為外幣須按中國《外匯管理條例》及《結匯、售匯及付匯管理規定》進行。

### 41. 報告期後事項

於完成收購兆虹及Lucky Max後，本公司於2018年1月9日向兆虹及Lucky Max的前股東配發及發行22,223,921股代價股份。



## Summary Financial Information 財務概要

The following is a summary of the published results and of the assets and liabilities of the Group prepared on the bases set out in the note below:

下列為本集團按附註所刊載之基準編製之已公佈業績及資產及負債之概要：

		Year ended 31 December 截至12月31日止年度				
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元
<b>RESULTS</b>	<b>業績</b>					
Revenue	收入	<b>1,064,254</b>	1,086,216	762,118	545,655	471,490
Profit before tax	除稅前溢利	<b>187,616</b>	225,438	220,437	177,340	153,833
Income tax expense	所得稅開支	<b>(3,591)</b>	(3,799)	(2,705)	(2,252)	(6,047)
Profit for the year	年內溢利	<b>184,025</b>	221,639	217,732	175,088	147,786
Attributable to:	歸屬於：					
Owners of the Company	本公司擁有人	<b>184,551</b>	222,092	217,732	175,088	147,786
Non-controlling interests	非控股權益	<b>(526)</b>	(453)	–	–	–
		<b>184,025</b>	221,639	217,732	175,088	147,786
		As at 31 December 於12月31日				
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2014 2014年 RMB'000 人民幣千元	2013 2013年 RMB'000 人民幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	<b>572,220</b>	213,688	199,366	187,434	176,670
Current assets	流動資產	<b>1,386,799</b>	1,579,630	1,323,743	625,878	385,881
Non-current liabilities	非流動負債	<b>(120)</b>	(1,091)	–	–	–
Current liabilities	流動負債	<b>(60,134)</b>	(115,563)	(69,813)	(54,536)	(48,566)
Net assets	資產淨額	<b>1,898,765</b>	1,676,664	1,453,296	758,776	513,985
Attributable to:	歸屬於：					
Owners of the Company	本公司擁有人	<b>1,888,911</b>	1,671,353	1,453,296	758,776	513,985
Non-controlling interests	非控股權益	<b>9,854</b>	5,311	–	–	–
Total equity	權益總額	<b>1,898,765</b>	1,676,664	1,453,296	758,776	513,985



CHINA GREENFRESH GROUP CO., LTD.  
中國綠寶集團有限公司\*