



SHENZHOU INTERNATIONAL
GROUP HOLDINGS LIMITED
申洲國際集團控股有限公司*

Stock Code 股份編號 : 2313

2018
Annual Report
年報





目錄 Contents

2	公司簡介	Corporate Profile
4	財務撮要	Financial Highlights
7	公司資料	Corporate Information
12	主席報告	Chairman's Statement
18	管理層討論及分析	Management Discussion and Analysis
40	企業管治報告	Corporate Governance Report
57	環境、社會及管治報告	Environmental, Social and Governance Report
124	董事及高級管理層成員履歷	Biographical Details of Directors and Members of Senior Management
133	董事會報告	Report of the Directors
147	獨立審計師報告	Independent Auditor's Report
155	綜合損益表	Consolidated Statement of Profit or Loss
156	綜合全面收益表	Consolidated Statement of Comprehensive Income
157	綜合財務狀況表	Consolidated Statement of Financial Position
159	綜合權益變動表	Consolidated Statement of Changes in Equity
160	綜合現金流量表	Consolidated Statement of Cash Flows
163	財務報表附註	Notes to Financial Statements
276	財務資料摘要	Financial Information Summary

公司簡介

Corporate Profile

申洲國際集團控股有限公司（「申洲國際」）及其附屬公司（統稱「本集團」）為全球最大的縱向一體化針織製造商之一，主要以代工(OEM)及委託設計(ODM)相結合方式為客戶製造質量上乘的針織品。根據中國服裝家用紡織品貿易發展報告和中國紡織品服裝對外貿易報告，本集團是中國出口金額的針織服裝生產企業及中國服裝出口企業排名中名列前茅。

本集團的生產基地位於寧波市經濟技術開發區和越南，並策略性地在中國衢州市及安慶市、越南胡志明市和柬埔寨金邊市設有製衣工廠，在上海、香港及大阪均設有銷售辦事處或代表處。現時本集團員工逾82,700人，廠房佔地面積逾五百二十五萬平方米，建築面積逾三百三十二萬平方米，每年生產各類針織服裝約4億件。

本集團主要生產針織運動類用品、休閒服裝及內衣服裝，主要客戶包括NIKE、UNIQLO、ADIDAS及PUMA等國際知名品牌客戶。產品市場遍佈中國內地、日本、亞太區及歐美市場。

為實現針織服裝代工全球最具競爭力企業目標，申洲國際已於二零零五年十一月成功在香港聯合交易所有限公司主板上市。本公司股份代號為2313，並於二零一零年三月八日起獲納入恒生綜合指數、恒生綜合行業指數（消費品）及恒生綜合中型股指數成份股。自二零一三年六月一日起，申洲國際被納入MSCI明晟指數。同時，於二零一五年九月份起獲納入恒生可持續發展企業指數系列。再者，本集團於二零一八年三月五日起正式獲納入成為恒生中國企業指數成份股，並於同年九月十日起正式獲納入成為恒生指數成份股。於二零一八年四月，本集團獲得中華交易服務有限公司（「中華交易服務」）選為中華交易服務一帶一路指數的成份股公司之一，以表揚本集團對一帶一路倡議作出貢獻。另外，於二零一八年九月二十一日起正式獲納入成為富時中國50指數成份股。

Shenzhou International Group Holdings Limited (“Shenzhou International”) and its subsidiaries (collectively the “Group”) is one of the largest vertically integrated knitwear manufacturer in the world. The Group is principally engaged in the manufacturing of high-end knitwear for the customers by the method of combining OEN and ODM. The Group was also the knitwear garment manufacturing enterprise with one of the largest exporting amount of knitwear and ranked among the top PRC garment exporting enterprises according to the report on the development of China’s home textile trade in the garment industry and the report on China’s foreign trade in textiles and garment.

The Group’s production base is located in Ningbo Economic & Technical Development Zone and Vietnam, and the Group has strategically set up garment factories in Quzhou and Anqing of China, Ho Chi Minh City of Vietnam and Phnom Penh of Cambodia. The Group also established sales offices or representative offices in Shanghai, Hong Kong and Osaka. The Group currently has over 82,700 employees. The area of the factories is over 5,250,000 sq.m. and floor area covers over 3,320,000 sq.m., which can produce various knitwear of about 400 million pieces every year.

The Group focuses on producing sports wear, casual wear and lingerie wear for major international renowned clients including NIKE, UNIQLO, ADIDAS and PUMA. The products’ markets are widely spread in the PRC, Japan, Asia Pacific, Europe and the US.

Shenzhou International was listed on the Main Board of The Stock Exchange of Hong Kong Limited in November 2005 with an aim to be the most competitive knitwear manufacturer in the world. The stock code of the Company is 2313. Shenzhou International was included in Hang Seng Composite Index, Hang Seng Composite Industry Index (Consumer Goods) and Hang Seng Composite MiddleCap Index, all effective from 8 March 2010. Shenzhou International has also been included in MSCI Index since June 1 2013. Meanwhile, Shenzhou International has been included in Hang Seng Corporate Sustainability Index Series since September 2015. Furthermore, the Group has become a constituent stock of Hang Seng China Enterprises Index (“HSCEI”) from 5 March 2018 and a constituent stock of Hang Seng Index from 10 September in the same year. In April 2018, the Group was selected by China Exchanges Services Company Limited (“CES”) as a constituent stock of the CES Belt and Road Index, in recognition of the Group’s contribution to the Belt and Road Initiative. In addition, the Group has become a constituent stock of FTSE China 50 index from 21 September 2018.



公司簡介

Corporate Profile

於二零一零年至二零一八年申洲國際榮登《亞洲週刊》「全球華商一千」排行榜及於二零一零年榮獲《福布斯亞洲》評選為「最佳中小上市企業」之一。申洲國際獲財華社及騰訊網評選為二零一二年、二零一五年及二零一六年度香港上市公司100強。另外，申洲國際於二零一五年十一月獲大公報評選為二零一五年度最佳公司治理上市公司之一，而於二零一七年申洲國際再獲大公報評選為二零一七年最佳投資者關係管理上市公司獎項之一。同時，申洲國際亦於二零一五年度獲亞洲週刊獲選為2014-2015年度中國大陸企業組的香港股市排行榜的最大市值民企大獎。再者，申洲國際獲2016年DHL／南華早報香港商業獎項中獲選為2016年度傑出企業獎。於二零一七年，申洲國際獲香港投資者關係協會舉辦的第三屆香港投資者關係大獎中獲得「最佳投資者關係公司（大型股組別）」獎項。於二零一八年八月，申洲國際榮獲《財富》中國評選為「2018年中國最大的500家上市公司」和「2018年中國最佳董事會50強」之一。

並於二零一八年九月，申洲國際榮獲《福布斯亞洲》評選為「2018年度亞洲最佳上市公司50強」之一。同時，於本年度九月申洲國際榮獲Hong Kong Business雜誌獲選為「2018年上市公司大獎（服裝類）」。

另外，申洲國際於本年度十月榮獲《am730》、亞洲公關及路訊通頒發「傑出上市公司大獎2018」。

申洲國際於本年度十二月榮獲香港上市公司商會獲選為「2018年度香港公司管治卓越獎：持續發展卓越獎」；並榮獲新浪財經頒發「2018港股上市公司金獅獎：最佳上市公司」；以及榮獲大公報頒發「第八屆中國證券金紫荊獎：最具投資價值上市公司」。

From the year of 2010 to the year of 2018, Shenzhou International has been named in the “Top 1000 Asian Companies” List of Yazhou Zhoukan and during the year of 2010, it was recognised by Forbes Asia as one of the “Best Under A Billion” Companies. Shenzhou International was selected by Finet and QQ.COM as one of the “Top 100 HK Listed Companies” in 2012, 2015 and 2016. In addition, Shenzhou International was recognized as one of the “2015 Best Listed Company in Corporate Governance” by Ta Kung Pao in November 2015, and was awarded “Best Investor Relations Listed Company 2017” prize by Ta Kung Pao in 2017. Meanwhile, Shenzhou International was awarded “The Largest Capitalization Private Company Award” in Mainland Enterprises Listed in Hong Kong Ranking in 2014-2015 by Yazhou Zhoukan in 2015. Shenzhou International was awarded “ENTERPRISE AWARD 2016” in the DHL/SCMP Hong Kong Business Awards 2016. In 2017, Shenzhou International won “Best IR Company” (Large-cap) at the third Hong Kong Investor Relations Awards organised by Hong Kong Investor Relations Association (HKIRA). Shenzhou International was selected as one of the “China’s 500 Largest Listed Companies 2018” and “China’s Top 50 Boards of Directors 2018” by Fortune China in August 2018.

In addition, Shenzhou International was named as one of the “Asia’s 50 Top Listed Companies 2018” by Forbes Asia in September 2018. Meanwhile, Shenzhou International was awarded “Listed Companies Awards 2018 (Apparel)” by Hong Kong Business Magazine in September 2018.

Furthermore, Shenzhou International was awarded “ListGo Excellence Awards 2018” by AM730, PR Asia and Roadshow in October 2018.

Shenzhou International was awarded “The Hong Kong Corporate Governance Excellence Awards 2018: Award for Sustainability Excellence” by The Chamber of Hong Kong Listed Companies in December this year, awarded “2018 Golden Lion Award: The Best Listed Company” by Sina Finance, and awarded “The 8th China Securities Golden Bauhinia Awards: Best Investment Value Award for Listed Companies” by Ta Kung Pao.

財務撮要

Financial Highlights

過往五年主要財務資料

KEY FINANCIAL INFORMATION FOR THE LAST FIVE YEARS

截至十二月三十一日止年度／於十二月三十一日

For the year ended 31 December/As at 31 December

		二零一八年 2018	二零一七年 2017	二零一六年 2016	二零一五年 2015	二零一四年 2014
主要財務資料	Key Financial Information					
(人民幣千元)	(RMB'000)					
銷售額	Sales	20,950,205	18,085,247	15,099,076	12,639,332	11,131,532
除所得稅前利潤	Profit before income tax	5,090,346	4,288,231	3,642,947	2,886,901	2,543,347
年度利潤	Profit for the year	4,492,543	3,759,951	2,947,680	2,354,842	2,066,630
本公司權益擁有人 應佔利潤	Profit attributable to equity owners of the Company	4,540,487	3,762,721	2,947,673	2,354,664	2,065,867
非流動資產	Non-current assets	9,411,627	8,886,726	8,980,567	7,450,113	5,633,884
流動資產	Current assets	18,140,427	15,206,479	12,835,495	10,911,501	10,309,144
流動負債	Current liabilities	4,919,626	4,265,355	3,094,482	2,154,769	1,265,177
流動資產淨值	Net current assets	13,220,801	10,941,124	9,741,013	8,756,732	9,043,967
總資產	Total assets	27,552,054	24,093,205	21,816,062	18,361,614	15,943,028
總資產減流動負債	Total assets less current liabilities	22,632,428	19,827,850	18,721,580	16,206,845	14,677,851
總權益	Total equity	22,454,279	19,824,653	15,309,602	13,089,836	11,811,326
現金及現金等價物	Cash and cash equivalents	3,565,916	2,471,401	2,105,184	1,815,678	1,428,074
主要財務比率	Key Financial ratios					
毛利率(%)	Gross profit margin (%)	31.6	31.4	32.5	30.5	29.0
淨利潤率(%)	Net profit margin (%)	21.4	20.8	19.5	18.6	18.6
淨資本負債比率(%) ⁽¹⁾	Net gearing ratio (%) ⁽¹⁾	不適用 N/A	不適用 N/A	16.6	15.0	12.6
流動比率	Current ratio	3.7	3.6	4.1	5.1	8.1
應收賬款之週轉期(日)	Accounts receivable turnover period (days)	56	55	56	53	49
存貨之週轉期(日)	Inventory turnover period (days)	124	120	124	121	116

附註：

Note:

1. 淨資本負債比率之計算為總借貸(銀行貸款加可換股債券)扣除現金及現金等價物與總權益之比率。

1. Net gearing ratio represents the ratio between total borrowings (bank loans plus convertible bonds), less cash and cash equivalents and total equity.

財務撮要

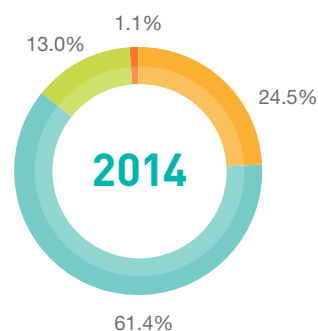
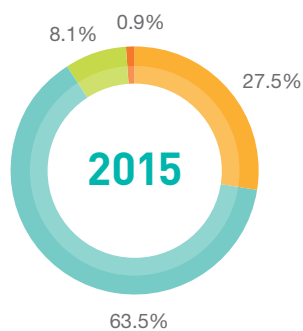
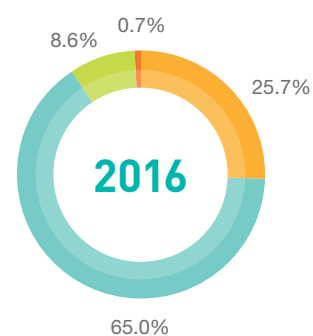
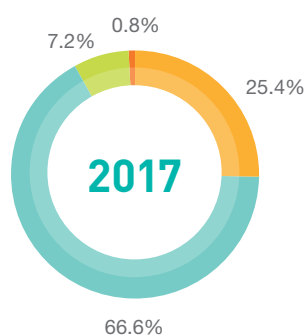
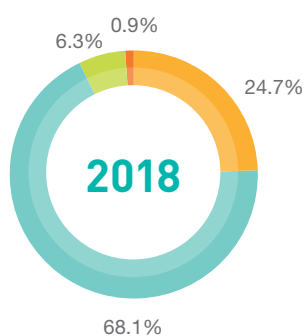
Financial Highlights

按產品類別分析的本集團銷售額

ANALYSIS OF SALES OF THE GROUP BY PRODUCTS

截至十二月三十一日止年度
For the year ended 31 December

		二零一八年 2018		二零一七年 2017		二零一六年 2016		二零一五年 2015		二零一四年 2014	
		人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%
按產品	By products										
運動類	Sports wear	14,275,643	68.1	12,048,896	66.6	9,815,537	65.0	8,028,054	63.5	6,830,432	61.4
休閒類	Casual wear	5,167,355	24.7	4,600,534	25.4	3,886,024	25.7	3,476,499	27.5	2,724,394	24.5
內衣類	Lingerie wear	1,328,006	6.3	1,302,580	7.2	1,293,111	8.6	1,022,233	8.1	1,452,274	13.0
其他針織品	Other knitting	179,201	0.9	133,237	0.8	104,404	0.7	112,546	0.9	124,432	1.1
銷售額總計	Total sales	20,950,205	100.0	18,085,247	100.0	15,099,076	100.0	12,639,332	100.0	11,131,532	100.0



● 休閒類 Casual
 ● 運動類 Sports
 ● 內衣類 Lingerie
 ● 其他針織品 Other knitting

財務撮要

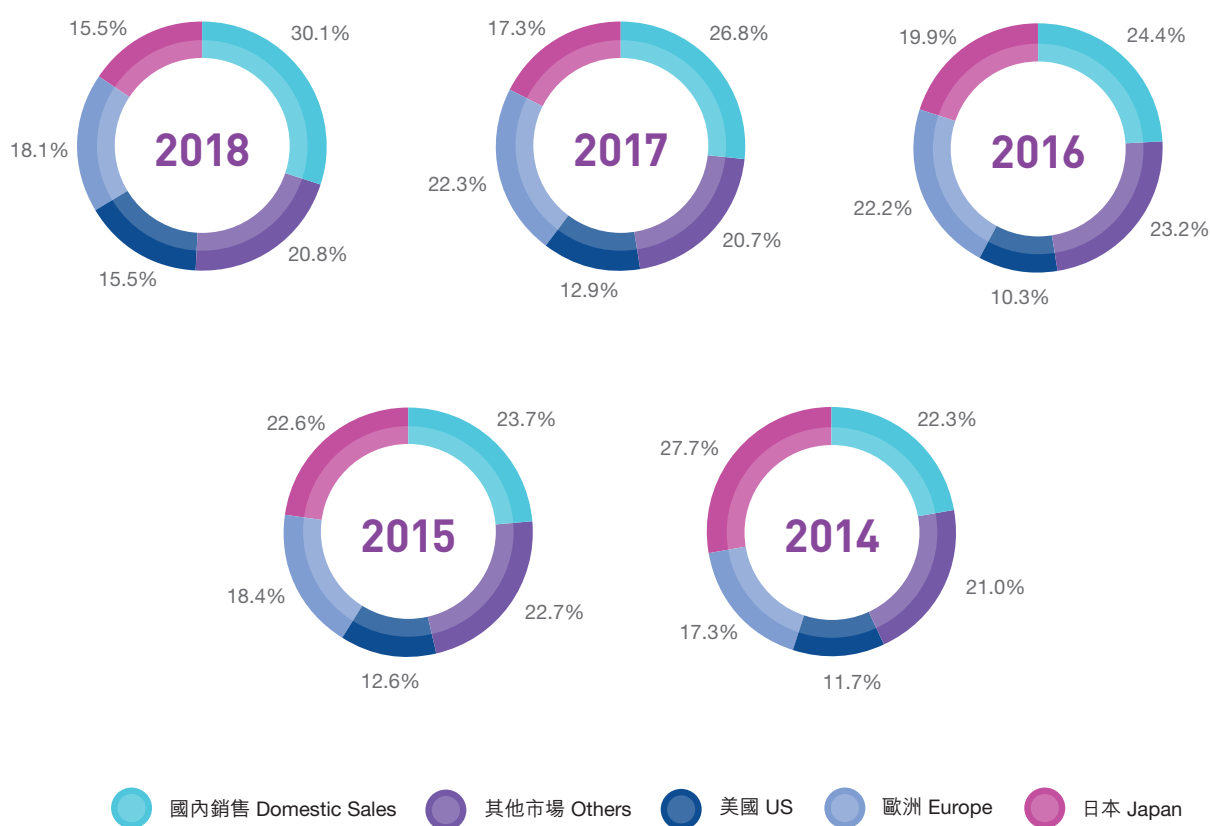
Financial Highlights

按市場分佈分析的本集團銷售額

ANALYSIS OF SALES OF THE GROUP BY REGIONAL DISTRIBUTION OF MARKET

截至十二月三十一日止年度
For the year ended 31 December

		二零一八年 2018		二零一七年 2017		二零一六年 2016		二零一五年 2015		二零一四年 2014	
		人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%
按市場	By market regions										
國際銷售	International sales										
歐洲	Europe	3,795,982	18.1	4,031,077	22.3	3,355,516	22.2	2,319,860	18.4	1,929,613	17.3
美國	US	3,252,725	15.5	2,337,903	12.9	1,548,387	10.3	1,588,689	12.6	1,300,040	11.7
日本	Japan	3,236,002	15.5	3,129,042	17.3	3,003,735	19.9	2,859,692	22.6	3,081,139	27.7
其他國家	Others	4,353,084	20.8	3,742,637	20.7	3,501,563	23.2	2,875,548	22.7	2,333,311	21.0
國內銷售	Domestic sales	6,312,412	30.1	4,844,588	26.8	3,689,875	24.4	2,995,543	23.7	2,487,429	22.3
銷售額總計	Total sales	20,950,205	100.0	18,085,247	100.0	15,099,076	100.0	12,639,332	100.0	11,131,532	100.0





公司資料 Corporate Information

(於二零一九年三月二十五日(「最後實際可行日期」)) (as at 25 March 2019 (the "Latest Practicable Date"))

註冊名稱

Shenzhou International Group Holdings Limited

REGISTERED NAME

Shenzhou International Group Holdings Limited

中文名稱

申洲國際集團控股有限公司

CHINESE NAME

申洲國際集團控股有限公司

董事會

執行董事

馬建榮先生(主席)

黃關林先生

馬仁和先生

王存波先生

陳芝芬女士

BOARD OF DIRECTORS

Executive Directors

Mr. Ma Jianrong (*Chairman*)

Mr. Huang Guanlin

Mr. Ma Renhe

Mr. Wang Cunbo

Ms. Chen Zhifen

獨立非執行董事

陳旭先生

蔣賢品先生

裘煒國先生

張炳生先生

(於二零一八年九月一日獲委任)

Independent Non-executive Directors

Mr. Chen Xu

Mr. Jiang Xianpin

Mr. Qiu Weiguo

Mr. Zhang Bingsheng

(appointed on 1 September 2018)

公司秘書

陳德興先生

COMPANY SECRETARY

Mr. Chan Tak Hing Kenji

授權代表

王存波先生

陳德興先生

AUTHORIZED REPRESENTATIVES

Mr. Wang Cunbo

Mr. Chan Tak Hing Kenji

公司資料

Corporate Information

(於二零一九年三月二十五日(「最後實際可行日期」)) (as at 25 March 2019 (the "Latest Practicable Date"))

董事會主要委員會

審核委員會

蔣賢品先生(主席)

陳旭先生

裘煒國先生

張炳生先生

(於二零一八年九月一日獲委任)

薪酬委員會

陳旭先生(主席)

馬仁和先生

蔣賢品先生

張炳生先生

(於二零一八年九月一日獲委任)

提名委員會

馬建榮先生(主席)

蔣賢品先生

裘煒國先生

張炳生先生

(於二零一八年九月一日獲委任)

註冊辦事處

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

香港營業地點

香港九龍長沙灣

長裕街8號

億京廣場

27樓2708室

審計師

安永會計師事務所

執業會計師

法律顧問

龍生律師事務所

美富律師事務所

KEY BOARD COMMITTEES

Audit Committee

Mr. Jiang Xianpin (*Chairman*)

Mr. Chen Xu

Mr. Qiu Weiguo

Mr. Zhang Bingsheng

(appointed on 1 September 2018)

Remuneration Committee

Mr. Chen Xu (*Chairman*)

Mr. Ma Renhe

Mr. Jiang Xianpin

Mr. Zhang Bingsheng

(appointed on 1 September 2018)

Nomination Committee

Mr. Ma Jianrong (*Chairman*)

Mr. Jiang Xianpin

Mr. Qiu Weiguo

Mr. Zhang Bingsheng

(appointed on 1 September 2018)

REGISTERED OFFICE

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

PLACE OF BUSINESS IN HONG KONG

Unit 2708, 27th Floor

Billion Plaza

No. 8 Cheung Yue Street

Cheung Sha Wan, Kowloon, Hong Kong

AUDITORS

Ernst & Young

Certified Public Accountants

LEGAL ADVISERS

Lennon & Lawyers

Morrison & Foerster



公司資料

Corporate Information

(於二零一九年三月二十五日(「最後實際可行日期」)) (as at 25 March 2019 (the "Latest Practicable Date"))

股份過戶登記總處

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

股份過戶登記處香港分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

主要往來銀行

中國銀行(香港)有限公司
中國銀行股份有限公司
交通銀行股份有限公司
寧波銀行股份有限公司
中國建設銀行股份有限公司
中信銀行股份有限公司
中國光大銀行股份有限公司
星展銀行(香港)有限公司
恒生銀行有限公司
中國工商銀行股份有限公司
上海浦東發展銀行股份有限公司
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司
大華銀行有限公司

投資者及傳媒關係顧問

iPR奧美公關

公司網址

www.shenzhouintl.com

股份編號

2313

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive, P.O. Box 2681
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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Company Limited
Bank of Ningbo Company Limited
China Construction Bank Corporation
China CITIC Bank Corporation Limited
China Everbright Bank Corporation Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China Limited
Shanghai Pudong Development Bank Company Limited
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

INVESTOR AND PRESS RELATIONS ADVISER

iPR Ogilvy Limited

COMPANY WEBSITE

www.shenzhouintl.com

STOCK CODE

2313

中國最大的縱向一體化
針織製造商

The Largest vertically-integrated
knitwear manufacturer in China



主席報告 Chairman's Statement

董事會主席 Chairman of the Board
馬建榮 Ma Jianrong



致各位股東：

本人謹代表申洲國際集團控股有限公司（「本公司」）的董事會（「董事會」或「董事」），欣然宣佈本公司及其附屬公司（統稱「本集團」或「集團」）二零一八年度全年業績，敬請各位股東審閱。

二零一八年度，紡織服裝行業之原料價格和人工成本繼續上漲，受全球貿易環境變化及資源要素供給和價格的影響，行業之產能佈局更多轉向海外。市場需求、成本上漲和環保收緊仍是中國紡織服裝行業之主要經營壓力。回顧年內，本集團之業務需求較為理想，惟產能供給方面尚有壓力，為保障客戶利益，年內部分產品通過空運方式交付，而海外基地的規模擴大減輕了本集團之產能壓力。年內，本集團繼續推進生產自動化水準，促進了生產效率的進一步提高；國內面料工廠之設備更新改造大多已完成，水、電等資源之消耗水準繼續下降；中國市場之銷售占比首次超過三成，成為本集團最大之單一市場，減輕了匯率波動和貿易政策變化對本集團的經營影響。

Dear Shareholders:

On behalf of the board (the "Board") of directors (the "Directors") of Shenzhou International Group Holdings Limited (the "Company"), I am pleased to announce the annual results of the Company and its subsidiaries (collectively, the "Group") for the year of 2018 for shareholders' review.

In 2018, the price of raw materials and labour costs of the textile and apparel industry continued to increase. With the impact of the changing global trading environment and the supply and prices of essential materials, the layout of the industry's capacity shifted its focus more to overseas countries. The major operating pressure of the textile and apparel industry in China mainly came from market demand, increasing costs and tightened regulations on environmental protection. During the year under review, the business demand of the Group was satisfactory but pressure still came from capacity supply. In order to protect our clients' interests, certain products were delivered by air freight during the year. Given the expanding scale of our overseas production bases, pressure arising from the Group's capacity supply was relieved. During the year, the Group continued to upgrade the level of production automation, thus further improving our production efficiency. Substantially all the fabric



主席報告 Chairman's Statement

年內之工作，增強了本集團之可持續發展能力，本人感謝全體職員之共同努力！也希望投資者能肯定本集團所取得之成績，並繼續支持本集團的業務發展策略。

截至二零一八年十二月三十一日止年度，本集團繼續保持了收入及業績之理想增長。全年銷售額約達人民幣20,950,205,000元，較二零一七年度上升了15.8%；截至二零一八年十二月三十一日止年度的母公司擁有人應占利潤為人民幣4,540,487,000元，較截至二零一七年十二月三十一日止年度的人民幣3,762,721,000元上升了20.7%，每股盈利為人民幣3.02元。截至二零一八年十二月三十一日止，本集團的現金及現金等價物為人民幣3,565,916,000元。

鑒於本集團業務表現良好及財務狀況穩健，本公司董事會建議派發末期股息每股0.90港元，連同中期已派發之股息每股0.85港元，全年合計派息為每股1.75港元。

factories in China had almost completed the upgrade and conversion of their facilities, thereby continuously lowering the consumption level of resources, including water and electricity. Sales recorded in the market of China exceeded 30% of our total sales for the first time, making China become the Group's largest single market. As a result, the impact of volatile exchange rates and of changes in trading policies on the operation of the Group was alleviated. Since our effort spent during the year has enhanced the Group's sustainability development, I would like to express my gratitude to all of our employees for their hard work. I hereby hope that investors will appreciate the achievement of the Group and continue to support the business development strategies of the Group.

For the year ended 31 December 2018, the Group's revenue and results continued to maintain satisfactory growth. The annual sales amount were approximately RMB20,950,205,000, representing an increase of 15.8% as compared to 2017. The profit attributable to owners of the parent increased from RMB3,762,721,000 for the year ended 31 December 2017 to RMB4,540,487,000 for the year ended 31 December 2018, representing an increase of 20.7%. Earnings per share was RMB3.02. As at 31 December 2018, the Group's cash and cash equivalents totalled RMB3,565,916,000.

Given the promising business performance and the strong financial position of the Group, the Board of the Company proposes to declare a final dividend of HK\$0.90 per share. Together with the paid interim dividend of HK\$0.85 per share, the total dividend payment was HK\$1.75 per share for the year.

主席報告

Chairman's Statement

二零一八年度，全球經濟總體延續復蘇態勢，尤其美國經濟增長較為強勁，但增長動力放緩。中美兩國間之貿易摩擦與政策不確定性增加了出口企業的經營風險。國內經濟運行總體平穩，經濟結構繼續優化，居民消費對經濟增長的貢獻持續上升。年內，中國之服裝產品出口金額基本平穩，紡織品出口金額則保持上升，但海外市場之增長前景並不樂觀；國內服裝消費需求穩定增長，仍是全球最具增長潛力的市場。為減輕實體經濟之經營壓力，中國政府推出系列減稅降費政策，並要求金融機構向民營企業提供資金支持。為應對需求增長放緩和成本上漲之壓力，紡織服裝行業應向綠色環保、自動化和信息化方向轉型，於生產效率和產品品質上提升企業競爭力。

受益於有利的貿易環境和較低的要素成本，越南成功引入了眾多外國的紡織服裝企業的產業投資，二零一八年度越南服裝出口增速加快，並有望繼續保持較快增長。越南國會已通過了批准「全面與進步跨太平洋夥伴關係協定」（簡稱CPTPP）的決議，該協定於二零一九年一月十四日在越南正式生效。越南服裝行業將有機會擴大在CPTPP成員國中的市場份額。此外，「越南與歐盟自由貿易協定」（EVFTA）也已達成協議，惟尚需歐盟委員會及越南國會批准。CPTPP和EVFTA兩項協定都有苛刻的原產地規則，使越南服裝的短期出口增長受到限制，但長期來看，有利於越南紡織服裝行業的產業鏈完整。

In 2018, the global economy continued to recover in general, of which the U.S. delivered remarkable economic growth but the growth drive was weakened. The trade conflict between China and the U.S. as well as the policy uncertainties exposed enterprises engaged in exporting industry under operating risks. The economy in China ran smoothly in general, and with an economic structure optimized on an ongoing basis, the contribution of domestic consumption to the economic growth increased continuously. During the year, the export amount of apparel products from China was basically stable while that of textile products managed to maintain an upward trend. However, the growth prospect of overseas market was not as positive. The consumption demand for apparel products in China reported stable growth, boasting its top ranking in terms of growth potential market across the globe. In order to alleviate the operating pressure of the real economy, the government of China introduced a series of tax and fee reduction policies and required financial institutions to provide private enterprises with funding support. Also, for the sake of coping with the slowed growth of demand and the pressure of rising costs, the textile and apparel industry should shift its focus to the aspects of green environment protection, automation and digitalization, and enhance the corporation competitiveness by improved production efficiency and product quality.

Benefitting from a favourable trading environment and the lowered essential cost, Vietnam has been successful in attracting industrial investment from many overseas textile and apparel enterprises. In 2018, Vietnam recorded a high growth rate for export originated from apparel industry, and is expected to continue to maintain a relatively high growth rate. The national congress of Vietnam passed a resolution approving the “Comprehensive and Progressive Agreement for Trans-Pacific Partnership” (the “CPTPP”), which became effective officially on 14 January 2019 in Vietnam. The apparel industry of Vietnam will be offered with opportunities to enlarge its share in the domestic market of CPTPP member countries. In addition, the “EU-Vietnam Free Trade Agreement” (the “EVFTA”) has been executed, but is still subject to the approval of the European Commission and the national congress of Vietnam. Both of CPTPP and EVFTA have stipulated stringent regulations on origin production, posting limitations on the short term growth of Vietnam's apparel export. However, in the long run, CPTPP and EVFTA will facilitate the completion of the industrial chain of the textile and apparel industry of Vietnam.



主席報告

Chairman's Statement

年內，本公司繼續為各專業委員會提供履行職務之充分資源保障，董事會與各專業委員會緊密合作並保持有效之溝通，所推進之各項工作均富有成效。本公司所有成員致力追求卓越的企業管治及達至公平公正的決策過程，確保維持高透明度，盡力為所有股東及投資者提供開放的溝通管道。

本人感謝各位董事一年來的辛勤付出，也感謝各級管理人員和全體員工於年內的盡忠職守，是各位之共同努力達成了本集團年內之既定目標。本人願與所有員工一起專注主業、追求卓越！當前之經營環境實屬艱難，企業惟有保持行業之領先優勢才能實現業務增長之持續。過往之成績並不代表將來，希望全體員工戒驕戒躁、追求進步，並秉承「客戶至上」之理念，為客戶提供更好之產品和服務！本人更要感謝各位股東、客戶及供應商對本公司的長期信任，期盼在今後的發展中得到一貫的支持！

未來之發展策略，本集團將堅持國內和海外基地的同步發展，國內基地為海外業務拓展提供運營保障，尤其要加強在新產品研發、自動化應用、數字化管理等方面的進步。本集團將繼續擴充海外工廠之產能規模，並重視培養本地化之管理和技術人才，提高海外公司之獨立運行能力。同時，國內外公司間要加強數據信息的交換和業務處理的共享能力。

技術迭代日益加快的時代，企業既要專注自身業務的進步，又應借助跨界技術來增加運營管理能力。惟有效率才有盈利，惟有品質才有市場，本集團將努力實現更好之發展，為股東創造更佳之回報！

董事會主席
馬建榮

香港，二零一九年三月二十五日

During the year, the Company continued to ensure each of its professional committees has adequate and necessary resources to perform the duties of their own. The Board also cooperated closely and maintained effective communication with each professional committee, thus achieving impressive results on various projects that we worked on. All members of the Company have been in pursuit of excellent corporate governance and a fair and just decision-making process to ensure maintenance of a highly transparent administration to provide all shareholders and investors with an open channel for communication.

I would like to express my sincerest gratitude to each of our directors for their relentless efforts over the past year, and all members of the management team and all staff members for their dedicated contribution during the year. With their joint efforts, the Group will be able to achieve the planned annual target. I am pleased to dedicate myself to work hand in hand with all of our staff members to focus on our core businesses and to pursue excellence. Currently, the operating environment is difficult, and only those enterprises with a top ranking in the industry can achieve to maintain business growth. It should be noted that past performance is no guarantee of future results. I hope that all of our staff members can stay humble to make every endeavour to strive for optimization, and can adhere to the principle of "Customer always comes first" to provide our customers with products and services of the best quality. I would like to thank each of our shareholders, customers and suppliers for their lasting trust in the Company. I hope their ongoing support will continue in our development in the future.

In connection with our strategy for future development, the Group will insist on the concurrent development of domestic and overseas bases, with domestic bases serving the purpose of guaranteeing operations for overseas business expansion. Focus will be especially placed on the advancement of new product research and development, application of automation and digitalized management. The Group will continue to expand the production scale of overseas factories, step up the effort on training local management and technological personnel and strengthen the independent operating capacity of overseas companies. Meanwhile, domestic and overseas corporations shall enhance the internal exchange of digital data and the interchanging capability of business management.

In a world with ever-changing technologies, corporations are obliged to focus on the progress of their core businesses on one hand, and need to capitalize on cross-industry technologies to enhance their operation and management abilities on the other hand. Earnings come from efficiency whereas market comes from quality. That is, the Group is committed to achieve the better development and creating higher returns for shareholders.

Ma Jianrong
Chairman of the Board

Hong Kong, 25 March 2019

透過產品多元化及開拓優質客戶，
並優化生產流程去提升集團競爭力
Diversify the products,
explore quality clients and optimize
production process to enhance the
Group's competitiveness



管理層討論及分析 Management Discussion and Analysis



經營環境

二零一八年度，全球經濟總體延續復甦態勢，主要發達經濟體美國之經濟增長較為強勁，歐元區經濟增長勢頭持續放緩，日本經濟波動性增大，海外市場消費需求穩中有升；全球貿易環境更趨複雜，尤其中美兩大經濟體間之貿易摩擦成為全球貿易和經濟增長之不確定性因素，服裝行業之投資佈局受貿易環境影響，更多企業轉向海外投資或擴大於海外之投資規模；中國政府繼續加強對環境保護之監管力度，一大批環保未達標之紡織企業被責令整改及至關閉，企業較過往更重視於環保上之投入；年內，人民幣對美元之匯率波動較大，總體上先升後貶，出口企業匯率風險加大；中國製造行業之勞動力供應日趨緊張，人工成本持續上漲，機器代人成為行業的轉型方向。

BUSINESS ENVIRONMENT

In 2018, the global economy continued its recovery in general. Among all the developed economies, the economic growth in the US was much stronger, the momentum of economic growth in the Euro Zone remained sluggish, the volatility of the economy in Japan became stronger and the consumption demand in overseas markets was stable and rising. The global economic environment became more complicated, especially with the uncertainty in global trade and economic growth caused by the conflict between the two big economies of China and the US. The investment layout of apparel industry was affected by the trade environment, with more enterprises turning to invest overseas or increase the scale in overseas investment. The Chinese government continued to increase supervision on environmental protection. With many environmentally sub-standard textiles enterprises being ordered to rectify or shut down, other enterprises were more aware of investing in environmental protection. Within the year, the exchange rate between the Renminbi and the US dollar fluctuated greatly with the overall rates dropped after appreciation, thus increased the foreign exchange risk to the export enterprise. The supply in labour force for the Chinese manufacturing industry was inelastic, and labour cost continued to rise. Using machine to replace human has become the way of change of the industry.



管理層討論及分析

Management Discussion and Analysis

根據中國海關統計資料，二零一八年度中國紡織服裝（包括紡織紗線、織物及製品和服裝及衣著附件，下同）出口總值為約2,767.3億美元，較上年上升了約3.5%。出口總值中，紡織品出口金額為約1,191.0億美元，同比上升約8.1%，增幅較上年提高了3.6個百分點；服裝出口金額為約1,576.3億美元，同比上升約0.3%，服裝出口金額在過去三年連續下降後出現企穩局面，但增長前景依然不甚樂觀。二零一九年首二個月，中國服裝及衣著附件出口金額為約207.7億美元，較二零一八年同期大幅下降了14.6%。國內消費市場方面，根據國家統計局公佈之資料，二零一八年度限額以上企業商品零售額中，服裝鞋帽及針紡織品類商品之零售總額為約人民幣13,706.5億元，同比增長8.0%（其中服裝類較上年同比增長8.5%）。此外，全國網上穿著類商品零售額較上年增長約22.0%。國內市場之服裝消費增長率與上年保持相近，並明顯好於海外市場。

According to statistical data from the China Customs, the total export value of Chinese textile and garment products (including textile yarns, fabrics and finished products as well as garments and apparel accessories, referred the same as below) in 2018 was approximately USD276.73 billion, representing a growth of approximately 3.5% over last year. Out of the total export value, the export value of textile products amounted to approximately USD119.10 billion, representing a growth of approximately 8.1% over the same period last year which is 3.6% more than the previous year. The garment export value amounted to approximately USD157.63 billion, representing an increase of approximately 0.3% over the same period last year. For the past three years, the garment export value turned stabled after decreasing at first, but the prospect for growth remained less optimistic. For the first two months of 2019, the export value of Chinese garments and apparel accessories was approximately USD20.77 billion, representing a significant decrease of 14.6% over the same period in 2018. As for the domestic apparels consumption market's aspect, according to data released by the National Bureau of Statistics, the amount of retail sales of products manufactured by enterprises above designated size in 2018, total retail sales of apparels, footwear and headwear, and knitted products was approximately RMB1,370.65 billion, representing a year-on-year growth of 8.0% (year-on-year growth of apparels was 8.5%). In addition, the amount of sales of national online retail products in the wearing segment has seen a year-on-year increase of approximately 22.0%. The increase in apparels consumption from domestic market was on par with last year, and significantly better than the overseas market.

管理層討論及分析

Management Discussion and Analysis

根據中國海關總署發佈的統計資訊，二零一八年中國對外貿易進出口總值為約46,230.4億美元，比二零一七年上升了12.6%。其中出口總值約24,874.0億美元，進口總值約21,356.4億美元，分別較二零一七年度上升了9.9%和15.8%，進出口增幅與上年基本持平。年內，中國的進出口順差金額為約3,517.6億美元，較二零一七年度的約4,225.1億美元減少了約707.5億美元，降幅為16.7%。進出口順差金額已連續三年減少，出口對經濟增長的貢獻率亦明顯下降。根據中國國家外匯管理局的統計資料，截至二零一八年十二月三十一日止的國家外匯儲備金額為約30,727.1億美元，比上年末減少了約672.4億美元。根據中國商務部資訊，二零一八年度中國非金融類對外直接投資金額約1,205億美元，較上年度增長0.3%，其中流向製造業的佔比為15.6%。

According to statistics released by China's General Administration of Customs, total import and export value of China's foreign trade in 2018 was approximately USD4,623.04 billion with an increase of 12.6% than in 2017. Among which, the total export value was approximately USD2,487.40 billion and total import value was approximately USD2,135.64 billion, representing an increase of 9.9% and 15.8%, respectively, than in 2017. The increase in import and export value is basically on par with last year. Within the year, China's import and export surplus amount was approximately USD351.76 billion with a decrease of approximately USD70.75 billion as compared to approximately USD422.51 billion in 2017, which declined 16.7%. The amount of import and export surplus has been decreasing for the past three years, the contribution rate of export to the economic growth has been significantly decreasing. According to statistical materials of China's State Administration of Foreign Exchange, the amount of state foreign exchange reserves was approximately USD3,072.71 billion as of 31 December 2018, which decreased approximately USD67.24 billion than in the end of the previous year. According to information of China's Ministry of Commerce, the amount of China's non-financial outward foreign direct investment in 2018 was approximately USD120.5 billion with an increase of 0.3% than in the previous year, in which the investment flowing to manufacturing industry amounted to 15.6%.





管理層討論及分析 Management Discussion and Analysis

根據越南國家海關的初步統計資料，二零一八年，越南紡織行業的出口金額約為345.1億美元，較上年增長了16.2%，增幅較上年提高了5.5個百分點。其中紡織服裝的出口金額約為304.9億美元，較上年增長了16.7%，紗線的出口金額約為40.3億美元，較上年增長了12.0%。紡織服裝主要出口至美國、日本和韓國，出口金額分別為約137.0億美元、38.1億美元和33.0億美元，出口金額較二零一七年分別增長11.6%、22.6%和24.9%；紗線則主要出口至中國，出口金額約為22.2億美元，較上年增長了8.5%。二零一八年度，越南從其他國家進口的面料總金額約127.7億美元，較上年增長12.2%。其中：從中國大陸進口的面料金額約為71.0億美元，較上年增長16.8%，佔越南進口面料總金額約55.6%，此外，從韓國和臺灣進口的面料金額分別為約21.6億美元和16.1億美元，分別佔越南進口面料總金額的16.9%和12.6%。越南國會於二零一八年十一月十二月，通過了批准「全面與進步跨太平洋夥伴關係協定」（簡稱CPTPP，Comprehensive Progressive Trans-Pacific Partnership）的決議，該協定於二零一九年一月十四日在越南正式生效。越南紡織服裝行業將有機會擴大在加拿大、新西蘭、澳大利亞等國家的市場份額。此外，「越南與歐盟自由貿易協定」（EVFTA）已達成協議，惟尚需歐盟委員會及越南國會批准。CPTPP和EVFTA兩項協定都有苛刻的原產地規則，其中，CPTPP採用從紗線開始的規則，EVFTA採用從面料開始的規則，原產地規則對越南紡織服裝行業增加了諸多障礙。有利的貿易環境和成本優勢吸引了更多的服裝企業在越南佈局，預期越南的服裝產業將迎來持續的增長，而增長速度將受到越南本國面料產能不足的約束，雖然將會吸引一些面料企業在越南投資新工廠，但越南政府嚴苛的環保要求以及本地技術人員的短缺將會是很大的挑戰。同時，越南的用工亦開始變得緊張，製造成本將會持續上升。

According to preliminary statistical materials of Vietnam National Customs, in 2018, the export amount of Vietnam's textile industry was approximately USD34.51 billion with an increase of 16.2% than in the previous year, which is 5.5 percentage points more than the previous year. Of which, the export amount of textile and garment was approximately USD30.49 billion with an increase of 16.7% from the previous year and the export amount of yarn was approximately USD4.03 billion with an increase of 12.0% from the previous year. Textile and garment was mainly exported to the United States, Japan and South Korea, whose export amount was approximately USD13.70 billion, USD3.81 billion and USD3.30 billion, respectively, representing an increase of 11.6%, 22.6% and 24.9%, respectively, than the export amount in 2017, yarn was mainly exported to China, whose export amount was approximately USD2.22 billion with an increase of 8.5% from the previous year. In 2018, Vietnam's total import value of fabrics from foreign countries was approximately USD12.77 billion, representing a growth of 12.2% over the same period last year. The amount of fabrics imported from Mainland China was approximately USD7.10 billion with an increase of 16.8% from the previous year, which accounting for approximately 55.6% of the total amount of fabric imported to Vietnam. In addition, the amount of fabrics imported from South Korea and Taiwan were approximately USD2.16 billion and USD1.61 billion respectively, accounting for 16.9% and 12.6% of total amount of imported fabrics of Vietnam, respectively. On 12 November 2018, the Vietnamese parliament passed to approve the resolution of CPTPP (Comprehensive Progressive Trans-Pacific Partnership), and this resolution came into effect in Vietnam on 14 January 2019. The textile and apparel industry in Vietnam may have an opportunity expand its market share in countries such as Canada, New Zealand and Australia. In addition, an agreement has been made on the EVFTA and is waiting for approval from the European Commission and the Vietnamese parliament. Both the CPTPP and EVFTA contained stringent origin place of manufacture rules, of which CPTPP adopts the yarn forward rule and EVFTA adopts the fabric forward rule; the mode of origin place of manufacture rule gave many barriers to the Vietnamese textile and apparel industry. A favourable trade environment and the advantage in cost attracted many garment enterprises to establish layouts in Vietnam. It is expected that the garment business in Vietnam will grow continuously, but the speed of growth will be constrained by the lack of production of fabric in Vietnam. Although some fabric enterprises will be attracted to invest in new factories in Vietnam, the stringent requirement on environmental protection from the Vietnamese government and the shortage of local skilled technicians will pose a big challenge. Meanwhile, the labour use in Vietnam is inelastic, resulting in the increase in production cost continuing.

管理層討論及分析

Management Discussion and Analysis

服裝產業是柬埔寨的國家支柱產業，主要受惠於服裝進口國的關稅優惠和較低的勞動力成本，但當地員工的工作效率總體低下使得人工成本優勢受到減弱。歐盟委員會以「柬埔寨民主、人權、法治狀況無明顯好轉」為由，於二零一九年二月十一日宣佈正式啟動撤銷柬埔寨「除武器外全部免稅」(EBA)待遇程序。按照歐盟相關規則，撤銷程序正式啟動後，歐盟將首先對柬埔寨展開六個月的密切觀察和溝通，然後再用六個月時間形成相關報告，並作出最終決定。如果最終決定撤銷，將有六個月的緩衝期過渡。若歐盟取消對柬埔寨的關稅優惠，將會對柬埔寨的服裝行業帶來重大影響。

年內，人民幣對美元的匯率按中間價貶值了約4.8%，人民幣對美元先升後貶，且波動幅度較大，企業匯率風險加大；人民幣對歐元的匯率按中間價貶值了約0.6%；人民幣對日元的匯率按中間價貶值了約6.5%。二零零五年人民幣匯率形成機制改革以來至二零一八年末，人民幣對美元匯率中間價累計升值約20.6%，人民幣對歐元匯率累計升值約27.61%，對日元匯率累計升值約18.05%。受美聯儲連續四次加息各25個基點影響，美元之存貸款利率明顯上升。二零一八年，中國人民銀行通過四次降低存款準備金率和開展中期借貸便利(MLF)操作等措施加大了中長期流動性投放力度，人民幣之市場融資成本穩中有降。受貿易摩擦和國際匯市變化等因素影響，中國人民銀行決定將遠期售匯業務的外匯風險準備金率從零調整為20%，通過增加交易成本減輕了人民幣貶值壓力。

Mainly benefiting from the tax incentives for garment importers and lower labour cost, garment industry has become the state pillar industry of Cambodia, but the low work efficiency of local workers has weakened the advantage in labour cost. The European Commission, citing “have seen the deterioration of democracy, respect for human rights and the rule of law in Cambodia”, announced to officially initiate the process of suspension of Cambodia’s preferential access under the Everything But Arms (EBA) trade scheme on 11 February 2019. According to the relevant rule in the European Commission, after the official initiation of the suspension procedure, the European Commission will start a six-month period of intensive monitoring and engagement with the Cambodian authorities. After that the European Commission will compile a report in the following six months and make a final decision. There will be a grace period of six months before the initiation of the suspension, if the final decision was to initiate suspension procedures. If the European Commission decided to suspend the preferential access in tax in Cambodia, it would have an adverse effect to the garment industry in Cambodia.

During the year, exchange rate of RMB to USD had a depreciation of approximately 4.8% at middle rate. The exchange rate of RMB against USD dropped after appreciation with greater volatility, and has posed greater exchange rate risk to the enterprises. The exchange rate of RMB to Euro had a depreciation of approximately 0.6% at middle rate, and the exchange rate of RMB to Yen had a depreciation of approximately 6.5% at middle rate. Since RMB exchange rate forming mechanism reform in 2005 until the end of 2018, exchange rate of RMB to USD had a cumulative appreciation of approximately 20.6% at middle rate; exchange rate of RMB to Euro had a cumulative appreciation of approximately 27.61%; and exchange rate of RMB to Yen had a cumulative appreciation of approximately 18.05%. As the US Federal Reserve raised the rate by 25 basis points the four times consecutively, the saving and leading rates of the USD increased significantly. In 2018, the People’s Bank of China increased the intensity of granting medium-term and long-term liquidity by lowering the reserve requirement ratio (RRR) four times and opening the operation of Medium-term Lending Facility (MLF) stable and rising, thus the market financing cost of Renminbi was stable and dropping. Affected by the trade conflict and changes in the global exchange rates, the People’s Bank of China decided to adjust the foreign exchange risk reserve ratio in forward foreign exchange sale business from zero to 20%, and alleviate the pressure from the depreciation of Renminbi by increasing the transaction cost.



管理層討論及分析 Management Discussion and Analysis

二零一八年度，中國大陸的國內生產總值為約為90.0萬億人民幣元，按可比價格計算，比上年增長6.6%，實現了預期增長目標。居民收入持續提高，促進了消費支出增長，全年最終消費支出對國內生產總值增長的貢獻率達76.2%，較上年提高了約17個百分點，消費已成為經濟增長的主要驅動力。根據國家統計局的統計數據，二零一八年年末中國大陸16歲至59歲的人口總量為89,729萬人，較二零一七年年末下降了470萬人，而60歲及以上人口總量為24,949萬人，較上年增加了859萬人，中國大陸人口老化現象持續加重，將對社會經濟發展帶來巨大壓力，勞動力相對短缺或者不足現象將長期存在，社會養老負擔將進一步加重。服裝等勞動密集型產業的發展將更依賴於技術創新及生產效率的提高，有條件的企業應利用其他國家的人力資源優勢進行適度的產業跨國佈局。

為減輕實體經濟之經營壓力，中國政府於年內推出了多個減稅降費政策。對企業特定條件下新購進的設備、器具允許一次性稅前扣除；將提高後的企業研發費用加計扣除比例適用範圍擴大到所有企業；實施個人所得稅改革，通過減稅提高個人之稅後所得；繼二零一八年五月一日起將各行業之增值稅基準稅率普遍下調一個百分點後，二零一九年三月五日，李克強總理在政府工作報告中宣佈將製造業等行業的增值稅基準稅率由原有的16%降為13%，將交通運輸、建築、房地產等行業的增值稅基準稅率由原有的10%降為9%，但增值稅之稅率下調對出口為主的製造企業反而可能引起成本上升。

In 2018, the total gross domestic product (GDP) of Mainland China was approximately RMB90.0 trillion with an increase of 6.6% than in the previous year at comparable prices, and reached the predicted growth target. The continuous increase in resident income facilitated the increase in consumption expenditure. The growth and contribution rate of consumption expenditure to the GDP for the year was 76.2%, an increase of approximately 17% over the previous year. Consumption has become the main driving force for economic growth. According to statistical data of National Bureau of Statistics, the total population between 16 years old to 59 years old in Mainland China was 897.29 million at the end of 2018 with a decrease of 4.70 million people than in 2017, while the total population above 60 years old was 249.49 million with an increase of 8.59 million than in the previous year. The aging phenomenon of population in Mainland China was further aggravated, and imposed further pressure on the social economic growth. The prolonged lack or shortage of labour force further imposed burden on social endowment. The development in the labor intensive industry (such as garments) will be more dependent on the increase in technological innovation and productivity. Enterprises with favourable conditions should establish transnational enterprise layout to utilize the manpower advantage in other countries.

During the year, the Chinese government put forward more policy to lower taxes and fees, so as to alleviate the operating pressure in the real economy, such as allowing one-off pre-tax deduction for the new purchase of equipment and appliances by enterprises under specific condition, expansion of the increased and weighted pre-tax deduction ratio of the research and development expenses of enterprises to all enterprises, implement to reform on personal income tax and increase the earnings after personal income tax via tax cut. After lowering the VAT tax rate of each enterprise by 1 percentage point from 1 May 2018, on 5 March 2019 Premier Li Keqiang announced in the government work report that the benchmark of value-added tax rate for the manufacturing industry will be reduced from original 16% to 13%, and benchmark of the value-added tax rate for industries such as transport, construction, real estate will be reduced from original 10% to 9%. However, the cuts in value-added tax will increase the cost for the export-oriented manufacturing industry.

管理層討論及分析

Management Discussion and Analysis

年內，中國政府繼續完善環保立法，出台、修正了多個環保法規，包括《中華人民共和國土壤污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國環境影響評價法》、《中華人民共和國水污染防治法》等，更加突出了環保的監管管理、污染防治、地方各級政府和污染排放主體的相關責任等方面的規定。受政府加強環保監管和執法力度的影響，一些紡織印染企業因排污不達標，被責令整改及至關閉，紡織行業對環保之重視程度和資金投入將日益提升，而一部分企業因成本壓力和環保能力限制，將陸續退出本行業。

During the year, the Chinese government continued to improve environmental protection legislation, and many environmental protection regulations were introduced and amended, including “Soil Pollution Prevention and Control Law of the People’s Republic of China”, “Atmospheric Pollution Prevention and Control Law of the People’s Republic of China”, “Law of the People’s Republic of China on Environmental Impact Assessment” and “Law of the People’s Republic of China on Prevention and Control of Water Pollution”, etc. Such laws highlighted the regulations in the supervision and management in environmental protection, prevention of pollution, the relevant responsibilities of local governments and pollutant discharging entity. As the government increased the effect of the environment protection supervision and enforcement, some textile and dyeing enterprises did not meet the standard in discharging pollutants, and were ordered to rectify or shut down. The textile industry will focus more on environmental protection and increase the investment gradually. Constrained by the pressure in cost and environmental protection capability, some enterprises will leave the industry accordingly.





管理層討論及分析

Management Discussion and Analysis

根據國家統計局公佈的資料，二零一八年中國棉花種植面積335萬公頃，較上年增加了16萬公頃，全年棉花產量610萬噸，較上年增產7.8%，中國的棉花種植面積在連續六年下降後出現小幅回升，單產亦較上年有輕微提高。據美國農業部(USDA)二零一九年二月份公佈的資料，預估2018/19年度全球棉花產量約2,579萬噸，相比2017/18年度約減產114萬噸，降幅約為4.2%，2018/19年度全球棉花的消費量約2,692萬噸，較2017/18年度的2,669萬噸增加了23萬噸，增幅約為0.9%，全球棉花的結轉庫存量為1,644萬噸，較上一年度下降了約7%，庫存消費比約為61%。預估中國的棉花庫存量約705萬噸，佔全球庫存量約43%。中國的棉花消費量佔全球消費總量約33%，進口量佔全球進口總量約18%。目前，因受主要產棉美國和印度棉花減產的影響，全球棉花庫存量轉為下降，中國的棉花庫存量下降則更為明顯。二零一九年中國中央一號文件中提到「恢復啟動新疆優質棉生產基地建設」，將有利於新疆棉花種植面積的擴大並促進棉花的增產，但總體上國內棉花的供給依然有較大缺口，尤其是經過多輪出售後，國儲棉的庫存量明顯下降，受中美貿易摩擦影響，中國對美棉加征25%的附加關稅後，中國對美國棉花的進口數量出現下降。未來棉花的價格除受種植面積和氣候條件影響外，全球貿易政策的變化將對棉價產生較大的影響。

According to materials released by National Bureau of Statistics, in the middle of 2018, China's cotton plantation area was 3.35 million hectares with an increase of 0.16 million hectares than in the previous year. The annual cotton output was 6.10 million tons with an increase of 7.8% than in the previous year. China's cotton plantation area increased slightly after six consecutive years of decrease, with yield per unit increased slightly comparing with the previous year. According to information released by United States Department of Agriculture (USDA in February 2019), it is estimated that global cotton output is about 25.79 million tons in 2018/19 with a decrease production of approximately 1.14 million tons in 2017/18 and declining rate of approximately 4.2%. The global cotton consumption volume in 2018/19 will be approximately 26.92 million tons with an increase of 0.23 million tons than approximately 26.69 million tons in 2017/18 and growing rate of approximately 0.9%. The global cotton carry-over stock will be 16.44 million tons with an decrease of approximately 7% compared with the previous year and ratio of inventory to consumption is about 61%. It is estimated that Chinese cotton inventory volume is about 7.05 million tons, accounting for approximately 43% of global inventory volume; Chinese cotton consumption volume accounts for about 33% of total global consumption volume and the import amount accounts for about 18% of total global import amount. At present, due to the effect of declining cotton production from the main cotton-production countries of US and India decline, the global cotton inventory volume change to decline, and the cotton inventory volume in China declined significantly. China's No.1 Central Document in 2019 mentioned that "the re-launch of a Xinjiang quality cotton production base initiative" will be beneficial to the increase in the Xinjiang cotton plantation area and improve production of cotton. However, there is still a big gap in the overall domestic demand and supply of cotton, especially after many rounds in sales, the national inventory volume of cotton has declined significantly. With the effect of China-US trade conflict, after China imposed a 25% additional tax on US cotton, the import amount of US cotton to China appeared to decline. In the future, the cotton price will not only be affected by size of plantation area and weather condition, but the changes in global trade policy will also impose a larger effect to cotton price.

管理層討論及分析 Management Discussion and Analysis

二零一八年，全球貿易環境更趨複雜，對紡織服裝行業產生了較大影響。目前，中美之間的貿易摩擦尚處於不明朗的談判階段。美國的進口服裝總額中超過三成來自中國大陸，此外，越南和孟加拉國等是對美國的主要服裝出口國，但這些國家生產所用面料較多從中國進口，並較難在短期內改變現狀。棉花是紡織服裝的主要原料，美國是全球主要的棉花種植國和出口國，中國是美國棉花出口的主要市場。中美兩國在紡織服裝行業中互為市場，貿易摩擦的升級在紡織服裝行業中不符兩國之經濟利益。

目前，全球經濟增速放緩，服裝產品的消費需求總體平穩，而貿易環境的變化、製造成本的上漲和環保監管的趨嚴，對中國紡織服裝產業的發展帶來很大挑戰。有條件的國內企業既要整合不同國家的產業資源優勢，又應積極進行產業轉型，尤其在生產的綠色環保、自動化和信息化方面加大投入，並提高企業在產品上的持續創新能力。

In 2018, the global trade environment was more complicated, and it greatly affected the textile and apparel industry. The China-US trade conflict is currently in a negotiation stage filled with uncertainty. More than 30% of US imports of apparels were from Mainland China. In addition, countries like Vietnam and Bangladesh mainly export apparels to the US, but these countries import fabric, production mostly from China; it a relatively difficult to change the current situation in the short-term. Cotton is the main raw material in textile and apparel, with US being the major producer and exporter of cotton in the world, and China being the major export market for US cotton. As China and US are benefit each other in the textile and apparel industry, the upgrade in trade conflict brings no economic benefits to both countries in the textile and apparel industry.

Currently, the growth in global economy has slowed down, and the overall consumption demand for apparel products is stable. Changes in trade environment, increase in production costs and stringent environment protection supervision posed great challenges to the development of Chinese textile and apparel industry. Domestic enterprise with favourable condition has to integrate the advantage in industry resources in different countries, and proactively engage in the transformation of business (especially on environmentally friendly in production, increase investment in automation and digitalisation), and increase the continuous innovative capability of enterprise in products.





管理層討論及分析 Management Discussion and Analysis

業務回顧

年內，紡織服裝行業之原材料價格和人工成本繼續上漲，人民幣對美元之匯率波動加大。儘管行業之經營壓力未有改善，本集團之業務繼續保持了理想增長，銷售收入和經營業績再創歷史新高，二零一八年度之銷售收入和母公司擁有人應佔利潤分別較二零一七年度上升了15.8%和20.7%，實現每股盈利人民幣3.02元。回顧本集團年內之經營情況：海外基地之產能貢獻明顯上升；生產之自動化水平進一步提高；資源之消耗水平得到有效降低；銷售之市場分佈更為合理。

年內，本集團海外基地之產能規模進一步擴大，有效減輕了客戶訂單增加帶來的產能不足壓力。本集團海外工廠之管理團隊已建立較好之人才儲備，業務運營能力更為成熟，公司總部與海外工廠之業務對接亦趨向順暢。儘管越南面料工廠之現有產能已達到設立時之預期規模，考慮到現有海外基地之良好基礎，本集團將繼續擴充於越南之面料產能。此外，本集團已於越南面料工廠附近新建了一家製衣工廠，並於二零一九年第二季開始分批招工並投產。年內，本集團簽訂了一份為期五十年的可續租永久租賃合同，地塊位於柬埔寨金邊市，並將於二零一九年上半年內開始工程建設，主要於柬埔寨興建下游成衣工廠。預期柬埔寨新製衣工廠將於二零二零年年中開始分階段投產。海外生產基地的合理佈局，使本集團能更好應對全球貿易環境變化之不確定影響及整合不同國家間的產業資源優勢。

BUSINESS REVIEW

Within the year, the raw material price and staff cost continued to increase in the textile and apparel industry, and the exchange rate of RMB to USD further fluctuated. Although the business operating pressure has not improved, the business of the Group continued to maintain exciting growth, with sales revenue and operating results hit a record high once again. The sales revenue and profit attributable to owners of the parent in 2018 increased by 15.8% and 20.7% respectively when compared with the year of 2017, realising earnings per share of RMB3.02. In reviewing the operation of the Group within the year, the contribution of production capability of overseas bases has increased significantly, the level in automation in production has been further raised. The resources consumption level has been lowered effectively, and the market distribution in sales was more reasonable.

During the year, production capability of overseas bases of the Group has further increased, effectively lowering the pressure of insufficient production capability resulting from the increase in customer order. The management team of the overseas factories of the Group has established a better talent reserve, the business operation capability has matured, and the business collaboration between headquarters and overseas factories has become smoother. Although the current production capability of fabrics factory in Vietnam has reached the expected scale for its establishment, in consideration of the current good foundation of the overseas bases, the Group would continue to expand the fabric production capability in Vietnam. In addition, the Group has built a new garment factory near the fabric factory in Vietnam, and it is expected to employ workers and start production by batch in the second quarter of 2019. During the year, the Group entered into a permanent lease contract for a renewable term of 50 years, the land parcel of which is located in Phnom Penh city, Cambodia, and the main construction for a Cambodia downstream garment factory would start in the first half of 2019. It is expected that the new garment factory in Cambodia will commence production in mid-2020. The reasonable layout of the overseas production base has enabled the Group to better cope with uncertain effects under the changes in global trade environment and to integrate the industrial resources advantage in different countries.

管理層討論及分析

Management Discussion and Analysis

為應對招工困難及用工成本上漲帶來的經營壓力，本集團重視以自動化設備替代人工操作。年內，員工薪酬水平繼續快速上升，但員工支出在成本總額中之佔比反而下降。為適合自動化生產之安排，本集團持續改進生產工藝，並與客戶就產品設計上保持溝通互動，既提升生產效率及縮短交貨期，也有助於產品質量更加穩定。此外，本集團與設備製造商亦緊密合作，以創新性需求來引導製造商生產定制化的設備。本集團將持續提升生產的自動化水平，尤其在新工廠建設時預先考慮自動化的規劃佈局。

年內，本集團於國內面料基地之生產設施更新改造工程大部分已經完成，單位產品的資源消耗量明顯下降，尤其是水資源、電和蒸汽等能源的消耗量顯著節約，原有以生物質為基礎燃料的鍋爐已全部改造為以天然氣為基礎燃料，有效減輕了生產對環境帶來的不利影響，提升了本集團於環保方面之競爭優勢。同時，更新改造工程亦提高了企業的標準化和自動化水平，促進了生產工藝的準確性，有利於面料品質的穩定。資源消耗水平和污染物排放總量的下降，為國內面料基地提供了產能擴充的機會。

本集團之銷售市場分佈更趨合理，中國大陸已成為本集團單一最大且增長較快的銷售市場，龐大的人口基數和經濟的持續增長，使得中國大陸的服裝消費需求具有樂觀的增長前景，儘管生產成本持續上漲，本集團並無縮減中國大陸產能規模之計劃，而通過自動化和精益生產管理的效率提升來應對成本上漲壓力。中國大陸之產能將優先滿足客戶於國內市場之需求，並為海外工廠提供管理和技術上的支持。本集團於歐洲、美國和日本三大海外市場之銷售佔比相對均衡，計劃逐步以海外生產基地為主提供相應產能供給，令本集團客戶能享受不同國家間之貿易優惠政策。

To cope with the operating pressure from recruitment difficulties and increasing labour cost, the Group focused more on automatic equipment application to replace human operation. During the year, the staff salary level continued to increase rapidly, but the expenditure on staff as a proportion of the total cost decreased. To adapt to the production automation arrangement, the Group continued to improve production processes, and communicate and interact with customers on product design. This resulted in enhanced production efficiency, shortened delivery period and more stable product quality. In addition, the Group and the equipment manufacturers cooperated closely, using demand for innovation to guide the manufacturers to produce customized equipment. The Group will continue to increase the production automation level, especially giving advance consideration for automation during the layout planning of constructing new factory.

During the year, the upgrade and transformation work of the production facility in the domestic fabric base of the Group is largely completed. The resource consumption per product unit decreased significantly, in particular consumption volume was significantly saved in water resources, electricity and steam. Boilers using biomass as basic fuel has been renovated to use natural gas as basic fuel, thus effectively lessened the negative effect to the environment, and enhanced the competitive advantage of the environmental protection aspect of the Group. Meanwhile, the renovation and transformation work has upgraded the level of corporate automation and standardization. The accuracy in production process has been enhanced, and brought advantage to the stability in fabric quality. The resources consumption level and pollutant discharge level have lowered, providing an opportunity for the product capability expansion in the domestic fabric base.

The market distribution in sales for the Group was more reasonable. Mainland China has become the single sales market with rapid growth of the Group. With a huge population base and continuously growing economy, the apparel consumption demand in Mainland China has an optimistic growth prospect. Although the production cost continued to increase, the Group did not plan to reduce the production capacity in Mainland China. The Group would respond to the cost increase pressure with automation and improved efficiency in lean manufacture management. The production capacity in Mainland China would first satisfy the customers from the domestic market demand, then provide management and technical support to overseas factory. The sales ratio in the three big markets of Europe, USA and Japan of the Group were relatively equal. The Group planned to provide production capacity gradually through its overseas production base, so that customers of the Group can enjoy the trade preference policy from different countries.



管理層討論及分析 Management Discussion and Analysis

財務回顧

銷售額

截至二零一八年十二月三十一日止年度的銷售額約為人民幣20,950,205,000元，較截至二零一七年十二月三十一日止年度的約人民幣18,085,247,000元，增加了約人民幣2,864,958,000元，增幅為約15.8%。銷售額增長的主要因為：(1)客戶之訂單需求增長較為理想；(2)海外生產基地之產能持續擴充；及(3)各生產部門之效率保持有效提升。

以下為本集團二零一八年度及二零一七年度按產品類別分析的銷售額比較：

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2018, the revenue had been approximately RMB20,950,205,000, which increased by approximately RMB2,864,958,000 than that of approximately RMB18,085,247,000 for the year ended 31 December 2017, with a growing rate of approximately 15.8%. Major reasons for increase of revenue were: (1) the order demands of customers had ideal growth; (2) the productivity of the overseas production bases further enhanced; and (3) each production department continues to increase its efficiency.

The comparison of revenue analyzed as per production classification between 2018 and 2017 of the Group is as below:

		截至十二月三十一日止年度 For the year ended 31 December					
		二零一八年 2018		二零一七年 2017		變動 Change	
		人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%
按產品	By Products						
運動類	Sports wear	14,275,643	68.1	12,048,896	66.6	2,226,747	18.5
休閒類	Casual wear	5,167,355	24.7	4,600,534	25.4	566,821	12.3
內衣類	Lingerie wear	1,328,006	6.3	1,302,580	7.2	25,426	2.0
其他針織品	Other knitwear	179,201	0.9	133,237	0.8	45,964	34.5
銷售總計	Total revenue	20,950,205	100.0	18,085,247	100.0	2,864,958	15.8

截至二零一八年十二月三十一日止年度，運動類產品之銷售額約為人民幣14,275,643,000元，較截至二零一七年十二月三十一日止年度之銷售額約人民幣12,048,896,000元，增加了約人民幣2,226,747,000元，增幅為18.5%。運動類產品之銷售增長主要來自運動品牌於中國大陸市場和美國市場之服裝需求上升。

休閒類產品之銷售額由截至二零一七年十二月三十一日止年度的約人民幣4,600,534,000元，上升至截至二零一八年十二月三十一日止年度的約人民幣5,167,355,000元，增加了約人民幣566,821,000元，增幅為約12.3%，主要系來自中國大陸市場及美國市場之休閒服裝採購需求上升。

For the year ended 31 December 2018, revenue from sales of sportswear had been approximately RMB14,275,643,000, which increased by approximately RMB2,226,747,000 than that of approximately RMB12,048,896,000 for the year ended 31 December 2017 with a growing rate of 18.5%. The revenue from sales growth of sportswear mainly came from the increasing clothing demands for sports brands in Mainland China market and USA market.

For the year ended 31 December 2018, revenue from sales of casual wear had been approximately RMB5,167,355,000, which increased by approximately RMB566,821,000 than that of approximately RMB4,600,534,000 for the year ended 31 December 2017 with a growing rate of approximately 12.3%. It was mainly attributed to the increasing procurement demands for casual wear in Mainland China market and USA market.

管理層討論及分析 Management Discussion and Analysis

內衣類產品之銷售額由截至二零一七年十二月三十一日止年度的約人民幣1,302,580,000元，上升至截至二零一八年十二月三十一日止年度的約人民幣1,328,006,000元，增加了約人民幣25,426,000元，增幅為約2.0%。主要系日本市場之內衣採購需求增加所致。

For the year ended 31 December 2018, revenue from sales of lingerie products had been approximately RMB1,328,006,000, which increased by approximately RMB25,426,000 than that of approximately RMB1,302,580,000 for the year ended 31 December 2017 with a growing rate of approximately 2.0%. It was mainly attributed to the increasing procurement demands for lingerie in Japanese market.

以下為本集團二零一八年度及二零一七年度按市場劃分之銷售額比較：

The comparison of revenue analyzed as per market segmentation between 2018 and 2017 of the Group is as below:

		截至十二月三十一日止年度 For the year ended 31 December					
		二零一八年 2018		二零一七年 2017		變動 Change	
		人民幣千元 RMB'000	%	人民幣千元 RMB'000	%	人民幣千元 RMB'000	%
按市場	As per market						
歐洲	Europe	3,795,982	18.1	4,031,077	22.3	(235,095)	(5.8)
美國	USA	3,252,725	15.5	2,337,903	12.9	914,822	39.1
日本	Japan	3,236,002	15.5	3,129,042	17.3	106,960	3.4
其他市場	Others	4,353,084	20.8	3,742,637	20.7	610,447	16.3
國際銷售小計	Sub-total of international sales	14,637,793	69.9	13,240,659	73.2	1,397,134	10.6
國內銷售	Domestic sales	6,312,412	30.1	4,844,588	26.8	1,467,824	30.3
銷售總計	Total revenue	20,950,205	100.0	18,085,247	100.0	2,864,958	15.8

截至二零一八年十二月三十一日止年度，本集團於歐洲市場的銷售額約為人民幣3,795,982,000元，較截至二零一七年十二月三十一日止年度的約人民幣4,031,077,000元，減少了約人民幣235,095,000元，降幅為約5.8%。主要系歐洲市場對運動類服裝的消費需求下降所致。

For the year ended 31 December 2018, revenue of the Group in European market had been approximately RMB3,795,982,000, which decreased by approximately RMB235,095,000 than that of approximately RMB4,031,077,000 for the year ended 31 December 2017 with a declining rate of approximately 5.8%. It was mainly attributed to the decreasing consumption demands for sportswear in European market.





管理層討論及分析 Management Discussion and Analysis

截至二零一八年十二月三十一日止年度，本集團於美國市場的銷售額約為人民幣3,252,725,000元，較截至二零一七年十二月三十一日止年度的約人民幣2,337,903,000元，增加了約人民幣914,822,000元，增幅為約39.1%。本集團於美國市場之銷售保持大幅增長，主要系美國經濟增長帶動消費需求上升，來自美國市場之運動類服裝訂單明顯上升。

截至二零一八年十二月三十一日止年度，本集團於日本市場的銷售額約為人民幣3,236,002,000元，較截至二零一七年十二月三十一日止年度的約人民幣3,129,042,000元，增加了約人民幣106,960,000元，增幅為約3.4%。主要系日本市場之運動類和內衣類服裝採購需求增加所致。

截至二零一八年十二月三十一日止年度，其他海外市場之銷售額約為人民幣4,353,084,000元，較截至二零一七年十二月三十一日止年度的約人民幣3,742,637,000元，增加了約人民幣610,447,000元，增幅為約16.3%，主要系出口至加拿大、韓國和臺灣等市場的服裝增加所致。

截至二零一八年十二月三十一日止年度，本集團於國內市場的銷售額較上年增長了30.3%。國內銷售中的成衣銷售額約為人民幣6,101,459,000元，較上年的人民幣約4,693,054,000元，增加了約人民幣1,408,405,000元，增幅約為30.0%。國內市場作為本集團最大的單一市場且保持較快增長，主要得益於國內消費需求的持續增長，本集團大部分客戶之國內訂單於年內均有明顯增加。

For the year ended 31 December 2018, revenue of the Group in USA market had been approximately RMB3,252,725,000, which increased by approximately RMB914,822,000 than that of approximately RMB2,337,903,000 for the year ended 31 December 2017 with a growing rate of approximately 39.1%. The sharp increase in revenue of the Group in USA market was mainly attributed to economic growth of the United States leading to the increasing consumption demands and the significant increase in orders for sportswear in USA market.

For the year ended 31 December 2018, revenue of the Group in Japanese market had been approximately RMB3,236,002,000, which increased by approximately RMB106,960,000 than that of approximately RMB3,129,042,000 for the year ended 31 December 2017 with a growing rate of approximately 3.4%. It was mainly attributed to the increasing procurement demands for sportswear and lingerie wear in Japanese market.

For the year ended 31 December 2018, revenue of the Group in other overseas markets had been approximately RMB4,353,084,000, which increased by approximately RMB610,447,000 than that of approximately RMB3,742,637,000 for the year ended 31 December 2017 with a growing rate of approximately 16.3%. It was mainly attributed to increasing sports fabric products exported markets in Canada, South Korea and Taiwan.

For the year ended 31 December 2018, the revenue of the Group from domestic market increase by approximately 30.3% as compared with last year. Among domestic revenue, revenue from apparels was approximately RMB6,101,459,000, which increased by approximately RMB1,408,405,000 from approximately RMB4,693,054,000 last year, with a growth rate of approximately 30.0%. Domestic market has become the single largest market and with the fastest growth within the Group. Benefiting from the continuous increase of domestic consumption demand, the demand in domestic orders from most customers of the Group has shown a significant increase during the year.

管理層討論及分析

Management Discussion and Analysis

銷售成本及毛利

截至二零一八年十二月三十一日止年度，本集團的銷售成本約為人民幣14,336,181,000元（二零一七年：人民幣12,413,947,000元）。二零一八年度本集團的銷售毛利率約為31.6%，較二零一七年度的31.4%上升了約0.2個百分點。年內影響毛利率之因素主要為：1)本集團海外基地之產能規模提升，進一步降低了單位產品之固定成本分攤；2)本集團之生產效率得到持續提升；及3)年內人工成本和原料價格的上漲抵減了毛利率的上升幅度。

母公司擁有人應佔權益

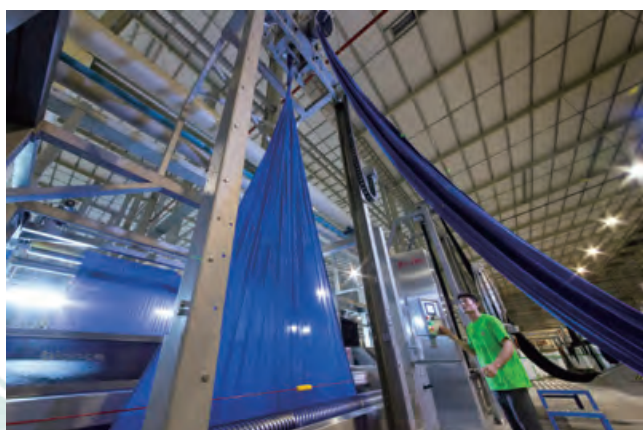
於二零一八年十二月三十一日，母公司擁有人應佔本集團權益約為人民幣22,298,738,000元（二零一七年：人民幣19,621,181,000元）。其中非流動資產約為人民幣9,411,627,000元（二零一七年：人民幣8,886,726,000元）、流動資產淨值約為人民幣13,220,801,000元（二零一七年：人民幣10,941,124,000元）、非流動負債約為人民幣178,149,000元（二零一七年：人民幣3,197,000元）及非控制性權益應佔權益約為人民幣155,541,000元（二零一七年：人民幣203,472,000元）。母公司擁有人應佔權益增加主要因年內保留盈利增加所致。

Cost of sales and gross profit

For the year ended 31 December 2018, cost of sales of the Group had been approximately RMB14,336,181,000 (2017: RMB12,413,947,000). The gross profit margin of the Group in 2018 was approximately 31.6%, growing approximately 0.2 percentage points than that of 31.4% in 2017. During the year, factors influencing gross profit margin were mainly attributed to: 1) the increase of the scale of production capacity in the overseas production bases of the Group, which further reduced the amortization of fixed costs of the unit product; 2) the continuous effective improvement of productivity of the Group; and 3) rising of labour costs and price of raw materials offsetting the increase in gross profit margin during the year.

Equity attributable to owners of the parent

As at 31 December 2018, the Group's equity attributable to owners of the parent amounted to approximately RMB22,298,738,000 (2017: RMB19,621,181,000), in which non-current assets was approximately RMB9,411,627,000 (2017: RMB8,886,726,000), net current assets of approximately RMB13,220,801,000 (2017: RMB10,941,124,000), non-current liability of approximately RMB178,149,000 (2017: RMB3,197,000) and equity attributable to non-controlling interests of approximately RMB155,541,000 (2017: RMB203,472,000). Increase of equity attributable to owners of the parent was mainly attributable to the increase of retained earnings within the year.





管理層討論及分析

Management Discussion and Analysis

流動資金及財務資源

截至二零一八年十二月三十一日止年度，本集團經營業務所得現金流淨額約為人民幣4,118,732,000元，二零一七年則約為人民幣3,689,266,000元。本集團於二零一八年十二月三十一日的現金及現金等價物為約人民幣3,565,916,000元，其中約人民幣753,020,000元以人民幣計值、約人民幣2,769,983,000元以美元計值、約人民幣19,575,000元以港元計值、約人民幣18,150,000元以越南盾計值、約人民幣1,668,000元以歐元計值及餘款以其他貨幣計值（二零一七年：人民幣2,471,401,000元，其中約人民幣352,935,000元以人民幣計值、約人民幣2,080,308,000元以美元計值、約人民幣20,220,000元以歐元計值、約人民幣11,793,000元以港元計值、約人民幣4,451,000元以越南盾計值及餘款以其他貨幣計值）。銀行借貸餘額約為人民幣2,516,749,000元（二零一七年：人民幣2,130,409,000元，均為短期銀行借貸），其中短期銀行借貸約為人民幣2,434,391,000元，長期銀行借貸約為人民幣82,358,000元。本集團於二零一八年十二月三十一日之現金淨額（現金及現金等價物減銀行借貸）約為人民幣1,049,167,000元，現金淨額較二零一七年十二月三十一日之餘額約人民幣340,992,000元增加了人民幣708,175,000元。

母公司擁有人應佔權益約為人民幣22,298,738,000元（二零一七年：人民幣19,621,181,000元）。本集團現金流動狀況良好，負債對權益比率（按未償還總借貸佔母公司擁有人應佔權益百分比計算）為11.3%（二零一七年：10.9%），較上年末小幅上升，主要系本集團海外子公司之債務增加所致。

Liquidity and financial resources

For the year ended 31 December 2018, the net cash flow from operating activities of the Group was approximately RMB4,118,732,000, while it was approximately RMB3,689,266,000 in 2017. The cash and cash equivalent of the Group as at 31 December 2018 was approximately RMB3,565,916,000, in which approximately RMB753,020,000 was denominated in RMB, approximately RMB2,769,983,000 was denominated in USD, approximately RMB19,575,000 was denominated in HKD, approximately RMB18,150,000 was denominated in Vietnamese dong, approximately RMB1,668,000 was denominated in Euro and the remaining balance was denominated in other currencies (2017: RMB2,471,401,000, in which approximately RMB352,935,000 was denominated in RMB, approximately RMB2,080,308,000 was denominated in USD, approximately RMB20,220,000 was denominated in Euro, approximately RMB11,793,000 was denominated in HKD, approximately RMB4,451,000 was denominated in Vietnamese dong and the remaining balance was denominated in other currencies). The balance of bank borrowings was approximately RMB2,516,749,000 (2017: RMB2,130,409,000, all being short-term bank borrowing), of which the short-term bank borrowing was approximately RMB2,434,391,000, and long-term bank borrowing was approximately RMB82,358,000. The net cash of the Group as at 31 December 2018 (cash and cash equivalent less bank borrowing) was approximately RMB1,049,167,000, which increased by RMB708,175,000 from approximately RMB340,992,000 for the year ended 31 December 2017.

Equity attributable to owners of the parent amounted to approximately RMB22,298,738,000 (2017: RMB19,621,181,000). The Group had a good cash flow position and debt to equity ratio was 11.3% (which was calculated as percentage of total outstanding borrowings to equity attributable to owners of the parent) (2017: 10.9%), whose major reason for the slight growth than the previous year was the increase in debts in overseas subsidiary of the Group.

管理層討論及分析

Management Discussion and Analysis

作為本集團整體理財政策的一部分，本集團向多間中國的持牌銀行購買金融產品（包括抵押存款、其他金融資產、按公允值計量且變動計入損益之金融資產、結構存款及定期存款），透過合法且低風險的管道最大化本集團閒置資金帶來的回報。有關購買該等金融產品的相關規模測試結果均低於5%，故而該等購買毋須遵守上市規則第十四章須予公佈的交易之規定。購買該等金融產品已獲董事會就監察本公司庫務管理政策執行情況而成立之投資及借貸委員會批准。該等金融產品之詳情參閱本年年報之財務報表所載之附註21、22、23及24。

本集團之資產抵押

於二零一八年十二月三十一日，若干本集團定期存款人民幣500,000,000元（二零一七年：人民幣500,000,000元）已作為本集團獲授予有擔保銀行貸款之抵押。定期存款期限超過一年，固定年回報率為3.5%。於二零一八年十二月三十一日，該等存款將於一年內到期。

融資成本及稅項

於截至二零一八年十二月三十一日止年度，融資成本從截至二零一七年十二月三十一日止年度的約人民幣123,016,000元，減少至約人民幣61,049,000元，主要系上年之融資成本中包含可換股債券之利息約人民幣42,074,000元所致。年內本集團的年度美元借貸利率介乎2.6%至5.2%（二零一七年：美元的年度借貸利率介乎2.1%至4.1%）。

As a part of overall treasury management policies of the Group, the Group purchased financial products from licensed banks of China (including pledged deposits, other financial assets, financial assets at fair value through profit or loss, structured deposits and fixed deposits) to maximize the return brought by idle money of the Group through legal and low-risk channel. The results for applicable size test about purchasing the financial products was lower than 5%, thus, this purchase was not subject to the notifiable transaction requirements under Chapter 14 of the Listing Rules. The purchase of such financial products was approved by the investment and lending committee established by the Board based on implementation of treasury management policies of the Company. Details of those financial products can be found in notes 21, 22, 23 and 24 to the Financial Statements contained in this annual report.

Pledge of assets of the group

As at 31 December 2018, certain time deposits of the Group amounting to RMB500,000,000 (2017: RMB500,000,000) were pledged to secure bank loans granted to the Group. The time deposits have initial terms of more than one year and have fixed annual rates of return at 3.5%. As at 31 December 2018, these deposits will mature within one year.

Financing costs and tax

For the year ended 31 December 2018, the financing cost had decreased to approximately RMB61,049,000 from approximately RMB123,016,000 for the year ended 31 December 2017, which was mainly attributed to an interest in convertible bonds of approximately RMB42,074,000 which was included in the financing costs in the previous year. The annual rate of USD borrowings of the Group was between 2.6% and 5.2% during the year (2017: USD annual borrowing rate was between 2.1% and 4.1%).





管理層討論及分析

Management Discussion and Analysis

於截至二零一八年十二月三十一日止年度，本集團的所得稅開支約為人民幣597,803,000元，較截至二零一七年十二月三十一日止年度的所得稅開支約人民幣528,280,000元增加了人民幣69,523,000元，主要系本集團於中國大陸之子公司之本年度應稅利潤增加所致。

外匯風險

由於本集團銷售以美元結算為主，採購以人民幣結算為主，匯率波動對本集團的成本及經營利潤率構成一定影響。本集團針對美元兌人民幣的匯率波動的現狀，採用相應政策對沖部分有關外匯風險。對沖金額視乎本集團的美元收益、採購、資本開支，還需要顧及市場預測美元兌人民幣的匯率波動而定。

為免因人民幣兌美元之匯率出現任何變動而導致日後之現金流量減值及出現波動。本集團已安排適當數量之美元借款及與美元為聯繫匯率之港元借款，於二零一八年十二月三十一日，銀行借貸總額中，美元借款約人民幣702,449,000元（計原幣金額約102,350,000美元），港元貸款為人民幣1,314,300,000元（計原幣金額約為1,500,000,000港元）（二零一七年十二月三十一日：美元貸款約人民幣460,149,000元（計原幣金額約70,422,000美元），港元貸款約人民幣1,170,260,000元（計原幣金額約為1,400,000,000港元））。本集團海外生產基地規模的進一步擴大，將有利於降低人民幣兌美元匯率波動對經營帶來的影響。

For the year ended 31 December 2018, the income tax expense of the Group was approximately RMB597,803,000, which increased by RMB69,523,000 than that of approximately RMB528,280,000 for the year ended 31 December 2017, which was mainly attributed to the increase in the assessable profit in Mainland China's subsidiary of the Group within the year.

EXPOSURE TO FOREIGN EXCHANGE

The exchange rate fluctuation had a certain influence on costs and operating profits of the group as sales of the Group was mainly settled in USD and the procurement was mainly settled in RMB. For the current situation of exchange rate fluctuation of USD to RMB, the Group adopted related policies to hedge part of related exchange risk. The hedged amounts depend on USD earnings, procurement and capital expenditure of the Group, and market prediction of exchange rate fluctuation of USD to RMB.

In order to avoid decrease in value of future cash flows and volatility caused by any change of exchange rate of RMB to USD, the Group had arranged certain amount of loans denominated in USD and loans denominated in HKD with linked exchange rate with USD. Amongst total bank loan as at 31 December 2018, the loan of approximately RMB702,449,000 denominated in USD (calculated based on original currency of approximately USD102,350,000) and loan of approximately RMB1,314,300,000 denominated in HKD (calculated based on original currency of approximately HKD1,500,000,000) (31 December 2017: loan of approximately RMB460,149,000 denominated in USD (calculated based on original currency of approximately USD70,422,000) and loan of approximately RMB1,170,260,000 denominated in HKD (calculated based on original currency of approximately HKD1,400,000,000)). The expansion of overseas production sites of the Group further reduced the impact of exchange rate fluctuation of RMB to USD on the Group's business.

管理層討論及分析

Management Discussion and Analysis

僱用、培訓及發展

於二零一八年十二月三十一日，本集團共僱用約82,700名員工。年內，員工成本總額（包括行政及管理人員）佔本集團銷售額約26.0%（二零一七年：27.2%），員工成本總額佔收入的比例較上年下降了約1.2個百分點，主要系本集團生產效率的提升及海外員工人數佔比的上升抵減了工資上漲帶來的影響。本集團按僱員的表現、資歷及行業慣例釐定給予員工的報酬，而酬金政策會定期檢討。根據年度工作表現評核，僱員或會獲發放花紅及獎金。此外，本公司亦會給予僱員獎勵或其他形式的鼓勵以推動僱員個人成長及事業發展。如本集團持續向員工提供培訓，以提升彼等的技術、產品知識以及對行業品質標準的認識及本集團所有新員工均須參加入門課程，而全體員工亦可參加各類培訓課程。

資本開支及資本承擔

於本年度內，本集團於物業、廠房及設備和預付土地租賃款項之總投資約為人民幣1,896,834,000元，其中約43%用作購買生產設備、約45%用作興建與購買新工廠大樓和預付土地租賃款項，而餘款則用作購買其他固定資產。

於二零一八年十二月三十一日，本集團已訂約購建之土地使用權、物業、廠房和設備之資本承擔約達人民幣789,034,000元，將主要以內部資源撥付。

EMPLOYMENT, TRAINING AND DEVELOPMENT

As at 31 December 2018, the Group employed approximately 82,700 employees in total. During the year, total labor costs (including administration and management staff) accounted for approximately 26.0% of sales of the Group (2017: 27.2%). The total staff cost as a proportion of the income decreased by approximately 1.2 percentage points as compared with last year, which was mainly attributable to the improvement in production efficiency of the Group and increase in overseas staff ratio offsetting the effect of increase in staff salary. The Group gave remunerations to employees based on their performance and qualifications as well as industrial convention and took regular review on remuneration policies. According to annual performance appraisal, employees would get year-end bonus and reward. In addition, the Company would give rewards to employees or encouragement in other forms to promote individual growth of employees and career development. For example, the Group continued to provide trainings for employees to improve their technology and product knowledge and understanding of industrial quality standards. All new staff of the Group must attend introductory courses and all staff could also participate in various training courses.

CAPITAL EXPENDITURE AND CAPITAL COMMITMENT

During the year, total investment in property, plant and equipment as well as prepaid land lease payment of the Group was approximately RMB1,896,834,000, in which approximately 43% was used for purchasing production equipment, approximately 45% for construction and acquisition of new plant buildings as well as prepayment for land lease, and the remaining balance for procurement of other fixed assets.

As at 31 December 2018, the Group had contracted capital commitments of approximately RMB789,034,000 for procurement of land use right, property, plant and equipment, which were mainly financed with internal resources.



管理層討論及分析 Management Discussion and Analysis

重大投資、收購及出售

本集團於年內已落實在柬埔寨金邊市興建新製衣工廠，估計未來兩年此項目將投資1億至1億5千萬美元。除此以外，截至二零一八年十二月三十一日止年度本公司並無重大投資、收購及出售。有關金邊市項目可參考二零一八年九月十七日本公司之公告。

資本負債比率

於二零一八年十二月三十一日，本集團之資本負債比率為11.3%，由未償還總借貸佔母公司擁有人應佔權益百分比計算。

或然負債

於二零一八年十二月三十一日，本集團概無任何重大或然負債。

報告期後事項

自二零一八年十二月三十一日至本報告日期為止，本集團概無任何重大影響的報告期後事項。

未來前景及策略

受經濟增速放緩影響，全球消費需求相對乏力，中美貿易摩擦給未來出口形勢亦帶來較大不確定性，而企業之製造成本繼續上漲，國內之紡織服裝行業仍將承受市場和成本的雙重壓力。供給側改革的推進、環保監管的加強及要素價格的上漲，推動了中國紡織服裝行業的內部整合和跨國產能佈局。越南則受益於當前的成本優勢、有利的貿易環境及來自其他國家的產業技術和管理的輸入，服裝行業的出口增長態勢良好，但產業投資規模的持續擴大，使得越南的紡織服裝業也將面臨行業的競爭加劇和資源要素價格的快速上升。

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group has determined to build a new garment factory in Phnom Penh, Cambodia during the year. It is estimated that an investment of between USD 100 million and USD 150 million will be made for this project in the coming two years. Apart from this, the Company did not have significant investments, acquisitions and disposals during the year ended 31 December 2018. Please refer to the announcement of the Company dated 17 September 2018 for the details of the project in Phnom Penh.

CAPITAL AND LIABILITIES RATIO

As at 31 December 2018, capital and liability ratio of the Group was 11.3%, which was calculated by percentage of total outstanding loans to equity attributable to owners of the parent.

CONTINGENT LIABILITIES

As at 31 December 2018, the Group had no any material contingent liabilities.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period ended 31 December 2018, as at the date of this report which would have any material effect to the Group.

FUTURE PROSPECTS AND STRATEGIES

Affected by the slowdown in economic growth, the global consumption demand was correspondingly sluggish. With China-US trade conflicts bringing bigger uncertainty to the export trend in the future, and the continuing increase in enterprise production cost, the domestic textile and apparel industry will suffer pressure from both the market and cost. The promotion in the supply-side reform, enforcement in the environmental protection and the factor price increase have promoted the Chinese textile and apparel industry for internal integration and transnational product capability layout. Vietnam is benefitting from the current cost advantage, favourable trade environment and input of industrial technology and management from other countries, the apparel industry is in a good position for growth in export. However, as the scale of industrial investment continues to increase, the textile and garment industry in Vietnam will face fierce competition from the industry, and the resource factor price will increase rapidly.

管理層討論及分析 Management Discussion and Analysis

未來之發展，本集團將堅持國內和海外基地的雙輪驅動，配合主要客戶之長期業務發展規劃，穩步拓展產能規模。越南和柬埔寨在未來兩年將分階段擴大製衣產量，以滿足客戶訂單快速增長之需求。通過創新產品和優質服務來提升企業競爭力，以贏取更多市場份額；通過精細化管理和自動化生產來提高生產效率，以應對成本上升之經營壓力。

本集團之國內基地為海外業務拓展提供了重要的運營保障，尤其在人才培養及輸出、管理及技術指導、生產業務對接等方面的支持。企業轉型升級之主要職能將由國內基地予以承擔，特別在新產品研發、自動化應用、數字化管理等方面的持續改進，並適時向海外工廠進行成果轉移。

本集團將繼續專注於紡織服裝之主業，加大產品研發方面之投入。立足於培養、激勵內部的技術人才，以提升企業自身的創新能力。同時，引進本行業之優秀人才，並加強與外部機構之技術交流與合作。目前，本集團於環保和新材料技術方面已分別建立兩個院士工作站，以獲取更多行業發展之前沿信息。

For future development, the Group will persist in the dual operation of domestic and overseas bases to match the long-term business development plan of major customers and to gradually develop production capacity. The Group will expand the output of its garment manufacturing in phases during the next two years in Vietnam and Cambodia, to keep up with the pace of rapid growth in customer orders demand. Through innovative products and quality service to improve the corporate competitiveness, the Group will gain more market share. Through lean management and automated production to increase production efficiency, the Group can cope with the operating pressure from cost increase.

The domestic base of the Group provided vital operating protection for the expansion of overseas business, especially in supporting talent training and output, management and technical guidance, and collaboration of production business. The main function of transformation and upgrade of enterprise will be performed by the domestic base, especially in the continuous improvement in research and development of new products, automation application and management digitalization, with results transfer to overseas factories accordingly.

The Group will continue to focus on the main business of textile and apparel, and increase the input in product research and development. The Group will enhance its corporate innovation ability based on training and motivating internal technological talent, meanwhile, introducing talents in this industry and increasing the technical interaction and cooperation with external institutions. The Group currently set up two academician workstations separately for environmental protection and new material technology aspects to obtain more leading information on business development.





管理層討論及分析 Management Discussion and Analysis

本集團將繼續推進生產過程之自動化應用，以降低員工之技能要求和工作強度，並實現生產效率之不斷提高。此外，本集團亦將努力推進智慧工廠建設，實現生產自動化和數字化的整合，尤其在跨國工廠間之數據信息即時交換、業務處理實時共享等方面取得進步，以降低海外工廠之人才需求壓力。

The Group will continue to improve the promotion of automation application in production process to lower the staff technical requirement and work intensity, and continuously achieve to increase the production efficiency. In addition, the Group endeavoured to promote the construction of intelligent factory to achieve the integration of the product automation and management digitalization, especially in improving the instant exchange of data and information among transnational factories and instant sharing of business handling, so as to lower the talent demand pressure in overseas factories.

本集團將繼續增加海外基地之產能規模，為客戶於不同銷售市場提供更好之配套服務，降低因貿易環境變化帶來之不確定風險。同時，培養海外工廠之本地化管理和技術人才，提高企業之獨立運行能力，以實現海外工廠之長遠穩定發展。

The Group will continue to increase the production capacity of overseas bases, to provide better support service to customers in different sales markets, and to lower the uncertainty risk from changes in trade environment. Meanwhile, the Group will provide management and skills training to locals in the overseas factories and increase the independent corporate operating capability, so as to consolidate the stable long-term development of overseas factories.

企業之未來發展，必須依賴於技術和管理的持續進步，本集團致力於追求卓越、不斷創新，努力提升企業的商業價值及社會價值，增強企業的可持續發展能力。

The future development of the enterprise must depend on the continuing advancement of technology and management. The Group is dedicated to pursue for excellence, innovate constantly, strive to improve on the corporate commercial value and social value, as well as improve sustainable development ability of the enterprise.



企業管治報告

Corporate Governance Report

企業管治

本集團一貫的目標是努力提升企業價值，以淨利潤的良好增長及現金流量的長期穩定為核心，確保本集團的長期持續發展，為股東帶來良好的回報。本集團矢志提高企業管治水平，並全力增加透明度。通過持續為董事與員工提供培訓及外聘專業顧問，本公司將不斷提升企業管治素質，進而達致以上的目標。

董事會自二零零五年十月九日起已採納本身的企業管治守則，其涵蓋香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四《企業管治常規守則》（「企業管治守則」）所載的全部守則條文，以及大部分的建議最佳常規守則。本公司於截至二零一八年十二月三十一日止年度內一直遵從企業管治守則內的所有守則條文。

董事委員會之職權範圍

為遵守上市規則及企業管治守則，本公司之審核委員會、提名委員會及薪酬委員會之職權範圍乃根據上市規則及企業管治守則之變動定期作出修訂。各董事委員會之職權範圍及董事名單及彼等的角色及職能已分別於本公司及聯交所網站登載。

CORPORATE GOVERNANCE

The Group's stated objective is to enhance its corporate value, focusing on the solid growth in net profit and consistently stable cash flow, to ensure the Group's long-term, sustainable development and to achieve sound returns for shareholders. The Group is committed to raising its corporate governance standards and increasing the transparency of its operations. Such objective will be achieved by constantly improving the quality of corporate governance of the Company through the provision of continuous training for Directors as well as staff and the appointment of external professional advisers.

The Board adopted its own Code of Corporate Governance, which covers all of the code provisions and most of the recommended best practices of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 9 October 2005. The Company had complied with all the code provisions of the CG Code throughout the year ended 31 December 2018.

Terms of Reference of Board Committees

In order to comply with the Listing Rules and the CG Code, the terms of reference of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company are regularly revised based on amendments to the Listing Rules and the CG Code. Such terms of reference and the list of Directors and their roles and functions are published on the websites of the Company and the Stock Exchange, respectively.



企業管治報告

Corporate Governance Report

董事責任

董事須參加持續專業發展以發展及補充根據企業管治守則所載守則條文第A.6.5條之知識及技術。本公司已就上市規則之更新及相關法律及監管規定，為董事安排持續專業發展。

獨立非執行董事

截至二零一八年十二月三十一日止年度，董事會符合(1)上市規則第3.10(1)條關於上市發行人的董事會必須包括至少三名獨立非執行董事的規定；(2)上市規則第3.10(2)條關於其中至少一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關的財務管理專長的規定；以及(3)上市規則第3.10A條所要求的獨立非執行董事必須佔董事會成員人數至少三分之一的規定。

本公司已取得各獨立非執行董事根據上市規則第3.13條所載的獨立指引就其獨立性作出的年度確認書。本公司認為所有獨立非執行董事均屬獨立人士。

Responsibilities of Directors

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills pursuant to the code provision A.6.5 set out in the CG Code. The Company arranged for continuous professional development on the update of the Listing Rules and the related legal and regulatory requirements for the Directors.

Independent Non-executive Directors

For the year ended 31 December 2018, the Board had complied with (1) the requirement that the board of a listed issuer must include at least three independent non-executive directors under Rule 3.10(1) of the Listing Rules; (2) the requirement that at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10(2) of the Listing Rules; and (3) the requirement that the number of independent non-executive directors must represent at least one-third of the Board under Rule 3.10A of the Listing Rules.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

企業管治報告

Corporate Governance Report

董事於截至二零一八年十二月三十一日止年度內接受培訓的概要如下：

A summary of training received by the Directors during the year ended 31 December 2018 is as follows:

董事姓名 Name of Directors	培訓類別 (附註) Types of training (Notes)
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執行董事

Executive Directors

馬建榮先生 Mr. Ma Jianrong	A&B
黃關林先生 Mr. Huang Guanlin	A&B
馬仁和先生 Mr. Ma Renhe	A&B
王存波先生 Mr. Wang Cunbo	A&B
陳芝芬女士 Ms. Chen Zhifen	A&B

獨立非執行董事

Independent Non-executive Directors

陳旭先生 Mr. Chen Xu	A&B
蔣賢品先生 Mr. Jiang Xianpin	A&B
裘煒國先生 Mr. Qiu Weiguo	A&B
張炳生先生 Mr. Zhang Bingsheng (於二零一八年九月一日獲委任) (appointed on 1 September 2018)	A&B

附註：

Notes:

A：出席由本公司安排之研討會

A: attending seminars organized by the Company

B：閱讀有關上市規則及其他適用法律及監管規定最新發展的研討會材料與更新資料

B: reading seminar materials and updates relating to the latest development of the Listing Rules and other applicable legal and regulatory requirements



企業管治報告

Corporate Governance Report

企業管治職能

本公司已於二零一二年三月二十六日根據企業管治守則所載守則條文第D.3條，採納企業管治職能之職權範圍，並於二零一二年四月一日起生效。根據企業管治職能之職權範圍，董事會須負責發展及檢討及／或監督本集團企業管治之政策及常規；董事及高級管理層之培訓及持續專業發展及提供建議；遵守法定及監管規定；僱員及董事適用之操守守則及合規手冊（如有）；本集團遵守企業管治守則。

與股東之通訊

根據企業管治守則所載之守則條文第E.1.2條，本公司邀請本公司外部核數師之代表出席本公司於二零一九年五月二十八日舉行之股東週年大會，回答股東關於進行核數、編製核數師報告及報告內容、會計政策及核數師獨立性之問題。

本公司已採納股東通訊政策及程序，供股東提名董事候選人，由二零一二年三月二十六日起生效。政策及程序已登載於本公司網站。

Corporate governance functions

The Company adopted the terms of reference for corporate governance functions on 26 March 2012 in compliance with the code provision D.3 set out in the CG Code, effective from 1 April 2012. Pursuant to the terms of reference of the corporate governance functions, the Board shall be responsible for developing and reviewing and/or monitoring the policies and practices on corporate governance of the Group; training and continuous professional development of Directors and senior management and making recommendations; compliance with legal and regulatory requirements; the code of conduct and compliance manual (if any) applicable to employees and Directors; and the Group's compliance with the CG Code.

Communications with shareholders

Pursuant to the code provision E.1.2 set out in the CG Code, the Company invited representatives of the external auditors of the Company to attend the annual general meeting of the Company to be convened on 28 May 2019 to answer shareholders' questions relating to the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor independence.

The Company adopted a shareholders' communication policy and procedures with effect from 26 March 2012 for shareholders to propose a person for election as a Director. The policy and the procedures are available on the website of the Company.

企業管治報告

Corporate Governance Report

董事會

本集團致力通過董事會來提升公司效率及利潤水平。全體董事深知彼等共同及個別對股東所負的責任，並勤勉盡職，為本公司的理想業績及股東的最大回報作出貢獻。

於最後實際可行日期，董事會由五名執行董事及四名獨立非執行董事組成。董事的個人履歷及若干董事之間的親屬關係均列載於第124頁至132頁「董事及高級管理層成員履歷」一節。董事之間概無其他重大財務、業務或相關關係。

董事會負責本公司的管治工作，並負責管理股東所委託的資產。董事會的主要職責包括制訂本集團的業務策略方針、設定管理層目標、監管其表現及評估管理策略的有效性。

本集團的日常業務管理由執行董事或各部門的高級主管負責，而本集團會定期檢討彼等獲授的職能及權力，確保彼等仍適合履行職務。董事會則負責處理影響本集團整體策略政策、財務及股東的事務，包括財務報表、股息政策、重大會計政策變動、重大合約及主要投資等。各董事會成員均可分別獨立接觸本集團的高級管理層，以履行彼等的職責；亦可及時查閱所有有關本集團的資料，並可得悉本集團最新的經營狀況、業務活動及發展。董事會成員亦可要求徵詢獨立專業意見，費用由本集團承擔。

所有董事須於首次獲委任時向董事會申報彼在其他公司或機構擔任之董事或其他職務，有關利益申報每年更新一次。倘董事會在討論任何動議或交易時認為董事在當中存在利益衝突，該董事須申報利益及放棄投票。

THE BOARD

The Group endeavours to enhance corporate efficiency and profitability through the Board. The Directors recognise their collective and individual responsibility to the shareholders and perform their duties diligently to contribute to positive results for the Company and maximize returns for shareholders.

As at the Latest Practicable Date, the Board comprised five Executive Directors and four Independent Non-executive Directors, whose biographical details and family relationships among certain Directors are set out in the section headed “Biographical Details of Directors and Members of Senior Management” on pages 124 to 132. There are no other material financial, business or relevant relationships among the Directors.

The Board is responsible for governing the Company and managing assets entrusted by the shareholders. The principal responsibilities of the Board include formulating the Group’s business strategies and management objectives, supervising the management and evaluating of the effectiveness of management strategies.

The day-to-day management of the Group’s businesses is delegated to the Executive Directors or officers in charge of each division. The functions and power that are so delegated are reviewed periodically to ensure that they remain appropriate. Matters reserved for the Board are those affecting the Group’s overall strategic policies, finances and shareholders including financial statements, dividend policy, significant changes in accounting policy, material contracts and major investments. All Board members have separate and independent access to the Group’s senior management to fulfill their duties. They also have full and timely access to relevant information about the Group and are kept abreast of the operating condition, business activities and development of the Group. Independent professional advice can be sought at the Group’s expense upon their request.

All Directors are required to declare to the Board upon their first appointment of the directorships or other positions they are concurrently holding at other companies or organizations. These interests are updated on an annual basis. A Director should declare his/her interests and abstain from voting in respect of any proposal or transaction discussed by the Board in which he/she is deemed by the Board to have a conflicting interest.



企業管治報告

Corporate Governance Report

董事在董事會會議審議任何動議或交易時，須申報其涉及的任何直接或間接利益，並在適當情況下避席。本公司根據指引（請參閱本公司網站「企業管治」欄目），於每個財務申報期間，要求董事確認彼等或彼等之聯繫人士有否與本公司或其附屬公司進行任何交易。經確認的重大關聯人士交易均已於此年報的財務報表附註披露。

主席及集團總經理

董事會主席與集團總經理之職責彼此分開。董事會主席負責管理董事會及本集團重大經營決策，而集團總經理則負責管理本集團業務的日常運作，職責劃分明確。馬建榮先生為董事會主席，黃關林先生為集團總經理。

獨立非執行董事的獨立性

於最後實際可行日期，獨立非執行董事所佔比率為董事會成員的約44.4%，彼等皆為優秀的行政管理人員或紡織業及商界範疇的專家，具備多方面專業知識，可為本集團提供足夠的制約及平衡，以保障股東及本集團的整體利益。獨立非執行董事的角色是向董事會提供獨立及客觀的意見，以供董事會作出考慮及決定。全體獨立非執行董事已提交確認獨立性的年度確認書，並符合載於上市規則內獨立性指引的規定。

董事會處事程序

本集團會定期舉行董事會會議，以商討本集團的營運、財務表現、企業管治及未來發展。董事於舉行董事會會議前最少14天接獲通知，並於會議舉行前最少3天獲發議程及開會文件，確保董事可及時閱覽有關資料，方便彼等履行職務。

Directors are requested to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and withdraw from the meetings as appropriate. The Company follows guidelines (available at the “Corporate Governance” section of our website) at each financial reporting period to seek confirmation from Directors in respect of any transactions of the Company or its subsidiaries which are related to Directors or their associates. The identified significant related party transactions are disclosed in the notes to the financial statements of this annual report.

CHAIRMAN AND GROUP GENERAL MANGER

The Chairman of the Board and the Group General Manager have separate and distinctive roles. The Chairman of the Board is responsible for the significant operational decisions of the Group, while the Group General Manager is responsible for managing the day-to-day operations of the Group’s business. Mr. Ma Jianrong is the Chairman of the Board and Mr. Huang Guanlin is the Group General Manager.

Independence of Independent Non-executive Directors

As at the Latest Practicable Date, Independent Non-executive Directors accounted for approximately 44.4% of the members of the Board. The Independent Non-executive Directors are outstanding executives or experts in the textile industry and business sectors who bring with them expertise in different areas. They provide adequate control and balances for the Group to protect the overall interests of the shareholders and the Group. The role of the Independent Non-executive Directors is to provide independent and objective opinions to the Board for its consideration and decisions. All Independent Non-executive Directors have submitted annual written confirmation of their independence and compliance with the independence guidelines as set out in the Listing Rules.

Board proceedings

Regular Board meetings are held to discuss the Group’s operation, financial performance, corporate governance and future development. At least 14 days prior notice and an agenda with supporting papers of no less than 3 days of the Board meeting are given to Directors to ensure timely access to the relevant information for discharge of their duties.

企業管治報告

Corporate Governance Report

公司秘書負責編列董事會及董事委員會的會議紀錄，董事可於發出合理通知後查閱有關會議紀錄及開會文件。全體董事亦均獲發會議紀錄的初稿和定稿，以供彼等提供意見和紀錄存檔。

本公司於截至二零一八年十二月三十一日止年度內共舉行四次全體董事會會議，全體董事會現任成員於相關時間均有出席。

董事會將每年舉行最少四次會議，並於有需要時召開額外會議，以釐定整體策略方針及目標，及批准中期及年度業績及其他重大事宜。

年內，主席亦與全體獨立非執行董事舉行獨立會議，以處理業務和關注事宜。

董事會成員多元化

為求令董事會成員具備多元化的視野，本公司制訂政策在決定董事會成員的委任及續任時考慮多項因素。該等因素包括性別、年齡、文化及教育背景、種族、行業經驗、技能、知識及服務年資。

董事委員會

為監察本公司的特定事務及協助執行職務，董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會。提名委員會和薪酬委員會的大部分成員為獨立非執行董事，以加強委員會的獨立性，同時，審核委員會只包含獨立非執行董事。所有委員會均由各自的職權範圍規管，有關職權範圍載於本公司網站www.shenzhouintl.com及聯交所網站www.hkexnews.hk。

所有委員會均擁有足夠資源以履行職務。各委員會定期向董事會匯報，以討論重要事宜及結果，並向董事會提供推薦建議以作決策。

Minutes of the Board and Board Committees are taken by the Company Secretary and, together with any supporting papers, are open for inspection following reasonable notice by any Directors. Draft and final versions of minutes are also sent to all Directors for their comment and records, respectively.

The Company held 4 full Board meetings for the year ended 31 December 2018, with all the existing members of the Board attended.

Board meetings will be held at least four times a year with additional meetings convened as and when necessary to determine overall strategic directions and objectives and approve interim and annual results and other significant matters.

During the year, the Chairman also held a separate meeting with all the Independent Non-executive Directors to address business issues and concerns.

BOARD DIVERSITY

In order to achieve a diversity of perspectives among members of the Board, it is the policy of the Company to consider a number of factors when deciding on appointments to the Board and the continuation of those appointments. Such factors include gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

BOARD COMMITTEES

To oversee particular aspects of the Company's affairs and to assist in the execution of its responsibilities, the Board has three Committees, namely Audit Committee, Remuneration Committee and Nomination Committee. The Nomination Committee and the Remuneration Committee have been structured to include a majority of Independent Non-executive Directors as members in order to reinforce independence, while the Audit Committee only comprises Independent Non-executive Directors. All of the Committees are governed by its respective terms of reference, which are available on the Company's website www.shenzhouintl.com and the Stock Exchange's website www.hkexnews.hk.

All Committees are provided with sufficient resources to discharge their duties. The Committees report to the Board on a regular basis to discuss significant issues and findings and to make recommendations to the Board for making decisions.



企業管治報告

Corporate Governance Report

薪酬委員會

於二零零五年十月九日，本公司遵照企業管治守則成立薪酬委員會。截至本報告刊發時，薪酬委員會包括執行董事馬仁和先生及三名獨立非執行董事陳旭先生、蔣賢品先生及張炳生先生。於二零一八年九月一日，張炳生先生獲委任為薪酬委員會會員。陳旭先生為薪酬委員會的主席。

薪酬委員會的主要責任是就董事及高級管理層的整體薪酬政策及架構，及就批准此等薪酬政策設立正規而具透明度的過程向董事會提供推薦建議。薪酬委員會就個別執行董事及高級管理層之薪酬組合向董事會作出推薦建議。董事概無參與有關其本身薪酬的討論。有關董事的袍金詳列於財務報表附註8。

本公司對薪酬政策的目標是根據業務所需及行業慣例，確保薪酬待遇公平及具競爭力。薪酬委員會因應市場水平、董事工作量、職責及工作難度等因素，釐定向董事會成員支付的薪酬及袍金水平。

薪酬委員會於二零一八年共舉行二次會議，全體成員均有出席。薪酬委員會於會上檢討董事及高級管理層的薪酬。

按等級披露本公司十名高級管理層（彼等的簡歷載於本年報第129頁至132頁）於截至二零一八年十二月三十一日止年度的薪酬詳情如下：

REMUNERATION COMMITTEE

The Company established the Remuneration Committee in compliance with the CG Code on 9 October 2005. As of the issuance of this report, the Remuneration Committee comprises Mr. Ma Renhe, an executive director, Mr. Chen Xu, Mr. Jiang Xianpin and Mr. Zhang Bingsheng, three of them are independent non-executive directors. On 1 September 2018, Mr. Zhang Bingsheng was appointed as a member of the Remuneration Committee. Mr. Chen Xu is the chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure for the directors and senior management and on the establishment of a formal and transparent process for approving such remuneration policy. The Remuneration Committee makes recommendations to the Board on the remuneration packages of individual executive directors and senior management. No director will take part in any discussion on his or her own remuneration. The details of the Directors' fees are set out in note 8 to the financial statements.

The Company's objective for its remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration and fees paid to members of the Board, market rates and factors such as each director's workload, responsibility, and job complexity are taken into account.

The Remuneration Committee held 2 meetings with full attendance in 2018. At the meetings, it reviewed the remuneration of Directors and senior management.

Details of the remuneration by band of the 10 members of the senior management of the Company, whose biographies are set out on pages 129 to 132 of this annual report, for the year ended 31 December 2018 are set out below:

	薪酬等級 (港幣千元) Remuneration band (HK\$'000)	人數 Number of individual
1,000至2,000	1,000 to 2,000	3
2,000以上	Above 2,000	7

企業管治報告

Corporate Governance Report

提名委員會

本公司已於二零零五年十月九日成立提名委員會。截至二零一八年十二月三十一日止年度，提名委員會包括執行董事馬建榮先生及三名獨立非執行董事裘煒國先生、蔣賢品先生及張炳生先生，於二零一八年九月一日，張炳生先生獲委任為提名委員會會員。馬建榮先生為提名委員會的主席。

提名委員會的主要責任是物色具備合適資格可擔任董事的人士，挑選提名有關人士出任董事及就此向董事會提供推薦建議，並定期檢討董事會的架構、人數及多樣性組成（包括技能、知識及經驗方面），並就任何擬作出的變動向董事會提供推薦建議。

本公司已採納提名政策（「提名政策」）。根據提名政策，為評估董事候選人是否合適，提名委員會將考慮下列有關候選人的因素，包括（但不限於）：

- 信譽；
- 於製造業的成就及經驗，特別是製衣業；
- 可投入時間及相關事務的承擔；及
- 多元範疇，包括（但不限於）種族、性別、年齡（18歲或以上）、教育背景、專業經驗、技能及服務年期。

提名委員會於二零一八年共舉行二次會議，全體成員均有出席。提名委員會於會上檢討及推薦重新委任退任董事，以供股東於股東週年大會（「股東週年大會」）上批准。

NOMINATION COMMITTEE

The Company established the Nomination Committee on 9 October 2005. For the year ended 31 December 2018, the Nomination Committee comprises Mr. Ma Jianrong, an executive director, Mr. Qiu Weiguo, Mr. Jiang Xianpin and Mr. Zhang Bingsheng, three of them are independent non-executive directors. On 1 September 2018, Mr. Zhang Bingsheng was appointed as a member of the Nomination Committee. Mr. Ma Jianrong is the chairman of the Nomination Committee.

The principal responsibilities of the Nomination Committee are to identify candidates with suitable qualifications as directors, select and nominate such candidates for directorship and provide recommendations to the Board accordingly; regularly review the structure, size and diversity composition (including skills, knowledge and experience) of the Board and make recommendations to the Board for any proposed changes.

The Company has adopted a nomination policy (the “Nomination Policy”). Pursuant to the Nomination Policy, in assessing the suitability of a proposed candidate for directorship, the Nomination Committee will take into account the following factors of the candidate, including but not limited to:

- reputation for integrity;
- accomplishment and experience in the manufacturing industry, in particular, in the garment sector;
- commitment in respect of available time and relevant interest; and
- diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service.

The Nomination Committee held 2 meetings with full attendance in 2018. At the meetings, it reviewed and recommended the reappointment of retiring Directors for shareholders’ approval at the forthcoming Annual General Meeting (“AGM”).



企業管治報告

Corporate Governance Report

委任及重選董事

經提名委員會推薦後，任何人士均可隨時由股東於股東大會上或由董事會委任為董事會成員。

根據本公司的組織章程，任何獲董事會委任為新增董事或委任以填補臨時空缺的董事的任期僅直至下屆股東週年大會（若為新增董事）或下屆股東大會（若為填補臨時空缺）為止，惟彼符合資格由股東重選。此外，所有董事均須最少每隔三年於股東週年大會上輪席告退，並由股東重選。所有獨立非執行董事的特定任期均不超過三年。

審核委員會

於二零零五年十月九日，本公司遵照上市規則第3.21至3.23條成立審核委員會。截至本報告刊發時，審核委員會共有四名獨立非執行董事，分別為蔣賢品先生、陳旭先生、裘煒國先生及張炳生先生。於二零一八年九月一日，張炳生先生獲委任為審核委員會會員。蔣賢品先生為審核委員會的主席。其在會計、審計及財務方面的專業知識有助其領導審核委員會的運作。

審核委員會的主要責任是就本集團的財務與會計慣例、風險管理及內部監控作出關鍵而客觀的檢討，包括考慮法定審核的性質及範圍、審閱本集團的中期及全年賬目以及檢討本集團會計及財務監控是否完整有效。

審核委員會的職權範圍與香港會計師公會頒佈的《審核委員會有效運作指引》所載的推薦建議及企業管治守則條文一致，並不時因應法規之需要作出修改（包括上市規則）。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

A person may be appointed as a member of the Board at any time either by the shareholders in general meeting or by the Board upon recommendation by the Nomination Committee.

In accordance with the Company's Articles of Association, any Directors appointed by the Board as additional Directors or to fill casual vacancies shall hold office until the next AGM (in the case of an addition to the Board) or until the next general meeting (in the case of filling a casual vacancy), and are eligible for re-election by the shareholders. In addition, all Directors are required to retire by rotation at least once every three years at the AGM, subject to re-election by the shareholders. All Independent Non-executive Directors are appointed for specific terms of not more than three years.

AUDIT COMMITTEE

The Company established the Audit Committee in compliance with Rules 3.21 to 3.23 of the Listing Rules on 9 October 2005. As of the issuance of this report, the Audit Committee comprises four independent non-executive directors, namely Mr. Jiang Xianpin, Mr. Chen Xu, Mr. Qiu Weiguo and Mr. Zhang Bingsheng. On 1 September 2018, Mr. Zhang Bingsheng was appointed as a member of the Audit Committee. Mr. Jiang Xianpin is the chairman of the Audit Committee. His expertise in accounting, auditing and finance enables him to lead the Audit Committee.

The principal responsibilities of the Audit Committee are to conduct critical and objective reviews of the Group's financial and accounting practices, risk management and internal controls. These include determining the nature and scope of statutory audit, reviewing the Group's interim and annual financials and assessing the completeness and effectiveness of the Group's accounting and financial controls.

The terms of reference of the Audit Committee are consistent with the recommendations as set out in "A Guide for Effective Audit Committee" published by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the provisions of the CG Code and are subject to amendments in response to the regulatory requirements from time to time (including the Listing Rules).

企業管治報告

Corporate Governance Report

審核委員會已聯同本公司管理層及外聘核數師審閱本年度業績及本集團所採納之會計原則及慣例，並討論核數、風險管理、內部監控及財務報表等事宜（包括審閱截至二零一八年十二月三十一日止年度之財務報表）。年內，審核委員會亦與外聘核數師舉行兩次並無本公司管理層列席的會議，以討論審計程序及會計事宜。

The Audit Committee has reviewed with the management and the external auditors of the Company the annual results and the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial statements matters including the review of the financial statements for the year ended 31 December 2018. During the year, the Audit Committee also met the external auditors twice without the presence of the management of the Company to discuss the audit procedures and accounting issues.

下表顯示各董事於二零一八年內出席股東週年大會、董事會會議及董事委員會會議的詳情。董事會會議的整體出席率為100.00%。

Details of Director's attendance at the AGM, Board and Board Committee Meetings held in 2018 are set out in the following table. The overall attendance rate of Directors at Board meetings was 100.00%.

	出席／舉行會議次數				
	董事會會議	審核委員會	薪酬委員會	提名委員會	股東週年大會
	Board Meeting	Audit Committee	Remuneration Committee	Nomination Committee	AGM
執行董事					
Executive Directors					
馬建榮先生	4/4	-	-	2/2	1/1
Mr. Ma Jianrong					
黃關林先生	4/4	-	-	-	1/1
Mr. Huang Guanlin					
馬仁和先生	4/4	-	2/2	-	1/1
Mr. Ma Renhe					
王存波先生	4/4	-	-	-	1/1
Mr. Wang Cunbo					
陳芝芬女士	4/4	-	-	-	1/1
Ms. Chen Zhifen					
獨立非執行董事					
Independent Non-executive Directors					
陳旭先生	4/4	2/2	2/2	-	1/1
Mr. Chen Xu					
蔣賢品先生	4/4	2/2	2/2	2/2	1/1
Mr. Jiang Xianpin					
裘煒國先生	4/4	2/2	-	2/2	1/1
Mr. Qiu Weiguo					
張炳生先生	1/1	-	-	1/1	-
Mr. Zhang Bingsheng					
(於二零一八年九月一日獲委任)					
(appointed on 1 September 2018)					

附註：(1) 張先生擔任本公司董事期間共舉行一次董事會會議。

Note: (1) One board meeting was held during the period where Mr. Zhang was a director to the Company.



企業管治報告

Corporate Governance Report

財務報告

董事會明白本身有責任編製真實公允的本公司賬目，並根據香港會計師公會公佈而普遍被採用的香港會計準則編製賬目。本公司選擇合適的會計政策並貫徹採用，所作判斷及估計均屬審慎及合理。董事致力在財務報告上對本集團的現有狀況及前景作出中肯及易於理解的評估。

風險管理及內部監控

董事會確認其對風險管理及內部監控制度及檢討其成效之責任。董事會明白本身有責任評估及釐定本公司為達成戰略目標所願承擔的風險性質及程度，並維持一個適當及有效的風險管理及內部監控系統，以及確保能盡早向股東及公眾人士如實報告本公司的業務狀況。

本集團的風險管理及內部監控系統旨在管理及提高營運效益與效率、確保資產不會被不當挪用及未經授權處理、維持恰當的會計記錄及真實公允的財務報告，並同時確保遵守相關的法律及規例。該系統會就是否存在重大錯誤陳述或損失，作出合理但不絕對的確定，並會管理而非消除與其業務活動有關的風險。

本公司的整體風險管理過程融於本集團的日常運營中，管理層獲委派分析、識別、監控、評估及應對與本集團業務活動及運營有關的風險。管理層評估本公司可接受的風險水平，設立並制定應急計劃，降低不可預測事件的影響，將其發現向審核委員會及董事會報告。審核委員會及董事會最終釐定本公司達成業務目標時所願意接納的重大風險性質及程度，並指引本集團的風險管理策略。

FINANCIAL REPORTING

The Board acknowledges its responsibility to prepare the Company's accounts which give a true and fair view in accordance with the accounting standards generally accepted in Hong Kong as published by the HKICPA. The Company has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgments and estimates. The Directors endeavoured to make a fair and comprehensible assessment of the Group's current conditions and prospects in the financial report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board recognises its responsibility of risk management and internal control system and reviewing its effectiveness. The Board acknowledges its responsibility to assess and determine the nature and degree of risks that it is willing to take in achieving strategic goals as well as to maintain an appropriate and effective risk management and internal control system and to ensure accurate reporting of the Company's state of affairs to shareholders and the public in a timely manner.

The Group's risk management and internal control system is designed to manage and enhance operating effectiveness and efficiency, to safeguard assets against misappropriation and unauthorized disposition, to maintain appropriate accounting records and financial reports that are true and fair, and to ensure compliance with relevant laws and regulations. The system aims at providing a reasonable, but not absolute, assurance against material misstatement or loss and managing rather than eliminating operational risks.

The overall risk management process of the Company is integrated in the day-to-day operations of the Group and the management is entrusted with duties to analyze, identify, monitor, evaluate and respond to risks associated with the business activities and operations of the Group. The management will evaluate risk levels acceptable for the Company, set up contingency plans and formulate contingency plans to minimize impact of unpredictable events and report its findings to the Audit Committee and the Board, who ultimately determine the nature and extent of significant risk that the Company is willing to take in achieving its business objectives and direct the Group's risk management strategies.

企業管治報告

Corporate Governance Report

內部審核部門負責履行本公司內部管治職能，並在監察本公司的內部管治方面擔當重要角色。內部審計師直接向主席匯報，並可直接接觸審核委員會。該內部審核部門可不受限制地查閱所有資料，以供其審閱有關本公司在風險管理、控制及管治過程方面的事宜。該部門會定期審核本集團業務及支援部門的主要活動及過程，亦會特別檢討或調查管理層或審核委員會察悉並引起關注的事宜。該部門會與審核委員會、董事及主要高級管理層討論所有審核報告，並會追查及跟進審核事宜，確保實施得宜，而實施進度會直接向審核委員會、董事及高級管理層定期匯報。

董事會負責管理並透過審核委員會檢討本集團截至二零一八年十二月三十一日止年度之風險管理及內部監控系統的有效性，該內部監控系統對財務呈報、營運及合規方面以及風險管理方面進行監管，董事會認為本集團已設立內部監控系統，並妥善運作。

董事會由審核委員會協助，透過審閱管理報告及內部審計調查結果，評估風險管理及內部監控制度的有效性，並認為本公司截至二零一八年十二月三十一日止年度之風險管理及內部監控制度為有效及充足。

本集團已就處理及披露內幕消息制定程序，為本公司的董事、高級職員、高級管理層及相關僱員就處理機密信息、監察信息披露及應對查詢提供總體指引。該程序有助於確保本公司任何職員了解的任何重大消息獲及時識別、評估並向董事會報告（如有必要），並確保根據相關法律及法規及時披露本公司的內幕消息（如有需要）。為進一步加強本公司的內部管治，本公司已於二零一七年三月二十七日採取書面內幕消息披露政策，以規範信息披露的責任及程序。

The Internal Audit Department is tasked with performing internal control functions of the Company and plays an important role in monitoring the internal governance of the Company. The Internal Auditor reports directly to the Chairman and has direct access to the Audit Committee. The Internal Audit Department has unrestricted access to information that allows it to review all aspects of the Company's risk management, control and governance processes. On a regular basis, it conducts audits on major activities and process of the Group's business and support units. It also conducts special reviews or investigations of areas of concern identified by the management or the Audit Committee. All audit reports are communicated to the Audit Committee, Directors and key senior management. Audit issues are tracked and followed up for proper implementation, with progress reported to the Audit Committee, Directors and senior management directly and periodically.

The Board, through the Audit Committee, reviewed the effectiveness of the risk management and internal control system of the Group for the year ended 31 December 2018, which covered controls over financial reporting, operations and compliance, as well as risk management functions, and considered that the system of internal controls in operation in the Group have been in place and functioning effectively.

Assisted by the Audit Committee, the Board assessed the effectiveness of the risk management and internal control system of the Group by reviewing the investigation results of management report and internal audits, and considered that the risk management and internal control system of the Group for the year ended 31 December 2018 was effective and adequate.

The Group has formulated procedures on the handling and disclosure of inside information which provides a general guide to the Company's Directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. The procedures help ensure that any material information which comes to the knowledge of any officer of the Company should be promptly identified, assessed and reported to the Board if required, and that inside information of the Company is disclosed promptly in accordance with the relevant laws and regulations when necessary. To further enhance the internal control of the Company, the Company has adopted a written inside information disclosure policy on 27 March 2017 to standardize the responsibility and procedure of information disclosure.



企業管治報告

Corporate Governance Report

外聘審計師

本集團的獨立外聘審計師為安永會計師事務所。審核委員會負責考慮委聘外聘審計師，並檢討任何由外聘審計師為本集團提供的非審計職能，尤其是審核委員會於與外聘審計師訂約及彼等履行工作前，考慮該等非審計職能會否引致任何潛在重大利益衝突。

截至二零一八年十二月三十一日止年度內，由安永會計師事務所向本集團提供的審計服務和非審計服務的相關酬金分別為人民幣3,119,900元和人民幣861,600元。

董事會滿意安永會計師事務所的審計費用、過程及效率，並建議於應屆股東週年大會上委任安永會計師事務所為本公司的外聘審計師。

董事的證券交易

本公司已採納上市規則所載的《上市發行人董事進行證券交易的標準守則》作為本公司有關董事證券交易行為守則（「證券交易守則」）。各董事於獲委任時均獲發一份證券交易守則，其後每年發出兩次提示，分別在通過本公司中期業績的董事會會議前三十天及本公司全年業績的董事會會議前六十天，提醒董事不得在公佈業績前（董事禁止買賣股份期間）買賣本公司證券以及所有交易必須按證券交易守則進行。經就此事作特別徵詢，所有董事均已確認彼等於截至二零一八年十二月三十一日止年度內一直嚴格遵守證券交易守則有關的規定。

高級管理層因其在本公司所擔任的職位可能擁有未公佈股價敏感資料及內部資料，已被要求遵守證券交易守則有關交易限制的規定。

公司秘書

公司秘書陳德興先生負責促成董事會的有效運作，以及董事會成員、股東及管理層之間的溝通。陳先生的履歷載於此年報第124頁至132頁的「董事及高級管理層成員履歷」一節內。年內，陳先生已接受不少於十五個小時的相關專業訓練，以提升其技能及知識。

EXTERNAL AUDITORS

The Group's independent external auditor is Ernst & Young. The Audit Committee is responsible for the appointment of the external auditors and reviewing the non-audit functions performed by the external auditors for the Group. In particular, the Audit Committee will, prior to the execution of contract with the external auditors and the commencement of their duties, consider whether the non-audit functions will result in any potential material conflict of interest.

The related remuneration for the audit services and non-audit services provided by Ernst & Young to the Group for the year ended 31 December 2018 amounted to RMB3,119,900 and RMB861,600 respectively.

The Board is satisfied with the audit fees, process and effectiveness of Ernst & Young and has recommended their appointment as the Company's external auditors at the forthcoming AGM.

SECURITIES TRANSACTIONS OF DIRECTORS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules as the Company's code of conduct regarding Directors' securities transactions ("Securities Trading Code"). A copy of the Securities Trading Code is provided to all Directors upon their appointment. Reminder will be issued twice a year, being 30 days prior to the Board meeting approving the Company's interim results and 60 days prior to the Board meeting approving the Company's annual results, reminding the Directors that they are not allowed to deal in the Company's securities prior to the announcement of its results (the period during which the directors are prohibited from dealing in shares) and that all transactions must comply with the Securities Trading Code. Upon specific enquiries, all Directors confirmed their strict compliance with the relevant provisions of the Securities Trading Code throughout the year ended 31 December 2018.

Senior management may be in possession of unpublished price sensitive information or inside information due to their positions in the Company, and hence, are required to comply with dealing restrictions under the Securities Trading Code.

COMPANY SECRETARY

The Company Secretary, Mr. Chan Tak Hing Kenji, is responsible for facilitating the Board process, as well as communications among Board members, with shareholders and management. Mr. Chan's biography is set out in the "Biographical Details of Directors and Members of Senior Management" section on pages 124 to 132 of this annual report. During the year, Mr. Chan undertook not less than 15 hours of professional training to update his skills and knowledge.

企業管治報告 Corporate Governance Report

投資者關係及溝通

INVESTORS RELATIONS AND COMMUNICATION



董事會深明與股東溝通極為重要。年報及中期報告為股東提供全面的營運及財務表現資料，而股東週年大會則讓股東可直接向董事會表達彼等的意見。

The Board recognises the importance of communication with its shareholders. Annual and interim reports offer comprehensive operational and financial performance information to shareholders and the AGM provides a forum for shareholders to express their concerns directly to the Board.



本集團的投資者關係部持續與研究分析員及機構投資者溝通，並向彼等提供有關本集團策略及發展的更新最完善資料。

Our Investor Relations Department communicates with research analysts and institutional investors in an on-going manner and provides them with up-to-date and comprehensive information about the Group's strategies and development.



企業管治報告 Corporate Governance Report

本公司亦於年內不時發出新聞公佈，並積極回應查詢資料的要求及投資者的查詢。投資者可於本公司網站www.shenzhouintl.com查閱有關本公司的最新資料，包括中期報告及年報、公佈、通函、新聞公佈及簡介資料。本公司會及時更新網站上的資料，確保迅速及公平披露資料，提高透明度。本公司明白並非所有股東及權益持有人均能隨時瀏覽互聯網上的資料。如有需要，股東及權益持有人可向本公司的公司秘書要求免費索取本公司網站載列上述資料的印副本。

The Company also issues press releases from time to time throughout the year and responds to requests for information and queries from the investors. Current information on the Company including interim and annual reports, announcements, circulars, press releases and presentations material can be retrieved through our Company's website www.shenzhouintl.com. Information on the website is updated in a timely manner to ensure the speed, fairness and transparency of our disclosure. We recognize that not all shareholders and stakeholders have ready access to the internet. If necessary, hard copies of those website information listed above are available free of charge upon request to the Company Secretary.



股東

本公司奉行坦誠溝通及公平披露資料的政策。披露資料為提升企業管治水平的主要方法，因為股東及其他權益持有人可憑有關資料自行評估本公司的表現，並向本公司提出意見。本公司明白，披露更多資料並不一定可以提高運作透明度，但披露完整的資料對建立市場信心非常重要。

SHAREHOLDERS

The Company has a policy of open communication and fair disclosure. Disclosure is a key means to enhance our corporate governance standards, in that it provides our shareholders and other stakeholders with the information necessary for them to form their own judgment and to provide feedback to us. We understand that more disclosure does not necessarily result in increased transparency. The integrity of the information provided is essential for building market confidence.

企業管治報告

Corporate Governance Report

董事會及高級管理人員深明彼等有責任代表全體股東的利益及竭盡所能提升股東價值。因此，本公司非常鼓勵股東於股東週年大會或股東特別大會（「股東特別大會」）提呈動議。如股東有意提出動議，必須將列明有關動議的通知書送交本公司的註冊辦事處，指定由公司秘書接收。如欲向董事會作出任何查詢，可致電本公司熱線852-2310-4919或發送電郵至2313ir@shenzhougroup.com聯絡公司秘書，或於股東週年大會或股東特別大會直接提問。關於股東召開股東週年大會或股東特別大會或於會上提呈決議案的程序，亦可透過上述途徑向公司秘書查詢。

根據本公司之組織章程細則，倘任何一名或多名股東於提出要求日期持有本公司不少於十分之一繳足股本（附有權利可於本公司股東大會上投票），則有權向董事會或本公司秘書提交要求書，要求董事會召開股東特別大會，處理要求書上列明之任何事宜，而該大會應於提出該要求後兩(2)個月內舉行。倘於提出要求後二十一(21)日內，董事會未有召開大會，提出要求之股東（多名股東）可自行召開會議，而就董事會未能召開大會令提出要求之股東產生之所有合理開支，將由本公司彌償予提出要求之股東。

本公司將繼續按所汲取經驗、監管要求及國際發展趨勢，檢討及於適當時改進本公司的企業管治慣例。提升企業管治水平必須持之以恆。要維持良好企業管治，本公司不能自滿，必須時刻進步。

組織章程大綱及細則

自二零一八年一月一日起直至本年報日期期間內，本公司之組織章程大綱及細則並無任何重大變化。

The Board and Senior Management recognize their responsibility to represent the interests of all shareholders and to maximize shareholder value. Therefore, we strongly encourage shareholders to put forward proposals at an AGM or extraordinary general meeting (“EGM”) including a written notice of those proposals that could be addressed to the Company Secretary at the registered office. Enquires may be put to the Board by contacting either the Company Secretary through our hotline 852-2310-4919, email at 2313ir@shenzhougroup.com or raising questions at an AGM or EGM. Questions on the procedures for convening or putting forward proposals at an AGM or EGM may also be put to the Company Secretary by the same means.

Pursuant to the Articles of Association of the Company, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requesting member(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requesting member(s) as a result of the failure of the Board to convene such meeting shall be reimbursed to the requesting member(s) by the Company.

We will continue to review and, where appropriate, improve on our corporate governance practices in light of evolving experience, regulatory requirements and international developments. Corporate governance is an evolving process. Good corporate governance is a journey, rather than a final destination.

Memorandum and Articles of Association

During the period from 1 January 2018 to the date of this annual report, there was no material change in the Memorandum and Articles of Association of the Company.



環境、社會及管治報告 Environmental, Social and Governance Report

關於本報告

此可持續發展報告概述本集團的主要附屬公司在工作環境質量、環境保護、營運常規及社區參與等四個方面之工作方法、承諾及策略。本報告之報告期間自二零一八年一月一日起至二零一八年十二月三十一日止，本報告所披露之數據分別由人力資源部、行政事業部、財務部、能源部及其他相關部門提供，並由可持續發展部門編制整理。

本報告根據上市規則附錄27所載的「環境、社會及管治報告指引」編製。於報告期間，本公司已遵守「環境、社會及管治報告指引」所載列的「不遵守就解釋」條文。

願景

「致力於成為全球最佳服飾運營商」一是申洲對企業未來發展之定位。申洲是亞洲最大的垂直一體化成衣企業，擁有研發、設計、生產、物流等完整的運營體系。申洲對於未來之發展策略，不僅是追求企業規模之持續增長，更注重新於企業競爭力之全面提升，尤其追求於創新、自動化、信息化、環境保護等方面之持續進步。

ABOUT THIS REPORT

This sustainability report outlines the approaches, commitment and strategies of the Group's major subsidiaries in four aspects – workplace quality, environmental protection, operating practices and community involvement. The reporting period of this report is from 1 January 2018 to 31 December 2018. The data disclosed in this report is provided by the respective human resources, administration, finance, energy and other relevant departments, and has been prepared and collected by sustainable development department.

This report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 27 of the Listing Rules. During the reporting period, the Company has complied with the “comply or explain” provisions set out in the “Environmental, Social and Governance Reporting Guide”.

VISION

Shenzhou's position for its future corporate development is to be committed to becoming the best garment operator in the worldwide. Shenzhou is Asia's biggest vertically integrated garment enterprise, with a complete operation system including research and development, design, production and logistics. The future development strategy of Shenzhou is not only to pursue the continuous growth of the scale of the enterprise, but also to focus on the comprehensive uplift in the corporate competitiveness, especially the improvement in innovation, automation, informatisation and environmental protection.



環境、社會及管治報告

Environmental, Social and Governance Report



使命

「創建綠色企業，成就舒適生活」—綠色環保是申洲應承擔的基本社會責任，也是一個企業能夠長遠發展的基礎，集團將持之以恆的投入環保工作，實現企業之可持續發展；舒適不只是針織服飾帶給人們的觸感，更是我們努力追求的生活狀態，通過營造舒適的生活，成就企業與自然的和諧平衡。

環境保護

1. 申洲環境保護之簡介：

環境保護乃政府之核心政策之一，近年來，中國政府對於環境保護之政策力度明顯加強，通過推進供給側改革，限制或淘汰了對環境帶來破壞影響的落後產能。於二零一八年，中國政府繼續完善環保立法，出台、修正了多個環保法規，包括《中華人民共和國土壤污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國環境影響評價法》、《中華人民共和國水污染防治法》等，更加突出了環保的監管管理、污染防治、地方各級政府和污染排放主體的相關責任等方面的規定。

MISSION

“Building a green enterprise and offering people a comfortable life” – Environmental protection is Shenzhou’s primary social responsibility as well as the basis of long-term viability for any enterprises. The Group shall always remain devoted to environmental commitments, from which corporate sustainability can be realized. Comfort is not merely a tactile sensation from our knitwear, but also a state of living that we so fervently pursue. By creating a life of comfort, we seek to make the enterprise one with nature.

ENVIRONMENTAL PROTECTION

1. The Profile of Shenzhou’s Environmental Protection:

Environmental protection is one of the key policies of the government. In recent years, the Chinese government has strengthened its effort in environmental protection policy through reform of the supply side, which restricts and eliminates the outdated production facilities that have negative impact on the environment. In 2018, the Chinese government continued to improve environmental protection legislation, and many environmental protection regulations were introduced and amended, including “Soil Pollution Prevention and Control Law of the People’s Republic of China”, “Atmospheric Pollution Prevention and Control Law of the People’s Republic of China” and “Law of the People’s Republic of China on Environmental Impact Assessment”, “Water Pollution and Control Law of the People’s Republic of China” etc. Such laws highlighted the regulations in the supervision and management in environmental protection, prevention of pollution, the relevant responsibilities of local governments and pollutant discharging entity.



環境、社會及管治報告 Environmental, Social and Governance Report

受政府加強環保監管和執法力度的影響，一些紡織印染企業因排污不達標，被責令整改及至關閉，紡織行業對環保之重視程度和資金投入將日益提升，而一部分企業因成本壓力和環保能力限制，將陸續退出本行業。在污染物的全過程管控、能源結構的優化、環境影響的評估以及環境問題的對策等方面有了更明確、更全面的規定，也強化了相關主體的環境責任。

於報告期間，本公司就環境保護以及廢氣、廢水及固體廢物已遵守所有對本公司有重大影響的相關法律及法規。

本集團生產過程中耗用之主要資源及能源包括：水、電、天然氣、煤、生物質燃料及蒸氣，面料生產是能源消耗的主要環節。生產過程中所產生的主要廢棄物為廢水、廢氣等，廢水主要產生於印染工序，本集團分別在中國大陸和越南建有污水處理設施進行排放水處理，同時在中國大陸建有15,000噸／天的中水回用設施，對生產過程中排放的水進行清污分流，輕度污染的染色用水經處理後可循環使用，利用率達到40%以上，有效減少了水資源的消耗量和污水的直接排放量，而染色污水經嚴格處理後再進行排放。

生產過程產生之大氣污染物為煙塵、二氧化硫和氮氧化物。本集團於二零一八年在中國大陸地區已將生物質鍋爐改造為天然氣鍋爐，大幅降低了氮氧化物的排放。

As the government increased the effect of the environment protection supervision and enforcement, some enterprises in textile and dyeing did not meet the standard in discharging pollutants, and were ordered to rectify or shut down. The textile industry will focus more on environmental protection and increase the investment gradually. Constrained by the pressure in cost and environmental protection capability, it is expected that some enterprises will leave the industry accordingly. More clear and comprehensive requirements have been made in monitoring of pollutants in the whole process, optimization of energy structure, evaluation of the impact on environment and measures for environmental issues and the environmental responsibility of relevant entities are also emphasized.

During the reporting period, the Company has complied with all relevant laws and regulations that have a significant impact on the Company relating to environmental protection and emissions of gas, wastewater and solid waste.

The main resources and energy used in the process of the Group's production include water, electricity, coal, natural gas, biomass fuel and steam. Fabric production is the main process of energy consumption. The main wastes generated from production are wastewater and waste gas etc., the former of which is generated from dyeing process. The Group has wastewater treatment facility in China and Vietnam respectively to treat discharged water. Meanwhile, the Group has recycled facilities in Mainland China, with a capacity of 15,000 tons of reclaimed water per day. Through sewage spilt-flow in the production process, lightly polluted water for dyeing is recycled after treatment with a usage rate of over 40%. Thus, it effectively lower the consumption in water resources and the volume of direct wastewater discharge, and dyed polluted water is discharged after strict treatment.

The air pollutant generated from production process are mainly smoke and dust, sulphur dioxide and nitrogen oxide. In 2018, the Group has replaced the biomass boilers with natural gas boilers in Mainland China, and the emission of nitrogen oxide has lowered significantly.

環境、社會及管治報告

Environmental, Social and Governance Report

本集團重視污染物的全過程控制，在確定合作供應商時，重視其所提供原料之環保性；各生產部門持續改進生產工藝，力求提高工藝上的環保性；優化能源結構，逐步增加對清潔能源的使用；適時更新舊設備，通過引進更加環保、低耗的先進設備以減少資源的消耗量和污染物的排放量；在污染物的末端處理上，嚴格遵守政府之相關規定，確保合格排放。

二零一八年統計了整個集團危險廢物和非危險廢物的排放量，於二零一八年度，本集團的排放的危險廢物合共679噸，比上年同期上升了約5.90%，主要的排放物是廢燈管和廢油墨；同時，本集團也有排放非危險廢物的設施來處理非危險廢物，而排放的非危險廢物合共59,710噸，而越南地區和柬埔寨地區的化學品包裝物等危險廢物由工廠處理，而寧波地區的化學品包裝物由供應商回收處理。

本年度集團電力總消耗量586,290,671千瓦特小時，比去年同期上升15.20%。電力主要用於面料生產。於二零一八年度，本集團的面料產量是186,099噸，較上年增加了18.68%，面料工廠的電力消耗是431,143,576千瓦特小時，較上年增加了約14.37%。

二零一八年度蒸汽消耗量為1,646,921噸，比去年同期上升了10.58%。蒸氣耗用上升是由於集團產能上升。

The Group pays attention to the control of pollutants in the whole process and attaches importance to the environmental protection performance of raw materials provided by suppliers in determination of suppliers. Each production department continues to improve technique and tries to enhance the level of environmental protection in technique. It optimizes energy structure and gradually increases the use of clean energy. It upgrades old equipment promptly through introduction of advanced and greener equipment with low consumption to reduce the consumption of resources and emission of pollutants. In the final treatment of pollutants, it strictly complies with relevant requirements of government and ensures compliance with standards in emission.

The emission of hazardous wastes and non-hazardous wastes in 2018 was counted the statistic in whole Group. In 2018, the emission of hazardous wastes of the Group was 679 tons in aggregate, representing an increase of approximately 5.90% as compared to that of last year and the major emissions are wasted fluorescent light and wasted ink. In addition, the Group also has facilities for emission of non-hazardous wastes and the emission of non-hazardous wastes was 59,710 tons in aggregate and the hazard wastes in Vietnam and Cambodia district like the chemical packaging material was handled by the factories, but the chemical packaging material in Ningbo district was handled by the suppliers.

The total consumption of electricity of the Group for the year was 586,290,671 kwh, representing a year-on-year increase of 15.20%. The main use of electricity was production of fabrics. In 2018, the fabric output of the Group was 186,099 tons, representing an increase of 18.68% as compared to that of last year. The electric consumption of the fabric factory was 431,143,576 kwh, representing an increase of approximately 14.37% as compared to that of last year.

In 2018, the consumption of steam was 1,646,921 tons, representing a year-on-year increase of 10.58%. The increase in steam consumption was attributable to the increase in production capacity by the Group.



環境、社會及管治報告 Environmental, Social and Governance Report

於二零一八年度，環保的生物質及煤的消耗總量是208,423噸（二零一七年：251,352噸），較上年度下降了17.08%，而下降原因是天然氣鍋爐取代生物質鍋爐。

在本年度，本集團在環保和天然資源方面的活動沒有重大的影響。而相關的環保和天然資源的政策方面，分別有100%合規的工廠排放包括廢水、廢氣、噪聲。在廢水排放方面，本集團目前的廢水排放優於標準排放。另外，本集團在本年度的耗水量是27,482,504噸，比去年增加了10.40%，主要是越南面料產工廠產能提升。

同時，本集團將加大力度減少廢水和廢氣排放，預算在二零二零年的廢水排放量相比二零一五年的排放量將會減少大約35%；另外，本集團也會增加可再生能源的利用。

再者，每件單位產品可以減少10%製造原料的浪費，而且保證回收和再利用所浪費的製造原料的百分之二十，從而減少二氧化碳的排放量。

於二零一八年度，本集團的衣服包裝物料合共約28,338噸，較上年度上升了13.49%。主要是因為生產件數上升，從而令包裝物料的數目也同時上升。

In 2018, the total consumption of environment-friendly biomass and coal was 208,423 tons (2017: 251,352 tons), representing a decrease of 17.08% as compared to that of last year and the decreasing reason is the biomass gas boilers are replaced by the natural gas boilers.

In the current year, the Group's activities had no significant impact on environmental protection and natural resources. In terms of the relevant policy in environmental protection and natural resources, 100% of factories complied with emission standards on waste water, waste gas and noise, respectively. In terms of the emission of waste water, the current emission of waste water of the Group is better than standard. In addition, the water consumption the Group for the year is 27,482,504 tons, which increased by 10.40% when compared with last year, which was mainly due to the increase of production capacity of fabric factory in Vietnam.

Meanwhile, the Group will enhance the efforts to reduce the discharge of water and the emission of the waste gas. The discharge of wastewater for 2020 is expected to be approximately 35% less than that for 2015. In addition, the Group will increase the use of renewable energy.

Furthermore, raw materials used in the manufacture of each unit product will be 10% less and the recycling and reuse of 20% of wasted production raw materials are guaranteed, which reduces carbon dioxide's emission.

In 2018, packaging materials of the Group's garment totalled approximately 28,338 tons, representing an increase of 13.49% as compared to that of last year, which was attributable to the increase in packaging materials due to the growth in production volume.

環境、社會及管治報告 Environmental, Social and Governance Report

另外，本集團在本年度所種的樹木有65,350棵，較上年度增加了約74.87%，而覆蓋138,571平方米的草坪及5,070平方米的麥冬。再者，本集團透過發電廠在本年所用的電量是586,290,671千瓦特小時，較上年度上升了約15.20%，而所排放的二氧化碳是462,840噸。本集團在本年度所用的電用作處理污水大約是8,714,022千瓦特小時，較上年度下降了約1.35%，而所排放的二氧化碳是6,841噸。此外，本集團在本年度中水用電處理清潔的水大約是2,437,320千瓦特小時，較上年度減少約3.97%，而所排放的二氧化碳是1,913噸。

In addition, the Group planted 65,350 trees in the current year, representing an increase of approximately 74.87% as compared to that of last year and covering a lawn of 138,511 square meters and Radix Ophiopogonis of 5,070 square meters. Furthermore, the electricity consumption of the Group at the power plant was 586,290,671 kwh for the year, representing an increase of approximately 15.20% as compared to that of last year, which resulted in the emission of carbon dioxide of 462,840 tons. The electricity consumption of the Group for treatment of waste water in the current year was approximately 8,714,022 kwh, representing a decrease of approximately 1.35% as compared to that of last year, which resulted in the emission of carbon dioxide of 6,841 tons. Moreover, the electricity consumption of the Group for reclaimed water in the current year was approximately 2,437,320 kwh, representing a decrease of approximately 3.97% as compared to that of last year, which resulted in the emission of carbon dioxide of 1,913 tons.



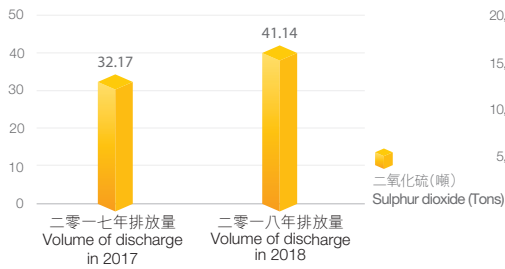


環境、社會及管治報告 Environmental, Social and Governance Report

1. 排放物

1.1 申洲二零一八年廢水排放及煙氣排放量

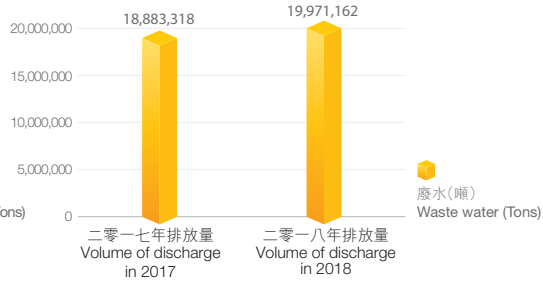
二氧化硫排放量
Volume of sulphur dioxide discharged



1. EMISSIONS

1.1 Shenzhou's wastewater discharge and smoke emission in 2018

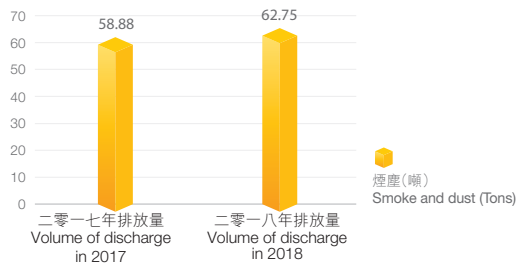
廢水排放量
Volume of waste water discharged



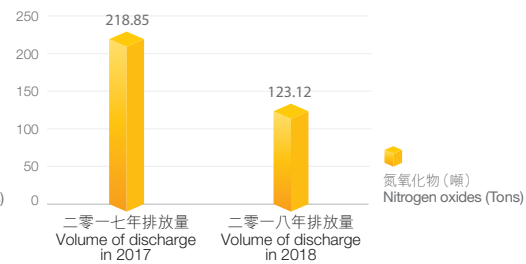
附註：二氧化硫和廢水增加是因為二零一八年的產能增加所導致。

Note: The increase in sulphur dioxide and waste water discharged were attributable to the increase of the production capacity in 2018.

煙塵排放量
Volume of smoke and dust discharged



氮氧化物排放量
Volume of nitrogen oxides discharged



附註：氮氧化物排放大幅降低是因為生物質鍋爐改為天然氣鍋爐。
Note: The decrease in nitrogen oxides discharged was attributable to the replacement of biomass boilers with natural gas boilers.

環境、社會及管治報告 Environmental, Social and Governance Report

二零一七年及二零一八年二氧化硫排放量、氮氧化物排放量、煙塵排放量、廢水排放量、危險廢物排放量和非危險廢物排放量的強度請參見下表：

Please refer to the following table for the intensity of discharged volume of sulphur dioxide, nitrogen oxides, smoke and dust, waste water, hazardous waste and non-hazardous waste in 2017 and 2018:

	二零一七年 2017	二零一八年 2018
二氧化硫排放量的強度 The intensity of discharged volume of sulphur dioxide	0.0001	0.0001
氮氧化物排放量的強度 The intensity of discharged volume of nitrogen oxides	0.0001	0.0001
煙塵排放量的強度 The intensity of discharged volume of smoke and dust	0.0001	0.0001
廢水排放量的強度 The intensity of discharged volume of waste water	0.0540	0.0501
危險廢物排放量的強度 The intensity of discharged volume of hazardous waste	0.0001	0.0001
非危險廢物排放量的強度 The intensity of discharged volume of non-hazardous waste	0.0001	0.0002

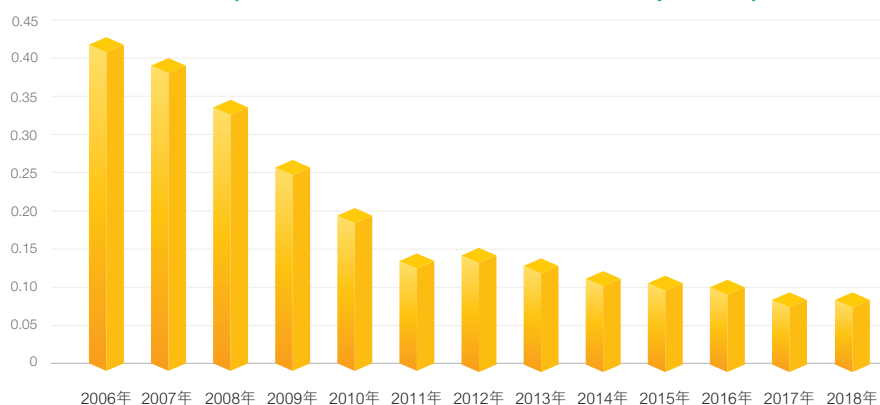
附註：強度之計算為總排放量與每年針織服裝的總生產量之比率。

Note: Intensity represents the ratio between total discharged volume and total production of knitwear each year.

節能減排措施：

Measures in energy conservation and emission reduction:

寧波地區萬元產值能耗(噸標煤 / 萬元產值)
Energy consumption per ten thousand output value in Ningbo district
(tons of standard coal / ten thousand output value)



由於寧波地區擁有規模化中水回用設施、節能環保型生產設備、全過程清潔生產工藝和高標準廢水末端處理，因此，可以達到節能降耗成效和大幅下降產值能耗。

Given that Ningbo district owns large-scale reclaimed water recycling facilities, energy-saving eco-friendly production equipment, clean production technique for the whole process and high-standard wastewater final treatment. Therefore, it is able to save energy effectively, lower consumption and significantly bring down the energy consumption output value.



環境、社會及管治報告

Environmental, Social and Governance Report

本年度，越南的製衣廠房已安裝了吹氣台板智能管理裝置，而每條改裝後的裁剪吹氣台板每日可節約用電3度以上。現在，越南的廠房有65條吹氣台板計，而每月節約用電達5,070度以上，因此，一年節約用電達60,000度以上。

另外，越南的面料廠房於本年度的節能措施主要集中在冷凝水和冷卻水回收管線改造項目，而中水項目也正在啟動建設中。同時，設備以及管路改造按1萬千瓦時1.229噸標煤計算，一噸水升高一度1,004大卡計算，因此，能夠節能1,394.5噸標煤。

再者，柬埔寨的廠房的部分生產部門使用低能耗、無污染的電鍋爐。

In the current year, the garment plant in Vietnam has installed intelligent management devices on the air-blowing platform board. Every modified air-blowing platform board for cropping can save more than 3 degrees of electricity daily. As there are 65 air-blowing platform boards in the plant in Vietnam now, more than 5,070 degrees of electricity are saved monthly, thus more than 60,000 degrees of electricity are saved in a year.

In addition, the main focus of the energy-saving equipment for the fabric plant in Vietnam in the current year is on the moderation project of condensing water and cooling water collection pipeline, with the reclaimed water project in construction. Meanwhile, the equipment and pipelines are moderated on the calculation of 1.229 tons of standard coal per 10,000 kwh and 1.004 Kcal per one ton of water to increase by one degree in temperature. Thus, 1,394.5 tons of standard coal can be saved.

Moreover, some production departments in the plant in Cambodia are using low energy consumption and non-polluting electric boilers.

申洲集團節能降耗成效

ENERGY SAVING AND CONSUMPTION REDUCTION EFFECTIVENESS OF SHENZHOU GROUP



吹氣台板智能管理裝置
Air-blowing platform board
intelligent management device

環境、社會及管治報告

Environmental, Social and Governance Report

1.2 固體廢物分類及處理

本集團對所有固體廢物進行分類及處理，而部分固體廢物則將被循環再利用，以盡量減少環境污染。根據廢物分類及管理相關規定，本集團在中國、越南和柬埔寨的廠房及相關的辦事處將所有固體廢物分為四類。固體廢物處理量有所增加；主要是年中集團產能所擴充。具體分類及重量請參見下表。

1.2 Solid waste separation and treatment

We conduct a classification and treatment process for all solid waste, part of which will be recycled and reused to minimize its pollution to the environment. Our Group classifies all solid waste into four categories according to the relevant Regulations for Waste Classification and Management in the factories and the relevant offices in China, Vietnam and Cambodia. The increase in solid waste handling volumes was mainly attributable to the expansion of the production capacity of the Group during the year. Please refer to the following table for the specific classification and weight.

類別	實例	廢物來源	二零一七年 重量(噸) Weight in 2017 (tons)	二零一八年 重量(噸) Weight in 2018 (tons)
Category	Examples	Source of waste		
可再利用或可循環之紙板或紙製品 Reusable or recyclable paperboards and papers	廢紙盒、廢紙筒、廢紙芯、廢紙 Waste paper boxes, waste paper cones, waste paper cores, waste papers	針織、染色及製衣過程 Knitting, dyeing and garment making process	11,935.60	14,919.50
可再利用或可循環之廢織物 Reusable or recyclable waste fabric	織物、雜毛料 Waste fabric, pied hair	針織、染色及製衣過程 Knitting, dyeing and garment making process	13,171.83	35,212.35
再利用或回收之非危險廢物 Reused or recycled non-hazardous waste	塑料線芯、塑料袋 Plastic wire cores, plastic bags	針織、染色及製衣過程 Knitting, dyeing and garment making process	1,191.38	1,477.88
並無再利用或回收之非危險廢物 Non-hazardous waste that cannot be reused or recycled	日常垃圾 Household garbage	餐廳及辦公室 Canteen and office	5,658.63	7,714.81

- 上述所有廢物均由當地不同服務供應商收集。

- All above mentioned wastes are collected by different local service providers.





環境、社會及管治報告 Environmental, Social and Governance Report

1.3 污水處理及煙氣排放測試



本集團採取以下的設施來處理污水和煙氣排放。同時，亦使用臭氧洗水和數碼印花來減少用水量。

本集團也在研究如何對排放廢水進行膜處理，已達到排放廢水進一步減量和回收再利用目的，向零排放目標靠近。詳情如下：

為使排污符合排放標準，本集團的寧波和越南生產基地在廠房竣工後即建成一體化污水處理設施。本集團根據環境保護局之要求進行定期檢查。各有關環保部門已在污水排放口安裝在線探測裝置。

在寧波生產地區，廢水排放檢查頻率：現場檢查為實時監測；取樣檢查為每三個月一次。

本集團亦對煙氣排放進行在線監測，以確保排污符合排放標準。各有關環保部門亦已在煙氣排放口安裝在線監測裝置。在寧波生產基地，煙氣排放檢查頻率：現場檢查為實時監測；取樣檢查為每三個月一次。

1.3 Sewage treatment and testing of smoke emissions



The Group adopted the following facilities in treating sewage and smoke emissions. Meanwhile, ozone wash and digital printing were also applied to reduce the usage of water.

The Group studied the layered treatment for waste water, and has reached the target of further lowering the waste water discharge and recycling for reuse. The Group is getting closer to zero discharge, details of which are as follows:

The Group has set up integrated sewage treatment facilities in its Ningbo and Vietnam factories since construction completed to comply with the emission standards before discharging. It carries out regular inspections according to the Environmental Protection Bureau's requirements. The respective environmental protection authorities have installed online detection devices at the sewage outfalls.

At production district in Ningbo, the frequency of inspection on wastewater discharge is: realtime monitoring for on-site inspection; once every three months for sample inspection.

The Group also conducts online monitoring on smoke emission to ensure compliance with the emission standards before discharging. The respective environmental protection authorities have also installed online monitoring devices at our smoke outfalls. At our Ningbo factory, the frequency of inspection on smoke and gas emission is: real-time monitoring for on-site inspection; once every three months for sample inspection.

環境、社會及管治報告 Environmental, Social and Governance Report

2. 資源使用

2.1 二零一八年之能源消耗

本集團過去兩年之主要能源消耗如下：

該數據包括集團於整個針織、染色及精加工以及製衣過程中以及其所有營運地區之能源消耗總量。

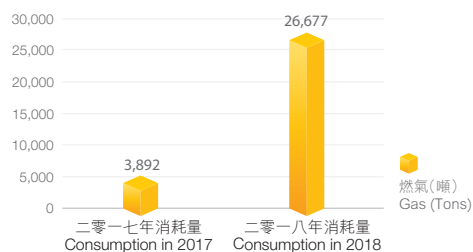
2. USE OF RESOURCES

2.1 Energy consumption in 2018

Our main energy consumption in the last two years is as follows:

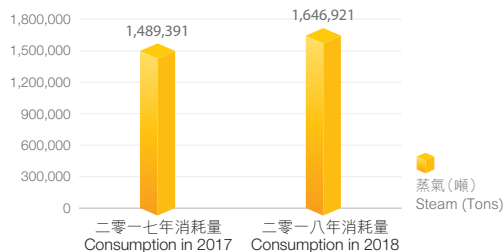
The data includes the Group's total energy consumption in the entire knitting, dyeing and finishing and garment manufacturing processes and all its operational regions.

間接能源消耗量－燃氣
Indirect energy consumption-Gas



- 附註：燃氣消耗量大幅度增加是因為寧波地區生物質鍋爐改為天然氣鍋爐和柬埔寨地區也使用天然氣鍋爐
- Note: The significant increase in gas consumption was attributable to the replacement of biomass boilers with natural gas boilers in Ningbo region and the Cambodia region is also using natural gas boilers.

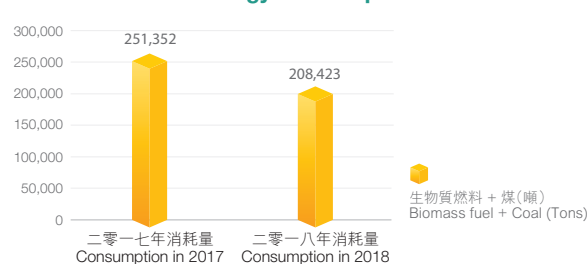
間接能源消耗量－蒸氣
Indirect energy consumption-Steam



間接能源消耗量－電力
Indirect energy consumption-Electricity

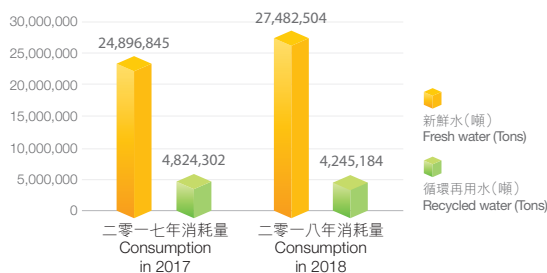


直接能源消耗量
Direct energy consumption



- 附註：煤及生物質燃料下降原因是天然氣鍋爐取代生物質鍋爐
- Note: The decrease in coal and biomass fuel was attributable to the replacement of biomass boilers with natural gas boilers.

按來源劃分的耗水量
Water consumption by source



附註：寧波地區循環再用水減少是由於2018年染整設備更新及管道改造後新鮮水取用量減少及污水排放減少。

Note: The decrease in recycled water in Ningbo region was attributable to the decrease in fresh water usage and waste water discharge after the upgrade of dyeing and finishing facility and moderation of pipelines in 2018.



環境、社會及管治報告 Environmental, Social and Governance Report

二零一七年和二零一八年直接能源消耗量、間接能源消耗量 and 水的消耗量的強度請參見下表：

Please refer to the following table for the intensity of direct energy consumption, indirect energy consumption and water consumption in 2017 and 2018:

	二零一七年 2017	二零一八年 2018
間接能源消耗量的強度－燃氣 The intensity of indirect energy consumption – Gas	0.0001	0.0001
間接能源消耗量的強度－蒸氣 The intensity of indirect energy consumption – Steam	0.0043	0.0041
間接能源消耗量的強度－電力 The intensity of indirect energy consumption – Electricity	1.4534	1.4729
直接能源消耗量的強度 The intensity of direct energy consumption	0.0007	0.0005
耗水量的強度 The intensity of water consumption	0.0849	0.0690

附註：強度之計算為總消耗量與每年針織服裝的總生產量之比率。

Note: Intensity represents the ratio between total consumption and total production of knitwear each year.

2.2 回收鍋爐熱能

本集團設立了鍋爐熱能回收系統，於二零一七年，鍋爐熱能回收系統共生產蒸氣33,250噸供生產使用，較上年度增加了8.60%，節省成本755,681美元。

2.2 Boiler Heat Recovery

The Group set up the boiler heat recovery system. In 2017, the boiler heat recovery system produced a total of 33,250 tons of steam for the use of production, representing an increase of 8.60% as compared to that of last year, which saved USD755,681.

以下是回收鍋爐熱能的圖片：

The following is the picture of the boiler heat recovery system:



環境、社會及管治報告

Environmental, Social and Governance Report

另外，本集團於二零一七年把生產設備改造和把生物質鍋爐改為天然氣鍋爐。由於改為天然氣鍋爐後可降低氮氧化物濃度，使其濃度可低於100mg/m³，從而提高鍋爐的效能。

以下是生物質鍋爐改天然氣鍋爐的圖片：



In addition, the Group carried out transformation of production facilities and replaced biomass boilers with natural gas boilers in 2017. Given that the adoption of natural gas boilers will reduce concentration of nitrogen oxides to below 100 mg/m³, it will enhance the efficiency of the boilers.

The following is the picture of the replacement of biomass boilers with natural gas boilers:

3. 精益與創新

為拓展本集團的全球化佈局，集團積極探索各類新技術，新材料及新工藝應用，進行新產品開發和精益生產。

3.1 成立申洲紡織研究院

本集團於二零一八年十二月成立申洲國際紡織研究院，並設有院士工作站，聘請了兩位院士為顧問，一位院士主要在新面料和新材料的開發和應用的方面，另一位院士主要以「減少」資源佔有為條件，研究環境治理和綠色環保印染技術，以達成「2025零排放」計劃。

3. LEAN PRODUCTION AND INNOVATION

In order to expand the globalization layout of the Group, the Group aggressively explore each category of new technology, new material and new application of manufacturing technique, and launch new products development and lean production.

3.1 Establishing Shenzhou International Textile Research Institute

The Group established Shenzhou International Textile Research Institute in December 2018, and have the workshop of academicians, which appointed two academicians as consultants. One is mainly responsible for the development and application of new fabrics and new materials. And the other one is mainly responsible for research on environment management as well as green and environment protecting dyeing technology under the condition of “reducing” resource occupation, so as to achieve the “2025 zero emission” plan.



環境、社會及管治報告

Environmental, Social and Governance Report

3.2 創新中心的優勢

本集團透過創新中心要達到的願景是：在提高產品附加值和盈利能力的同時，透過創新中心與客戶做設計時引入我們對環保設計的理解，減少面料使用，減低生產排放對環境的壓力，使我們公司成為可持續發展的經營者。

- 面向生產設計(DFMA)，設計出對生產更友好的產品，提升生產力
- 產品多樣化
- 縮短產品開發周期，節省申洲和客戶在開發上所花的人力和物力
- 在設計中融入綠色產品的元素，省料，減少化學品使用
- 提升產品品質
- 使員工生產環境更安全健康



3.3 智能吊掛系統

本集團一直推崇精益生產，「智能吊掛系統」由電腦控制，負責自動將生產任務分配給各個工作站作業員作業的傳遞物流工具，降低了作業員工勞動強度，減少各工序間傳遞時間，提高生產效率2-3%。

3.2 The strengths of the innovation center

The vision to be achieved by the Group through its innovation center is to increase the added-value and profitability of products, while developing the Company into a sustainable operator through introducing our ideology of environmental design in designing products with our customers in the innovation centres, reducing the use of fabrics and the pressure on the environment caused by production emission.

- Design for Manufacturing and Assembly (DFMA) and design production-friendly products as well as increasing productivity
- Product diversification
- Shortening the cycle of product development and saving the labor and cost deployed by Shenzhou and its customers in R&D
- Integrating green elements in the design, reducing the use of chemicals
- Increasing the product quality
- Ensuring a healthy and safe production environment for the staff



3.3 Intelligent hanging system

The Group has always upheld lean manufacture. The “intelligent hanging system” is controlled by computers and is a transmission and logistic tool for allocating production tasks to operators at each workstation. The system lowers the heavy workload of operating staff and reduces the transmission time of each working process, which increases the production efficiency by 2 to 3%.

環境、社會及管治報告

Environmental, Social and Governance Report

3.4 數碼印花

透過數碼印花實現更精準和豐富的顏色，也擺脫了傳統印花對網板菲林和水的消耗，更有效地減少了電能源和資源使用，一件設計印花精美的T恤衫亦可成環保產品。

3.5 臭氧洗水

G2 Ozone Wash，即臭氧洗水，臭氧是強氧化劑，通過G2合成的臭氧對服裝進行洗水，使衣物自然褪色而成懷舊風格，通常這一效果要通過化學助劑來完成，而G2生產消除了化學品並減少了用水，最小化了這類產品對環境的壓力。

本集團作為倡導可持續發展之企業，積極支持並維繫其作為環境保護者之角色，努力深化及內化環境意識，將低碳概念根植於整個集團。本集團堅信，其在環保方面之承諾將成為申洲之核心競爭力，引領本集團在日後取得更大成功。

越南製衣工廠從設計到建造，直至最後完成，整個流程全部符合LEED綠標規範。



3.4 Digital Print

Through digital print, more accurate and vivid colors can be achieved and consumption of film and water in traditional printing is eliminated. The consumption of power and resources can be effectively reduced. Therefore, a T-shirt with beautifully-designed printing can also be an environmental-friendly product.

3.5 Ozone Wash

G2 Ozone Wash means ozone washing. Ozone is a strong oxidant which discolour the clothes naturally and forms vintage style by washing the clothes with ozone composing of G2. Generally this effect needs to be completed by chemical agents, however, G2 production replaces the use of chemicals and reduces water consumption, which minimizes the pressure on environment caused by this type of products.

As an enterprise keen on sustainable development, the Group actively supports and maintains its role as a proper environmental protector, strives to enhance and raise environmental awareness, and deeply indoctrinated the low-carbon concept in the whole Group. We firmly believe that our commitment to environmental protection will become a part of Shenzhou's core competitiveness, leading the Group to greater success in the future.

The process of the garment factory in Vietnam, from design and construction to completion, fulfils the standard of LEED GREEN GOAL.



環境、社會及管治報告 Environmental, Social and Governance Report

4. 工作環境質量

4.1 僱員基本資料

截至二零一八年十二月三十一日，本集團僱員人數約為82,700人。所有僱員均為全職僱員，且大多數為中青年僱員。下表載列按年齡分佈、教育水平、工作地點及性別比例劃分之僱員詳情。

按年齡範圍劃分	By Age Band	人數 Numbers	佔僱員總數 百分比 Percentages of total employees
20歲及以下	20 or below 20	7,939	9.60%
21至40歲	21 to 40	60,818	73.54%
41至50歲	41 to 50	12,843	15.53%
51歲及以上	51 and above 51	1,100	1.33%
總計	Total	82,700	100.00%

僱員年齡分佈 Employees Age Distribution

性別	Gender	人數 Numbers	佔僱員總數 百分比 Percentages of total employees
男	Male	24,645	29.80%
女	Female	58,055	70.20%
總計	Total	82,700	100.00%

性別比率 Gender Ratio



環境、社會及管治報告 Environmental, Social and Governance Report

按國家劃分	By Country	Numbers	佔僱員總數 百分比 Percentages of total employees
中國大陸	Mainland China	51,977	62.85%
越南	Vietnam	18,483	22.35%
柬埔寨	Cambodia	12,240	14.80%
總計	Total	82,700	100.00%

僱員按地區分佈 Employees by Job Locations

按教育劃分	By Education	Numbers	佔僱員總數 百分比 Percentages of total employees
研究生	Postgraduate	49	0.06%
本科及大專	Undergraduate and college	4,218	5.10%
中專高中	Technical secondary school and high school	17,268	20.88%
初中及以下	Middle school and below	61,165	73.96%
總計	Total	82,700	100.00%

僱員教育水平 Employees Education Level

按僱員種類劃分	By Type of Position	Numbers	佔僱員總數 百分比 Percentages of total employees
長期工	Permanent position	8,564	10.36%
合約工	Contract position	74,136	89.64%
短期工	Short term position	0	0.00%
臨時工	Temporary position	0	0.00%
總計	Total	82,700	100.00%

僱員工作種類 Types of Employees' Position



環境、社會及管治報告

Environmental, Social and Governance Report

4.2 僱員流動率統計分析

截至二零一八年十二月底，共有82,700名僱員。統計顯示，本集團二零一八年每月平均僱員流動率為4.06%，較二零一七年下降0.21個百分點（二零一七年：4.27%）。二零一八年，受僱一年以上員工的保留率為67.06%。同時，在二零一八年，男性的流失率為1.20%，而女性的流失率為2.11%。

下表載列按年齡分布及工作地點比例劃分之僱員平均流失率。

4.2 Statistical analysis of employee turnover rate

By the end of December 2018, there were 82,700 employees in total. According to the statistics, the Group's monthly average employee turnover rate in 2018 was 4.06%, representing a decrease of 0.21 percentage point when compared with 2017 (2017: 4.27%). The retention rate of employees who have been employed for over one year was 67.06% in 2018. Meanwhile, the turnover rate of male employees was 1.20% while that of female employees was 2.11% in 2018.

The tables below show the average turnover rate of employees by age distribution and job locations.

按年齡範圍劃分	By Age Band	僱員平均 流失率 Average turnover rate of employees
20歲及以下	Below 20 and 20	0.82%
21歲至40歲	21-40	3.05%
41歲至50歲	41-50	0.27%
51歲及以上	51 and above 51	0.05%

僱員年齡分佈

Age Distribution of Employees

按國家劃分	By Country	僱員平均 流失率 Average turnover rate of employees
中國大陸	Mainland China	4.33%
越南	Vietnam	3.65%
柬埔寨	Cambodia	3.38%

僱員按地區分佈

Employees by Job Locations

環境、社會及管治報告

Environmental, Social and Governance Report

4.3 僱員的離職管理

本集團的員工如被開除，本集團會因應各地方適用勞動合同法及其他勞工法規，而作出相關的行動或補償。

如員工在試用期間被證明不符合錄用條件；或嚴重違反用人單位的規章制度；或嚴重失職，營私舞弊，給用人單位造成重大損害；或勞動者同時與其他用人單位建立勞動關係，對完成本單位的工作任務造成嚴重影響，或者經用人單位提出，拒不改正；或因本法第二十六條第一款第一項規定的情形致使勞動合同無效；或被依法追究刑事責任等；本集團根據勞動合同法第三十九條的相關情況，本集團依法與員工解除勞動關係。同時，在上述情況下，本集團不會支付相關補償給員工。

另外，如員工在工作期間發生以下的情況，本集團會作出相應的補償給員工。例如：勞動者患病或者非因工負傷，在規定的醫療期滿後不能從事原工作，也不能從事由用人單位另行安排的工作；或勞動者不能勝任工作，經過培訓或者調整工作崗位，仍不能勝任工作；或勞動合同訂立時所依據的客觀情況發生重大變化，致使勞動合同無法履行，經用人單位與勞動者協商，未能就變更勞動合同內容達成協議；或依照企業破產法規定進行重整；或生產經營發生嚴重困難；或企業轉產、重大技術革新或者經營方式調整，經變更勞動合同後，仍需裁減人員；或其他因勞動合同訂立時所依據的客觀經濟情況發生重大變化，致使勞動合同無法履行等。本集團會根據勞動合同法第四十

4.3 The management of employee dismissal

If an employee of the Group is dismissed, the Group will take relevant action or make compensations based on the applicable local labor contract law and other labor regulations.

Where an employee is under any of the following circumstances, the Group may dissolve the labor contract according to Article 39 of the Labor Contract Law: It is proved that the employee does not meet the recruitment conditions during the probation period; The employee is in serious breach of the rules and procedures set up by the employer; The employee causes any severe damage to the employer due to gross negligence of duties or malpractices for selfish ends; The employee simultaneously enters an employment relationship with other employers and thus seriously affects his completion of the tasks of the employer, or the employee refuses to make the ratification after the employer points out the problem; The labor contract is invalidated due to the circumstance as mentioned in Item (1), paragraph 1, Article 26 of this Law; or the employee is under investigation for criminal liabilities according to law. In addition, the Group will not pay relevant compensation to the employee under such cases.

Furthermore, if the followings have occurred during the working period of an employee, the Group will make relevant compensation to the employee. For example: the employee is sick or is injured for a non-work-related reason and cannot resume his original position after the expiration of the prescribed period for medical treatment, nor can he assume any other position arranged by the employer; the employee is incompetent to his position or is still so after training or changing his position; or the objective condition, on which the labor contract is based, has changed considerably, rendering the labor contract unenforceable and no agreement on changing the contents of the labor contract is reached after negotiations between the employer and the employee; or if the company is under restructuring according to the Enterprise Bankruptcy Law; or if the company encounters serious difficulties in production and business operation; or if the enterprise changes products, makes important technological renovation, or adjusts business model, and it is still necessary to lay off of employees after changing the labor contract; or the objective economic condition, on which the



環境、社會及管治報告 Environmental, Social and Governance Report

條、四十一條相關的情形，本集團與員工解除勞動關係後，依據勞動合同法第四十六條支付相關的經濟補償金。

本集團開除員工的程序是先由所在部門的班組長和人事科長將具體情況上報後，總部人事科根據具體事實依法判定該員工分屬以上的那一種情況，確定後，會作出相應的情況處理或補償。

4.4 僱員的福利

申洲集團能有效保持偏低的僱員流動率有賴以下有效措施：

1. 連續9年春運包車回家：二零一八年出資大約人民幣1,500萬元，面向安徽、四川、陝西、雲南等14個省，途徑222個返鄉點，240輛巴士，約11,054人，包車接送員工回家。春節過後，將返鄉員工安全接回。同時，還準備了隨車食物給員工。九年來，總花費超過人民幣1.2億元。

labor contract is based, has changed considerably, rendering the labor contract unenforceable. After the dismissal of employment relationship under the circumstances stipulated in Article 40 and Article 41 in the Labour Contract Law, the Group will pay relevant compensation in accordance with Article 46 of the Labour Contract Law.

The dismissal procedures of the Group are as follow: the group leaders and department head shall report specific circumstance and the human resources department in the headquarter shall determine its nature according to the above circumstances and take the relevant actions or make compensations.

4.4 The benefit of the employee

Shenzhou Group has successfully maintained a relatively low staff turnover rate, thanks to the following effective measures:

1. For nine years in a row, coaches were chartered during Chinese New Year holidays for staff to go home: approximately RMB15 million in 2018 were spent to arrange 240 round-trip chartered coaches covering 222 locations in 14 provinces such as Anhui, Sichuan, Shaanxi, Yunnan for approximately 11,054 staff to go home, and return to work after the Chinese New Year holidays safe and sound. Refreshment were provided on the coaches for our staff's enjoyment. Total expenses amounted to over RMB120 million in the past nine years.



環境、社會及管治報告 Environmental, Social and Governance Report

2. 公司關注教育慈善，重視職工隊伍建設和職工子女教育工作。二零一一年五月，在北侖區行政中心舉行寧波申洲針織有限公司教育發展基金成立儀式。在職工子女就學方面，公司每年聯繫工會盡可能予以解決管理層員工子女的實際就學困難。

助學活動：



2. The Company places great importance to educational causes and places great emphasises on team building of staff and education for their children. In May 2011, the inauguration ceremony of the Ningbo Shenzhou Knitting Co., Ltd. Education Development Fund was held at the administration centre in Beilun region. In the area of schooling for the children of its staff, the Company liaises with the staff union each year to resolve practical difficulties in schooling for children of management staff as far as possible.

Activities for education sponsorship:

3. 作為勞動密集型企業，申洲集團格外重視和關心員工身心健康。公司於2011年10月公司成立了心理資訊室－「心晴部落」。「心晴部落」由專人擔任心理輔導員，工作室內設了音樂放鬆儀和宣泄擊打儀，以接待個案來訪、舉辦團隊活動以及開設講座方式為員工化解心理困擾，緩解壓力，釋放心情。



3. As a labor intensive corporation, Shenzhou Group places exceptional emphasis on and pays special attention to the physical and mental wellbeing of its staff. The Company established a mental health information centre, "Joyful Community", in October 2011. With specialists serving as counsellors, "Joyful Community" is equipped with music facilities for relaxation and punching facilities for venting emotions. Through handling cases received, organising group activities and holding seminars, the centre resolves psychological distress and relieves emotional pressure of staff, giving them a peace of mind.



4. 近8年平均每年員工工資漲幅約10%至12%。

4. Employees received an average salary raise of approximately 10% to 12% each year for the past eight years.



環境、社會及管治報告 Environmental, Social and Governance Report

5. 本集團於二零一六年度在寧波地區投資約人民幣1億元建造新的中央廚房，目的是讓員工可以吃的更安全、衛生及美味，從而保障員工的健康，降低流動率。



5. In 2016, the Group invested approximately RMB0.1 billion in Ningbo to build a new central kitchen for the purpose of providing safer, cleaner and more delicious food to employees to ensure their health and reduce turnover rate.

6. 於本年度本集團舉辦了一些員工福利文化和體育的活動，以增加員工對公司的歸屬感。例如：最美員工評選活動、組織春晚活動、年終午餐活動、最美員工和優秀組長海外旅遊活動、球賽和運動會等等。同時，在越南廠房的宿舍運動室安裝了運動設備免費提供給員工使用，而且也提供了2次的免費體檢給越南廠房的員工。

6. The Group organized some staff benefit cultural and sports activities during the year to increase the sense of belonging among the staff towards the Company, such as the most beautiful staff election, organizing Spring night activity, Year-end luncheon activity, the most beautiful staff and excellent group leaders overseas tour, ball games and sports gala, etc. Meanwhile, the dormitory in the Vietnam plant has installed sports equipment for the staff to use for free, and two free body checks are provided to the staff in Vietnam plant.

環境、社會及管治報告 Environmental, Social and Governance Report

以下圖是員工福利文化和體育的活動的一些圖片：

The following pictures are some of the staff benefit cultural and sports activities.



最優秀組長評選活動
Excellent group leaders election



組織春晚活動
Organizing Spring night activity



優秀組長海外旅遊活動
Excellent group leaders overseas tour



環境、社會及管治報告 Environmental, Social and Governance Report

運動會
Sports gala



其他活動
Other activities



環境、社會及管治報告

Environmental, Social and Governance Report

4.5 工作條件

本集團因生產經營連續性需要，本集團經勞動部門批准，按員工工作崗位性質分別實行標準工時制度、綜合計時工作制和不定時工作制。

另外，本集團的員工上下班時間，由各部門按季節變化、生產經營需要和崗位特點另行規定。

同時，本集團的員工工作時間一般由早上8點開始工作，到下午5點下班，而正常工作時間一般不會超過8小時。如需要員工加班，員工每日加班不會超過3小時，而每月加班則不會超過36小時。

休息時間：

本集團的員工休息時間一般由中午11點半至下午12點半，分別有午飯及午休休息時間。而員工每週最少休息一天。

另外，本集團員工可享有國家法定假期、年休假、婚假、喪假、事假及病假等等。

請假的程序：

本集團的員工請假時必須辦理請假手續，由員工本人親自填寫請假單。同時，員工應註明請假的種類、假期、時間、事由、交接事項，並提供相應的有效證明，經領導審批，並報本部門辦公室人事部進行考勤登記及備案。

4.5 Working condition

Due to the needs of continual production and operation, approved by the labor department, the Group implements standard working hour system, comprehensive working hour system and flexible working hour system according to the job nature of employee.

In addition, the working hour is stipulated by respective department according to the season, requirement of production and operation and characteristic of the job.

The working hour of the employees of the Group generally starts at 8 a.m. and finishes at 5 p.m. and the normal working hour is less than 8 hours. If overtime work is needed, the daily overtime will be less than 3 hours and the monthly overtime will be less than 36 hours.

Time for rest:

Time for rest of the Group's employees is generally from 11:30 a.m. to 12:30 p.m. There is also time for lunch and midday rest for employees. The employees have at least one day off per week.

The employees of the Group are also entitled to the national statutory holiday, annual leave, marriage leave, funeral leave, casual leave and sick leave.

Procedures for application of leave:

The employees of the Group must go through the formalities when they apply for leave and sign the application form. In the meantime, employees should state the nature of leave, holiday, time, reason and handover matters and provide relevant valid certification. After the approval of leaders, it will be reported to the human resources office of the department for registration and filing.



環境、社會及管治報告 Environmental, Social and Governance Report

健康與安全

本集團每年向僱員發放勞保用品及工具，如面具、手套及制服。

本集團關心僱員之身體健康。其為每位僱員設立僱員健康檔案，還每年組織職業病之常規檢查。

二零一八年共記錄60名傷員，而所佔員工的總數的百分比是0.07%，同時，沒有重大傷害。因受傷而缺勤之日數平均為約15天。本集團將加強在職培訓，提高職業安全意識。



本集團向僱員免費供應急救箱及藥品，以在緊急情況時發揮重要作用。本集團遵守國家勞動法律及法規，並根據國家規定嚴格安排休假及工作時間表。僱員亦有權享有年假。

於報告期間，本公司已遵守所有對本公司有重大影響的相關健康與安全法律及法規。

Health and Safety

The Group distributes labor protection appliances and tools to employees every year, such as masks, gloves and uniforms.

The Group cares about the physical health of employees. It sets up employee health records for every employee and also organizes routine examination of occupational diseases.

A total of 60 injuries, which account for 0.07% of total number of employees. Meanwhile, no significant injuries were recorded in 2018. Lost work days due to injuries were approximately 15 days on average. The Group will strengthen on-the-job trainings to raise awareness of occupational safety.



The Group supplies free first-aid kits and medicines to employees, which plays an important role in emergencies. The Group complies with national labor laws and regulations and arranges the dayoff and working timetables stringently in accordance with national requirements. Employees are also entitled to annual leave.

During the reporting period, the Company has complied with all relevant health and safety laws and regulations that have a significant impact on the Company.

環境、社會及管治報告

Environmental, Social and Governance Report

勞工標準

於二零零三年，本集團制定若干規定，如「嚴格禁止聘用童工管理規定」、「未成年工人管理規定」及「嚴格禁止強迫勞工管理規定」，以徹底根除童工、未成年工人及強迫勞工。

禁止強迫勞動及童工

申洲在過去24年經營中從未發生過強迫勞動或童工的案例。申洲為遵守中國、越南、柬埔寨相關法律，在公司招聘、用工、離職等經營環節中作了詳細的規定和問責程序。

所有部門認真執行上述管理規定。以下措施表明本集團如何在招聘過程中有效杜絕童工：

新僱員須於僱傭開始時提供身份證明文件，以核實其實際年齡。

於招聘面試中，面試官將仔細觀察身份證明文件中照片與實際面孔之差別。倘差距太大或實際年齡看起來明顯更年輕，則其須由身份識別系統或其他方式核實。

無歧視

我們建立有反歧視政策，並遵守相關法律要求。申洲在職員招募、培訓、薪酬、晉升等方面不存在任何種族、地域、性別、國籍、年齡、懷孕或殘疾等方面的歧視。

於報告期間，本公司已遵守所有對本公司有重大影響的相關僱傭及勞動法律及法規。

Labor Standards

In 2003, the Group formulated some requirements like the “Strict Prohibition of Engaging Child Labour Administrative Provisions”, “Underage Worker Administrative Provisions” and “Strict Prohibition of Forced Labour Administrative Provisions” in order to completely eradicate child labor, underage workers and forced labor.

Strict forbiddance of forced labor and child labor

Over the past 24 years of Shenzhou’s operation, there has not been a single case of forced labor or child labor. For the purpose of compliance with the relevant laws of China, Vietnam and Cambodia, Shenzhou has laid out comprehensive provisions and accountability procedures in respect of the recruitment, labor use and dismissal.

The above administrative provisions are implemented strictly in all departments. The following measures reveal how the Group eradicates child labor effectively during the recruitment process:

New employee must provide his/her identity document when commencing employment, so as to verify his/her actual age.

In the recruitment interview, interviewers will compare very carefully the photograph in the identity document and the genuine face. If there is much difference, or the job applicant looks significantly younger, then the actual age shall be verified by identification system or otherwise.

Zero discrimination

We have established anti-discrimination policy and comply with relevant legal requirements. There has been no discrimination in Shenzhou against race, region, gender, nationality, age, pregnancy or disability in respect of employee recruitment, training, salary and promotion.

During the reporting period, the Company has complied with all relevant employment and labor laws and regulations that have a significant impact on the Company.



5. 發展及培訓

5.1 培訓

本集團高度重視內部及外部之學習及培訓，以提升僱員之教育水平及能力，並妥善培養本集團發展所需之人才。本集團成立申洲管理學院，其已成為發展本集團管理人才之搖籃，截至二零一八年底，本集團已錄得6,132人次參加培訓。

5. DEVELOPMENT AND TRAINING

5.1 Training

The Group attaches great importance to internal and external studies and trainings to improve employees' education level and capabilities, and properly nurtures talents required for the Group's development. The Group has established Shenzhou School of Management, which has become the cradle that nurtures the Group's management talents. As at the end of 2018, trainings were provided to 6,132 attendees.



同時，參加申洲管理學院的男性員工人數是2,417人次，佔39%，而女性員工參加人數是3,715人次，分別佔61%；在二零一八年，男性員工累計的培訓鐘數為15,416小時，而女性員工的培訓鐘數是24,112小時。

The number of male employees who attend Shenzhou School of Management is 2,417, representing 39% of the total male employees while that of female employees is 3,715, representing 61% of the total female employees. In 2018, the cumulative training time of male employees was 15,416 hours while that of female employees was 24,112 hours.

環境、社會及管治報告 Environmental, Social and Governance Report

於二零一八年，申洲管理學院和相關訓練課程全年開課共131節，其中，外訓61節課，開課時數為20,568小時；內訓有35節課，開課時數為3,176小時；和特色拓展包班課程有35節，開課時數為15,784小時。而總培訓費是人民幣344萬元，培訓次數超過10次比例為13.40%。



下表載列按員工職位的比例劃分之員工參加申洲管理學院和其他培訓課程的培訓的人數和時間：

按員工職位	By Job Position	培訓人次 Number of trainees	百分比 Percentage	培訓時間 Training time	百分比 Percentage
高級管理層	Senior Management	39	0.05%	898	0.26%
中級管理層	Middle Management	1,241	1.68%	17,635	5.05%
基層管理層	Junior Management	6,946	9.39%	96,194	27.54%
其他員工	Other Employees	65,776	88.88%	234,580	67.15%
總計	Total	74,002	100.00%	349,307	100.00%

申洲管理學院於二零一二年九月二十一日成立，培訓對象以公司骨幹、各層級儲備幹部、技術人才及基層管理人員為主。師資力量包括了外部合作培訓機構、內部講師和集團高管。學院按公司對培訓的需求制定課程，致力於建設一所根植於申洲精神的企業大學，承諾為申洲的每一位員工提供終身教育的學習機會，為申洲可持續發展提供文化動力與人才動力，助力申洲成為世界級針織領袖企業。

In 2018, Shenzhou School of Management and other relevant training courses held 131 training sessions, of which, 61 sessions were external and total hours of training sessions was 20,568 hours; 35 sessions were internal and total hours of training sessions was 3,176 hours; 35 sessions were specialized development customized courses and the total hours of training sessions was 15,784 hours. The total training fees were RMB3.44 million. The ratio of the training frequency over ten times was 13.40%.



The table below shows the number of trainees and training time of employees attending Shenzhou School of Management and other relevant training courses by job position:

Shenzhou School of Management was established on 21 September 2012. The training target included key staff of the Company, reserve cadres at all levels, technical talents and junior management officers. The teaching staff were from external cooperating training institutions, internal teachers and senior management of the Group. The school formulates the curriculum according to the training requirements of the Company and devotes to build an enterprise university rooted in the Shenzhou spirit. The school promises to provide an opportunity of lifelong education for every staff of Shenzhou, to provide cultural power and talent power for the sustainable development of Shenzhou and to assist Shenzhou to become a world class knitwear leading enterprise.

環境、社會及管治報告

Environmental, Social and Governance Report

本集團於二零一四年十二月起獲寧波市成功選為第三批企業工程師資格自主評價試點企業，企業工程師資格自主評價實現了企業人才評價和政府人才評價的有效結合，通過人員即獲得了企業認可也將獲得由人社部門頒發的專業技術資格證書。

The Group was successfully selected by Ningbo City as the third batch of pilot enterprises for self appraisal of enterprise engineer qualification since December 2014. Self appraisal of enterprise engineer qualification effectively combines corporate and government performance appraisal. Qualified persons are recognized by the enterprise and will be awarded professional technical qualification certificate by the Ministry of Human Resources and Social Security.



5.2 員工職場發展

我們為員工提供充裕、公平的學習、培訓和晉升的平台和機會。申洲績效委員會在公司每個部門下設分支，建立統一機制使員工自身發展和企業發展融合起來。我們鼓勵員工鑽研本職或行業內其他技術，同時為員工們提供這樣的學習機會和職位提升調整的通道。

5.2 Career prospects for employees

Our employees have fair and adequate access to learning and trainings as well as promotion opportunities. Shenzhou's Performance Committee has set up branches in every department of the Company, establishing a standardized system whereby the development of employees and the enterprise are integrated. We encourage our employees to engage in trainings with regard to their own specialized duties and other industrial technologies, and provide such learning opportunities as well as the possibilities of promotions and reassignment to our employees.

環境、社會及管治報告 Environmental, Social and Governance Report

6. 營運常規

6.1 供應鏈管理

6.1.1 主要營運地區

申洲集團目前營運地區如下圖所示：綠色為申洲位於寧波之生產基地；黃色為申洲銷售辦事處；橙色為寧波以外之生產基地。

6. OPERATING PRACTICES

6.1 Supply Chain Management

6.1.1 Major Operating Regions

Shenzhou Group currently has operations in the regions shown in the following picture: the green color represents the production bases of Shenzhou in Ningbo; the yellow color represents the sales offices of Shenzhou; the orange color represents the production bases located outside Ningbo.



環境、社會及管治報告 Environmental, Social and Governance Report

6.1.2 主要原材料供應商數目

二零一八年度集團公司紗線
供應商數量匯總表（按國家
劃分）

序號			供應商數量	百分比
Rank	國家（區域）名稱	Name of Country (District)	Number of Suppliers	Percentage
1	中國	China	96	70.07%
2	中國台灣	Taiwan, China	10	7.30%
3	韓國	Korea	5	3.65%
4	中國香港	Hong Kong, China	4	2.92%
5	美國	USA	4	2.92%
6	日本	Japan	4	2.92%
7	意大利	Italy	3	2.19%
8	越南	Vietnam	3	2.19%
9	中國澳門	Macau, China	3	2.19%
10	泰國	Thailand	2	1.46%
11	馬來西亞	Malaysia	1	0.73%
12	危地馬拉	Guatemala	1	0.73%
13	新加坡	Singapore	1	0.73%
總計	Total		137	100.00%

6.1.2 Number of major raw material suppliers

Summary of number of yarn suppliers of group
companies in 2018 (by country)

本集團主要附屬公司寧波申洲針織有限公司工作體系管理關鍵工作流程之實施，同時控制並影響工作流程之橫向連接，故而使整個工作流程形成一個有機整體。

為確保關鍵流程順利運轉，本集團採取系統化管理措施，制定一系列管理體制，滿足流程要求，並提供策略性執行。同時，本集團利用諸如以目標為導向之管理等各種措施，制定關鍵績效指標，控制並完善工作流程。

The working system of the main subsidiary of the Group, Ningbo Shenzhou Knitting Co., Ltd. (寧波申洲針織有限公司), manages the implementation of key working processes, and controls and affects the horizontal connection of working processes at the same time, thereby creating an organic whole with working processes.

To ensure the smooth operation of the key processes, the Group adopts systematic management measures and formulates a series of management systems to fulfill the requirements of the processes and provide tactical execution. At the same time, we utilize various measures such as goal-oriented management to stipulate key performance indicators to control and improve the working processes.

環境、社會及管治報告

Environmental, Social and Governance Report

6.2 採購管理

6.2.1 採購流程

指定部門之專職員工負責本集團材料之採購。採購之材料主要包括棉紗、染料、輔料、辦公用品、固定資產、設備及零部件，以及餐廳用品。採購成本控制乃提升產品利潤之重要舉措。採購之棉紗、染料及輔料質量則將直接影響本集團之產品質量及企業形象。採購亦為影響產品競爭力之首要方面之一。

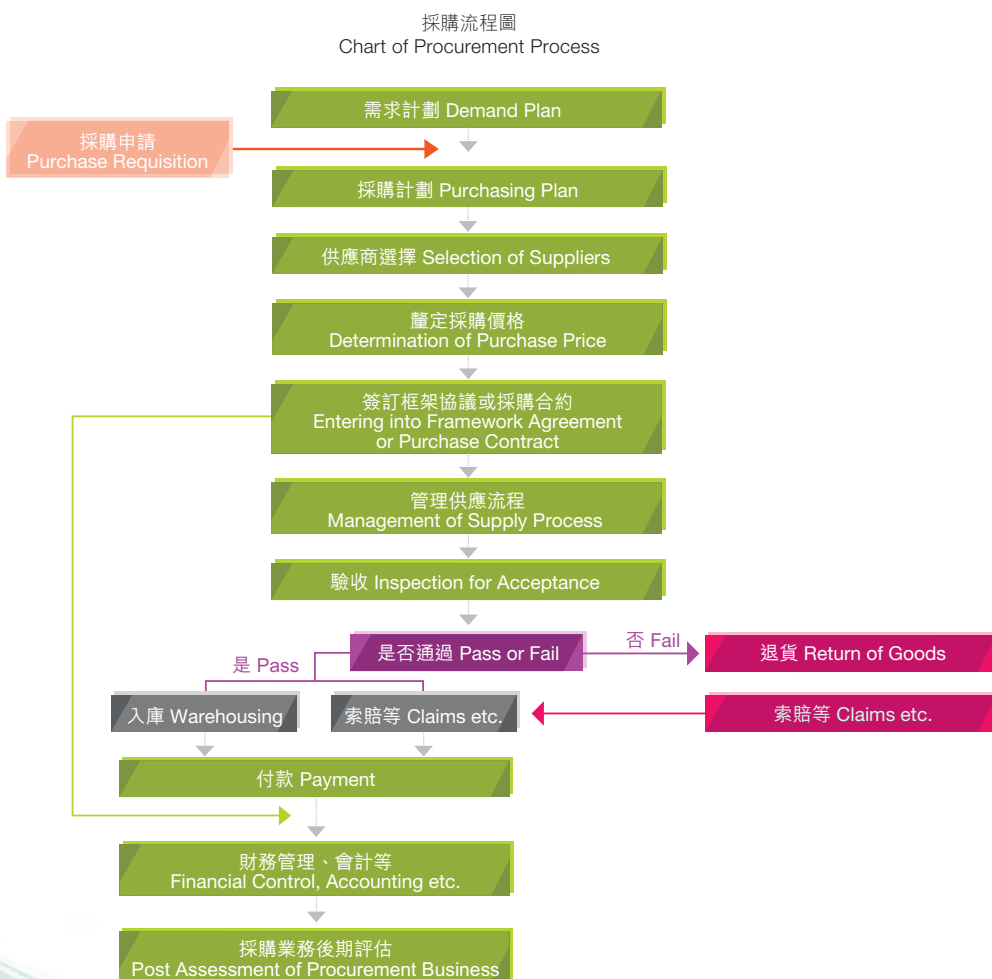
為保證採購流程之效益，本集團制定管理文件，如「採購控制流程」。下圖是本集團的採購流程圖：

6.2 Procurement Management

6.2.1 Procurement process

Dedicated staff of the designated departments is responsible for the procurement of materials for the Group. The materials procured mainly include cotton yarn, dyestuffs, trims, office supplies, fixed assets, equipment and spare parts, and canteen supplies. Procurement cost control is an important measure to enhance profit on products. The quality of cotton yarn, dyestuffs and trims procured will directly affect the product quality and the corporate image of the Group. Procurement is one of the most important aspects affecting product competitiveness.

To ensure the efficiency of the procurement process, the Group formulates management documents such as "Procurement Control Procedures". The below chart shows the procurement process of the Group:






環境、社會及管治報告 Environmental, Social and Governance Report

以下圖表是供應商關注的議題和與供應商溝通的方式：

Topics concerned by our suppliers and the channels we used to communicate with them are shown in the following chart:

	關注議題 Topic Concerned	溝通方式 Communication Channel
 供應商 Supplier	供應商評估政策 Supplier evaluation policy	定期會談 Regular meetings
	綠色產品 Green products	供應商大會 Supplier summit
	產品質量 Product quality	合作技術項目 Cooperative technology projects
	應對氣候變化 Response to climate changes	研討會和論壇 Workshops and forums
	可持續發展 Sustainability	

6.2.2 化學品管理

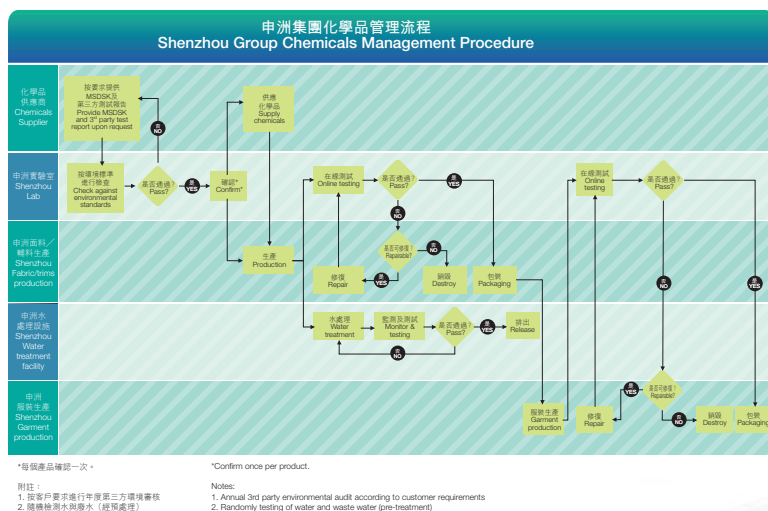
本集團已列出化學品清單，並對危險或受限化學品進行管控，確保生產過程所使用之染料、製劑、洗滌劑嚴格遵照管控清單。未經測試及認證之化學品不得用於生產，且本集團正設立嚴格之識別及追蹤體系。

本集團已形成一套化學品管控流程，包括染料供應商管理、來料檢查、產品測試及廢水排放檢查，確保全面之化學品應用管控。

6.2.2 Chemicals Management

The Group has established a list of chemicals and conducts management and control on dangerous or restricted chemicals to ensure that the dyes, agents and detergents used during production are in strict compliance with the management and control list. Non-tested and uncertified chemicals are not allowed to be used in production and a stringent identification and tracking system is being established.

The Group has developed a set of chemical management and control process, which covers dyestuff supplier management, incoming material inspection, product testing and wastewater discharge inspection, ensuring the comprehensive management and control of chemical applications.



附註:
1. 按客戶要求進行年度第三方環境審核
2. 隨機檢測水與廢水 (經預處理)

Note:
1. Annual 3rd party environmental audit according to customer requirements
2. Randomly testing of water and waste water (pre-treatment)

環境、社會及管治報告

Environmental, Social and Governance Report

6.3 安全及環保管理流程

考慮到僱員隊伍龐大、生產設備眾多及管理跨度巨大等相關事實後，本集團的主要附屬公司已採用ISO 14001及OHSAS 18001管理體系和清潔生產審核驗收，以便強化環保與健康安全。

下圖是本集團的ISO 14001及OHSAS 18001和清潔生產審核驗收的證書：



ISO 14001 證書
ISO 14001 certificate

OHSAS 18001 證書
OHSAS 18001 certificate



清潔生產審核驗收證書
Clean production audit and inspection certificate

在安全及環保方面，本集團加強安全教育，為相關工作崗位制定安全操作規範，並加強設備維護。另一方面，考慮到僱員隊伍龐大，本集團亦注重食品安全及職業健康管理。同時，本集團的環境與職業安全健康政策是「節能減廢，綠色工廠；消除傷害，避免疾病；安全生產，持續改善」。

In terms of safety and environmental protection, the Group strengthens safety education, establishes safety operation specifications for related job posts and enhances equipment maintenance. On the other hand, considering its large workforce, the Group emphasizes on food safety and occupational health administration. Meanwhile, the environment and occupational safety and health policy of the Group is “conserve energy and reduce waste, green plant; eliminate harms, avoid sickness; safe production, persist to improve”.



環境、社會及管治報告 Environmental, Social and Governance Report

本集團謹記安全、健康及環保，並為此設立安全部、應急小組及專業三廢處理系統，以減少使用有毒有害物質，從而符合三廢處理標準，以此確保僱員職業健康，保持清潔生產、節能減碳，以及應對及處理緊急情況。有關主要強調方面參見下圖。

With safety, health and environmental protection in mind, the Group has established a safety department, an emergency response team and a professional Three Wastes Treatment System to reduce the use of toxic and hazardous substances for meeting the standards of Three Wastes treatment. These ensure the occupational health of employees, maintain clean production, promote energy conservation and carbon reduction, and facilitate the response to and handling of emergencies. For major areas of focus see the following chart.

同時，本集團在二零一六年度獲浙江省安全生產監督管理局頒發安全生產標準化證書，和確認本集團為安全生產標準化二級企業（紡織服務），因此，本集團遵循「安全第一、預防為主、綜合治理」的方針，以隱患排查治理為基礎，提高安全生產水平，減少事故發生，保障人身安全健康，保證生產經營活動的順利進行。

In the meantime, the Bureau of Work Safety of Zhejiang Province awarded Standardized Safe Production Certificate to the Group in 2016 and recognized it as Second-Class Enterprise in Production Safety Standardization (textile and garment). Therefore, based on checking and controlling of potential hazards, the Group complied with the principles of “safety first, prevention-oriented and comprehensive governance” and enhanced safe production to reduce accidents and ensure personal safety and health as well as the smooth undertaking of production and operation activities.

下圖是本集團的安全生產標準化證書：

The picture below is the Work Safety Standardization Certificate:



環境、社會及管治報告 Environmental, Social and Governance Report

6.4 質量管理流程

本集團在產品採購及製造中依照全面質量管理體系實施全面監測措施。有關其質量管理流程，請參見下圖。

6.4 Quality management process

The Group conducts a full range of monitoring measures in the purchase and manufacture of products based on a comprehensive quality management system. Please refer to the following chart for its quality management process.



安全及環保工作要點
Focuses of Safety and Environmental Protection Work

質量控制在質量管理流程中乃至關重要之部分。其主要包括產品質量監管、檢測及測試。本集團設立質量控制之六大要點。

Quality control is a very important segment in the quality management process. It mainly embodies the supervision, inspection and testing of product quality. The Group has established six focuses of quality control.

下圖是本集團ISO 9001的證書：

The ISO 9001 certificate of the Group is shown as below:



ISO 9001 證書
ISO 9001 certificate



環境、社會及管治報告 Environmental, Social and Governance Report

因質量保證的問題的回收程序:

1. 如生產的衣服沒有達到一等品的標準或不可接受, 客戶有權拒絕來自本集團沒有遵守與客戶的購買規則和品質保證的運送的衣服。
2. 如客戶發現差異的地方, 客戶可以對這批運送的衣服作全檢。
3. 客戶可向本集團索賠, 並且如本集團同意支付所有的費用, 包括客戶在運輸、處理出貨到客戶或直接到客人沒有遵守要求的衣服的費用。
4. 工廠可以把所有沒有達到一等品的標準或不可接受的衣服送到客戶的工廠銷售經理那裡。
5. 工廠銷售經理負責把相關沒有達到一等品的標準或不可接受的衣服送到區域辦公室處理。
6. 這些沒有達到一等品的標準或不可接受的衣服必須被銷毀, 並且銷毀證明的檔底要寄給客戶的辦公室。

Recall procedure due to the Quality Assurance's problems:

1. If the produced apparel do not meet or are not acceptable by first quality standards, the clients shall have the right to reject shipments of apparel from the Group, which do not conform to the client's Purchase Order or Quality Assurance Manual.
2. Where discrepancies are found, a complete inspection of the shipment may be made by the clients.
3. The clients shall charge back to the Group and if the Group agrees to pay all costs incurred by the clients in transporting and handling non-conforming apparel shipped to the clients or directly to customers.
4. Factories are to communicate all of the produced apparel, which do not meet or are not acceptable by first quality standards, to their clients' Factory Merchandise Manager.
5. It is the Factory Merchandise Managers' responsibility to deliver all of produced apparel, which do not meet or are not acceptable by first quality standards, to the Regional offices for disposition consideration.
6. These apparel, which do not meet or are not acceptable by first quality standards, must be destroyed and a certification of destruction was sent to the local clients' office.

環境、社會及管治報告

Environmental, Social and Governance Report

6.5 客戶滿意度

本集團致力於通過傾聽瞭解客戶各種要求、期許及關注。通過下述方式，本集團已轉變並滿足客戶之要求及期許，並推動其自身之市場擴張及服務改進。此外，若客戶到訪，本集團銷售部將召集直接相關部門領導及負責人參加會面，以便全面瞭解客戶之期許。相關部門將召開特別會議，對當時未滿足客戶期許之方面尋求具體解決方案。銷售部、研發部及生產部之直接負責人將參加每週銷售及營運例會，討論現時問題及客戶要求，分析原因並尋找達致客戶要求之解決方案。

於二零一八年，本集團沒有已出售或已寄出因安全和健康原因而被召回此乃證明本集團的產品令客戶有信心。同時，本集團於本年度有收到產品和服務的相關投訴，合共567項投訴。如果本集團收到產品和服務的相關投訴，相關產品和服務的投訴部門將召開特別會議，對當時的相關投訴尋求具體解決方案，而處理的方法是替換有問題的產品或被客戶扣款。

6.5 Customer Satisfaction

The Group aims to understand all kinds of customer requirements, expectations and concerns by listening to them. Through the following methods, the Group has transformed and satisfied customer requirements and expectations and promoted its market expansion and service improvement. Furthermore, when customers visit the Group, the sales department will gather department heads and the person-in-charge who are directly relevant to attend meetings so as to develop a comprehensive understanding of customers' expectations. The relevant departments will convene special meetings to seek specific solutions for those aspects that fail to meet customers' expectations for the time being. The person directly in charge of the sales, research and development and production departments will attend regular sales and operations meetings every week to discuss the current problems and customers' requirements, analyze the causes and find solutions to meet customers' requirements.

In 2018, the Group did not recall any products sold or shipped due to safety and health reasons, which demonstrated customers' confidence about the products of the Group. During the year, the Group also received 567 complaints on products or services. If the Group receives any complaints on products or services, the complained department of the relevant products and services will convene special meetings to seek solutions for the relevant complaints at that time, and the handling method is replacing the defective products or deducting the fees by customers.



環境、社會及管治報告 Environmental, Social and Governance Report

以下圖表是客戶關注的議題和與客戶溝通的方式：

Topics concerned by our customers and the channels we used to communicate with them are shown in the following charts:

關注議題 Topic Concerned	溝通方式 Communication Channel
可持續發展 Sustainability	高層到中層定期會談 Regular meetings with senior and middle-manager
員工健康安全 Employees' health and safety	客戶滿意度調查 Client satisfaction survey
社會責任 Social responsibility	參觀工廠 Factory visits
舒適環保產品 Comfortable eco-products	走訪客戶經營總部 Visits to clients' operation headquarters
經營業績 Operating performance	與客戶聯建合作中心 Co-establishing cooperative centres with clients
供應鏈建設 Supply chain development	



客戶
Customer

為保障不使客戶資料外流，本公司會與特定客戶簽立保密協議，同時，亦可保護特定客戶擁有的專利權。本集團對於客戶的資料有嚴格管控，所有資料都要歸檔並且保存2年，和不可以帶出廠區。另外，只有較高級別的職員才可接觸到相關的客戶資料，以保障客戶的個人資料不會外洩。

To prevent the leak of customers' information, the Company enters into confidential agreements with specific customers and also protects the patents of specific customers. The Group exercises strict control over customers' information. All information must be filed and stored for two years and it is forbidden to take away information outside the factory. Moreover, only senior staff is allowed access to relevant customers' information, and safeguard client's personal information which avoid leakage.

本集團在保障客戶的個人資料（私隱）政策方面，制定了相關程序文件《客戶關係管理制度》，以保障客戶信息資料不外流。另外，本集團在執行和監管客戶的個人資料（私隱）政策方面，公司各業務部有相關程序的文件，例如：《顧客財產控制程序》和《與顧客有關的過程控制程序》，同時，負責人定期做好客戶信息資料的維護檢查，以防止客戶個人的私隱資料有機會流失。

In terms of the policy of protecting the personal information (privacy) of customers, the Group establishes relevant documents of procedures, namely the Management System of Customer Relationship, to protect the customer information from leakage. In addition, in terms of policy of implementing and monitoring the personal information (privacy) of customers, every business department has its relevant procedural documents, such as "Customer Asset Control Procedure" and "Process Related to Customers Control Procedure", and the person-in-charge of respective department conducts regular maintenance and review of the information of customers to prevent the leak of personal and private information of customers.

環境、社會及管治報告 Environmental, Social and Governance Report

於二零一八年，本集團在阿迪達斯的二零一八年度柬埔寨LO年底總結大會中獲阿迪達斯頒發「2018年最佳供應商獎」中的「人才資源獎」及「開源獎」。同時，也獲阿迪達斯在二零一八年度亞洲北部地區頒發「人才獎」、「領導力獎」、「精益生產獎」及「自住、創意、合作及印花創新獎」。另外，阿迪達斯於年度的品牌領導峰會中頒發「人力獎」和「精益生產獎」給本集團。再者，於本年度本集團的子公司寧波申洲針織有限公司獲彪馬頒發二零一八年度的「可持續發展獎」和獲優衣庫在優衣庫供應商大會中頒發「優衣庫供應商品質獎」。

下圖為客戶頒發給本集團之獎盃。

In 2018, the Group was awarded the “People Award” and the “Open Source Award” of the “Best Supplier Award 2018” by Adidas in the Cambodia LO town hall meeting 2018 of Adidas. Meanwhile, the Group was also awarded the “People Award”, the “Leadership Award”, the “ME Award” and the “3C & GFX Innovation Team Award” by North Asia 2018 of Adidas. In addition, the Group was awarded the “People Award” and “Lean Production Award” at the Adidas annual brand leader summit. Moreover, Ningbo Shenzhou Knitting Co., Ltd, a subsidiary of the Group, was awarded the “Sustainable Development Award” 2018 by Puma and awarded the “Uniqlo Supplier Quality Award” by Uniqlo at the Uniqlo Supplier Conference during the year.

The following pictures are the trophies awarded to our Group by the customers.



環境、社會及管治報告 Environmental, Social and Governance Report

為進一步加強外貿品牌培育，加快形成外貿發展新優勢，浙江省商務廳聯合省級有關廳局開展了二零一八年「浙江出口名牌」的評審工作。據悉，該榮譽每年評定一次，每次評選有效期為三年，而此次浙江省商務廳公佈的二零一八年度「浙江出口名牌」共計292個。本集團在二零一八年獲得二零一八年「浙江出口名牌」的獎項。

下圖是本集團在二零一八年的浙江出口名牌的證書：



同時，本集團於二零一六年獲浙江省質量技術監督局頒發浙江名牌產品的證書。根據浙江省質量技術監督局公佈，本年度合共879個浙江名牌產品通過覆評，有效期至二零一九年十二月三十一日。

To further enhance the development of foreign trade brand and expedite the forming of the new advantage in foreign trade, the Department of Commerce of Zhejiang Province worked with provincial departments and bureaux to start the selection for the “Zhejiang Export Famous Brand” of 2018. It has been told that the award was selected annually, and the effective period was three years. The Department of Commerce of Zhejiang Province announced 292 brands for the “Zhejiang Export Famous Brand” of 2018. The Group was awarded the “Zhejiang Export Famous Brand” of 2018 in 2018.

The certificate of “Zhejiang Export Famous Brand” of 2018 for the Group is shown below:

In the meantime, the Group was awarded the Certificate of Zhejiang Name by the Zhejiang Bureau of Quality and Technical Supervision in 2016. According to the Zhejiang Bureau of Quality and Technical Supervision, a total of 879 applications for Zhejiang Name Brand have passed the re-assessment in the current year, which will expire on 31 December 2019.

環境、社會及管治報告 Environmental, Social and Governance Report

下圖是本集團在二零一六年的浙江名牌產品證書：

The picture below is the Certificate of Zhejiang Name Brand in 2016:



另外，在二零一六年度，本集團獲中國品牌研究中心，甬商研究院，甬商發展研究院及甬商理事會頒發「2016寧波品牌百強」，而其品牌價值為人民幣65.4億元。其中在二零一六年上榜的製造業品牌數量達64個，我司的品牌也佔了其一位。

In addition, the Group was awarded "2016 Ningbo Brand Top 100" by China Brand Center, Ningbo Entrepreneur Brand Research Institute, Ningbo Businessmen Sodality in 2016 and the value of the brand amounted to RMB6.54 billion. In 2016, there were 64 brands from the manufacturing industry made it to the list, among which was a brand of the Company.

下圖是本集團在二零一六年的2016寧波品牌百強的證書：

The picture below is the Certificate of Ningbo Brand Top 100 in 2016:





環境、社會及管治報告 Environmental, Social and Governance Report

同時，本集團在二零一四年及二零一六年獲得浙江省技術創新能力百強企業之一，這是對本集團的技術創新能力的確認及肯定。技術創新能力百強企業是浙江省為深入實施創新驅動發展戰略、加快創新新型省份建設，鼓勵企業技術創新評選出的模範先鋒，其評價指標體系由創新投入、創新產出兩個方面構成，涉及研發經費比重、研發人員比例、研發人員人均研發經費、千名研發人員智慧財產權擁有量、新產品銷售收入率、全員勞動生產率以及利稅率等七個方面。而本集團在紡織的優勢產業領域，對推進產業升級、促進區域經濟發展起到重要示範作用。

下圖是本集團在二零一四年的浙江省技術創新能力百強企業的證書：



於二零一五年一月份起，本集團的子公司，申洲針織的註冊商標（註冊証號：7226707）被浙江省工商行政管理局認定為「浙江省著名商標」，省著名商標不僅是對本集團這近年發展形勢的肯定，更說明了申洲品牌在行內的影響力與知名度。

In the meantime, the Group was awarded Top 100 Technical Innovation Enterprises in Zhejiang Province in 2014 and 2016, which recognizes the technical innovation ability of the Group. The Top 100 Technical Innovation Enterprises are granted to select the model pioneers for the in-depth implementation of the innovation-driven development strategy, speeding up the building of innovative province and encouraging technical innovation of enterprises in Zhejiang Province. The assessment was based on innovation investment and innovation output, and involved 7 aspects including proportion of research and development expenses and staff, average research and development expenses for research and development staff, the amount of intellectual property rights owned per 1,000 research and development staff, revenue rate of sales of new products, labor productivity of all staff and profit-taxation rate. The Group plays a model role in upgrading the industry and promoting local economic development in its advantageous industry of textile.

The picture below is the certificate of the Top 100 Technical Innovation Enterprises in Zhejiang Province in 2014:

Since January 2015, the registered trademark of Shenzhou Knitting (registered number: 7226707), a subsidiary of the Group, was recognized as a “Famous Brand of Zhejiang Province” by Zhejiang Provincial Administration of Industry and Commerce, signifying the recognition of the Group’s development over the past few years and reflecting the influence and reputation of the Shenzhou brand in the industry.

環境、社會及管治報告 Environmental, Social and Governance Report

本集團積極鼓勵研發僱員進行專利申請，引入有關發明專利授權之獎勵政策，穩步推進專利商業化，並努力創造自有品牌產品。

同時，本集團建立健全相關的知識產權管理制度，堅持自主創新，積極申請知識產權保護，提前完成知識產權佈局，避免侵犯他人知識產權，維護自己的權利。

本集團於二零一八年申請實用新型專利55項和發明專利21項。目前本集團擁有已授權的專利308件專利，其中新材料面料專利有104件，生產過程中對設備工藝改造創新及制衣模板類的相關專利有204件。另外，有32項自主研發項目，年均33個系列專利轉化為產品，按平均每一系列有25個品種，因此，約有825件新產品。

The Group actively encourages patent applications by research and development staff, introduces reward policies for the grant of patents for inventions, steadily promotes patent commercialization and endeavors to create its own brand products.

At the same time, the Group establishes a comprehensive relevant intellectual property management system, persist in autonomy innovation, apply for intellectual property protection aggressively, prior to complete the layout for intellectual property development, avoid infringement of others intellectual property and safeguard its own rights.

In 2018, the Group has applied for 55 utility patents and 21 patents for inventions. Currently, the Group has 308 authorized patents, including 104 patents of new materials and fabrics and 204 patents for transformation and innovation of equipment and technique for production and the modeling categories of garment. In addition, it also had 32 self-developed projects with an annual average of 33 series of patents turning into products. Each of such series comprises 25 products on average, hence there are approximately 825 new products.





環境、社會及管治報告 Environmental, Social and Governance Report

同時，本集團參與修訂國家標準項目3項及行業標準7項，集團共制定80項企業標準。本集團引入有關技術創新之鼓勵政策，包括科學技術成就獎勵方法，並設立有關技術創新之科學全面激勵機制。

In addition, the Group has made participated in the amendments of three national standards and seven corporate standards, the Group formulates 80 corporate standards with others. The Group introduced policies to encourage technological innovation, including the Incentive Administration for on Scientific and Technological Achievements and established a scientific and comprehensive incentive mechanism on technological innovation.

於報告期間，本公司就健康及安全以及其他與產品責任相關的事宜已遵守所有對本公司有重大影響的相關法律及法規。

During the reporting period, the Company has complied with all relevant laws and regulations that have a significant impact on the Company in respect of health and safety and other matters relating to product responsibility.

7. 反貪污：

本集團創辦人兼前主席馬寶興先生及各高管人員在申洲集團成立二十多年以來，一貫秉持「誠信」，並將其融入企業文化。誠信是本集團之行為守則，亦是其道德標準。

7. ANTI-CORRUPTION:

In over two decades of Shenzhou Group's history, the founder and former chairman of the Group, Mr. Ma Baoxing, and each senior management member have always been focusing on "integrity" in establishing the corporate culture. Integrity is the code of conduct and moral standard of the Group.

早在二零零零年初，馬先生揮筆寫就「誠信」二字，並懸掛於大廳中央，警醒每位僱員此乃本集團之原則及要求。每位僱員必須遵守，本集團亦歡迎有關部門及客戶嚴格監督。

Back in early 2000, Mr. Ma wrote the two Chinese characters "誠信 (integrity)" and hung them in the centre of the lobby, reminding all employees that it is the principle and requirement of the Group. All employees must abide by it and the Group also welcomes close monitoring by related authorities and customers.



環境、社會及管治報告

Environmental, Social and Governance Report

於二零一八年，本集團沒有任何有關於貪污賄賂的法律案件。同時，本集團於本年度也沒有收到產品和服務因貪污賄賂的相關投訴。如果本集團收到產品和服務因貪污賄賂的相關投訴，相關產品和服務的投訴部門將召開特別會議，對當時的相關投訴尋求具體解決方案。

本集團已設有內部審計部門及外部安永審計師來提高本集團的反貪污標準，以防止貪污事件在本集團發生。

在本集團的員工守則內，有明確規定員工應該反腐敗，反賄賂及利益衝突等條文，因此，員工應該遵守此守則。

根據員工守則，以下是本集團防止貪污的程序：

- (1) 針對重要崗位，重點人員進行反貪污、反腐敗教育；
- (2) 所有與公司發生業務的供應商、服務商等均需簽訂《廉潔承諾書》及《反商業賄賂協議》；
- (3) 設立專門的郵箱及電話，接受公司內外對於貪污腐敗的舉報；
- (4) 內審及相關部門不定期的分析相關數據，進行調查走訪，掌握貪污腐敗行為的特點、規律，制定和完善貪污腐敗的預防措施和制度；
- (5) 對於工作發現的貪污腐敗問題，及時處理並通報相關部門，涉嫌違法犯罪的移交公安機關處理；
- (6) 從規章制度和業務流程等方面引入相關的反腐機制和措施。例如明確業務流程、審批權限、建立台賬等；

In 2018, the Group had no law suit of corruption and bribery. Meanwhile, the Group also did not receive complaints on products or services due to the corruption during the year. If the Group receives any complaints on products or services due to the corruption, the complained department of the relevant products and services will convene special meetings to seek solutions for the relevant complaints.

The Group has set up an internal audit department and engaged Ernst & Young as external auditor to improve its anti-corruption standard in preventing corruption.

The Group's employee guidelines clearly states the obligations of staff in anti-corruption, anti-bribery and conflict of interest. Accordingly, employees should follow the requirements.

The anti-corruption procedures of the Group according to the guidelines for the staff are as follows:

- (1) We offer anti-corruption and anti-bribery education for key staff and major positions;
- (2) Suppliers and service providers which have business relationship with the Company should sign integrity undertakings and anti-commercial bribery agreement;
- (3) We have special email and phone line for the report against corruption behavior from people in and outside the Company;
- (4) Internal auditor and competent department analyze data from time to time, conduct investigation and visits, study features and pattern of corruption behavior and implement and improve the prevention measures and systems for anti-corruption;
- (5) We deal with workplace corruption in a timely manner and report to competent authorities. People who are suspected of committing the crime are transferred to the public security organ;
- (6) We introduce relevant anti-corruption mechanism and policy to the rules and procedures and business process, such as explicit business process, approval authority, establish accounts, etc;



環境、社會及管治報告

Environmental, Social and Governance Report

- (7) 監督的手段多樣化，建立投訴舉報機制，向公司內部員工和外部單位提供投訴舉報渠道；
- (8) 同時採取定期盤點、定期審核、價格調查、離任審計等措施進行監督。

本集團在執行和監督防止貪污方面，會作出相應的行動，例如：在新進供應商首次簽訂合同時，必須同時簽訂《廉潔承諾書》及《反商業賄賂協議》；另外，由內審及相關部門隨時查看舉報郵箱並接聽舉報電話，對於舉報的事項應進行登記及調查，並將調查結果通報相關領導和部門，同時相關人員承諾對舉報人的個人信息進行保密；再者，由內審、法務等相關部門對日常業務流程進行監督審核，對於發現的異常信息及情況進行跟蹤調查。

如發現貪污情況，本集團員工可以通過電話、郵件、信件等方式進行舉報。本集團的相關部門會根據舉報信息對涉案部門或者人員進行調查或審計，並對違規行為進行處罰。如果情況嚴重的，例如構成犯罪的行為，本集團將會把相關人員提交公安機關處理，使之接受法律的制裁。

- (7) We have diversified expedients for supervision and establish complain and report mechanism to provide reporting channel for internal staff and external parties;
- (8) We engage in supervision by conducting regular stocktaking and audit, price research and off-office audit.

The Group takes relevant measures in implementation and monitoring of corruption prevention practices. For example, when we sign contract with new suppliers for the first time, suppliers must sign integrity undertakings and anti-commercial bribery agreement as well. In addition, internal auditor and competent department check email and receive reporting calls at any time and record and investigate reporting matters. The investigation results will be reported to relevant leaders and departments and relevant employees undertake that they will keep the personal information of the informant confidential. Furthermore, relevant departments including internal audit and legal affairs departments monitor and review daily course of business, track and investigate the abnormal information and circumstances identified.

If the staff of the Group notices corruption behavior, the staff can report by ways of telephone, email or letter. The relevant department of the Group will investigate or audit the related department or staff according to the reporting information and will punish the irregularities. If the case is of serious nature such as constituting a criminal act, the Group will transfer the relevant person to the public security organ for legal sanction.

8. 社區互動

8.1 社區參與

於二零一四年起，本集團加入了寧波市北侖區慈善總會。在二零一八年，本集團獲寧波市慈善總會頒發第五屆寧波市十大最具愛心捐贈企業的獎狀。

下圖為寧波市北侖區慈善總會頒給本集團的獎狀：



本集團認為，社區支持乃企業發展驅動力之一，亦為打造「和諧申洲」之重要動力。本集團強調培養員工之社會責任意識，並鼓勵彼等參與社區福利服務。二零一八年，本集團社區參與費用及各種慈善捐款約為人民幣714萬元，包括：資助困難大學生圓大學夢、慰問困難職工、大病救助行動和春節送溫暖活動等。

8. INTERACTION IN COMMUNITY

8.1 Community involvement

Since 2014, the Group joined Ningbo Charity Federation (Beilun). In 2018, the Group was awarded the 5th Top Ten Caring Companies in Ningbo by Ningbo Charity Federation.

The following picture is the certificates of merit awarded to the Group by Ningbo (Beilun) Charity Association:



The Group considers that supporting the community is one of the driving forces for corporate development, as well as an important motivation for building a "Harmonious Shenzhou". The Group places great emphasis on cultivating social responsibility awareness of its staff and encourages employees to participate in charitable community activities. The Group contributed approximately RMB7.14 million in 2018 towards participating in community activities and making various donations for charitable causes, which included sponsoring the education of University students in order to complete their university's degree, caring for employees in distress, helping those with critical illnesses and sending warm greeting in Chinese New Year.



環境、社會及管治報告 Environmental, Social and Governance Report

慈善捐款的用途主要是投入在不同的慈善活動，例如：在環保方面，本集團成立環保基金；另外，在教育方面，本集團設立幼兒園和申洲管理學院。另外，本集團也資助暑期托管班，名稱為「讓愛大聲說出來」，此活動希望讓孩子過一個快樂暑期；同時，本集團資助約合共人民幣12萬元在財政上有困難的大約10名大學生，以支付學費的方式幫忙他們，令他們可以有機會圓大學夢；以及本集團設立了岷山學校獎育金，讓更多有困難的學生可以接受教育資助。

Charitable donations are applied mainly to various charity activities. For example, the Group has established an environmental protection fund for environmental protection. In addition, in the aspect of education, the Group sets up kindergarten and Shenzhou School of Management. In addition, the Group sponsors in summer tutorial class, which is “Speak Love Loud”, and this activity hope that children can have a happy summer vacation. Further, it also contributed approximately RMB120,000 to about 10 university students who have financial difficulties by paying tuition fees, so that they have the opportunities to enter universities. Meanwhile, it establishes scholarship for Minshan School so that more students with financial difficulties can receive educational sponsorship.

慰問困難職工的活動：

Caring for employees in distress:



「讓愛大聲說出來」的活動：

The activity of “Speak Love Loud”:



環境、社會及管治報告 Environmental, Social and Governance Report

本集團在二零一六年與周邊企業共同成立了一個環保基金，於二零一八年再次投入約人民幣320萬元在此環保基金，而此環保基金是用於北侖當地環境建設的。



The Group established an environmental protection fund in 2016 with enterprises nearby and reinvested approximately RMB3.2 million to this fund in 2018 for the purpose of protecting the local environment of Beilun.



在二零一七年，本集團獲社會企業研究所頒發「社會關愛企業卓越獎」，而這個獎項是表揚相關行業領袖能以共商、共建、共享為原則推動社會發展，在投資發展的同時企業亦能把環境保護、勞工權益等納入投資決定的考慮中，使在不減少回報的情況下，亦能達至社區持續發展的成果。

In 2017, the Group was awarded “Outstanding Social Caring Organization Award” by Social Enterprise Research Academy. The award aims to recognise the relevant industry leaders for their efforts in promoting social development based on the principle of achieving shared growth through discussion and collaboration. While pursuing investment and development, the enterprises take into consideration environmental protection and labour rights in making investment decisions, thereby achieving social sustainability without compromising investment return.

下圖是本集團在二零一七年獲得的社會關愛企業卓越獎：

The picture below shows the Outstanding Social Caring Organization Award received by the Group in 2017:





環境、社會及管治報告 Environmental, Social and Governance Report

在健康方面，本集團設立了申洲醫務室，為員工每年定期進行體檢。

In terms of health, the Group sets up Shenzhou medical room to conduct annual and regular body checks for staff.

本集團多年來積極支持無償獻血愛心事業。二零零八年至今，已累計組織無償獻血活動40餘次，二零一八年有五百四十人參與獻血，而獻血量是149,530毫升。先後獲得浙江省無償獻血先進單位、市無償獻血促進獎單位等榮譽。

The Group has devoted to blood donation over the years. Since 2008, we have organized over 40 blood donation events, 540 people made donations in 2018, and 149,530 ml of blood were donated. We have obtained various honors including Outstanding Unit in Blood Donation in Zhejiang Province and Promotion Award for Blood Donation of the city.

無償獻血活動及愛心捐血活動：

Blood donation activities for charity:



於二零一八年，本集團獲得由寧波市紅十字會頒發的「寧波捐贈企業獎」。紅十字活動是奉獻愛心的表現，同時，可以將正能量發散，將愛心傳遞，將紅十字精神遍灑社區，致力於鑄就和諧的社區。

In 2018, the Group was awarded the "Donation Enterprise in Ningbo Award" by the Ningbo Red Cross. The activities of Red Cross embody the spirit of dedication and care, share positive energy and love, which spreads the spirit of Red Cross across the community and aims to build a harmonious community.

下圖是本集團在二零一八年獲得寧波捐贈企業獎的獎狀：

The picture below is Donation Enterprise in Ningbo Award received by the Group in 2018:



環境、社會及管治報告

Environmental, Social and Governance Report

8.2 加入非盈利組織

自二零一一年十月起，申洲成為紡織交易所(Textile Exchange)之會員。紡織交易所(Textile Exchange)為一間位於美國之非盈利組織，其宗旨為促進整個紡織價值鏈之可持續發展。申洲一直積極參與行業會議、研討會及其他活動，與相關人士共享最優方法，並討論紡織業之未來發展。

自二零一二年起，在彪馬之指導下，本集團的主要附屬公司，寧波申洲針織有限公司加入彪馬C2C（搖籃到搖籃）閉環生態環保產品開發。從原紗挑選到印染材料再到化學助劑，該類產品符合C2C環保產品要求，並通過C2C產品認證。有關C2C之更多資料，請參閱C2C網站：www.c2c-world.com。

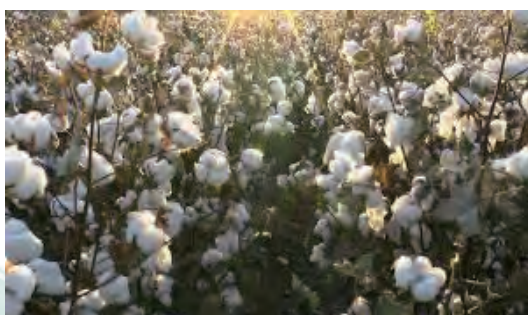
自二零一三年起，本集團已加入BCI組織。BCI，全稱better cotton initiative，即指良好棉花倡議，其主旨在於使全球棉花的種植更有利於棉農，更有利於種植環境，更有利於該產業的未來發展。申洲主要客戶耐克與阿迪達斯皆為BCI組織的成員，社會也越來越認同BCI的6大原則：質保，水資源，棉花種植土壤的健康，棉花種植周邊區域的生態環境的保護，棉花的質量和體面勞動，這與申洲注重社會責任、倡導善良事業的理念不謀而合，自然也就得到申洲管理層的極力推崇。

8.2 Participation in non-profit organizations

Shenzhou has become a member of Textile Exchange since October 2011. Textile Exchange is a non-profit organization based in the USA, the mission of which is to promote the sustainable development of the entire textile value chain. Shenzhou has all along been actively participating in industry conferences, seminars and other activities, sharing best practices with relevant parties and discussing the future development of the textile industry.

Since 2012, guided by PUMA, our Group's major subsidiary, Ningbo Shenzhou Knitting Co., Ltd. has participated in the development of PUMA C2C (Cradle to Cradle) closed-loop ecological environmentally friendly products. From its selection of original yarns to dyeing materials, printing materials and agents, this category complies with the C2C environmentally-friendly product requirements and passed the C2C product certification. For more relevant information about C2C, please refer to the C2C website: www.c2c-world.com.

The Group has been a member of BCI (in full "better cotton initiative") since 2013. The keynote of BCI is to ensure the cultivation of cotton to be more beneficial to cotton farmers, the cultivation environment and the future development of the industry. Nike and Adidas, being the major customers of Shenzhou, are both members of BCI. The six major principles (quality assurance, water resources, the health of soil for cotton cultivation, protection of the ecological environment of the surrounding areas of cotton cultivation, quality of cotton and decent work) of BCI are increasingly recognized by the community. These are in line with Shenzhou's philosophy that emphasizes on social responsibilities and promotion of conscious business, which are therefore well-received by the management of Shenzhou.





環境、社會及管治報告 Environmental, Social and Governance Report

本集團亦重視野生動物的保護工作。本集團自二零一三年起成為世界自然基金會之純銀會員。

The Group also concerns the protection of wild life. The Group became a silver member of WWF since 2013.

下圖為世界自然基金會頒發給本集團的二零一三至二零一八年度
的紀念盃。

The following pictures are the trophies awarded to our group by WWF from 2013 to 2018.



環境、社會及管治報告 Environmental, Social and Governance Report

8.3 與中國科學院合作研發

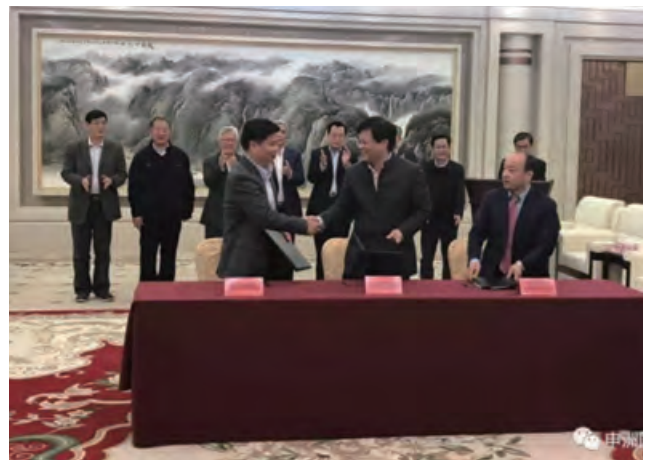
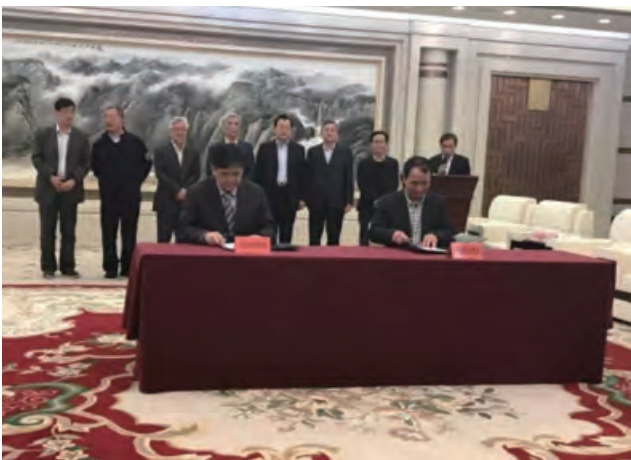
申洲集團本著在創造經濟效益的同時必須承擔環保治理的社會責任，就紡織行業染整廢氣治理和熱能再利用與中國科學院寧波城市環境觀測研究站進行了技術開發合作。研究開發廢氣治理和餘熱回收利用的治理技術和工藝，解決印染行業生產過程中產生的廢氣治理難題，實現企業在治理環保問題的同時，達到節能減排生產的目的。

於二零一七年三月二十八日，本集團聘請中國工程院院士為本集團的環保顧問。為集團提供環評政策、環保專業技術，環保法規諮詢等服務，他對集團經營中的污染排放合理規劃安排，對之前的項目進行專業評估、梳理和規劃。

8.3 Cooperate with Chinese Academy of Sciences in the research and development

Shenzhou Group is committed to creating economic benefits while it should undertake its social responsibility in the governance of environmental protection. Thus, it cooperated with the Ningbo Urban Environment Observation and Research Station of Chinese Academy of Sciences in technology development for the treatment of exhaust gas and recycling of heat from dyeing and finishing processes in the textile industry. The research and development initiative focused on the treatment technology and process for exhaust gas treatment and recycling of residual heat, which is expected to solve difficulties in treating exhaust gas from the production process in the dyeing industry. This will realize enterprise to govern environmental issues while achieving the aims of saving energy and reducing emission.

On 28 March 2017, the Group appointed an academican of Chinese Academy of Engineering, as the consultant of the Group in environmental protection. He provides consultation services on environmental assessment policy, professional environmental protection technology and compliance with environmental laws to the Group. He also makes reasonable plans and arrangements for emission of pollution under operation and carries out professional evaluation, optimisation and planning for previous projects.





環境、社會及管治報告 Environmental, Social and Governance Report

9. 其他獎項：

9.1 可持續發展：

自二零一五年九月份起，申洲國際獲納入恒生可持續發展企業指數系列。恒生可持續發展企業指數包括在企業可持續發展表現最卓越的香港上市公司，而該指數為一項跨市場指數，涵蓋香港及內地企業可持續發展的領導者。成份股挑選程序嚴謹，過程中參考由獨立的專業評審機構香港品質保證局按照其設計之可持續發展評級框架而進行的可持續發展評級結果。此舉令恒生可持續發展企業指數系列達致客觀、可靠及具高投資性，為企業可持續發展主題之指數基金提供一系列優質基準。

下圖是申洲國際於二零一八年度的恒生可持續發展企業指數的標誌：



於二零一七年及二零一八年，本集團獲得香港品質保證局可持續發展社會責任進階指數的A認證。為推動機構履行社會責任(CSR)，香港品質保證局在香港上海滙豐銀行的初始支持下，於2008年推出「HKQAA社會責任指數」。指數現時由香港品質保證局推行，提供一個定量的表現指標來衡量企業在推行社會責任體系上的成熟程度。

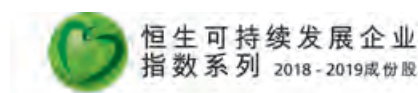
社會責任指數根據ISO 26000「社會責任的指引」的四類指標評價機構的表現，把指數綜合得出最後評分。四類指標為企業管治、社會福祉、經濟增長及環境保護，具體包括七個範疇合共40項社會責任的建議措施。

9. OTHER AWARDS:

9.1 Sustainability:

Starting from September 2015, Shenzhou International was included in the Hang Seng Corporate Sustainability Index Series, which includes Hong Kong listed companies with the most outstanding performance in terms of corporate sustainability. The index is a cross-market index covering leaders of corporate sustainability in Hong Kong and Mainland. The constituent stocks are carefully selected with reference to the rating results of sustainability by Hong Kong Quality Assurance Agency, an independent professional accreditation body, in accordance to the framework it designed for sustainability rating. This enables the Hang Seng Corporate Sustainability Index Series to achieve objectivity, reliability and of high investment significance, offering a series of quality benchmark for the index funds under the theme of corporate sustainability.

Below is the logo of membership of the Hang Seng Corporate Sustainability Index Series of Shenzhou International in 2018:



In 2017 and 2018, the Group was granted with an A Sustainability accreditation of CSR Index Plus Mark by the Hong Kong Quality Assurance Agency (HKQAA). To facilitate organisations to translate these good intentions into good actions, in 2008 HKQAA launched the HKQAA CSR Index, with the initial support of The Hong Kong and Shanghai Banking Corporation Limited (HSBC). Now run by HKQAA, the Index provides quantitative metrics to measure organisations' maturity level in practicing their social responsibilities.

The index is designed with reference to the ISO 26000 Guidance on Social Responsibility. The index will measure an organisation's maturity level in practicing its social responsibilities from four different perspectives, namely Corporate Governance, Social Well-being, Economic Performance and Environmental Conservation. More specifically, the quantitative metrics will contain seven core elements and 40 recommended practices.

環境、社會及管治報告 Environmental, Social and Governance Report

而以下是本集團獲得相關認證的標誌：

Set out below is the symbol of the relevant accreditation granted to the Group:



另外，本集團於二零一七年參與「中銀香港企業環保領先大獎 2017」的活動，並榮獲由香港工業總會與中國銀行（香港）聯合頒發「中銀香港企業環保領先大獎 2017」之「環保傑出伙伴」，以嘉許本集團多年來對環境保護的堅持和貢獻。「中銀香港企業環保領先大獎」由香港工業總會與中國銀行（香港）合辦，旨在表揚從事製造業及服務業的企業，在環保方面的優秀表現與卓越貢獻，並藉此鼓勵企業在業務發展規劃和日常營運管理中融入環境保護的理念。

In addition, the Group joined the activity of BOCHK Corporate Environmental Leadership Awards 2017 in 2017, and was awarded the “EcoPartner” in the “BOCHK Corporate Environmental Leadership Awards 2017”, jointly launched by the Federation of Hong Kong Industries (FHKI) and Bank of China (Hong Kong) (BOCHK), in recognition of the Group’s dedication and contribution to environmental protection over the years. The “BOCHK Corporate Environmental Leadership Awards” are jointly organized by FHKI and BOCHK to recognize the environmental achievements and contributions of manufacturing and services enterprises, thereby encouraging enterprises to incorporate environmental protection strategies into their business development plans and daily operations.

下圖是香港工業總會與中國銀行（香港）頒給本集團的二零一七年度「中銀香港企業環保領先大獎 2017」的證書：

The certificate of “BOCHK Corporate Environmental Leadership Awards 2017” awarded by the FHKI and BOCHK to the Group in 2017 is shown below:





環境、社會及管治報告 Environmental, Social and Governance Report

9.2 投資者關係：

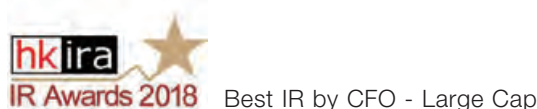
申洲國際於由香港投資者關係協會舉辦的第四屆香港投資者關係大獎中，奪得「最佳投資者關係財務總監」獎項。此獎項充分肯定公司管理層於投資者關係方面的卓越表現，受到投資者的充分認可。

香港投資者關係大獎由香港投資者關係協會主辦，旨在褒獎於投資者關係方面表現優秀及奉行優良投資者關係守則的企業及專才。今年共有184家上市公司接受提名參賽，48家上市公司獲頒不同獎項組別的獎項。獎項由買方及賣方投資者於網上投票，選出得獎者。超過600名合資格投票人士投選心目中最優秀的投資者關係專才及上市公司。

9.2 Investor relations:

Shenzhou International garnered the “Best IR by CFO” award at the 4th Hong Kong Investor Relations Awards organised by Hong Kong Investor Relations Association. This award acknowledges the excellent performance of the Company’s management in investor relations, which is widely recognised by the investor community.

The Hong Kong Investor Relations Award is organised by Hong Kong Investor Relations Association, with the aim of celebrating excellence in IR relations aspect and corporates and talents which adopt sound IR principles. A total of 184 listed companies entered the competition this year and 48 listed companies received awards in different categories. The winning enterprises were selected by buy-side and sell-side investors online. Over 600 qualified voters casted for the best IR talents and listed companies.



本集團亦獲得國際雜誌「機構投資者」評為2017年亞洲最佳投資者關係獎之一（消費類組別）。

The Group was also elected as one of the 2017 All-Asia Executive Team (the group of consumer sector) by the international magazine “Institutional Investor”.



環境、社會及管治報告 Environmental, Social and Governance Report

於二零一八年十二月，申州國際在中國證券金紫荊頒獎典禮中榮獲香港大公文匯傳媒集團頒發「最具投資價值上市公司」獎。

In December 2018, Shenzhou International obtained the “Best Investment Value Award for Listed Companies” award from Hong Kong Ta Kung Wen Wei Media Group Limited at the ceremony for China Securities Golden Bauhinia Award.



於二零一八年九月，申州國際榮獲《福布斯亞洲》評選為「2018年度亞洲最佳上市公司50強」之一，以證明投資者認同本公司是有實力的上市公司。

In September 2018, Shenzhou International was named as one of the “Asia’s 50 Top Listed Companies 2018” by Forbes Asia, a proof that investors recognize the Group as a substantial listed company.

《福布斯亞洲》首先找到了1,744家年營收至少20億美元、上市至少一年的上市公司。我們剔除了正在虧損或者營收低於5年前的公司。長期債務超過總資本一半水平，或者國家控股超過50%的企業也沒有包括在內。被上市母公司控股超過50%的公司也沒有入榜。最後，利用十多項財務標準，分析留下的企業。因此，評出績效優異的藍籌企業榜，上榜企業都是本地區的精英。

Forbes Asia first selected 1,744 companies with operating incomes of at least US\$2 billion and were listed at least one year. We crossed out the companies with losses or those with operating incomes lower than five years ago. Those with long-term debts more than half of the total capital or enterprises with more than 50% held by the government or the listed parent companies were not included. Finally, after applying more than 10 financial standards, we analyzed the remaining companies. Thus, a list of the blue-chip enterprises with excellent performance was selected, and all the enterprises on the list are the best in the local area.

環境、社會及管治報告 Environmental, Social and Governance Report

另外，申洲國際於本年度十月榮獲《am730》、亞洲公關及路訊通頒發「傑出上市公司大獎2018」，以証明致力追求良好業績回報，優秀企業管治及在不同層面促進經濟及提升大眾生活質素。

下圖是《am730》、亞洲公關及路訊通頒給本集團的二零一八年度「傑出上市公司大獎2018」的獎盃：



申洲國際在由am730、RoadShow及亞洲公關聯合主辦的評選中榮獲《傑出上市公司大獎2018》。作為中港跨平台財經媒體聯頒大獎，由傑出上市公司大獎籌委會、Deloitte德勤、富途證券、雲鋒金融和一眾專業股票分析師與基金經理等擔任評審選出，表彰29家傑出上市公司，故得獎公司可謂值得投資者作為參考指標之一。

Furthermore, Shenzhou International was awarded “ListCo Excellence Awards 2018” by AM730, PR Asia and Roadshow in October 2018, a proof that the Group strives for good performance returns, excellent corporate governance, contribute to the economy and enhance people’s quality of life on different levels.

The following picture is the trophy of “ListCo Excellence Awards 2018” awarded to the Group by AM730, PR Asia and Roadshow in 2018:

Shenzhou International was awarded “ListCo Excellence Awards 2018” by AM730, PR Asia and Roadshow in December 2018. As an award given by a cross-platform financial media in China and Hong Kong, it is selected by the ListCO award organizing committee, Deloitte, Futu Securities, Yunfeng Financial, and many professional equity analysts and fund managers to acknowledge 29 excellent listed companies. The winners are one of the indicators as reference for investors.

環境、社會及管治報告

Environmental, Social and Governance Report

申洲國際於本年度十二月榮獲新浪財經頒發「2018港股上市公司金獅獎：最佳上市公司」；此次獲獎表明了市場對申洲國際的認可，表明申洲國際在穩健發展的過程中始終不忘初心，肩負責任，在投資價值、品牌價值、股東回報、社會責任等多個方面取得了一些成績。

下圖是新浪財經頒給本集團的二零一八年度「2018港股上市公司金獅獎：最佳上市公司」的獎盃：



本次新浪財經「金獅獎」旨在表彰2018年在港股市場有突出表現及積極貢獻的參與者。獲評「最佳上市公司」殊榮的還包括中國移動、中國石化、中國鐵建等9家來自其他行業的上市企業。

Shenzhou International was awarded “2018 Golden Lion Award: The Best Listed Company” by Sina Finance in December 2018, a proof that the market recognizes Shenzhou International. It is also a proof that Shenzhou International has keep an original mind in the process of stable development, bear the responsibility, and made achievements in many aspects including investment value, brand value, shareholders’ return and social responsibility.

The following picture is the trophy of “2018 Golden Lion Award: The Best Listed Company” awarded to the Group by Sina Finance in 2018:

The Golden Lion Award by Sina Finance is to acknowledge the participants with excellent performance and active contributions in Hong Kong stock market in 2018. Nine companies from other businesses awarded with the “Best Listed Company Award” included China Mobile, Sinopec and China Railway Construction.



環境、社會及管治報告 Environmental, Social and Governance Report

於二零一八年八月，申洲國際榮獲《財富》中國評選為「2018年中國最大的500家上市公司」和「2018年中國最佳董事會50強」之一。

下圖是《財富》中國頒給本集團的二零一八年度「2018年中國最佳董事會50強」的獎盃：



關於「2018年中國最大的500家上市公司」，2018年中國500家上榜的上市公司總營業收入達到了人民幣39.65萬億元，較去年上漲18.22%，漲幅翻倍；淨利潤更是達到了人民幣3.48萬億元，增長24.24%（作為對比，去年淨利潤漲幅僅為2.2%）。今年上榜公司的年營收門檻為人民幣138.64億元，繼去年首次突破人民幣百億之後，提升了22.44%。

同時，「中國最佳董事會50強」評選希望通過榜單發佈進一步讓市場及更多企業了解董事會高效治理模式，及其在全社會生產效率提升、公司生存和發展和良好商事制度形成方面的價值。

In August 2018, Shenzhou International was selected as one of the “China’s 500 Largest Listed Companies 2018” and “China’s Top 50 Boards of Directors 2018” by Fortune China.

The following picture is the trophy of “China’s Top 50 Boards of Directors 2018” awarded to the Group by Fortune China in 2018:

For the “China’s 500 Largest Listed Companies 2018”, the total operating income of the 500 China listed companies in 2018 reached RMB39.65 trillion, with an increase of 18.22% and doubled in growth rate than in the previous year. The net profit was RMB3.48 trillion, with an increase of 24.24% (as comparison, the growth rate was a merely 2.2% comparing with last year). After breaking the RMB10 billion threshold last year, the company on the list this year must have an operating income of RMB13.864 billion, which is increased by 22.44% from last year.

Meanwhile, the selection for the “China’s Top 50 Boards of Directors 2018” list is to allow the market and more enterprises understand the high efficiency management model of the Board, as well as a Board’s value in the enhancement of production efficiency, survival and development of the company and a good commercial system.

環境、社會及管治報告

Environmental, Social and Governance Report

9.3 公司治理：

在公司治理方面，申洲國際在二零一五年獲得外界的認同，分別獲得大公報評選為二零一五年度最佳公司治理上市公司之一，同時，亦獲得亞洲週刊選為2014-2015年度中國大陸企業組的香港股市排行榜的最大市值民企之一。

另外，於二零一六年，申洲國際獲2016年DHL／南華早報香港商業獎項中獲選為2016年度「傑出企業獎」。這對於申洲國際有莫大的鼓舞，也證明外界對申洲國際的公司治理有一定的信心，因此，本集團也會繼續努力提高公司治理的水平，以滿足全球日益提升的公司治理的標準。

下圖是DHL／南華早報在香港商業獎項中頒給本集團的二零一六年度「傑出企業獎」的獎盃：



申洲國際於二零一八年度十二月榮獲香港上市公司商會獲選為「2018年度香港公司管治卓越獎：持續發展卓越獎」；獲得此獎項證明本公司在各方面都非常突出，特別在董事會多元化和獨立非執行董事積極參與、持續優化風險管理和內部監控，以及在企業內外致力深化管治文化等方面尤為卓越。

9.3 Corporate Governance:

In 2015, Shenzhou International was recognised for its corporate governance practices. It was named as one of the 2015 Best Corporate Governance Awards for Listed Companies by Ta Kung Pao, and was selected as one of the Private Companies with the Largest Market Capitalization on the Hong Kong Stocks Ranking, the Mainland Enterprises Category in 2014-2015 (2014-2015年度中國大陸企業組的香港股市排行榜的最大市值民企) by Yazhou Zhoukan.

Furthermore, during 2016, Shenzhou International was awarded “Enterprise Award” in 2016 DHL/SCMP Hong Kong Business Awards 2016. This greatly encourages Shenzhou International and proves that the community is confident in the corporate governance of Shenzhou International. Therefore, the Group will continue its efforts to raise the level of corporate governance, so as to meet the rising international standards of corporate governance.

Below is the Group's trophy of “Enterprise Award” awarded by DHL/SCMP Hong Kong Business Awards in 2016:

Shenzhou International was awarded “The Hong Kong Corporate Governance Excellence Awards 2018: Award for Sustainability Excellence” by The Chamber of Hong Kong Listed Companies in December 2018; a proof of the Company's excellence in many aspects, especially in Board diversity, the active participation of Independent Non-executive Directors, persistence on optimizing risk management and internal monitoring and control, as well as the excellence in deepening corporate governance culture internally and externally.

環境、社會及管治報告 Environmental, Social and Governance Report

下圖是香港上市公司商會頒給本集團的二零一八年度「2018年度香港公司管治卓越獎：持續發展卓越獎」的獎盃：



「香港公司管治卓越獎」自2007年起由香港上市公司商會及香港浸會大學公司管治與金融政策研究中心聯合舉辦，每年頒發。「香港公司管治卓越獎」旨在促進香港企業管治、商業道德及董事會領導力的最高水準；表彰卓越管治的公司；宣傳最佳實踐及成績，從而促進公司管治文化的長足發展。「香港公司管治卓越獎」表揚及嘉許在股東權利、合規、誠信、公正、責任、可靠性、透明度、董事會獨立性及領導力、以及社會責任等各方面表現出色的上市公司。

本集團在二零一六年獲得「浙江省五一勞動獎狀」，而「浙江省五一勞動獎狀」是一個勞動者團隊所能獲得的省內最高榮譽之一，是浙江省總工會，專門為對社會作出過重要貢獻的企事業勞動者團隊頒發的一項重要榮譽。推薦標準、評選程序非常嚴格。這次推薦和評選歷經兩個多月的時間，從推薦、初審、公示、複審、終審後才正式授予了這一榮譽。

The following picture is the trophy of “The Hong Kong Corporate Governance Excellence Awards 2018: Award for Sustainability Excellence” awarded to the Group by The Chamber of Hong Kong Listed Companies in 2018:

“The Hong Kong Corporate Governance Excellence Awards” was an annual award organized by The Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Play of the Baptist University since 2007. “The Hong Kong Corporate Governance Excellence Awards” aims at promoting the highest standards in corporate governance in Hong Kong, business morality and Board leadership; acknowledging companies with excellent management; promoting for best practices and results, so as to promote the strong development in company governance culture. “The Hong Kong Corporate Governance Excellence Awards” is to acknowledge and recommend the excellent performance of listed companies in terms of shareholders’ rights, compliance, integrity, fairness, responsibility, reliability, transparency, Board independence and leadership, and social responsibility.

The Group was awarded “Zhejiang May 1st Labour Certificate” in 2016, which is one of the highest provincial honor for labor groups. It is also a major honor that Zhejiang Federation of Trade Unions awards to entrepreneurial labor groups for significant contributions to the society. The recommendation standards and the selection procedures are strict. After over 2 months of recommendation and selection, the honor was awarded officially following recommendation, preliminary review, publication, re-examination and final review.

環境、社會及管治報告

Environmental, Social and Governance Report

下圖是本集團在二零一六年獲得的「浙江省五一勞動獎狀」：

The picture below is “Zhejiang May 1st Labour Certificate” received by the Group in 2016:



9.4 節能減排：

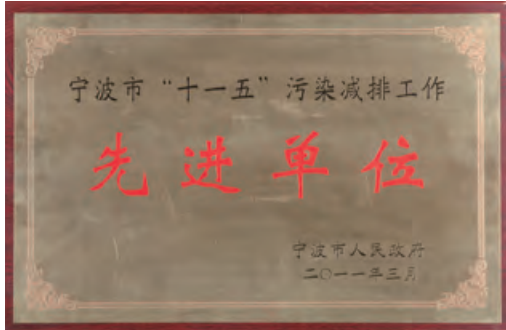
為有效提升本集團的產能及減少生產時對環境的影響，本集團一直對環保及節能減排的生產全力以赴，而本集團在二零零九年至本年度在節能減排方面得到的獎項，分別是2009年度節能減排先進企業、2011寧波市污染減排工作先進集體、2012年寧波市工業循環經濟示範企業、2013年寧波市節水先進企業、寧波市「十一五」節能降耗工作先進單位、寧波市「十一五」污染減排工作先進單位、寧波市工業循環經濟示範企業、2014年浙江省節水型企業（單位）、2017年度浙江省綠色企業和2018年度寧波市節水型企業，以下是本集團在節能減排方面得到的獎項：

9.4 Energy conservation and emission reduction:

To boost the production capacity of the Group and minimize the environmental impact of the production process effectively, the Group has been committed to environmental protection, energy conservation and emission reduction in production. Since 2009, the Group was awarded “Advanced Enterprise in Energy Saving and Emission Reduction in 2009”, “2011 Advanced Unit in Pollution and Emission Reduction in Ningbo”, “2012 Circular Economy Demonstration Industrial Enterprise in Ningbo”, “2013 Advanced Enterprise in Water Saving in Ningbo”, “Advanced Unit in Energy Conservation and Consumption Reduction in the 11th Five-year Plan in Ningbo”, “Advanced Unit in Pollution and Emission Reduction in the 11th Five-year Plan in Ningbo”, “Circular Economy Demonstration Industrial Enterprise in Ningbo”, “2014 Water-saving Enterprise (Unit) in Zhejiang Province”, “2017 Zhejiang Province Green Enterprise” and “2018 Water-saving Enterprise in Ningbo” in the area of energy conservation and emission reduction. The awards of the Group in energy conservation and emission reduction are as below:

環境、社會及管治報告

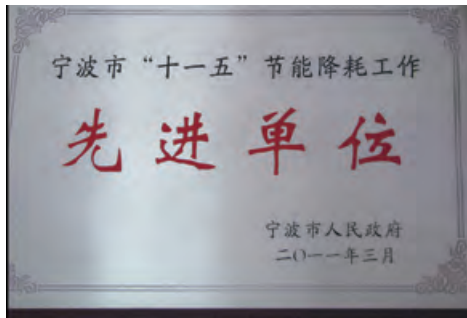
Environmental, Social and Governance Report



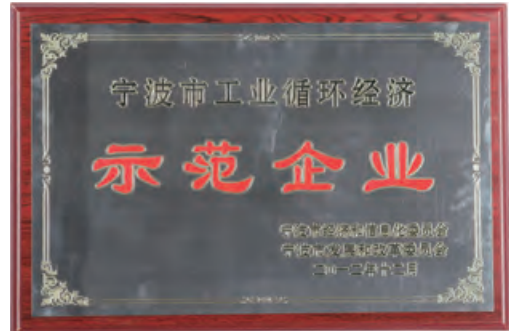
寧波市「十一五」污染減排工作先進單位
Advanced Unit in Pollution and Emission Reduction in Ningbo in the 11th Five-year Plan



2011寧波市污染減排工作先進集體
2011 Advanced Unit in Pollution and Emission Reduction in Ningbo



寧波市「十一五」節能降耗工作先進單位
Advanced Unit in Energy Conservation and Consumption Reduction in the 11th Five-year Plan in Ningbo



2012年寧波市工業循環經濟示範企業
2012 Circular Economy Demonstration Industrial Enterprise in Ningbo



中國針織行業節能減排2012
2012 Energy Conservation and Emission Reduction in Knitting Industry in China



2013年寧波市節水先進企業
2013 Advanced Enterprise in Water Saving in Ningbo



2014年浙江省節水型企業(單位)
2014 Water-saving Enterprise (Unit) in Zhejiang Province

董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

執行董事

馬建榮先生，五十五歲，本集團執行董事、主席兼提名委員會主席。彼為正高級經濟師，負責本集團的整體業務發展策略，在紡織業具超過三十八年經驗。馬先生在一九八九年加入本集團前，彼曾於紹興棉紡廠及杭州臨平針織服裝廠工作。加盟本集團後，馬先生曾出任本集團之最早期營運企業－寧波申洲織造集團有限公司（「寧波織造」）的織造部經理及寧波織造副總經理及總經理。彼自二零零五年四月以來一直擔任寧波申洲針織有限公司（「申洲針織」）董事長，於二零一二年四月一日獲任提名委員會主席。馬先生為中國針織工業協會副會長，曾榮獲「寧波市慈善楷模」，「浙江慈善獎－個人獎」和「中國慈善突出貢獻獎」等榮譽。馬先生為黃關林先生的姻兄及馬仁和先生的堂弟（其父親與馬仁和先生的父親為兄弟）。

黃關林先生，五十四歲，本集團執行董事兼總經理，負責本集團的生產、行銷及市場推廣等日常業務運作，在紡織業具超過三十一年經驗。黃先生畢業於浙江工業大學，主修化學工業管理工程。一九八九年加盟本集團前，彼曾於浙江省餘杭縣的絲織廠工作。加盟本集團後，黃先生曾任寧波織造的生產經營部經理及副總經理。彼自二零零五年四月以來一直擔任申洲針織總經理。於二零零五年十月至二零一二年三月，黃先生為提名委員會主席。彼為馬建榮先生的妹夫。

EXECUTIVE DIRECTORS

Mr. Ma Jianrong (馬建榮), aged 55, is an Executive Director, the Chairman of the Group and the chairman of the Nomination Committee. He is a senior economist. He is responsible for the overall business development strategy of the Group and has over 38 years of experience in the textile industry. Prior to joining the Group in 1989, he worked for Shaoxing Cotton Mill (紹興棉紡廠) and Hangzhou Linping Knitting and Garment Plant (杭州臨平針織服裝廠). After joining the Group, Mr. Ma served as the manager of the knitting and weaving department, a deputy general manager and the general manager of Ningbo Shenzhou Weaving Group Co., Ltd. ("Ningbo Weaving"), the earliest operating entity of the Group. He has been the chairman of Ningbo Shenzhou Knitting Co., Ltd. ("Shenzhou Knitting") since April 2005. He was appointed as the chairman of the Nomination Committee on 1 April 2012. Mr. Ma was the vice-chairman of China Knitting Industrial Association (中國針織工業協會) and was awarded "Charity Model of Ningbo (寧波市慈善楷模)", "Charity Prize of Zhejiang – Individual" (浙江慈善獎－個人獎) and "Prize for Outstanding Charity Contribution in China" (中國慈善突出貢獻獎). Mr. Ma is the brother-in-law of Mr. Huang Guanlin and is a cousin of Mr. Ma Renhe (his father and Mr. Ma Renhe's father are brothers).

Mr. Huang Guanlin (黃關林), aged 54, is an Executive Director and the general manager of the Group. He is responsible for the daily operations of the Group such as production, sales and marketing and has over 31 years of experience in the textile industry. Mr. Huang graduated from Zhejiang University of Technology (浙江工業大學), majoring in chemical industry management and engineering. Prior to joining the Group in 1989, he worked for a silk knitting mill in Yuhang County, Zhejiang Province. After joining the Group, Mr. Huang worked as the manager and a deputy general manager of the production and operation department of Ningbo Weaving. He has been the general manager of Shenzhou Knitting since April 2005. Mr. Huang was the chairman of the Nomination Committee during the period from October 2005 to March 2012. He is the brother-in-law of Mr. Ma Jianrong.



董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

馬仁和先生，五十九歲，本集團執行董事兼副總經理，以及薪酬委員會成員，負責本集團染整事務及行政事務，在紡織業擁有逾四十二年經驗。於一九八九年加入本集團前，曾在紹興棉紡廠及杭州臨平針織服裝廠工作。加盟本集團後，馬先生曾擔任寧波織造染整部經理及副總經理。彼自二零零二年五月起一直擔任申洲針織副總經理。於二零零五年十月至二零一二年三月馬先生兼任薪酬委員會主席，及後調任薪酬委員會成員。彼為馬建榮先生的堂兄（其父親與馬建榮先生之父親為兄弟）。

王存波先生，四十七歲，本集團執行董事兼副總經理，於二零零四年五月加盟本集團擔任財務部部長兼申洲針織財務總監，並於二零一一年升任本集團董事，並於二零一六年十二月十六日起任本集團副總經理。彼於一九九五年畢業於浙江工業大學，主修生物化工工程，持有工學學士學位。同年，王先生就讀浙江工業大學，並於一九九八年獲頒授管理學碩士學位。此外，彼取得中國註冊會計師證書、中國註冊稅務師證書、中國註冊資產評估師證書、高級會計師證書及中國註冊會計師執行證券及期貨相關業務許可證。王先生加盟本集團前，曾任寧波天健永德聯合會計師事務所合夥人、寧波永德企業管理諮詢事務所副總經理，彼作為執業會計師具超過六年經驗。

Mr. Ma Renhe (馬仁和), aged 59, is an Executive Director, a deputy general manager of the Group and a member of the Remuneration Committee. He is responsible for administration, dyeing and finishing affairs of the Group and has over 42 years of experience in textile industry. Prior to joining the Group in 1989, he worked for Shaoxing Cotton Mill and Hangzhou Linping Knitting and Garment Plant. After joining the Group, Mr. Ma worked as the manager and a deputy general manager of the dyeing and finishing department of Ningbo Weaving. He has been a deputy general manager of Shenzhou Knitting since May 2002. From October 2005 to March 2012, Mr. Ma was also the chairman of the Remuneration Committee and subsequently redesignated as a member of the Remuneration Committee. He is a cousin of Mr. Ma Jianrong (his father and Mr. Ma Jianrong's father are brothers).

Mr. Wang Cunbo (王存波), aged 47, is an Executive Director and a deputy general manager of the Group. He joined the Group as the department head of the finance department of the Group, promoted as the financial controller of Shenzhou Knitting in May 2004 and became deputy general manager of the group since 16 December 2016. He was appointed as a Director of the Group in 2011. He graduated from Zhejiang University of Technology (浙江工業大學), majoring in biology and chemical engineering, with a bachelor's degree in engineering in 1995. In the same year, Mr. Wang studied at Zhejiang University of Technology where he obtained a master's degree in management in 1998. In addition, he obtained the certificates of the PRC certified public accountant, the PRC registered tax agent and the PRC certified public valuer and senior accountant and the operating permit of the PRC public certified accountant engaged in securities and futures-related business. Prior to joining the Group, he was a partner of Ningbo Tianjian Yongde United Accounting Firm (寧波天健永德聯合會計師事務所), a deputy general manager of Ningbo Yongde Corporate Management and Consulting Firm (寧波永德企業管理諮詢事務所), and has over 6 years of experience as certified accountant.

董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

陳芝芬女士，五十歲，於二零一三年十二月一日已委任為執行董事，為本集團副總經理，負責所有製衣部，在紡織業具有超過二十九年經驗。於一九九零年四月加盟本集團後，彼曾任寧波織造的工段長、製衣部經理、製衣二部及六部經理、總經理助理及本集團總經理助理。於二零零零年九月至二零零三年六月期間，陳女士完成海軍工程大學課程，主修管理工程。彼亦於二零零七年畢業於TBM Lean Sigma Institute，獲得Kaizen Promotion Office Toward World-Class Manufacturing Excellence畢業證書，並於二零一二年畢業於浙江大學經濟學院，獲得現代企業家經理人高級研修班證書。

Ms. Chen Zhifen (陳芝芬), aged 50, was appointed as an Executive Director on 1 December 2013. She is a deputy general manager of the Group, responsible for all garment manufacturing departments, and has over 29 years of experience in the textile industry. After joining the Group in April 1990, she worked as the section chief, the manager of the garment manufacturing department, the manager of the No. 2 and No. 6 garment manufacturing departments, an assistant to the general manager of Ningbo Weaving and an assistant to the general manager of the Group. During the period from September 2000 to June 2003, Ms. Chen studied at Naval University of Engineering (海軍工程大學), majoring in management engineering. She also graduated from TBM LeanSigma Institute with a certificate for completion of the Kaizen Promotion Office Toward World-Class Manufacturing Excellence in 2007 and the College of Economics of Zhejiang University (浙江大學經濟學院) with a certificate for the senior seminar class for modern entrepreneur managers in 2012.

獨立非執行董事

蔣賢品先生，五十四歲，一九八二年至一九八六年期間於中華人民共和國西南財經大學就讀會計專業，並取得經濟學學士學位，主科為會計。蔣先生自一九八六年起於浙江工業大學任教，現為浙江工業大學經貿管理學院會計系教授。蔣先生亦為浙江工業大學工商管理碩士(MBA)教育中心骨幹教師，並為浙江省科技廳特聘財務專家。蔣先生為中國杭州市信用管理協會副會長、浙江省金融工程學會理事及杭州思達管理諮詢公司首席財務顧問。蔣先生於二零一二年四月一日獲委任為本集團獨立非執行董事、審核委員會主席，以及薪酬委員會及提名委員會成員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Jiang Xianpin (蔣賢品), aged 54, studied accounting in Southwestern University of Finance and Economics, the PRC (西南財經大學) from 1982 to 1986 and obtained a bachelor's degree in Economics majoring in accounting. Mr. Jiang started teaching at Zhejiang University of Technology (浙江工業大學) in 1986 and is currently a professor in the School of Accounting, Trade and Management (經貿管理學院) of Zhejiang University of Technology. Mr. Jiang is also a key teaching staff in the University's MBA Education Centre and has been engaged by the Science Technology Department of Zhejiang Province (浙江省科技廳) as its special finance expert. Mr. Jiang is the vice president of the Association of Credit Assessment and Management of Hangzhou, PRC (杭州市信用管理協會), a director of Institute of Finance Engineering, Zhejiang Province, PRC (浙江省金融工程學會), and the chief financial adviser to 杭州思達管理諮詢公司. Mr. Jiang was appointed as an Independent Non-executive Director and the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee on 1 April 2012.



董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

裘煒國先生，六十七歲，二零一三年四月一日加入本集團擔任獨立非執行董事、審核委員會及提名委員會成員。裘先生畢業於中共寧波市委黨校，持有大學專科學歷及擁有寧波市經濟專業中級職務經濟師資格。曾先後擔任寧波化學纖維廠廠長、寧波達利集團董事長兼總裁、寧波市紡織工業公司經理、寧波紡織集團控股公司董事長及總裁、奉化市委書記。在加入本集團前，裘先生為寧波市質量技術監督局局長及黨委書記，於二零一二年四月於該等職位榮休。

陳旭先生，七十歲，二零一三年十二月一日加入本集團擔任獨立非執行董事、審核委員會成員及薪酬委員會主席。陳先生畢業於杭州化學工業學校，畢業於化工機械專科及浙江省委黨校幹部培訓班。於一九七零年七月至一九八三年九月，陳先生於鎮海縣化肥廠擔任多個職位，包括調度員、生產技術課副課長、車間主任、黨委副書記及廠長。陳先生亦於一九八五年六月至一九八五年十月擔任鎮海縣委組織部副部長。彼於一九八五年十月至一九九二年三月擔任寧波市濱海（北侖）區常委及紀委書記。彼亦於一九八九年八月至一九九二年三月擔任寧波市紀委常委，於一九九二年三月至二零零三年一月相繼擔任寧波市北侖區區委副書記、書記及寧波市北侖區人大常委會主任。於二零零二年二月至二零一一年三月，陳先生擔任寧波市人大常委會副主任。彼於二零一一年八月獲委任為寧波市人民政府諮詢委員會副主任，並於二零一三年九月退休。

Mr. Qiu Weiguo (裘煒國), aged 67, joined the Group on 1 April 2013 as an Independent Non-executive Director, and a member of the Audit Committee and the Nomination Committee. Mr. Qiu graduated from Party School of Ningbo Municipal Committee of the Communist Party of China, holding a bachelor's degree and the qualification of practicing as an economist in Ningbo (Intermediate level). He served as a factory manager of Ningbo Chemical Fibre Plant (寧波化學纖維廠), the chairman and chief executive of 寧波達利集團, a manager of 寧波市紡織工業公司, the chairman and chief executive of 寧波紡織集團控股公司, the party secretary of the Communist Party Committee of the city of Fenghua. Before joining the Group, Mr. Qiu served as the chief of Ningbo Bureau of Quality and Technical Supervision (寧波市質量技術監督局) and the secretary to the Party Committee and retired from these positions in April 2012.

Mr. Chen Xu (陳旭), aged 70, joined the Group on 1 December 2013 as an Independent Non-executive Director and a member of the Audit Committee and Chairman of the Remuneration Committee. Mr. Chen graduated from Hangzhou Chemistry and Industry Institute (杭州化學工業學校) with a diploma in chemical machinery and the Leadership Training Class of the Party School of Zhejiang Municipal Committee of the Communist Party (浙江省委黨校幹部培訓班). Between July 1970 and September 1983, Mr. Chen held various positions at Zhenhai Fertiliser Plant (鎮海縣化肥廠) including coordinator, deputy section chief of production and technology, workshop director, deputy secretary of the party committee as well as factory director. Mr. Chen also served as deputy head of the organisation department of Zhenhai County Party Committee (鎮海縣委組織部) from June 1985 to October 1985. He was a member of the standing committee and the secretary of the Commission for Discipline Inspection of Binhai (Beilun) District of Ningbo (寧波市濱海（北侖）區) between October 1985 and March 1992. He was also a member of the standing committee of the Commission for Discipline Inspection of Ningbo (寧波市紀委) between August 1989 and March 1992, the vice secretary and the secretary of the commission and the chairman of the standing committee of the Local People's Congress of Binhai (Beilun) District (寧波市北侖區人大常委會) between March 1992 and January 2003. From February 2002 to March 2011, Mr. Chen served as the vice chairman of the standing committee of the Local People's Congress of Ningbo (寧波市人大常委會). He was appointed as the deputy director of the advisory committee to the People's Government of Ningbo (寧波市人民政府諮詢委員會) in August 2011 and retired from this position in September 2013.

董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

張炳生先生，五十六歲，二零一八年九月一日加入本集團擔任獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。張先生於一九八四年七月畢業於復旦大學歷史系。張先生曾於一九八四年七月至一九九六年三月擔任寧波師範學院政史系、政經系教師，於一九九六年三月至一九九八年十月擔任寧波大學師範學院政經系教師，一九九八年十月至二零零零年四月擔任寧波大學社會科學系副主任，二零零五年七月至二零零六年一月擔任寧波大學科研處副處長，二零零零年四月至二零零五年七月和二零零六年一月至二零一零年十一月擔任寧波大學法學院副院長，二零零六年十二月晉升教授並於二零一零年十一月至今擔任寧波大學法學院院長。張先生的主要學術兼職包括中國國際經濟貿易法學研究常務理事，中國知識產權研究會常務理事，浙江省法學會常務理事，浙江省知識產權研究會副會長，浙江省法學教育研究會副會長，寧波市法學會副會長兼學術委員會主任，寧波市知識產權法學研究會會長，寧波大學國家特色專業（法學）負責人，寧波大學國家本科教育綜合改革試點專業（法學）負責人以及寧波大學浙江省一流學科（A類，法學）負責人。張先生的主要社會兼職包括寧波仲裁委員會仲裁員，紹興仲裁委員會仲裁員以及浙江時光律師事務所律師。在加入本公司前，張先生曾擔任寧波熱電股份有限公司獨立董事以及浙江滕頭園林股份有限公司獨立董事。目前均已屆滿離任。

Mr. Zhang Bingsheng (張炳生先生), aged 56, joined the Group on 1 September 2018 as an Independent Non-executive Director and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Zhang graduated from the Department of History of Fudan University (復旦大學) in July 1984. From July 1984 to March 1996, Mr. Zhang served as a lecturer of the Department of Politics and History and the Department of Politics and Economics of Ningbo Teachers' College (寧波師範學院). From March 1996 to October 1998, Mr. Zhang served as a lecturer of the Department of Politics and Economics of the Faculty of Teachers and Education of Ningbo University (寧波大學師範學院). Mr. Zhang served in Ningbo University as Deputy Officer of the Faculty of Social Science from October 1998 to April 2000, as Deputy Director of Science and Research Administration Office from July 2005 to January 2006, as Associate Dean of the Law School from April 2000 to July 2005 and from January 2006 to November 2010. Mr. Zhang was promoted to Professor in December 2006 and has served as the Dean of the Law School of Ningbo University since November 2010 till now. Mr. Zhang's main academic part-time positions include Standing Director of Chinese Society of International Economic and Trade Law Research (中國國際經濟貿易法學研究), Standing Director of China Intellectual Property Research Society (中國知識產權研究會), Standing Director of Zhejiang Law Society (浙江省法學會), Vice President of Zhejiang Intellectual Property Research Society (浙江省知識產權研究會), Vice President of Zhejiang Association for Legal Education (浙江省法學教育研究會), Vice President of Ningbo Law Society and Supervisor of the Academic Committee of Ningbo Law Society, president of Ningbo Intellectual Property Law Research Society (寧波市知識產權法學研究會), the responsible person of the National Characteristic Professional (Law) (國家特色專業(法學)) of Ningbo University, the responsible person of the National Undergraduate Education Comprehensive Reform Pilot Professional (Law) (國家本科教育綜合改革試點專業(法學)) of Ningbo University, and the responsible person of Zhejiang First Class Discipline (A, Law) (浙江省一流學科(A類,法學)) of Ningbo University. Mr. Zhang's main social part-time positions include an arbitrator of Ningbo Arbitration Commission (寧波仲裁委員會), an arbitrator of Shaoxing Arbitration Commission (紹興仲裁委員會) and a lawyer of Zhejiang Shiguang Law Firm (浙江時光律師事務所). Prior to joining the company, Mr. Zhang had served as an independent director of Ningbo Thermal Power Co., Ltd. (寧波熱電股份有限公司) and an independent director of Zhejiang Tengtou Landscape Co., Ltd (浙江滕頭園林股份有限公司). Both terms of office have expired now.



董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

公司秘書

陳德興先生，四十八歲，於二零零八年九月加入本集團，現任本集團財務總監及公司秘書。陳先生擁有逾二十三年審核、財務監管、公司秘書及會計之經驗。陳先生持有工商管理碩士學位及中國商貿管理理學碩士學位，亦為英國特許公認會計師公會資深會員、香港會計師公會會員、香港註冊稅務師及英格蘭及威爾斯特許會計師公會會員。

COMPANY SECRETARY

Mr. CHAN Tak Hing, Kenji (陳德興), aged 48, joined the Group in September 2008. He is currently the Financial Controller and Company Secretary of the Group. Mr. Chan has over 23 years of experience in auditing, financial controlling, company secretarial and accounting. Mr. Chan holds a Master Degree in Business Administration and a Master of Science Degree in China Business Management. Mr. Chan is also a fellow member of the Association of Chartered Certified Accountants, an associate member of the Hong Kong Institute of Certified Public Accountants, a Certified Tax Adviser in Hong Kong and an associate member of the Institute of Chartered Accountants in England & Wales.

高級管理層

陳嵐先生，五十三歲，本集團副總經理，負責棉紗等原材料採購及資訊管理工作，在紡織業有逾三十年工作經驗。陳先生於一九八九年七月加盟本集團後，彼曾任寧波織造織造部經理、生產經營部副經理、原材料採購部經理、總經理助理及本集團總經理助理。

SENIOR MANAGEMENT

Mr. Chen Lan (陳嵐), aged 53, is a deputy general manager of the Group, responsible for the procurement of raw materials, such as cotton yarn, and information management, and has over 30 years of experience in textile industry. After joining the Group in July 1989, he served as the manager of the weaving department, the deputy manager of the production and operation department, the manager of the raw materials procurement department and an assistant to the general manager of Ningbo Weaving and an assistant to the general manager of the Group.

顧朝權先生，五十七歲，本集團副總經理，負責本集團的安徽制衣工廠的生產運營，在紡織業具有超過三十一年經驗。於一九八九年加盟本集團前，彼曾於中國寧波市北侖區政府工作。顧先生曾任寧波織造辦公室副主任、製衣部經理、製衣一部經理、總經理助理及本集團總經理助理。

Mr. Gu Chaoquan (顧朝權), aged 57, is a deputy general manager of the Group, responsible for the Group's garment factory in Anhui, and has over 31 years of experience in textile industry. Prior to joining the Group in 1989, he worked for the government of Beilun District, Ningbo City, China. Mr. Gu served as the deputy head of the office, the manager of the garment manufacturing department, the manager of the No. 1 garment manufacturing department (製衣一部), assistant to the general manager of Ningbo Weaving and an assistant to the general manager of the Group.

董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

言德林先生，六十四歲，本集團副總經理，主管柬埔寨製衣工廠。在紡織業具有超過三十一年經驗。彼取得助理經濟師證書。加盟本集團前，言先生曾任杭州臨平針織服裝廠設備科長、辦公室主任以及余杭協作辦公室旗下合營公司副總經理，期間他曾任余杭協作辦公室旗下柬埔寨公司總經理。於一九九九年十月加盟本集團後，言先生曾任寧波織造辦公室副主任，並自二零零五年五月以來一直擔任申洲針織總經理助理。言先生畢業於中共中央黨校函授學院，主修經濟管理。

Mr. Yan Delin (言德林), aged 64, is a deputy general manager of the Group, in charge of the operations of the Group's garment factory in Cambodia and has over 31 years of experience in textile industry. He has obtained the certificate of assistant economist. Prior to joining the Group, Mr. Yan worked as the head of the equipment division of Hangzhou Linping Knitting and Garment Plant, the head of its office, and a deputy general manager of joint venture companies under Yuhang Cooperative Office (余杭協作辦公室), during which, he served as the general manager of a Cambodian company under the Yuhang Cooperative Office. After joining the Group in October 1999, Mr. Yan worked as the deputy head of the office of Ningbo Weaving and has been an assistant to the general manager of Shenzhou Knitting since May 2005. He graduated from the Correspondence College at the Party School of the Central Committee of CCP, majoring in economic management.

江濤先生，五十二歲，本集團總經理助理及Uniqlo事業部部長，於織造業具有二十三年經驗。江先生畢業於上海大學英語系，主修英語（國際貿易）。加盟本集團前，他曾於上海東方日綿有限公司工作。於一九九八年十月加盟本集團後，江先生曾任寧波織造總經理助理，負責向Uniqlo進行銷售。

Mr. Jiang Tao (江濤), aged 52, is an assistant to the general manager and the manager of the Uniqlo Business Department of the Group. He has 23 years of experience in knitting and weaving industry. Mr. Jiang graduated from the Faculty of English at Shanghai University (上海大學), majoring in English for international trade. Prior to joining the Group, he worked at Shanghai Dongfang Rimian Company Limited (上海東方日綿有限公司). After joining the Group in October 1998, Mr. Jiang served as an assistant to the general manager of Ningbo Weaving and was responsible for the sales to Uniqlo.

崔紀鋒先生，五十五歲，本集團總經理助理，負責本集團技術及品質事務，在紡織業具有逾三十年經驗。於一九九零年加盟本集團前，他曾任寧波北侖服裝廠技術副廠長。崔先生加盟本集團後曾於寧波織造生產經營部擔任副經理及總經理助理。

Mr. Cui Jifeng (崔紀鋒), aged 55, is an assistant to the general manager of the Group, responsible for the Group's technology and quantity affairs, and has over 30 years of experience in textile industry. Prior to joining the Group in 1990, he worked as the deputy factory manager of Ningbo Beilun Garments Plant (寧波北侖服裝廠), in charge of technology. Mr. Cui served as the deputy manager of the production and operation department and an assistant to the general manager of Ningbo Weaving.

胡永海先生，五十三歲，本集團總經理助理，負責面料技術事務，在紡織業具有超過三十年經驗。彼取得助理經濟師證書。胡先生畢業於浙江工業大學，取得工業管理工程學士學位。彼畢業後隨即加盟本集團，曾擔任過寧波織造生產經營部助理經理、副經理及總經理助理，負責有關面料及技術事務。

Mr. Hu Yonghai (胡永海), aged 53, is an assistant to the general manager of the Group, responsible for the affairs of fabric technology, and has over 30 years of experience in textile industry. He obtained the certificate of assistant economist. Mr. Hu graduated from Zhejiang University of Technology (浙江工業大學) with a bachelor's degree in industrial management engineering. He joined the Group immediately after graduation and worked as an assistant manager, deputy manager of the production and operation department and an assistant to the general manager of Ningbo Weaving, responsible for the affairs of fabrics and technology.



董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

馬彬先生，現年四十八歲，二零零一年加入本集團，現任本集團總經理助理和NIKE事業部部長，全面負責NIKE事業部運作項目管理和客戶關係維護。馬彬有十九年的紡織行業經驗，進入集團後參與組建的申洲歐美事業部，負責新客戶開發。二零零五年初開始全面負責NIKE業務至今。二零零九年一月被任命為本集團總經理助理。馬彬畢業於復旦大學電子工程系後，在上海財經大學工商管理學院獲得中美合作工商管理碩士學位。加入本集團前馬彬任職於國海證券，司職業務開發經理。

Mr. Ma Bin (馬彬), aged 48, joined the Group in 2001. Currently, he is an assistant to the general manager and the manager of the NIKE Business Department of the Group. He is fully in charge of the operation and project management and customer relationship maintenance of the NIKE business department. Mr. Ma has 19 years of experience in the textile industry. After joining the Group, he participated in the formation of the Shenzhou Department of European and U.S. Business and was responsible for targeting potential customers. He has been responsible for the NIKE business since early 2005. In January 2009, he was appointed as an assistant to the Group's general manager. He graduated from the Department of Electronic Engineering of the Fudan University and later obtained his SUFE-Webster joint MBA from the MBA School of Shanghai University of Finance and Economics. Before joining the Group, Mr. Ma served as the business development manager of the Sealand Securities.

宋慶先生，四十九歲，本集團總經理助理兼ADIDAS事業部部長。他全面主管ADIDAS事業部的日常管理和制度建設等工作，並協助總經理處理一些其他方面的工作，在紡織行業有二十一年的工作經驗。宋先生於一九九四年畢業於西北工業大學計算機科學和應用系，並先後於二零零五年取得新加坡國立大學技術碩士文憑，二零零八年從上海交通大學和新加坡南洋理工大學合辦的EMBA項目畢業。在二零零七年一月加入本集團，宋先生在新加坡有十年的工作經驗，先於一九九七年在一家軟件開發公司擔任高級軟件開發工程師一年，然後於一九九八年加入紡織行業的永華工業私人有限公司，先後擔任信息技術部經理(IT Manager)和首席資訊主管(CIO)。

Mr. Song Qing (宋慶), aged 49, is an assistant to the general manager and the manager of the ADIDAS Business Department of the Group. He is fully in charge of the general management and system construction of the ADIDAS Business Department of the Group. He assists the general manager with other aspects of operations and has 21 years of experience in the textile industry. In 1994, Mr. Song graduated from the Department of Computer Science and Technology of the Northwestern Polytechnical University. He obtained a Master of Technology from the National University of Singapore in 2005 and graduated from the NTU-SJTU Joint Executive MBA (EMBA) Programme in 2008. Having joined the Group in January 2007, Mr. Song has 10 years of work experience in Singapore. Beginning in 1997, he worked as a senior software development engineer for a software development firm for a year. In 1998, he joined 永華工業私人有限公司 of the textile industry and served as its IT Manager and Chief Information Officer CIO successively.

董事及高級管理層成員履歷

Biographical Details of Directors and Members of Senior Management

徐惠國先生，現年六十六歲，於二零一一年加入本集團，現任本集團副總經理，負責本集團行政事務。徐先生具有超過四十七年行政管理經驗。徐先生畢業於中共中央黨校，擁有經濟管理專業本科學位及工程師資格。在加盟本集團前，先後任職於寧波電業局線路隊隊長、寧波電氣檢修安裝公司經理及黨支部書記、寧波送變電公司總經理、北侖供電局局長及寧波明耀環保熱電有限公司總經理。

Mr. Xu Huiguo (徐惠國), aged 66, joined the Group in 2011. He is currently a deputy general manager of the Group in charge of the administrative affairs of the Group. Mr. Xu has over 47 years of experience in administration and management. Mr. Xu obtained an undergraduate qualification in economic management from the Party School of the Central Committee of C.P.C. and is a qualified engineer. Prior to joining the Group, he was the team leader of the wiring team (線路隊) of Ningbo Electricity Bureau (寧波電業局), a manager and the secretary of the party branch of 寧波電氣檢修安裝公司, the general manager of 寧波送變電公司, the chief of Beilun District Electricity Bureau (北侖供電局) and the general manager of Ningbo Mingyao Environmental Thermal Power Co., Ltd.

楊紅輝先生，五十歲，本集團副總經理，負責本集團的生產計劃，在紡織業具有超過二十九年管理經驗，於一九九零年二月進入申洲織造，曾擔任寧波織造生產經營部輔料部經理，生產計劃部副部長，生產計劃部部長負責集團輔資材採購及管理及生產計劃管理工作，於二零一八年一月擔任集團副總經理。協助總經理工作，行使對公司日常生產運作的指導、指揮、監督、管理。當中包括完善生產管理系統，參與集團年度計劃制訂、規劃，集團各客戶定單分配，編製生產計劃，生產進度跟蹤，確保生產任務的完成。

Mr. Yang Honghui (楊紅輝), aged 50, is a deputy general manager of the Group and is responsible for the production planning of the Group. He has accumulated over 29 years of management experience in textile industry. He joined in Shenzhou Weaving in February 1990. He once served as the manager of trims office of the production and operation department and accessory department of Ningbo Weaving, vice head of production planning department, head of production planning department, and was responsible for the procurement and management of auxiliary materials as well as production planning and management of the Group. He was appointed as the vice general manager of the Group in January 2018. His main duties are included: assisting the general manager to work, executing the guidance, direction, supervision and management on daily production and operation of the Company. This includes improving the production management system, participating in the formulation and planning of the plan of the Group yearly, allocating the orders from each of the clients of the Group, preparing the production plan, tracking production progress, to ensure the completion of production task.



董事會報告

Report of the Directors

申洲國際集團控股有限公司（「本公司」）董事欣然將本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度報告連同經已審核的財務報表呈覽。

主要業務及營運地區的分析

本公司之主要業務為投資控股及成衣貿易。其附屬公司之主要業務載於財務報表附註1。

本集團於本年度之表現按業務及地區之分析載於此年報的財務報表附註4及管理層討論及分析部份。

業務回顧及表現

有關本集團業務的中肯回顧及本集團年內表現和與業績及財務狀況相關的重要因素的討論及分析以及本集團面臨的主要風險及不確定性，分別在本年報第12至15頁的主席報告、第29至37頁的財務回顧及第27至28頁的業務回顧各章節中闡述。本集團業務的未來發展於本年報不同部分討論，包括於本年報第12頁至15頁的主席報告及第37至39頁的未來前景及策略。此外，本年報的環境、社會及管治報告中載有關於本集團表現的更多詳情，當中包括參考與環境及社會相關的主要表現指標及政策，以及與其僱員、客戶及供應商的關係。以上討論屬本董事會報告的一部分。

The Directors of Shenzhou International Group Holdings Limited (the "Company") are pleased to submit their report together with the audited financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding and garment trading. The primary activities of its subsidiaries are set out in note 1 to the financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 4 to the financial statements and the Management Discussion and Analysis section of this annual report.

BUSINESS REVIEW AND PERFORMANCE

A fair review of the business of the Group and a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position and principal risks and uncertainties facing the group are provided in the Chairman's Statement, Financial Review and Business Review sections respectively from pages 12 to 15, pages 29 to 37 and pages 27 to 28 of this annual report. The future development of the Group's business is discussed throughout this annual report including in the Chairman's Statement and Future Prospect and Strategies from pages 12 to 15 and 37 to 39 of this annual report. In addition, more details regarding the Group's performance by reference to environmental and social-related key performance indicators and policies, as well as relationships with its employees, customers and suppliers, are provided in this annual report in the Environmental, Social and Governance Report. The discussion above forms part of this Report of the Directors.

董事會報告

Report of the Directors

業績及股息

本集團截至二零一八年十二月三十一日止年度之業績以及本公司及本集團於該日之財務狀況載於財務報表第155頁至275頁。

董事會建議就截至二零一八年十二月三十一日止年度向二零一九年六月十日名列本公司股東名冊上之股東，派發末期股息每股普通股0.90港元。惟此派息建議有待股東在二零一九年五月二十八日舉行應屆股東週年大會（「股東週年大會」）上批准後，方可作實，惟待該款項得到批准後，股息預期於二零一九年六月二十日或附近派發。

截至二零一八年六月三十日止六個月宣派中期股息每股0.85港元（相等於約人民幣0.72元）予二零一八年九月十三日（截至二零一七年六月三十日止六個月：每股0.70港元）營業時間結束時名列本公司股東名冊之股東。中期股息已於二零一八年九月二十七日派發。

於截至二零一八年十二月三十一日止年度，本公司股東概無放棄或同意放棄任何股息的安排。

股息政策

本公司已採納股息政策（「股息政策」）。為決定是否建議派發股息及釐定股息金額，董事會將考慮本集團的盈利表現、財務狀況、投資要求及未來前景。

派付股息亦受須遵守適用法例及本公司章程細則項下的任何限制。

儲備

年內本公司及本集團儲備變動之詳情分別載於財務報表附註40及綜合權益變動表。

捐款

年內本集團的慈善捐款及其他捐獻約為人民幣7,140,000元。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2018 and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on pages 155 to 275.

The Board recommends the payment of a final dividend of HK\$0.90 per ordinary share for the year ended 31 December 2018 to shareholders whose names appear on the register of members of the Company on 10 June 2019. However, the proposed payment of the dividend shall be subject to approval by shareholders at the forthcoming annual general meeting (the "AGM") to be held on 28 May 2019 and subject to such approval having been obtained, the payment of such dividend is expected to be on or around 20 June 2019.

Interim dividend of HK\$0.85 (equivalent to approximately RMB0.72) per share was declared for the six months ended 30 June 2018 (for the six months ended 30 June 2017: HK\$0.70 per Share) to the shareholders whose names appeared on the register of members of the Company at the close of business on 13 September 2018. The interim dividend was paid on 27 September 2018.

There was no arrangement under which a shareholder of the Company had waived or agreed to waive any dividend during the year ended 31 December 2018.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). In deciding whether to propose a dividend and in determining the dividend amount, the Board will take into account the Group's earnings performance, financial position, investment requirements and future prospects.

The payment of dividend is also subject to any restrictions under the applicable laws and the Company's Articles of Association.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 40 to the financial statements and in the consolidated statement of changes in equity, respectively.

DONATIONS

Charitable and other donations made by the Group during the year amounted to approximately RMB7,140,000.



董事會報告

Report of the Directors

物業、廠房及設備

本集團物業、廠房及設備變動詳情載於財務報表附註14。

股本

本公司之法定或已發行股本變動詳情載於財務報表附註30。

可供分派儲備

按照開曼群島公司法第二十二章（一九六一年第三號法例，經綜合及修訂）計算，本公司於二零一八年十二月三十一日的可供分派儲備為人民幣18,890,865,000元，其中人民幣1,185,411,000元已建議用作本年度末期股息。

優先購股權

根據本公司組織章程細則中並無優先購股權之條文，而開曼群島之法律亦無規定本公司於發行新股時，須按比例給予現有股東該等權利的限制。

財務資料摘要

本集團過往五個財政年度的業績、資產及負債摘要載於第276頁。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於截至二零一八年十二月三十一日止年度內概無購買、贖回或出售本公司任何上市證券。

購股權計劃

本公司於二零一八年十二月三十一日概無採納購股權計劃。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 14 to the financial statements.

SHARE CAPITAL

Details of the movements in the authorised or issued share capital of the Company are set out in note 30 to the financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2018, calculated in accordance with the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to RMB18,890,865,000, of which RMB1,185,411,000 has been proposed as final dividend for the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction under the laws of Cayman Islands, which would oblige the Company to offer such rights on a pro rata basis to existing shareholders during new shares issue.

SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 276.

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

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities for the year ended 31 December 2018.

SHARE OPTION SCHEME

No share option scheme was operated by the Company as at 31 December 2018.

董事會報告

Report of the Directors

董事

本年度內及直至最後實際可行日期之董事如下：

執行董事：

馬建榮先生
黃關林先生
馬仁和先生
王存波先生
陳芝芬女士

獨立非執行董事：

陳旭先生
蔣賢品先生
裘煒國先生
張炳生先生（於二零一八年九月一日獲委任）

根據本公司組織章程細則第86(3)條，張炳生先生符合資格，並願意於股東週年大會上告退及膺選連任。

根據本公司組織章程細則第87(1)條及87(2)條，馬建榮先生、陳芝芬女士和蔣賢品先生將於應屆股東週年大會輪值告退。惟彼等符合資格並願膺選連任。

獨立非執行董事均以三年任期委任。本公司已接獲陳旭先生、蔣賢品先生、裘煒國先生及張炳生先生根據上市規則第3.13條之年度獨立性確認書，並認為彼等均為獨立人士。

DIRECTORS

The Directors during the year and up to the Latest Practicable Date were:

Executive Directors:

Mr. Ma Jianrong
Mr. Huang Guanlin
Mr. Ma Renhe
Mr. Wang Cunbo
Ms. Chen Zhifen

Independent Non-executive Directors:

Mr. Chen Xu
Mr. Jiang Xianpin
Mr. Qiu Weiguo
Mr. Zhang Bingsheng (appointed on 1 September 2018)

In accordance with Article 86(3) of the Company's Articles of Association, Mr. Zhang Bingsheng will retire at the forthcoming AGM and, being eligible, offer themselves for re-election.

In accordance with Article 87(1) and 87(2) of the Company's Articles of Association, Mr. Ma Jianrong, Ms. Chen Zhifen and Mr. Jiang Xianpin shall retire by rotation at the forthcoming AGM and, being eligible, have offered themselves for re-election thereat.

The Independent Non-executive Directors are appointed for a term of three years. The Company has received annual confirmations of independence from Mr. Chen Xu, Mr. Jiang Xianpin, Mr. Qiu Weiguo and Mr. Zhang Bingsheng pursuant to Rule 3.13 of the Listing Rules and considers that they are all independent.



董事會報告

Report of the Directors

董事之服務合約

各執行董事均與本公司簽訂服務合約，並為期三年，到期自動續期三年，必須按照本公司組織章程細則和上市規則，直至合約根據各自的服務合約條款而被終止。根據各自的服務合約，任何一方可向另一方隨時發出不少於三個月的事先書面通知，終止服務協議。

各獨立非執行董事均與本公司簽訂服務合約，並為期三年，到期自動續期三年，必須遵照本公司組織章程細則和上市規則，直至合約根據各自的服務合約條款而被終止。根據各自的服務合約，獨立非執行董事可隨時發出不少於三個月的事先書面通知，終止服務協議。

根據各自的服務合約，按照服務合約的條款，各執行董事可獲發年度酌情管理花紅，由董事會薪酬委員會批准，惟本集團在任何財政年度向所有執行董事發放的酌情管理花紅總額，不得超逾有關財政年度本集團除稅及少數股東權益以及扣除酌情管理花紅總額後但未計非經常項目前淨利潤的5%。

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors entered into a service contract with the Company for a term of three years which will be automatically renewed for another term of three years subject to compliance with the Articles of Association of the Company and the Listing Rules until it is terminated pursuant to the terms of the respective service contract. According to the respective service contract, it may be terminated at any time by either party giving the other party not less than three months' prior written notice.

Each of the Independent Non-executive Directors entered into a service contract with the Company for a term of three years which will be automatically renewed for another term of three years subject to compliance with the Articles of Association of the Company and the Listing Rules until it is terminated pursuant to the terms of the respective service contract. According to the respective service contract, it may be terminated at any time by the Independent Non-executive Director giving not less than three months' prior written notice.

Under the respective service contracts, each of the Executive Directors is entitled to an annual discretionary management bonus as the Remuneration Committee of the Board may approve, provided that the aggregate amount of the discretionary management bonuses payable to all Executive Directors in respect of any financial year of the Group would not exceed 5% of the net profits of the Group after taxation and minority interests and less the aggregate amount of the discretionary management bonuses but before non-recurring items for the relevant financial year.

董事會報告

Report of the Directors

獲准許之彌償保證及董事與行政人員之責任保險

根據本公司組織章程細則及開曼群島公司法之條文規限，各名董事、核數師或本公司其他行政人員有權從本公司的資產及利潤中獲得彌償，以彌償其作為董事、核數師或本公司其他行政人員招致或蒙受的一切訴訟、成本、費用、虧損、損失及開支，任何與該等人士欺詐或不誠實行事有關之任何事宜除外。於本年度內，本公司已安排適當的董事及行政人員責任保險，保障彼等因履行其職責或相關事宜時可能要承擔的法律責任。

董事之薪酬

有關董事薪酬之詳情載於財務報表附註8。

董事之合約權益

除以下「關連交易」及「持續關連交易」以及財務報表附註36「關聯人士交易」所披露者外，年內，各董事在本公司或其任何控股公司、附屬公司或同系附屬公司所訂立而對本集團業務而言屬重大之交易、安排及合約中概無直接或間接擁有重大權益。

董事於競爭業務的權益

於截至二零一八年十二月三十一日止年度，本公司董事概無於與本公司或其任何附屬公司存有競爭之任何業務擁有任何權益。

董事及高級管理層成員履歷

本公司董事及本集團高級管理層成員履歷詳情載於第124頁至132頁。

PERMITTED INDEMNITY AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Pursuant to the Articles of Association of the Company and subject to the provisions of the Companies Law of the Cayman Islands, every Director, auditor or other officer of the Company shall be entitled to be indemnified out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses incurred or sustained by him/her as a Director, auditor or other officer of the Company, other than for any matter in respect of any fraud or dishonesty which may attach to any such persons. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the year in respect of any legal actions which may be taken against the Directors and officers in the execution and discharge of their duties or in relation thereto.

REMUNERATION OF THE DIRECTORS

Details of the remuneration of the Directors are set out in note 8 to the financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed under the heading "Connected transactions" and "Continuing connected transactions" below and "Related party transactions" in note 36 to the financial statements, no Director had a material interest, either directly or indirectly, in any transaction, arrangement and contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2018, none of the Directors of the Company had any interest in any competing business with the Company or any of its subsidiaries.

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND MEMBER OF SENIOR MANAGEMENT

Brief biographical details of the Directors of the Company and members of the Senior Management of the Group are set out on pages 124 to 132.



董事會報告 Report of the Directors

董事及最高行政人員於本公司股份的權益及淡倉

於二零一八年十二月三十一日，根據證券及期貨條例（「證券及期貨條例」）第XV部第7及第8分部已知會本公司和香港聯合交易所有限公司（「聯交所」），並根據證券及期貨條例第352條而存置之登記冊所載；或根據聯交所證券上市規則（「上市規則」）內上市公司董事進行證券交易的標準守則（「證券交易守則」）已知會本公司和聯交所，有關本公司董事及最高行政人員擁有本公司及其相關法團（按證券及期貨條例第XV部之涵義）之股份、相關股份及債權證之權益及淡倉（包括根據證券及期貨條例之該等條文任何該等董事或最高行政人員擁有或被視作擁有之權益及淡倉）如下：

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

As at 31 December 2018, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which was taken or deemed to be held by any such director or chief executive under such provisions of the SFO) and were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Securities Trading Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

於本公司普通股中之好倉

Long positions in ordinary shares of the Company

名稱	附註	身份及權益類別	股份數目	佔本公司已發行股本百分比(%)
Name	Notes	Capacity and Nature of Interest	Number of Shares	Percentage of the Issued Share Capital of the Company
馬建榮先生 Mr. Ma Jianrong	1	公司權益 Corporate interests	700,803,750	46.62%
馬仁和先生 Mr. Ma Renhe	2	公司權益 Corporate interests	79,465,250	5.29%

董事會報告

Report of the Directors

附註：

1. 於二零一八年十二月三十一日，協榮有限公司（「協榮」，一家於英屬處女群島註冊成立之有限公司）持有700,803,750股股份，而千里馬投資有限公司（「千里馬」）、BMX (HK) LTD.（「BMX」）及利華企業有限公司（「利華」）則分別擁有該公司78.89%、14.69%及6.42%之權益。千里馬（一家於英屬處女群島註冊成立之有限公司）由馬建榮先生全資擁有。BMX（一家於英屬處女群島註冊成立之有限公司）由黃關林先生（為馬建榮先生之妹夫及馬寶興先生之女婿）全資擁有。利華（一家於英屬處女群島註冊成立之有限公司）由馬寶興先生（為馬建榮先生之父親）全資擁有。根據證券及期貨條例，馬建榮先生被視為於協榮所持有之700,803,750股股份中擁有權益。
2. 於二零一八年十二月三十一日，富高集團有限公司（「富高」，一家於英屬處女群島註冊成立之有限公司）持有79,465,250股股份，而MCC Group Ltd（「MCC」）及本集團若干高級管理層成員（包括執行董事王存波先生及陳芝芬女士）則分別擁有該公司77.08%及22.92%之權益。MCC（一家於英屬處女群島註冊成立之有限公司）由執行董事馬仁和先生（為馬建榮先生之堂兄）全資擁有。根據證券及期貨條例，馬仁和先生被視為於富高所持有之79,465,250股股份中擁有權益。

除上述披露者外，於二零一八年十二月三十一日，根據證券及期貨條例第352條記錄於本公司存置之登記冊；或根據證券交易守則已知會本公司和聯交所，本公司各董事及最高行政人員概無擁有或被視作擁有本公司及其相關法團（按證券及期貨條例第XV部之涵義）之股份、相關股份及債權證之權益或淡倉。

本公司或其任何控股公司、附屬公司或同系附屬公司於年內概無訂立任何安排，令本公司董事及最高行政人員（包括彼等之配偶或未滿十八歲之子女）可藉購入本公司或其相聯法團之股份或相關股份或債權證而獲益。

Notes:

1. As at 31 December 2018, 700,803,750 Shares were held by Keep Glory Limited (“Keep Glory”), a company incorporated in the British Virgin Islands with limited liability, which in turn was owned as to 78.89% by Splendid Steed Investments Limited (“Splendid Steed”), 14.69% by BMX (HK) LTD. (“BMX”) and 6.42% by Super China Enterprises Limited (“Super China”). Splendid Steed, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Jianrong. BMX, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Huang Guanlin (brother-in-law of Mr. Ma Jianrong and son-in-law of Mr. Ma Baoxing). Super China, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Baoxing (father of Mr. Ma Jianrong). By virtue of the SFO, Mr. Ma Jianrong is deemed to be interested in the 700,803,750 Shares held by Keep Glory.
2. As at 31 December 2018, 79,465,250 Shares were held by Fairco Group Limited (“Fairco”), a company incorporated in the British Virgin Islands with limited liability, which in turn was owned as to 77.08% by MCC Group Ltd (“MCC”) and 22.92% by certain senior management of the Group including Mr. Wang Cunbo and Ms. Chen Zhifen (all are executive Directors). MCC, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Renhe, an executive Director and a cousin of Mr. Ma Jianrong. By virtue of the SFO, Mr. Ma Renhe is deemed to be interested in the 79,465,250 Shares held by Fairco.

Save as disclosed above, as at 31 December 2018, none of the Directors and chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the Securities Trading Code.

At no time during the year was the Company, or any of its holding companies, its subsidiaries or its fellow subsidiaries a party to any arrangement to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporation.



董事會報告 Report of the Directors

主要股東於本公司股份的權益及淡倉

於二零一八年十二月三十一日，下列人士（本公司董事除外）在本公司根據證券及期貨條例第336條所存置之股東名冊所記錄佔本公司已發行股本5%或以上之權益如下：

於本公司普通股中之好倉

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

At 31 December 2018, the following persons who held interests of 5% or more of the issued share capital of the Company, other than Directors of the Company, were recorded in the register of members required to be kept by the Company pursuant to Section 336 of the SFO:

Long position in ordinary shares of the Company

名稱	附註	身份及權益類別	股份數目	佔本公司已發行股本百分比(%) Percentage of the Issued Share Capital of the Company
Name	Notes	Capacity and Nature of Interest	Number of Shares	
協榮	1	實益擁有人	700,803,750	46.62%
Keep Glory	1	Beneficial owner	700,803,750	46.62%
千里馬	1	公司權益	700,803,750	46.62%
Splendid Steed	1	Corporate interests	700,803,750	46.62%
富高	2	實益擁有人	79,465,250	5.29%
Fairco	2	Beneficial owner	79,465,250	5.29%
MCC	2	公司權益	79,465,250	5.29%
MCC	2	Corporate interests	79,465,250	5.29%

附註：

Notes:

1. 於二零一八年十二月三十一日，協榮（一家於英屬處女群島註冊成立之有限公司）持有700,803,750股股份，而千里馬、BMX及利華則分別擁有該公司78.89%、14.69%及6.42%之權益。千里馬（一家於英屬處女群島註冊成立之有限公司）由馬建榮先生全資擁有。BMX（一家於英屬處女群島註冊成立之有限公司）由黃關林先生全資擁有。利華（一家於英屬處女群島註冊成立之有限公司）由馬寶興先生（為馬建榮先生之父親）全資擁有。根據證券及期貨條例，千里馬被視為為協榮所持有之700,803,750股股份中擁有權益。

1. As at 31 December 2018, 700,803,750 Shares were held by Keep Glory, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 78.89% by Splendid Steed, 14.69% by BMX and 6.42% by Super China. Splendid Steed, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Jianrong. BMX, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Huang Guanlin. Super China, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Baoxing (father of Mr. Ma Jianrong). By virtue of the SFO, Splendid Steed is deemed to be interested in the 700,803,750 Shares held by Keep Glory.

董事會報告

Report of the Directors

2. 於二零一八年十二月三十一日，富高（一家於英屬處女群島註冊成立之有限公司）持有79,465,250股股份，而MCC及本集團若干高級管理層成員（包括執行董事王存波先生及陳芝芬女士）則分別擁有該公司77.08%及22.92%之權益。MCC（一家於英屬處女群島註冊成立之有限公司）由執行董事馬仁和先生（為馬建榮先生之堂兄）全資擁有。根據證券及期貨條例，MCC被視為於富高所持有之79,465,250股股份中擁有權益。

2. As at 31 December 2018, 79,465,250 Shares were held by Fairco, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 77.08% by MCC and 22.92% by certain senior management of the Group including Mr. Wang Cunbo and Ms. Chen Zhifen (all are executive Directors). MCC, a company incorporated in the British Virgin Islands with limited liability, is wholly owned by Mr. Ma Renhe, an executive Director and a cousin of Mr. Ma Jianrong. By virtue of the SFO, MCC is deemed to be interested in the 79,465,250 Shares held by Fairco.

除上文所披露者外，於二零一八年十二月三十一日，除本公司董事（其權益載於上文「董事及最高行政人員於本公司股份的權益及淡倉」一節）外，概無其他人士於本公司股份及相關股份中擁有根據證券及期貨條例第336條須予記錄之權益或淡倉。

Save as disclosed above, as at 31 December 2018, no person, other than the Directors of the Company, whose interests are set out in the paragraph headed “Directors and Chief Executives’ interests and short positions in the shares of the Company” above, had interest or short position in the shares and underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

控股股東於合約中的權益

除以下「關連交易」及「持續關連交易」以及財務報表附註36「關聯人士交易」所披露者外，概無股東或其任何附屬公司於年內在在本公司或其任何附屬公司所訂立而對本集團業務而言屬重大之任何合約中直接或間接擁有重大權益。

CONTROLLING SHAREHOLDER’S INTERESTS IN CONTRACTS

Save as disclosed under the heading “Connected transactions” and “Connected continuing transactions” below and “Related party transactions” in note 36 to the financial statements, no controlling shareholder or any of its subsidiaries had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its subsidiaries was a party during the year.

管理合約

本年度內，本公司並無就整體業務或任何重要業務的管理或行政工作簽訂或存在任何合約。

MANAGEMENT CONTRACTS

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

主要供應商及客戶

本集團的主要供應商及客戶佔截至二零一八年十二月三十一日止年度的採購額及銷售額百分比如下：

MAJOR SUPPLIERS AND CUSTOMERS

The percentage of major suppliers and customers of the group accounting for procurement and sales up to 31 December 2018 was shown as following:

		佔採購額之 百分比(%) Accounting for of procurement Percentage (%)	佔銷售額之 百分比(%) Accounting for of sales Percentage (%)
最大供應商／客戶	The largest supplier/customer	15.78	29.87
五大供應商／客戶合計	Summation of five suppliers/customers	31.31	81.73



董事會報告

Report of the Directors

首四大客戶之詳情可參閱財務報表附註4。

Details of top four customers referred to Notes 4 of financial report.

於年內任何時間，概無董事、彼等之聯繫人士或任何股東（就董事所知擁有本公司5%以上股本）於該等供應商或客戶擁有任何權益。

At any time within the year, directors, their linkman or any shareholders (holding more than 5% capital stock of the company as directors had known) had no any interests from the suppliers or customers.

關聯交易

按照上市規則第14A章的披露規定，在財務報表附註36所披露的若干關聯方交易根據上市規則亦構成持續關聯交易。若干關聯人士（按上市規則定義）與本公司進行的下列交易經已訂立及／或持續進行，而本公司已符合《上市規則》第14A章的披露規定公佈作出相應的披露。其餘關聯方交易不構成本公司之關聯交易或持續關聯交易。

RELATED TRANSACTIONS

According to regulations on disclosure in Article 14A of listing rules, several related-party transaction disclosed in Notes 36 of financial report also constituted continuous related transaction according to listing rules. If following transactions between several affiliated people (according to definition of listing rules) and the company had been concluded and/or continuously carried on, and the company had made related disclosure according to regulations on disclosure in Article 14A of Listing Rules, other related party transaction would not constitute related transaction of the company or continuous related transaction.

董事會報告

Report of the Directors

持續關聯交易

a. 租賃若干生產物業和設施

本公司全資附屬公司寧波申洲針織有限公司（「申洲針織」）於二零一六年十二月十六日與寧波申洲置業有限公司（「申洲置業」）簽訂一份租賃協議，據此，申洲置業將服裝生產物業租予申洲針織，租期由二零一七年一月一日至二零一九年十二月三十一日止，申洲針織可行使續租權，按當時或低於當時市場租金額外續租三年（「租賃協議」）。申洲針織可給予申洲置業不少於三個月的通知以終止租賃協議。上述由申洲置業收取的租金，乃參照在中國寧波市日常業務過程中根據一般商業條款，從獨立第三方租賃類似物業及生產設施的市場租金予以釐定。本公司管理層已遵照董事會採納之程序以確定獨立第三方就類似物業收取之市場租金。申洲置業，由執行董事馬建榮先生及聯繫人士寧波榮榮實業投資有限公司（「榮榮實業」）分別擁有80%及20%權益，根據上市規則第14A.07(4)條屬關聯人士。本年度內，本集團向申洲置業共支付租金人民幣9,624,000元。

CONTINUOUS RELATED TRANSACTIONS

a. Leasing some production properties and facilities

The wholly-owned subsidiary of the company, Ningbo Shenzhou Knit Co., Ltd. ("Shenzhou Knit") signed a leasing agreement with Shenzhou Property Co., Ltd. ("Shenzhou Property") on 16 December 2016. Hereby, Shenzhou Property leased clothing production property to Shenzhou Knit with tenancy term from 1 January 2017 to 31 December 2019. Shenzhou Knit could perform the renewal rights to relet another three years as per current or lower than current market rent ("Leasing Agreement"). Shenzhou Knit would give no less than 3-month notification to Shenzhou Property to terminate the leasing agreement. The above rent collected by Shenzhou Property should be determined by market rent of leasing similar property and production facilities from independent third parties according to common business articles in daily business process of Ningbo City China. The corporate management had complied with process approved by board meetings to determine the market rent collected by independent third parties on similar properties. Shenzhou Property, whose 80% and 20% of equities were separately held by the executive directors Mr. Ma Jianrong and linkman Ningbo Rongrong Industry Investment Co., Ltd. ("Rongrong Industry") was affiliated person according to Article 14A.07(4) of listing rules. Within the year, the group totally paid RMB9,624,000 to Shenzhou Property for rent.



董事會報告

Report of the Directors

b. 供應包裝物料

申洲針織於二零一六年十二月十六日與紹興縣華西包裝品有限公司（「華西包裝品公司」）簽訂一份供應協定（「包裝材料供應協定」），據此，華西包裝品公司已同意按不遜於獨立第三方提供的一般商業條款向本集團不時供應包裝材料。包裝材料供應協議期限乃自二零一七年一月一日開始至二零一九年十二月三十一日止。華西包裝品公司，由執行董事黃關林先生之胞弟黃關泉先生及黃關林先生之父黃福昌先生分別擁有87.5%及12.5%權益。根據上市規則第14A.07(4)條，華西包裝品公司屬關聯人士。本年度內，本集團向華西包裝品公司共支付包裝材料採購額為人民幣31,580,000元。

該上述持續關聯交易的詳情，可參閱本公司於二零一六年十二月十六日之公告。

獨立非執行董事已審閱上述持續關聯交易，並確認該等交易：(1)在本集團之一般及日常業務運作中進行；(2)按一般商業條款進行或對本公司而言，屬不遜於獨立第三方可獲得或提供之條款；及(3)乃按該等交易之有關協定之條款進行，而有關條款屬公平合理，並符合本公司股東之整體利益。

根據所執行之工作，本公司之審計師亦致函確認並未注意到任何事項令彼等相信該等持續關聯交易：(1)未獲得本公司董事會之批准；(2)在所有重大方面未遵照本集團之訂價政策；(3)在所有重大方面未符合規管有關交易之協定；及(4)超過有關本公司於二零一六年十二月十六日公告之年度上限總額。

b. Supplying packing materials

Shenzhou Knit signed a supply agreement (“Packing Material Supply Agreement”) with Shaoxing County Huaxi Packing Co., Ltd. (“Huaxi Packing Company”) on 16 December 2016. Hereby, Huaxi Packing Company had agreed to supply packing materials to the group from time to time according to common business articles no less favorable than provided by independent third parties. The term of packing material supply agreement was from 1 January 2017 to 31 December 2019. Mr. Huang Guanquan, brother of the executive director Mr. Huang Guanglin, and Mr. Huang Fuchang, father of the executive director Mr. Huang Guanglin, separately held 87.5% and 12.5% of equities of Huaxi Packing Company, which was an affiliate person according to Article 14A.07(4) of listing rules. Within the year, the group totally paid RMB31,580,000 to Huaxi Packing Company for procurement of packing materials.

Details of above continuous related transaction referred to the announcement of the company on 16 December 2016.

The independent non-executive director had checked and approved above continuous related transaction, and confirmed the transaction: (1) being operated in common and daily business operation of the group; (2) being operated according to common commercial articles or articles obtainable or provided by no less favorable to independent third parties for the company; and (3) being operated according to articles of related agreements of the transaction which were fair and reasonable as well as meeting overall interests of shareholders of the company.

According to the implemented work, the auditor of the company also wrote to confirm and notice that no any matters make they believe in the continuous related transaction: (1) without approval of board meetings of the company; (2) in no accordance with pricing policies of the group on all major aspects; (3) in no accordance with agreement of regulations on related transactions on all major aspects; and (4) exceeding annual upper limits of the company announced on 16 December 2016.

董事會報告

Report of the Directors

遵守法律及法規

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，如上市規則及香港財務報告準則等。董事會負責監察有關本集團遵守法律及監管規定之政策及常規，並對有關政策定期作出審閱。相關員工及相關營運單位會不時獲悉適用法律、規則及法規之任何變動。

就本公司所知，其已於各重大方面遵守對本公司業務及營運的重大影響之相關法律及規例。

公眾持股量的足夠性

基於本公司公開可得之資料及據董事所知，截至二零一八年十二月三十一日止年度及於本報告日期，公眾持有本公司之已發行股本總數最少25%。

審計師

安永會計師事務所已審核截至二零一八年十二月三十一日止年度之財務報表。於應屆股東週年大會將提出在下一年度續聘安永會計師事務所為本公司審計師的決議案。

承董事會命

主席
馬建榮

香港，二零一九年三月二十五日

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group, such as the Listing Rules and the Hong Kong Financial Reporting Standards. The Board is responsible for monitoring the Group's policies and practices on compliance with legal and regulatory requirements and such policies are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

As far as the Company is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public for the year ended 31 December 2018 and as at the date of this report.

AUDITORS

Ernst & Young has audited the financial statements for the year ended 31 December 2018. A resolution for the re-appointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming AGM.

By Order of the Board

Ma Jianrong
Chairman

Hong Kong, 25 March 2019



獨立審計師報告

Independent Auditor's Report



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致申洲國際集團控股有限公司

全體股東

(於開曼群島註冊成立的獲豁免有限公司)

意見

吾等已審計第155至275頁所載之申洲國際集團控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表,包括於二零一八年十二月三十一日之綜合財務狀況表、與截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註,包括主要會計政策概要。

吾等認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公允地反映了貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為編製。

意見基準

吾等已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。吾等就該等準則承擔的責任在本報告審計師就審計綜合財務報表承擔的責任一節中闡述。根據香港會計師公會的職業會計師道德守則(以下簡稱「守則」),吾等獨立於貴集團,並已履行守則中的其他職業道德責任。吾等相信,吾等所獲得的審計證據能充足及適當地為吾等的審計意見提供基礎。

To the shareholders of

Shenzhou International Group Holdings Limited

(Incorporated in the Cayman Islands as an exempted company with limited liability)

OPINION

We have audited the consolidated financial statements of Shenzhou International Group Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 155 to 275, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

獨立審計師報告

Independent Auditor's Report

關鍵審計事項

關鍵審計事項是根據吾等的職業判斷，對本期綜合財務報表的審計最為重要的事項。該等事項是在吾等審計整體綜合財務報表及出具意見時的背景下進行處理的。吾等不會對該等事項提供單獨的意見。吾等對下述每一事項在審計中是如何應對的描述也以此為背景。

吾等已經履行了本報告審計師就審計綜合財務報表承擔的責任一節闡述的責任，包括與該等關鍵審計事項相關的責任。相應地，吾等的審計工作包括執行為應對評估的綜合財務報表重大錯報風險而設計的審計程序。吾等執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

關鍵審計事項

Key audit matter

應收賬款及票據減值風險

Impairment risks for trade and bills receivables

As at 31 December 2018, the Group had trade and bills receivables of approximately RMB3,565 million, which accounted for 12.9% of the Group's total assets.

於二零一八年十二月三十一日，貴集團的應收賬款及票據約人民幣3,565百萬元，佔貴集團總資產的12.9%。

關鍵審計事項在審計中是如何應對的

How our audit addressed the key audit matter

Our audit procedures to assess the impairment of trade and bills receivables included, but are not limited to, understood and evaluated the key controls that the Group has implemented to manage and monitor its credit risk, and tested the effectiveness on a sample basis; checked the ageing of the trade receivables as at 31 December 2018 and subsequent settlements to bank receipts; Inquired of management for the on-going business relationship with the customers based on trade records; assessed the appropriateness of the expected credit loss provisioning methodology by examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses.

吾等評估應收賬款及票據減值的審計程序包括（但不限於）理解及評估貴集團為管理及監控其信貸風險而實施的關鍵控制措施，以及按抽樣基準測試有效性；檢查二零一八年十二月三十一日應收賬款之賬齡及其後收款金額；向管理層詢問有關與客戶的持續業務關係（基於交易記錄）；透過按抽樣基準檢查主要輸入數據評估預期信貸虧損撥備方法的適用性，以評估其準確性及完整性，及對假設（包括用於釐定預期信貸虧損的歷史及前瞻性資料）提出質疑。



獨立審計師報告 Independent Auditor's Report

關鍵審計事項 (續)

關鍵審計事項

Key audit matter

應收賬款及票據減值風險 (續)

Impairment risks for trade and bills receivables

(continued)

Management performed periodic assessment on the recoverability of the trade receivables and the sufficiency of provision for impairment based on information including credit profile of different customers, ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers. Management also considered forward-looking information that may impact the customers' ability to repay the outstanding balances, in order to estimate the expected credit losses for the impairment assessment. No credit loss allowance was provided based on management's impairment assessment.

管理層基於資料(包括不同客戶信貸狀況透明度、應收賬款賬齡、歷史結算記錄、後續結算狀況、未償還結餘變現的預期時間及金額及與相關客戶的持續貿易關係)對應收賬款的可收回性進行定期評估。管理層亦考慮可能影響客戶償還未償還結餘的能力的前瞻性資料,以估計用於減值評估的預期信貸虧損。根據管理層的減值評估,並無計提信貸虧損撥備。

A high level of management judgement was required when assessing the impairment of trade and bills receivables under the expected credit losses model.

於按預期信貸虧損模式評估應收賬款及票據減值時需要高水平管理層判斷。

The accounting policies and disclosures for trade and bills receivables are included in notes 2.4 and 19 to the consolidated financial statements.

有關應收賬款及票據的會計政策及披露載於綜合財務報表附註2.4及19。

KEY AUDIT MATTERS *(continued)*

關鍵審計事項在審計中是如何應對的

How our audit addressed the key audit matter

獨立審計師報告

Independent Auditor's Report

關鍵審計事項 (續)

關鍵審計事項

Key audit matter

存貨過剩及陳舊存貨撥備

Inventory excess and obsolescence provisions

The balances of inventories and the related excess and obsolescence provision as at 31 December 2018 amounted to RMB5,360 million and RMB123 million, respectively. The gross inventory balances were material to the consolidated financial statements and significant management judgement was required when assessing the adequacy of provision.

於二零一八年十二月三十一日，存貨及相關過剩及陳舊存貨撥備結餘分別為人民幣5,360百萬元及人民幣123百萬元。存貨結餘總額對綜合財務報表屬重要，評估撥備的充足性需要管理層的重大判斷。

The accounting policies and disclosures for inventories and the related excess and obsolescence provision are included in notes 2.4 and 18 to the consolidated financial statements.

有關存貨及相關過剩及陳舊存貨撥備的會計政策及披露載於綜合財務報表附註2.4及18。

KEY AUDIT MATTERS (continued)

關鍵審計事項在審計中是如何應對的

How our audit addressed the key audit matter

We assessed the processes, methods and assumptions used to develop the provision for slow moving, excess or obsolete items. This included comparing management's calculations for consistency against those used in the prior year.

吾等對滯銷、過剩或陳舊項目計提撥備所運用的過程、方法及假設進行評估。其包括對照去年所用者比較管理層計算的一致性。

We tested the reliability of the underlying data used by management to calculate the inventory obsolescence provision, typically the ageing analysis of inventories. We also tested the accuracy of the calculation by assessing the calculation criteria and recalculating the provision for products on a sample basis.

吾等測試管理層使用的計算陳舊存貨撥備的基礎數據（例如存貨賬齡分析）的可靠性。吾等通過評估計算標準及按抽樣基準重新計算產品的撥備，來測試計算的準確性。



獨立審計師報告 Independent Auditor's Report

年報內的其他信息

貴公司董事需對其他信息負責。其他信息包括載於年報的信息，但不包括綜合財務報表及吾等的審計師報告。

吾等對綜合財務報表作出的意見並不涵蓋其他信息，吾等亦不就此發表任何形式的鑒證結論。

就吾等對綜合財務報表的審計而言，吾等的責任為閱讀其他信息，從而考慮其他信息是否與綜合財務報表或吾等在審計過程中所獲悉的資料存在重大不符，或者似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他信息存在重大錯誤陳述，吾等需要報告有關事實。就此，吾等並無任何報告。

董事就綜合財務報表須承擔的責任

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

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

獨立審計師報告

Independent Auditor's Report

審計師就審計綜合財務報表承擔的責任

吾等的目標乃對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具載有吾等意見的審計師報告。我們的報告僅向全體股東作出，不可用作其他用途。吾等概不就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按香港審計準則進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期其個別或匯總起來可能影響使用者根據該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足且適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險比因錯誤而導致的重大錯誤陳述的風險更高。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。

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

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

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

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

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



獨立審計師報告 Independent Auditor's Report

審計師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性從而可能導致對貴集團持續經營的能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在審計師報告中提請使用者對綜合財務報表中的相關披露資料的關注。假若有關的披露資料不足，則吾等須修改我們的意見。吾等的結論是基於截至審計師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表（包括披露）的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允反映交易和事項。
- 就貴集團中實體或業務活動的財務資料獲取充分、適當的審計證據，以對綜合財務報表發表意見。吾等負責指導、監督及執行集團審計。吾等對審計意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等事項，包括吾等在審計期間識別出內部控制的任何重大缺陷。

吾等還向審核委員會提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與他們溝通所有合理地被認為會影響吾等獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

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

獨立審計師報告 Independent Auditor's Report

審計師就審計綜合財務報表承擔的責任 (續)

從與審核委員會溝通的事項中，吾等決定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。吾等於審計師報告中描述該等事項，惟於法律或法規不允許對有關事項進行公開披露或於極端罕見的情況下，倘合理預期於吾等報告中溝通某事項造成的不利後果超過該溝通產生的公眾利益，吾等決定不應於報告中溝通該事項。

本獨立審計報告的審計項目合夥人為Lai Wing Kwong.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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 Lai Wing Kwong.

安永會計師事務所
執業會計師
香港

二零一九年三月二十五日

Ernst & Young
Certified Public Accountants
Hong Kong

25 March 2019



綜合損益表

Consolidated Statement of Profit or Loss

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

		附註 Notes	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
收入	REVENUE	5	20,950,205	18,085,247
銷售成本	Cost of sales		(14,336,181)	(12,413,947)
毛利	Gross profit		6,614,024	5,671,300
其他收入及收益	Other income and gains	5	709,239	571,554
銷售及分銷成本	Selling and distribution expenses		(708,485)	(469,833)
行政開支	Administrative expenses		(1,449,696)	(1,231,175)
其他開支	Other expenses		(18,808)	(134,277)
融資成本	Finance costs	7	(61,049)	(123,016)
應佔一間聯營公司的利潤	Share of profit of an associate	17	5,121	3,678
除稅前利潤	PROFIT BEFORE TAX	6	5,090,346	4,288,231
所得稅開支	Income tax expense	11	(597,803)	(528,280)
年度利潤	PROFIT FOR THE YEAR		4,492,543	3,759,951
以下人士應佔權益：	Attributable to:			
母公司擁有人	Owners of the parent		4,540,487	3,762,721
非控制性權益	Non-controlling interests		(47,944)	(2,770)
			4,492,543	3,759,951
母公司普通股股權持有人 應佔每股盈利	EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	13		
基本	Basic			
— 年度利潤	— For profit for the year		人民幣 3.02 元 RMB3.02	人民幣2.58元 RMB2.58
攤薄	Diluted			
— 年度利潤	— For profit for the year		人民幣 3.02 元 RMB3.02	人民幣2.53元 RMB2.53

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
年度利潤	PROFIT FOR THE YEAR	4,492,543	3,759,951
其他全面收益	OTHER COMPREHENSIVE INCOME		
於其後期間可能重新分類至 損益的其他全面收益：	Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
匯兌差額：	Exchange differences:		
換算境外業務之匯兌差額	Exchange differences on translation of foreign operations	194,574	(130,313)
於其後期間可能重新分類至 損益的其他全面收益淨額	Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	194,574	(130,313)
年度其他全面收益／（虧損） （除稅後）	OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	194,574	(130,313)
年度全面收益總額	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,687,117	3,629,638
以下人士應佔權益：	ATTRIBUTABLE TO:		
母公司擁有人	Owners of the parent	4,735,048	3,642,824
非控制性權益	Non-controlling interests	(47,931)	(13,186)
		4,687,117	3,629,638



綜合財務狀況表

Consolidated Statement of Financial Position

二零一八年十二月三十一日 31 December 2018

			二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
	附註 Notes			
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	14	8,002,724	7,116,787
預付土地租賃款項	Prepaid land lease payments	15	1,200,501	956,908
無形資產	Intangible assets	16	99,674	98,257
存放於銀行的長期定期存款	Long-term time deposits at banks	24	-	150,000
長期預付款項	Long-term prepayments	20	82,667	44,291
於一間聯營公司之投資	Investment in an associate	17	12,365	10,851
遞延稅項資產	Deferred tax assets	29(a)	13,696	9,632
抵押存款	Pledged deposits	24	-	500,000
總非流動資產	Total non-current assets		9,411,627	8,886,726
流動資產	CURRENT ASSETS			
存貨	Inventories	18	5,237,432	4,477,489
應收賬款及票據	Trade and bills receivables	19	3,564,821	2,814,779
預付款項及其他應收款項	Prepayments and other receivables	20	659,955	809,786
應收關聯人士款項	Amounts due from related parties	36(c)	2,625	606
按公允值計量且變動計入 損益之金融資產／ 可供出售投資	Financial assets at fair value through profit or loss/available-for-sale investments	21	-	2,976,900
其他金融資產	Other financial assets	22	1,480,000	-
結構存款	Structured deposits	23	-	1,050,000
抵押存款	Pledged deposits	24	500,000	-
初始存款期逾三個月之 銀行存款	Bank deposits with an initial term of over three months	24	3,129,678	605,518
現金及現金等價物	Cash and cash equivalents	24	3,565,916	2,471,401
總流動資產	Total current assets		18,140,427	15,206,479
流動負債	CURRENT LIABILITIES			
應付賬款	Trade payables	25	812,687	873,106
合約負債	Contract liabilities	26	24,161	-
預收賬款	Advances from customers	26	-	26,225
其他應付款項及應計款項	Other payables and accruals	27	1,181,676	944,649
應付一名關聯人士款項	Amount due to a related party	36(c)	1,882	-
計息銀行借貸	Interest-bearing bank borrowings	28	2,434,391	2,130,409
應付稅款	Tax payable		464,829	290,966
總流動負債	Total current liabilities		4,919,626	4,265,355

綜合財務狀況表

Consolidated Statement of Financial Position

二零一八年十二月三十一日 31 December 2018

		附註 Notes	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
淨流動資產	NET CURRENT ASSETS		13,220,801	10,941,124
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		22,632,428	19,827,850
非流動負債	NON-CURRENT LIABILITIES			
計息銀行借貸	Interest-bearing bank borrowings	28	82,358	–
遞延稅項負債	Deferred tax liabilities	29(b)	95,791	3,197
總非流動負債	Total non-current liabilities		178,149	3,197
淨資產	NET ASSETS		22,454,279	19,824,653
權益	EQUITY			
母公司擁有人應佔權益	Equity attributable to owners of the parent			
股本	Share capital	30	151,200	151,200
儲備	Reserves	31	22,147,538	19,469,981
			22,298,738	19,621,181
非控制性權益	Non-controlling interests		155,541	203,472
總權益	Total equity		22,454,279	19,824,653

馬建榮

Ma Jianrong

主席兼執行董事

Chairman and Executive Director

黃關林

Huang Guanlin

行政總裁兼執行董事

Chief Executive Officer and Executive Director

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

		母公司擁有人應佔								非控制性	總權益	
		Attributable to owners of the parent								權益	總權益	
		股本	股份溢價賬	可換取債券之 權益部分	法定盈餘 公積金	匯兌 波動儲備	僱員股權 福利儲備	其他儲備	保留盈利	總計		
		Share capital	Share premium account	Equity component of convertible bonds	Statutory surplus reserve	Exchange fluctuation reserve	Employee equity benefits reserve	Other reserve	Retained profits	Total	Non- controlling interests	Total equity
附註		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
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(附註30)			(附註31(i))	(附註31(ii))		(附註31(iii))				
		(note 30)			(note 31(i))	(note 31(ii))		(note 31(iii))				
於二零一七年一月一日	At 1 January 2017	142,105	661,648	197,140	1,171,416	187,080	48,191	148,333	12,537,031	15,092,944	216,658	15,309,602
年度利潤	Profit for the year	-	-	-	-	-	-	-	3,762,721	3,762,721	(2,770)	3,759,951
換算境外業務之匯兌差額	Exchange differences related to foreign operations	-	-	-	-	(119,897)	-	-	-	(119,897)	(10,416)	(130,313)
年度全面收益總額	Total comprehensive income for the year	-	-	-	-	(119,897)	-	-	3,762,721	3,642,824	(13,186)	3,629,638
轉換可換取債券	Conversion of convertible bonds	9,095	3,567,285	(197,140)	-	-	-	-	-	3,369,240	-	3,369,240
宣派二零一六年末期股息	Final 2016 dividend declared	-	(700,787)	-	-	-	-	-	(894,500)	(1,595,287)	-	(1,595,287)
二零一七年中期股息	Interim 2017 dividend	-	(888,540)	-	-	-	-	-	-	(888,540)	-	(888,540)
轉撥自保留盈利	Transfer from retained profits	-	-	-	79,471	-	-	-	(79,471)	-	-	-
於二零一七年十二月三十一日	At 31 December 2017	151,200	2,629,606*	-*	1,250,887*	67,183*	48,191*	148,333*	15,325,781*	19,621,181	203,472	19,824,653

		母公司擁有人應佔								非控制性	總權益
		Attributable to owners of the parent								權益	總權益
		股本	股份溢價賬	法定盈餘 公積金	匯兌 波動儲備	僱員股權 福利儲備	其他儲備	保留盈利	總計		
		Share capital	Share premium account	Statutory surplus reserve	Exchange fluctuation reserve	Employee equity benefits reserve	Other reserve	Retained profits	Total	Non- controlling interests	Total equity
附註		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
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(附註30)		(附註31(i))	(附註31(ii))		(附註31(iii))				
		(note 30)		(note 31(i))	(note 31(ii))		(note 31(iii))				
於二零一八年一月一日	At 1 January 2018	151,200	2,629,606	1,250,887	67,183	48,191	148,333	15,325,781	19,621,181	203,472	19,824,653
年度利潤	Profit for the year	-	-	-	-	-	-	4,540,487	4,540,487	(47,944)	4,492,543
換算境外業務之匯兌差額	Exchange differences related to foreign operations	-	-	-	194,561	-	-	-	194,561	13	194,574
年度全面收益總額	Total comprehensive income for the year	-	-	-	194,561	-	-	4,540,487	4,735,048	(47,931)	4,687,117
宣派二零一七年末期股息	Final 2017 dividend declared	-	-	-	-	-	-	(942,408)	(942,408)	-	(942,408)
二零一八年中期股息	Interim 2018 dividend	-	(1,115,083)	-	-	-	-	-	(1,115,083)	-	(1,115,083)
轉撥自保留盈利	Transfer from retained profits	-	-	32,995	-	-	-	(32,995)	-	-	-
於二零一八年十二月三十一日	At 31 December 2018	151,200	1,514,523*	1,283,882*	261,744*	48,191*	148,333*	18,890,865*	22,298,738	155,541	22,454,279

* 綜合財務狀況表中之綜合儲備人民幣22,147,538,000元(二零一七年:人民幣19,469,981,000元)由這等儲備賬組成。

* These reserve accounts comprise the consolidated reserves of RMB22,147,538,000 (2017: RMB19,469,981,000) in the consolidated statement of financial position.

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

			二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
	附註 Notes			
經營業務所得現金流量		CASH FLOWS FROM OPERATING ACTIVITIES		
除稅前利潤		Profit before tax	5,090,346	4,288,231
調整：		Adjustments for:		
融資成本	7	Finance costs	61,049	123,016
應佔一間聯營公司利潤	17	Share of profit of an associate	(5,121)	(3,678)
利息收入	5	Interest income	(294,711)	(211,436)
出售物業、廠房及 設備項目之虧損	6	Loss on disposal of items of property, plant and equipment	8,880	26,350
物業、廠房及設備項目折舊	6	Depreciation of items of property, plant and equipment	838,683	751,125
預付土地租賃款項攤銷	6	Amortisation of prepaid land lease payments	30,870	24,447
無形資產攤銷	6	Amortisation of intangible assets	11,678	8,119
存貨撥備計入	18	Provision for impairment of inventories	79,816	26,659
			5,821,490	5,032,833
存貨增加		Increase in inventories	(839,759)	(805,058)
應收賬款及票據增加		Increase in trade and bills receivables	(750,042)	(162,072)
預付款項及其他應收 款項減少／(增加)		Decrease/(increase) in prepayments and other receivables	137,567	(81,787)
應收關聯人士款項 (增加)／減少		(Increase)/decrease in amounts due from related parties	(2,019)	220
應付賬款(減少)／增加		(Decrease)/increase in trade payables	(60,419)	114,889
合約負債及預收賬款 (減少)／增加		(Decrease)/increase in contract liabilities and advances from customers	(2,064)	9,575
其他應付款項及應計費用增加		Increase in other payables and accruals	232,838	194,669
應付一名關聯人士款項增加		Increase in an amount due to a related party	1,882	–
經營業務所得現金		Cash generated from operations	4,539,474	4,303,269
已付利息		Interest paid	(85,332)	(80,942)
已付香港利得稅		Hong Kong profits tax paid	(52,725)	(35,132)
已付海外預扣稅		Overseas withholding tax paid	(4,875)	–
已付中國企業所得稅		PRC corporate income tax paid	(277,810)	(497,929)
經營業務所得現金流量淨額		NET CASH FLOWS FROM OPERATING ACTIVITIES	4,118,732	3,689,266



綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

		附註 Notes	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
經營業務所得現金流量淨額	Net cash flows from operating activities		4,118,732	3,689,266
投資業務所用現金流量	CASH FLOWS USED IN INVESTING ACTIVITIES			
已收利息	Interest received		298,199	175,114
購置物業、廠房及設備項目	Purchases of items of property, plant and equipment		(1,647,824)	(1,172,047)
出售物業、廠房及設備項目之所得款項	Proceeds from disposal of items of property, plant and equipment		33,051	76,930
預付土地租賃款項	Prepayments for land lease		(268,363)	(32,635)
長期預付款項(增加)/減少	(Increase)/decrease in long-term prepayments		(38,376)	2,647
收購無形資產	Purchases of intangible assets		(13,080)	(1,417)
收購一間附屬公司	Acquisition of a subsidiary		-	(46,377)
收取委託貸款	Collection of entrusted loans		-	150,000
出售可供出售投資所得款項	Proceeds from disposal of available-for-sale investments		-	143,100
出售按公允值計量且變動計入損益之金融資產之所得淨款項	Net proceeds from disposal of financial assets at fair value through profit or loss		2,976,900	-
購買其他金融資產	Acquisition of other financial assets		(1,480,000)	-
結構存款減少/(增加)	Decrease/(increase) in structured deposits		1,050,000	(1,050,000)
初始存款期超過三個月之銀行存款(增加)/減少	(Increase)/decrease in bank deposits with an initial term of over three months		(2,374,160)	27,934
投資業務所用現金流量淨額	NET CASH FLOWS USED IN INVESTING ACTIVITIES		(1,463,653)	(1,726,751)
融資活動所用現金流量	CASH FLOWS USED IN FINANCING ACTIVITIES			
新借銀行貸款	New bank loans	32	1,847,235	1,437,032
償還銀行貸款	Repayment of bank loans	32	(1,460,895)	(548,056)
向母公司擁有人派付股息	Dividends paid to owners of the parent		(2,057,491)	(2,483,827)
已付利息	Interest paid	32	-	(1,363)
融資活動所用現金流量淨額	Net cash flows used in financing activities		(1,671,151)	(1,596,214)

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度 Year ended 31 December 2018

			二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
	附註 Notes			
現金及現金等價物增加淨額	NET INCREASE IN CASH AND CASH EQUIVALENTS		983,928	366,301
年初現金及現金等價物	Cash and cash equivalents at beginning of year		2,471,401	2,105,184
匯率變動之影響·淨額	Effect of foreign exchange rate changes, net		110,587	(84)
年終現金及現金等價物	CASH AND CASH EQUIVALENTS AT END OF YEAR		3,565,916	2,471,401
現金及現金等價物結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及銀行結餘	Cash and bank balances	24	2,815,916	2,079,349
於獲取時原定少於三個月到期之定期存款	Time deposits with original maturity of less than three months when acquired		750,000	392,052
財務狀況表及現金流量表所列之現金及現金等價物	Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	24	3,565,916	2,471,401



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料

申洲國際集團控股有限公司（「本公司」）於二零零五年六月二十三日在開曼群島註冊成立為獲豁免有限公司。註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司股份自二零零五年十一月二十四日起在香港聯合交易所有限公司主板（「主板」）上市。

本公司及其附屬公司（統稱「本集團」）主要從事製造及銷售針織服裝產品（「針織業務」）。

董事認為，千里馬投資有限公司（一家於英屬處女群島（「英屬處女群島」）註冊成立之公司）為本公司之最終控股公司。協榮有限公司（一家於英屬處女群島註冊成立之公司）為本公司之中介控股公司。

附屬公司資料

本公司附屬公司之詳情如下：

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Top Always Investments Ltd. ("Top Always")	BVI, limited liability company	US\$30,002	100%	–	Investment holding in the BVI and property leasing in Hong Kong
永泰投資有限公司（「永泰」）	英屬處女群島、 有限責任公司	30,002美元			於英屬處女群島從事投資控股 及於香港房產租賃
Ningbo Shenzhou Knitting Co., Ltd. ("Shenzhou Knitting")	PRC, wholly-foreign-owned enterprise	US\$135,000,000	–	100%	Manufacture and sale of knitwear products in Mainland China
寧波申洲針織有限公司 （「申洲針織」）	中國，外商獨資企業	135,000,000美元			於中國大陸製造及銷售 針織服裝產品

1. CORPORATE AND GROUP INFORMATION

Shenzhou International Group Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 23 June 2005. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Main Board") since 24 November 2005.

The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in the manufacture and sale of knitwear products (the "Knitwear Business").

In the opinion of the directors, Splendid Steed Investments Limited, a company incorporated in the British Virgin Islands ("BVI"), is the ultimate holding company of the Company. Keep Glory Limited, a company incorporated in the BVI, is the intermediate holding company of the Company.

Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Ningbo Shixing Knitwear Printing Co., Ltd. ("Shixing Printing")	PRC, wholly-foreign-owned enterprise	US\$2,100,000	–	100%	Printing and sale of knitwear products in Mainland China
寧波世興針織印花有限公司 (「世興針織」)	中國·外商獨資企業	2,100,000美元			於中國大陸印製及銷售 針織服裝產品
Ningbo Yongmian Fashion Garment Co., Ltd. ("Yongmian Fashion")	PRC, foreign equity joint venture	US\$10,000,000	–	91%	Manufacture and sale of knitwear products in Mainland China
寧波甬綿時裝有限公司 (「甬綿時裝」)	中國·外商合資企業	10,000,000美元			於中國大陸製造及銷售 針織服裝產品
Ningbo Shendie Fashion Co., Ltd. ("Shendie Fashion")	PRC, foreign equity joint venture	US\$5,000,000	–	100%	Manufacture and sale of knitwear products in Mainland China
寧波申蝶時裝有限公司 (「申蝶時裝」)	中國·外商合資企業	5,000,000美元			於中國大陸製造及銷售 針織服裝產品
Shenzhou (Cambodia) Co., Ltd. ("Shenzhou Cambodia")	Kingdom of Cambodia, wholly-foreign-owned enterprise	US\$30,000,000	–	100%	Manufacture and sale of knitwear products in Cambodia
申洲(柬埔寨)有限公司 (「申洲柬埔寨」)	柬埔寨王國·外商獨資企業	30,000,000美元			於柬埔寨製造及銷售 針織服裝產品
Ningbo Daqian Knitwear Co., Ltd. ("Daqian Knitting")	PRC, wholly-foreign-owned enterprise	US\$78,000,000	–	100%	Manufacture and sale of knitwear products in Mainland China
寧波大千紡織品有限公司 (「大千紡織」)	中國·外商獨資企業	78,000,000美元			於中國大陸製造及銷售 針織服裝產品
Ningbo Linlin Knitting Co., Ltd. ("Linlin Knitting")	PRC, wholly-foreign-owned enterprise	US\$1,050,000	–	100%	Manufacture and processing of knitwear products in Mainland China
寧波林林針織有限公司 (「林林針織」)	中國·外商獨資企業	1,050,000美元			於中國大陸製造及加工 針織服裝產品

1. CORPORATE AND GROUP INFORMATION

(continued)

Information about subsidiaries (continued)

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Tuton Textile (Ningbo) Co., Ltd. ("Ningbo Tuton")	PRC, wholly-foreign-owned enterprise	US\$7,060,000	-	100%	Manufacture and processing of knitwear products in Mainland China
寧波圖騰服飾有限公司 (「寧波圖騰」)	中國、外商獨資企業	7,060,000美元			於中國大陸製造及加工 針織服裝產品
Shenzhou Knitting (Anhui) Co., Ltd. ("Shenzhou Anhui")	PRC, wholly-foreign-owned enterprise	US\$15,000,000	-	100%	Manufacture and processing of knitwear products in Mainland China
申洲針織(安徽)有限公司 (「申洲安徽」)	中國、外商獨資企業	15,000,000美元			於中國大陸製造及加工 針織服裝產品
Shenzhou Knitting (Quzhou) Co., Ltd. ("Shenzhou Quzhou")	PRC, wholly-foreign- owned enterprise	US\$8,000,000	-	100%	Manufacture and processing of knitwear products in Mainland China
申洲針織(衢州)有限公司 (「申洲衢州」)	中國、外商獨資企業	8,000,000美元			於中國大陸製造及加工 針織服裝產品
Shanghai Maxwin Garments Co., Ltd. ("Shanghai Maxwin")	PRC, sole proprietorship company	RMB2,000,000	-	51%	Trading in Mainland China
上海馬威服飾有限公司 (「上海馬威」)	中國、獨資經營公司	人民幣2,000,000元			於中國大陸進行貿易業務
Ningbo Daqian Import & Export Co., Ltd. ("Daqian Import & Export")	PRC, limited liability company	RMB10,000,000	-	100%	Import and export of commodities in Mainland China
寧波大千進出口有限責任公司 (「大千進出口」)	中國、有限責任公司	人民幣10,000,000元			於中國大陸進出口商品
Shenzhou Trading Co., Ltd. ("Shenzhou Trading")	Hong Kong limited liability company	HK\$100	-	100%	Dormant
申洲貿易有限公司 (「申洲貿易」)	香港、有限責任公司	100港元			無業務

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Top Always (Hong Kong) Investment Limited ("Top Always HK")	Hong Kong limited liability company	HK\$100	–	100%	Investment holding and import and export of commodities in Hong Kong
永泰(香港)投資有限公司 (「永泰香港」)	香港、有限責任公司	100港元			於香港投資控股及進出口商品
Ningbo Hengzhi Clothing Detection Co., Ltd. ("Hengzhi")	PRC, limited liability company	RMB8,000,000	–	100%	Quality check of garments in Mainland China
寧波恒質服裝檢測有限公司 (「恒質」)	中國、有限責任公司	人民幣8,000,000元			於中國大陸進行成衣質量檢測
Shenzhou Japan Co., Ltd. ("Shenzhou Japan")	Japan, limited liability company	JPY5,000,000	–	100%	Trading in Japan
申洲日本株式會社 (「申洲日本」)	日本、有限責任公司	5,000,000日圓			於日本進行貿易業務
Ningbo Maxwin Fashion Co., Ltd. ("Ningbo Maxwin")	PRC, limited liability company	RMB80,000,000	–	51%	Retail in Mainland China
寧波馬威服飾有限公司 (「寧波馬威」)	中國、有限責任公司	人民幣80,000,000元			於中國大陸進行零售業務
Anqing Shenzhou Import & Export Co., Ltd. ("Shenzhou Anqing")	PRC, limited liability company	RMB5,000,000	–	100%	Import and export of commodities in Mainland China
安慶申洲進出口有限公司 (「申洲安慶」)	中國、有限責任公司	人民幣5,000,000元			於中國大陸進出口商品
Shanghai Maxwin Industry Co., Ltd. ("Maxwin Industry")	PRC, limited liability company	RMB10,000,000	–	100%	Property management in Mainland China
上海馬威實業有限公司 (「馬威實業」)	中國、有限責任公司	人民幣10,000,000元			於中國大陸進行物業管理業務
Superior Enterprises Investments Limited ("Superior Investments")	BVI, limited liability company	US\$10,000	100%	–	Investment holding in the BVI
卓越企業投資有限公司 (「卓越投資」)	英屬處女群島、有限責任公司	10,000美元			於英屬處女群島從事投資控股

1. CORPORATE AND GROUP INFORMATION

(continued)

Information about subsidiaries (continued)

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Maxwin (BVI) Limited ("Maxwin BVI") 馬威(B.V.I.)有限公司 (「馬威BVI」)	BVI, limited liability company 英屬處女群島、有限責任公司	US\$10,000 10,000美元	51%	–	Investment holding in the BVI 於英屬處女群島從事投資控股
Maxwin (Hong Kong) Limited ("Maxwin HK") 馬威(香港)有限公司 (「馬威香港」)	Hong Kong, limited liability company 香港、有限責任公司	HK\$10,000 10,000港元	–	51%	Investment holding in Hong Kong 於香港從事投資控股
Maxwin (China) Limited ("Maxwin China") 馬威(中國)有限公司 (「馬威中國」)	PRC, wholly-foreign- owned enterprise 中國、外商獨資企業	US\$50,000,000 50,000,000美元	–	51%	Trading in Mainland China 於中國大陸進行貿易業務
Huayao Textile Limited ("Huayao") 華耀紡織有限公司 (「華耀」)	PRC, wholly-foreign-owned enterprise 中國、外商獨資企業	US\$60,000,000 60,000,000美元	–	100%	Manufacture and sale of knitwear products in Mainland China 於中國大陸製造及銷售 針織服裝產品
Buddies (Macao Commercial Offshore) Limited ("Buddies Macao") 百事達(澳門離岸商業服務) 有限公司(「百事達澳門」)	Macao, limited liability company 澳門、有限責任公司	MOP100,000 100,000葡幣	–	100%	Trading in Macao 於澳門進行貿易業務
Daqian Textile (Cambodia) Co., Ltd. ("Daqian Cambodia") 大千紡織(柬埔寨)有限公司 (「大千柬埔寨」)	Kingdom of Cambodia, wholly-foreign-owned enterprise 柬埔寨王國、外商獨資企業	US\$40,000,000 40,000,000美元	–	100%	Manufacture and sale of knitwear products in Cambodia 於柬埔寨製造及銷售 針織服裝產品

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Buddies Group Limited ("Buddies Group")	BVI, limited liability company	US\$1	-	100%	Investment holding in the BVI
百事達集團有限公司 ("百事達集團")	英屬處女群島、有限責任公司	1美元			於英屬處女群島進行投資控股
Daqian Textile (Anhui) Co., Ltd. ("Daqian Anhui")	PRC, wholly-foreign-owned enterprise	US\$8,000,000	-	100%	Manufacture and sale of knitwear products in Mainland China
大千紡織(安徽)有限公司 ("大千安徽")	中國、外商獨資企業	8,000,000美元			於中國大陸製造及銷售 針織服裝產品
Gain Lucky Co., Ltd. ("Gain Lucky")	BVI, limited liability company	US\$1	100%	-	Investment holding in the BVI
德利有限公司("德利")	英屬處女群島、有限責任公司	1美元			於英屬處女群島進行投資控股
Gain Lucky (Vietnam) Co., Ltd. ("Gain Lucky Vietnam")	Vietnam, limited liability company	US\$50,000,000	-	100%	Manufacture and sale of knitwear products in Vietnam
Gain Lucky (Vietnam) Co., Ltd. ("德利越南")	越南、有限責任公司	50,000,000美元			於越南製造及銷售針織 服裝產品
Worldon (Vietnam) Co., Ltd. ("Worldon Vietnam")	Vietnam, limited liability company	US\$36,000,000	-	100%	Manufacture and processing of knitwear products in Vietnam
Worldon (Vietnam) Co., Ltd. ("世通越南")	越南、有限責任公司	36,000,000美元			於越南製造及加工 針織服裝產品
Anhui Maxwin Fashion Co., Ltd. ("Anhui Maxwin")	PRC, limited liability company	RMB5,000,000	-	51%	Retail in Mainland China
安徽馬威服飾有限公司 ("安徽馬威")	中國、有限責任公司	人民幣5,000,000元			於中國大陸進行零售業務

1. CORPORATE AND GROUP INFORMATION

(continued)

Information about subsidiaries (continued)



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

1. 公司及集團資料 (續)

附屬公司資料 (續)

名稱	註冊成立／註冊地點及 法人實體之性質	已發行股本	本公司應佔 權益百分比		主要業務及 經營地點
			直接	間接	
Name	Place of incorporation/ registration and nature of legal entity	Issued share capital	Percentage of equity attributable to the Company		Principal activities and place of operations
			Direct	Indirect	
Ningbo Ruiding New Materials Co., Ltd. ("Ningbo Ruiding")	PRC, limited liability company	RMB44,932,428	–	100%	Manufacture and sale of knitwear products in Mainland China
寧波瑞鼎新材料有限公司 (「寧波瑞鼎」)	中國、有限責任公司	人民幣44,932,428元			於中國大陸製造及銷售針織服裝產品
Ningbo A&C Technology Co., Ltd. ("Ningbo A&C")	PRC, limited liability company	RMB28,653,010	–	100%	Property management in Mainland China
寧波華美微創科技有限公司 (「華美微創」)	中國、有限責任公司	人民幣28,653,010元			於中國大陸從事物業管理業務
Vogue Apparel Limited (“Vogue Apparel”)	Malaysia, limited liability company	US\$10,000	–	100%	Pre-operating
時尚服飾有限公司 (「時尚服飾」)	馬來西亞、有限責任公司	10,000美元			營業前
Fly Safety Limited (“Fly Safety”)	BVI, limited liability company	US\$10,000	–	100%	Aircraft leasing in Hong Kong
安全飛行有限公司 (「安全飛行」)	英屬處女群島、有限責任公司	10,000美元			於香港進行飛機租賃業務
Rong Win Garment Co., Ltd. (“Rong Win”)	Kingdom of Cambodia, wholly-foreign-owned enterprise	US\$8,000,000	–	100%	Manufacture and sale of knitwear products in Cambodia
Rong Win Garment Co., Ltd. (「榮德」)	柬埔寨王國、外商獨資企業	8,000,000美元			於柬埔寨製造及銷售針織服裝產品

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.1 編製基準

該等財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」，其包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例的披露規定編製。財務報表乃按歷史成本慣例法編製，惟按公允值計量且變動計入損益之金融資產按公允值計量除外。除非另有註明，否則此等財務報表以人民幣（「人民幣」）呈列，所有數值均按四捨五入法調整至最接近千位。

綜合基準

綜合財務報表包括本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度之財務報表。附屬公司乃由本公司直接或間接控制之實體（包括結構性實體）。當本集團就參與投資對象營運所得之可變回報承受風險或享有權利，且擁有運用其對投資對象之權力影響該等回報的能力（即賦予本集團指導投資對象相關業務現時能力之現有權利）時，即表明擁有控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利的權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團之投票權及潛在投票權。

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.1 編製基準 (續)

綜合基準 (續)

附屬公司的財務報表乃使用一致的會計政策，並按與本公司相同的報告期間編製。附屬公司的業績已由本集團取得控制權當日綜合入賬，並將繼續合併直至該等控制權終止當日為止。

損益及其他全面收益各個組成部分仍歸屬於本集團母公司擁有人及非控制性權益，即使此舉導致非控制性權益為負數。因本集團成員公司間交易而產生的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於合併時悉數對銷。

倘有事實及情況顯示上文附屬公司所述的三個控制權元素中，有一個或以上出現變動，則本集團會重新評估是否控制投資實體。一家附屬公司之所有權權益發生變動（並無失去控制權）按權益交易入賬。

倘本集團失去對一家附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產（包括商譽）及負債、(ii)任何非控制性權益之賬面值及(iii)於權益內記錄之累計換算差額；及確認(i)所收代價之公允值、(ii)所保留任何投資之公允值及(iii)損益賬中任何因此產生之盈餘或虧損。先前於其他全面收益表內確認之本集團應佔部份，會按就本集團直接出售相關資產或負債規定的相同基準重新分類為損益或保留盈利（視何者屬適當）。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露

本集團於本年度之財務報表首次採納以下新訂及經修訂的香港財務報告準則。

香港財務報告準則第2號之修訂本	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號之修訂本	應用香港財務報告準則第9號 金融工具與 香港財務報告準則第4號保險合約
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號之修訂本	香港財務報告準則第15號客戶合約收益之澄清
香港會計準則第40號之修訂本	轉讓投資物業
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價
二零一四年至二零一六年週期之年度改進	對香港財務報告準則第1號及香港會計準則第28號之修訂

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

除香港財務報告準則第2號之修訂本、香港財務報告準則第4號之修訂本、香港會計準則第40號之修訂本以及二零一四年至二零一六年週期之年度改進外，彼等與編製本集團財務報表並不相關，新訂及經修訂香港財務報告準則之性質及影響列述於下：

- (a) 香港財務報告準則第9號金融工具於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號金融工具：確認及計量，匯集金融工具處理的三大方面：分類及計量、減值及對沖會計。

根據本集團評估，按過渡要求於二零一八年一月一日初步應用香港財務報告準則第9號時，並無重大累計影響。因此，比較資料並無重列且將繼續根據香港會計準則第39號規定呈報。

分類及計量

以下資料載列採納香港財務報告準則第9號對財務狀況的影響，包括香港財務報告準則第9號預期信貸虧損（「預期信貸虧損」）取代香港會計準則第39號已產生信用損失計算的影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Except for Amendments to HKFRS 2, Amendments to HKFRS 4, Amendments to HKAS 40 and *Annual Improvements 2014-2016 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

- (a) HKFRS 9 *Financial Instruments* replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

Based on the assessment by the Group, there was no significant cumulative effect of the initial application of HKFRS 9 at 1 January 2018 in accordance with the transition requirement. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the statement of financial position, including the effect of replacing HKAS 39's incurred credit loss calculations with HKFRS 9's expected credit losses ("ECLs").

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

(a) (續)

於二零一八年一月一日，香港會計準則第39號項下的賬面值與香港財務報告準則第9號項下所呈報的結餘之對賬如下：

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 January 2018 is as follows:

		香港會計準則第39號計量 HKAS 39 measurement			香港財務報告準則第9號計量 HKFRS 9 measurement			
	附註 Note	類別 Category	金額 Amount 人民幣千元 RMB'000	重新分類 Re- classification 人民幣千元 RMB'000	預期信貸虧損 ECL 人民幣千元 RMB'000	金額 Amount 人民幣千元 RMB'000	類別 Category	
金融資產		Financial assets						
可供出售投資		Available-for-sale investments	可供出售 ¹ AFS ¹	2,976,900	(2,976,900)	-	不適用 N/A	
至：按公允值計量且變動計入損益之金融資產	(i)	To: Financial assets at fair value through profit or loss		(2,976,900)	-	-		
按公允值計量且變動計入損益之金融資產		Financial assets at fair value through profit or loss	不適用 N/A	-	2,976,900	2,976,900	FVPL ² FVPL ²	
從：可供出售投資	(i)	From: Available-for-sale investments		2,976,900	-	-		
應收賬款及票據		Trade and bills receivables	L&R ³	2,814,779	-	-	2,814,779	AC ⁴
計入預付賬款及其他應收款項之金融資產		Financial assets included in prepayments and other receivables	L&R	198,767	-	-	198,767	AC
應收關聯人士款項		Amounts due from related parties	L&R	606	-	-	606	AC
已抵押存款		Pledged deposits	L&R	500,000	-	-	500,000	AC
結構性存款		Structured deposits	L&R	1,050,000	-	-	1,050,000	AC
初始存款期超過三個月之銀行存款		Bank deposits with an initial term of over three months	L&R	605,518	-	-	605,518	AC
銀行長期定期存款		Long-term time deposits at banks	L&R	150,000	-	-	150,000	AC
現金及現金等價物		Cash and cash equivalents	L&R	2,471,401	-	-	2,471,401	AC
總資產		Total assets		10,767,971	-	-	10,767,971	

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

(a) (續)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

		香港會計準則第39號計量 HKAS 39 measurement			香港財務報告準則第9號計量 HKFRS 9 measurement		
		金額	重新分類	預期信貸虧損	金額	類別	
		類別	Re- classification	ECL	類別	Category	
		Amount	Amount	Amount	Amount	Category	
		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		
金融負債	Financial liabilities						
應付賬款	Trade payables	AC	873,106	-	-	873,106	AC
計入其他應付款項及 應計款項之 金融負債	Financial liabilities included in other payables and accruals	AC	317,907	-	-	317,907	AC
計息銀行借貸	Interest-bearing bank borrowings	AC	2,130,409	-	-	2,130,409	AC
總負債	Total liabilities		3,321,422	-	-	3,321,422	

1 AFS : 可供出售投資

1 AFS: Available-for-sale investments

2 FVPL : 按公允值計量且變動計入損益之金融資產

2 FVPL: Financial assets at fair value through profit or loss

3 L&R : 貸款及應收款項

3 L&R: Loans and receivables

4 AC : 按攤銷成本計算之金融資產或金融負債

4 AC: Financial assets or financial liabilities at amortised cost

附註 :

Note:

(i) 本集團已將其先前分類為可供出售之金融產品分類為按公允值計量且變動計入損益之金融資產，因為該等金融產品於香港財務報告準則第9號中並未通過合約現金流特徵測試。

(i) The Group has classified its financial products previously classified as available-for-sale investments as financial assets measured at fair value through profit or loss as these financial products did not pass the contractual cash flow characteristics test in HKFRS 9.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

(a) (續)

減值

香港財務報告準則第9號將香港會計準則第39號的「已產生虧損」模式替換為「預期信貸虧損」(「預期信貸虧損」)模式。預期信貸虧損模式要求持續計量與金融資產相關的信貸風險，因此在此模式下確認預期信貸虧損會較香港會計準則第39號的已產生虧損會計模式為早。本集團將新的預期信貸虧損模式應用於以攤銷成本計算的金融資產。

本集團已進行詳細分析，考慮所有合理及輔助資料(包括前瞻因素)，以根據香港財務報告準則第9號的規定估計其金融資產的預期信貸虧損。採納香港財務報告準則第9號並無對本集團的金融資產減值構成重大影響。概無其他信貸虧損撥備已就累計溢利作出確認，因為於二零一八年一月一日所涉之金額無關緊要。

對儲備及保留溢利之影響

過渡至香港財務報告準則第9號對於二零一八年一月一日之儲備及保留溢利並無影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

Impairment

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39. The Group applies the new ECL model to all financial assets measured at amortised cost.

The Group performed a detailed analysis which considers all reasonable and supportable information, including forward-looking elements, for estimation of ECL on its financial assets in accordance with the requirements of HKFRS 9. The adoption of HKFRS 9 has had no significant impact on the impairment of the financial assets of the Group. No additional credit loss allowance has been recognised against accumulated profits as the amounts involved were insignificant as at 1 January 2018.

Impact on reserves and retained profits

The transition to HKFRS 9 has had no impact on reserves and retained profits as at 1 January 2018.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

- (b) 香港財務報告準則第15號及其修訂本取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋，且（除少數例外情況外）其應用於客戶合同產生之所有收益。香港財務報告準則第15號就來自客戶合同之收入入賬確立一個新五步模式。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權在交換中獲取之代價金額進行確認。香港財務報告準則第15號的原則為就計量及確認收益提供更為結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額、關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。有關披露載於財務報表附註5。由於應用香港財務報告準則第15號，本集團已於財務報表附註2.4變更有關收益確認的會計政策。

本集團以修訂式追溯應用法採納香港財務報告準則第15號。根據此方法，該項準則適用於初始應用日期的所有合約或僅適用於當日尚未完成的合約。本集團選擇將該項準則應用於二零一八年一月一日尚未完成的合約。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (b) HKFRS 15 and its amendments replace HKAS 11 *Construction Contracts*, HKAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 5 to the financial statements. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.4 to the financial statements.

The Group has adopted HKFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 January 2018.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

(b) (續)

預收客戶代價

採納香港財務報告準則第15號前，本集團確認來自客戶之預收客戶代價。根據香港財務報告準則第15號，該款項分類為合約負債。

因此，採納香港財務報告準則第15號後，本集團就二零一八年一月一日的預收客戶代價將客戶墊款人民幣26,225,000元重新分類至二零一八年一月一日的合約負債。

於二零一八年十二月三十一日，根據香港財務報告第15號，針對就銷售產品預收客戶代價，人民幣24,161,000元被分類至合約負債。

除上文所述者外，採納香港財務報告準則第15號對本集團之綜合財務報表概無任何重大影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) (continued)

Consideration received from customers in advance

Before the adoption of HKFRS 15, the Group recognised consideration received from customers in advances from customers. Under HKFRS 15, the amount is classified as contract liabilities.

Therefore, upon adoption of HKFRS 15, the Group reclassified RMB26,225,000 from advances from customers to contract liabilities as at 1 January 2018 in relation to the consideration received from customers in advance as at 1 January 2018.

As at 31 December 2018, under HKFRS 15, RMB24,161,000 was classified as contract liabilities in relation to the consideration received from customers in advance for the sale of products.

Except for those described above, the adoption of HKFRS 15 does not have any material impact on the Group's consolidated financial statements.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.2 會計政策變動及披露 (續)

- (c) 香港（國際財務報告詮釋委員會）－詮釋第22號為實體以外幣收取或支付預付代價及確認非貨幣性資產或負債的情況下，在採納香港會計準則第21號時，應如何釐定交易日期提供指引。該詮釋釐清，就釐定於初步確認有關資產、開支或收入（或其中部分）所用的匯率時，交易日期為實體初步確認因支付或收取預付代價而產生的非貨幣性資產（如預付款項）或非貨幣性負債（如遞延收入）之日。倘確認有關項目前存在多筆預付款或預收款，實體須就每筆預付代價款或收取預付代價款釐定交易日期。該詮釋並無對本集團的財務報表造成任何影響，原因為本集團為釐定非貨幣資產或非貨幣負債初步確認而應用的匯率的會計政策與該詮釋所提供的指引一致。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (c) HK(IFRIC)-Int 22 provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於此等財務報表中應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂本	業務的定義 ²
香港財務報告準則第9號之修訂本	提早還款特性及負補償 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂本(二零一一年)	投資者與其聯營公司或合營企業間的資產銷售或注資 ⁴
香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港會計準則第1號及香港會計準則第8號之修訂本	重大的定義 ²
香港會計準則第19號之修訂本	計劃修訂、縮減或結算 ¹
香港會計準則第28號之修訂本	於聯營公司及合營企業之長期權益 ¹
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理的不確定性 ¹
二零一五年至二零一七年週期之年度改進	對香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂 ¹

- 1 於二零一九年一月一日或之後開始之年度期間生效
- 2 於二零二零年一月一日或之後開始之年度期間生效
- 3 於二零二一年一月一日或之後開始之年度期間生效
- 4 尚未釐定強制生效日期，惟可供採納

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business²</i>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation¹</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
HKFRS 16	<i>Leases¹</i>
HKFRS 17	<i>Insurance Contracts³</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material²</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement¹</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures¹</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments¹</i>
<i>Annual Improvements 2015-2017 Cycle</i>	<i>Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23¹</i>

- 1 Effective for annual periods beginning on or after 1 January 2019
- 2 Effective for annual periods beginning on or after 1 January 2020
- 3 Effective for annual periods beginning on or after 1 January 2021
- 4 No mandatory effective date yet determined but available for adoption



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

有關該等預期適用於本集團之香港財務報告準則之進一步資料敘述如下：

香港財務報告準則第16號取代香港會計準則第17號租賃、香港（國際財務報告詮釋委員會）－詮釋第4號釐定安排是否包括租賃、香港（準則詮釋委員會）－詮釋第15號「經營租賃－優惠」及香港（準則詮釋委員會）－詮釋第27號「評估涉及租賃法律形式交易之內容」。該準則載列確認、計量、呈列及披露租賃之原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免－低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期內支付租賃款項之負債（即租賃負債）及代表相關資產使用權之資產（即使用權資產）。除非使用權資產符合香港會計準則第40號內投資物業之定義或與適用於重估模式之一類物業、廠房及設備有關，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因支付租賃款項而減少。承租人將須分別確認租賃負債之利息開支及使用權資產之折舊開支。承租人亦須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定未來租賃款項之一項指數或比率變更而引致該等款項變更。承租人普遍將重新計量租賃負債之金額確認為對使用權資產之調整。國際財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。香港財務報告準則第16號要求承租人及出租人作出較香港會計準則第17號所規定之更多披露。承租人可選擇使用全面追溯性或經修改追溯性方法應用該標準。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below:

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

本集團將於二零一九年一月一日起採納香港財務報告準則第16號。本集團計劃採納香港財務報告準則第16號的過渡規定，將初始採納的累計影響確認為對於二零一九年一月一日保留利潤期初結餘的調整，以及不會重列比較數字。此外，本集團計劃將新規定應用於先前已應用香港會計準則第17號而識別為租賃的合約，並使用本集團於初始應用日期的增量借貸利率折現按剩餘租賃付款的現值計量租賃負債。使用權資產將按租賃負債金額計量，並按緊接初始應用日期前在財務狀況表中確認與租賃相關的任何預付或應計租賃付款金額進行調整。本集團計劃將該準則所容許的豁免，用於於初始應用日期時租賃期將於12個月內結束的租賃合約。於二零一八年，本集團已就採納香港財務報告準則第16號之影響進行詳盡評估。本集團估計，使用權資產人民幣220,040,277元及租賃負債人民幣220,040,277元將於二零一九年一月一日確認。

香港（國際財務報告詮釋委員會）— 詮釋第23號，闡述當處理稅務涉及影響應用香港會計準則第12號之不確定性（俗稱「不確定稅務狀況」）時之（即期及遞延）所得稅之會計處理。該詮釋不適用於香港會計準則第12號範圍以外之稅項或徵費，亦不具體包括與不確定稅務處理相關之利息及罰款之規定。該解釋具體針對(i)實體是否分開考慮不確定稅務處理；(ii)主體對稅務機關審查稅務處理所作假設；(iii)實體如何釐定應課稅利潤或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率；及(iv)實體如何考慮事實及情況之變化。該詮釋應以全面追溯並不使用後見之明或連同應用之累積影響（作為初次應用之日期之期初權益之調整項目）追溯地應用，並無須重述比較資料。本集團預期將於二零一九年一月一日起事前採納該詮釋。預期該詮釋不會對本集團財務報表造成任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

The Group will adopt HKFRS 16 from 1 January 2019. The Group plans to adopt the transitional provisions in HKFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying HKAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application. The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application. During 2018, the Group has performed a detailed assessment on the impact of adoption of HKFRS 16. The Group has estimated that right-of-use assets of RMB220,040,277 and lease liabilities of RMB220,040,277 will be recognised at 1 January 2019.

HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 January 2019. The interpretation is not expected to have any significant impact on the Group's financial statements.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要

於聯營公司之投資

聯營公司為本集團於其中擁有長期權益（一般不少於20%股本投票權），並可藉此對其行使重大影響力之實體。重大影響力為參與被投資公司財務及經營政策決定之權力，惟對該等政策並無控制或共同控制權。

本集團於聯營公司之投資根據權益會計法，按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。任何可能存在之相異會計政策已相應作出調整以使之貫徹一致。

本集團應佔聯營公司收購後業績及其他全面收益分別計入綜合損益表及綜合全面收益表內。此外，當變動直接於聯營公司權益中確認時，本集團會於綜合權益變動表中確認其應佔的任何變動（如適用）。本集團與其聯營公司間之交易所產生之未變現損益乃按本集團於聯營公司之投資對銷，惟有證據證明所轉讓資產出現減值之未變現虧損則作別論。收購聯營公司產生之商譽計入本集團於聯營公司之投資。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment in an associate

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of the associate is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investments in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of an associate is included as part of the Group's investment in an associate.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

於聯營公司之投資 (續)

倘於聯營公司之投資成為於合營公司之投資或合營公司之投資成為聯營公司之投資，保留權益不獲重新計量。取而代之，投資繼續以權益法入賬。於所有其他情況下，於失去對聯營公司之重大影響力或對合營公司之共同控制權時，本集團會按公允值計量並確認任何保留投資。於失去重大影響力或共同控制權時，聯營公司或合營公司之賬面值與保留投資公允值及出售所得款項之任何差額於損益中確認。

於聯營公司之投資分類為持作出售之投資時，其根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in an associate (continued)

If investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

業務合併及商譽

業務合併採用收購法入賬。轉讓之代價乃按收購日之公允值計量，而公允值乃指本集團轉讓之資產、本集團向被收購方之前度擁有人承擔之負債及本集團發行以換取被收購方控制權之股本權益於收購日的公允值的總和。就各業務合併而言，本集團選擇按公允值或所佔被收購方可識別資產淨值的權益比例計量於被收購方屬現時所有權權益並賦予擁有人權利於清盤時按比例分佔淨資產的非控制權益。非控制權益的其他所有成分均按公允值計量。所產生的收購相關成本計入費用。

當本集團收購一項業務時，會根據合約條款、收購日的經濟環境及相關條件，評估將承擔的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方訂立的主合約的嵌入式衍生工具進行分離。

倘若業務合併分階段進行，則本集團以往持有之股本權益按收購日之公允值重新計算，並將因此而產生之收益或虧損計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

任何將由收購方轉讓之或然代價按公允值於收購日期確認。或然代價(被分類為屬金融工具之資產或負債)按公允值計量，而公允值變動將於損益確認。分類作權益之或然代價不會重新計量，其後結算乃於股權入賬。

商譽初步按成本計量，即已轉讓總代價、已確認非控制性權益確認的金額及本集團先前持有被收購方之股本權益的公允值之總和，超出所收購可識別資產淨值及所承擔負債之差額。如總代價與其他項目的總和低於所收購資產淨值之公允值，於評估後的差額將於損益表內確認為購買折扣收益。

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試或於發生事件或情況變動顯示賬面值可能減值時會更頻密地進行減值測試。本集團於十二月三十一日進行商譽之年度減值測試。於進行減值測試時，業務合併中收購之商譽由收購日起分配至預期可受惠於合併協同效益之本集團各個或各組別現金產生單位，而不計及本集團有否其他資產或負債已分配至該等單位或單位組別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

減值乃透過評估商譽有關之現金產生單位 (一組現金產生單位) 之可收回金額釐定。倘現金產生單位 (一組現金產生單位) 之可收回金額低於賬面值，則確認減值虧損。就商譽確認之減值虧損不會於其後期間撥回。

倘商譽被分配至現金產生單位 (或一組現金產生單位)，而該單位部分業務被出售，則於釐定出售損益時，相關商譽將計入業務之賬面值。在此情況下，出售之商譽根據所出售業務之相關價值及所保留現金產生單位之部分計量。

公允值計量

本集團於各報告期末計量其投資於金融產品的公允值。公允值為市場參與者間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付之價格。公允值計量假設出售資產或轉讓負債的交易於該資產或負債的主要市場，或在無主要市場的情況下，則於對該資產或負債最有利的市場進行。本集團必須可於該主要市場或最有利市場進行交易。資產或負債的公允值乃採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its investments in financial products at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

公允值計量 (續)

非金融資產的公允值計量計及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

本集團採用在各情況下適當的估值技術，而其有足夠數據以計量公允值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

所有於財務報表中計量或披露公允值的資產及負債，乃按對整體公允值計量而言屬重大的最低層級輸入數據分類至下述的公允值層級：

第一級 — 基於相同資產或負債於活躍市場之報價（未經調整）

第二級 — 基於估值技術，其所使用之對公允值計量而言屬重大之最低層級輸入數據乃為直接或間接觀察所得

第三級 — 基於估值技術，其所使用之對公允值計量而言屬重大之最低層級輸入數據乃不可觀察

就於財務報表內按經常性基準確認的資產及負債而言，本集團於各報告期末按對整體公允值計量而言屬重大的最低級別輸入值重新評估分類，以釐定各公允值等級之間是否出現轉撥。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

非金融資產減值

除存貨及金融資產外，倘資產出現任何減值跡象或須每年測試減值，將估計資產之可收回金額。資產之可收回金額乃按資產或現金產生單位之使用價值或公允值減出售成本兩者中之較高者計算，而個別資產須分開計算，惟倘資產並不產生明顯獨立於其他資產或資產組別之現金流入，則就資產所屬現金產生單位計算可收回金額。

僅在資產賬面值超出其可收回金額之情況下，方會確認減值虧損。評估使用價值時，估計日後現金流量按可反映貨幣時間價值及資產特定風險之現時市場評估之除稅前貼現率折算至現值。減值虧損於其產生期間自綜合損益表扣除，並計入與減值資產之功能一致之有關費用類別內。

於各報告期末，將評估有否跡象顯示早前確認之減值虧損可能不再存在或可能減少。倘出現有關跡象，則估計可收回金額。早前就商譽以外資產確認之減值虧損，僅在用以釐定該資產可收回金額之估計數字出現變動時方會撥回，然而，有關數額不得高於倘於過往年度並無就資產確認減值虧損而應釐定之賬面值（扣除任何折舊／攤銷）。撥回有關減值虧損於產生期間計入綜合損益表，除非資產以重估金額列賬，在該情況下，減值虧損撥回根據該重估資產之相關會計政策入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

關聯人士

下列人士將被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘符合下列任何條件，即實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或其他實體的母公司、附屬公司或同系附屬公司）；
 - (iii) 該實體與本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

關聯人士 (續)

(b) (續)

- (vi) 實體受(a)所識別人士控制或受共同控制；
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 向本集團或本集團母公司提供主要管理人員服務的該實體或其中成員群組的任何成員。

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本包括其購買價及任何使其達至營運狀況及地點作擬定用途之直接應佔成本。

物業、廠房及設備投入運作後所產生維修保養等支出，一般於其產生期間自綜合損益表扣除。倘符合確認準則，一項主要檢查之支出將會資本化，作為替代資產之賬面值。倘物業、廠房及設備之重大部分需定期更換，本集團確認該等部分為具特定可用年期及對相應資產作折舊。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

(b) (continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

折舊乃按直線基準於其估計可用年期撇銷物業、廠房及設備各項目之成本至其剩餘價值計算。物業、廠房及設備就上述目的而言之估計可用年期如下：

類別	Category	估計可用年期 Estimated useful life	剩餘價值 Residual value
樓宇	Buildings	20 – 25 years 年	0% – 10%
廠房及機器	Plants and machinery	10 years 年	0% – 10%
運輸工具	Vehicles	5 – 7 years 年	0% – 10%
傢俬及固定裝置	Furniture and fixtures	5 years 年	0% – 10%

當一項物業、廠房及設備項目中的其中部分擁有不同的可用年期，則該項目成本將合理分攤至各部分，而各部分將單獨計提折舊。剩餘價值、可用年期及折舊至少於各財政年度末檢討及於適當時作出調整。

物業、廠房及設備項目包括初始確認之任何重要部分於出售時或預期日後使用或出售該項目不會產生經濟利益時終止確認。於資產終止確認之年度在綜合損益表確認之出售或廢棄損益，按出售所得款項淨額與有關資產賬面值間之差額計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment used for this purpose are as follows:

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

在建工程指興建中之樓宇、廠房及機器、運輸工具、傢俬及固定裝置，按成本減任何減值虧損列賬，且不予折舊。成本包括興建期間之直接建築成本及相關借入資金之已撥充資本借貸成本。在建工程於落成及可供使用後重新分類為適當類別之物業、廠房及設備。

無形資產 (商譽除外)

單獨購買之無形資產於初始確認時按成本計量。業務合併中獲得之無形資產的成本為該資產於收購日之公允值。無形資產之可用年期評估為有限。擁有有限可用年期之無形資產其後於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時進行減值評估。可用年期有限之無形資產之攤銷期及攤銷方法，最少於每個財政年度末作檢討。

無形資產按成本減任何減值虧損列賬，並於其估計可用年期內按直線基準攤銷。無形資產之估計可用年期如下：

類別	估計可用年期
軟件	4至10年
用水權	20年

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Construction in progress represents buildings, plant and machinery, vehicles, furniture and fixtures under construction or pending installation, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets are as follows:

Category	Estimated useful life
Software	4 – 10 years
Water use right	20 years

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

無形資產 (商譽除外) (續)

研發成本

所有研究成本於其產生時於損益表中扣除。

開發新產品項目中產生的開支僅當本集團可證明以下各項時方可予以資本化及遞延：完成無形資產以使其能夠使用或銷售在技術上具有可行性、擬完成該無形資產且能夠使用或出售、無形資產產生未來經濟利益的方式、有足夠的資源完成該等項目及有能力可靠計量開發階段的開支。不符合該等標準的產品開發開支於產生時計入損益。

租賃

除法定權利之外，與資產擁有權的絕大部分回報及風險已實質撥歸本集團的租賃，均列作融資租賃。

凡資產擁有權之絕大部分回報及風險仍由出租人保留之租約，均列作經營租賃。倘本集團為出租人，根據經營租賃所擁有的資產計入非流動資產且經營租賃下來自租賃的應收租金以直線法於租賃期內在綜合損益表列支。倘本集團為承租人，則經營租賃下之應付租金（扣除任何從出租人所收取的優惠）以直線法於租賃期內在綜合損益表列支。

經營租賃下的預付土地租賃款項起始時按成本列賬，其後則以直線法於租賃期內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases net of any incentives received from the lessor are charged to the consolidated statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

預付土地租賃款項

中國大陸所有土地由國家擁有，並不存在個人土地擁有權。本集團取得若干土地之使用權利，就該等權利所付之代價入賬列為預付土地租賃款項，以直線基準按30年至50年之租賃期攤銷。

投資及其他金融資產 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策)

初步確認及計量

金融資產於初步確認時分類，其後按攤銷成本、按公允值計量且變動計入其他全面收益及按公允值計量且變動計入損益計量。

金融資產於初步確認時之分類視乎金融資產合約現金流量特征及本集團管理該等金融資產的業務模式而定。除不含有重大融資成分或本集團已應用不調整重大融資成分之影響的可行權宜方法的應收賬款及票據外，本集團初步按公允值另加 (倘金融資產並非按公允值計量且變動計入損益) 交易成本計量金融資產。不含有重大融資成分或本集團已應用可行權宜方法的應收賬款及票據乃按下文「收入確認 (自二零一八年一月一日起適用)」所載政策根據香港財務報告準則第15號釐定之交易價計量。

為分類及按攤銷成本或按公允值計量且變動計入其他全面收益計量一項金融資產，其產生之現金流量須僅為就未償還本金而支付之本金及利息。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid land lease payments

All land in Mainland China is state-owned and no individual land ownership rights exist. The Group acquires the right to use certain land and the considerations paid for such right are recorded as prepaid land lease payments, which are amortised over the lease terms of 30 to 50 years using the straight-line method.

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策) (續)

初步確認及計量 (續)

本集團管理金融資產之業務模式指其如何管理其金融資產以產生現金流量。業務模式釐定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。

所有一般之金融資產買賣於交易日 (即本集團承諾買賣資產之日期) 確認。一般買賣乃要求根據市場規例或慣例訂立之期限交付資產之金融資產買賣。

後續計量

金融資產的後續計量根據其分類如下：

按攤銷成本計量之金融資產 (債務工具)

倘滿足以下兩個條件，則本集團按攤銷成本計量金融資產：

- 於旨在持有金融資產以收取合約現金流量的業務模式中持有金融資產；及
- 金融資產的合約條款於特定日期產生僅就未償還本金支付本金及利息的現金流量。

按攤銷成本計量之金融資產其後使用實際利率法計量，並可能受減值影響。當資產終止確認、修改或減值時，收益及虧損於損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策) (續)

後續計量 (續)

按公允值計量且變動計入損益之金融資產

按公允值計量且變動計入損益之金融資產包括持作買賣金融資產及於初步確認時即指定按公允值計量且其變動計入損益之金融資產或強制要求按公允值計量之金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。現金流量並非僅支付本金及利息的金融資產，不論其業務模式如何，均按公允值計量且其變動計入損益計量。儘管如上文所述債務工具可按攤銷成本分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公允值計量且其變動計入損益。

按公允值計量且變動計入損益之金融資產按公允值於財務狀況表列賬，而公允值變動淨額於損益表中確認。

投資及其他金融資產 (二零一八年一月一日前適用之香港會計準則第39號下之政策)

初步確認及計量

金融資產於初步確認時分類為按公允值計量且變動計入損益之金融資產、貸款及應收款項及可供出售金融投資或劃分為指定作有效對沖的對沖工具之衍生工具 (如適用)。金融資產於首次確認時以公允值加上收購金融資產應佔之交易成本計量，惟就金融資產而言，則按公允值計量且變動計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

初步確認及計量 (續)

所有一般之金融資產買賣於交易日 (即本集團承諾買賣資產之日期) 確認。一般買賣乃要求根據市場規例或慣例訂立之期限交付資產之金融資產買賣。

後續計量

金融資產的後續計量根據其分類如下：

按公允值計量且變動計入損益之金融資產

按公允值計量且變動計入損益之金融資產包括持作買賣金融資產及於初步確認時即確認為按公允值列賬於損益表處理之財務資產。金融資產如以短期內出售為目的而購買，則分類為持作買賣金融資產。衍生工具 (包括獨立嵌入式衍生工具) 亦歸類為持作買賣，除非其被香港會計準則第39號指定為有效對沖工具則作別論。

按公允值計量且變動計入損益之金融資產於財務狀況表內按公允值列賬。在綜合損益表中，公允值淨差額正數呈列作其他收入及收益，而公允值淨差額負數則呈列作融資成本。該等公允淨值變動並不包括該等金融資產所賺取之任何股息或利息，有關利息會根據下文「收入確認 (二零一八年一月一日前適用)」所載之政策確認。

初始確認時指定為以公允值計量且變動計入損益之金融資產於初始確認之日指定，且僅當滿足香港會計準則第39號的標準時方予指定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Initial recognition and measurement (continued)

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the consolidated statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition (applicable before 1 January 2018)” below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

後續計量 (續)

貸款及應收款項

貸款及應收款項為附有固定或可確定付款金額，且並無活躍市場報價之非衍生金融資產。經初步計量後，此等資產其後按實際利率法按攤銷成本扣除任何減值撥備計量。於計算攤銷成本時，已計及收購之任何折讓或溢價，並包括作為實際利率不可或缺部分之費用及成本。實際利率攤銷已計入綜合損益表之其他收入及收益。減值所產生之虧損亦於綜合損益表內貸款融資成本及應收款項之其他開支中得到確認。

可供出售金融投資

可供出售金融投資為上市及非上市投資及債務股權證券之非衍生金融資產。歸類為可供出售之股權投資是那些並非歸類為持作買賣或指定按公允值計量且變動計入損益之投資。此類別之債務證券為擬無限期待持有及可能因應流動資金需要或市場狀況變動而出售之證券。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the consolidated statement of profit or loss. The loss arising from impairment is recognised in the consolidated statement of profit or loss in finance costs for loans and in other expenses for receivables.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

後續計量 (續)

可供出售金融投資 (續)

初步確認後，可供出售金融投資其後按公允值計量，未實現之收益或虧損則確認為可供出售投資重估儲備內之其他全面收益，直至有關投資終止確認 (屆時累計收益或虧損會計入綜合損益表內之其他收入)，或投資確定出現減值 (屆時累計收益或虧損會自可供出售投資重估儲備重新分類至綜合損益表內之其他收益或虧損)。於持有可供出售金融投資時賺取之利息和股息分別作為利息收入和股息收入，按照下文「收入確認 (二零一八年一月一日前適用)」所載政策在綜合損益表確認為其他收入。

當非上市股權投資之公允值因(a)該投資合理公允值估算範圍之差異重大；或(b)於該範圍內不同估算之或然率不能可靠評估及用於估計公允值而不能可靠計量，則有關投資按成本減任何減值虧損入賬。

本集團評估於近期出售其可供出售金融資產之能力及意圖是否還合宜。當於少數情況下，本集團因市場疲弱而無法買賣該等資產，本集團或會選擇將該等金融資產重新分類 (倘管理層能夠並有意於可見將來或至到期持有資產)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

Available-for-sale financial investments (continued)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the consolidated statement of profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the consolidated statement of profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the consolidated statement of profit or loss as other income in accordance with the policies set out for "Revenue recognition (applicable before 1 January 2018)" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

投資及其他金融資產 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

後續計量 (續)

可供出售金融投資 (續)

對獲重新分類至可供出售類別以外之金融資產，於重新分類日期之公允值賬面值成為其新攤銷成本，任何該項資產已於權益中確認之過往損益均依實際利率按該項投資之剩餘年期計入損益攤銷。任何新攤銷成本及到期款項之差異，亦將以實際利率根據該項資產之剩餘年期進行攤銷。如果資產其後釐定為已減值，則在權益確認的部分需重新分類到綜合損益表。

終止確認金融資產 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策及二零一八年一月一日前適用之香港會計準則第39號下之政策)

金融資產 (或 (如適用) 一項金融資產之一部分或一組同類金融資產之一部分) 在下列情況將首先終止確認 (即自本集團綜合財務狀況表內移除) :

- 收取該項資產現金流量之權利已屆滿；或
- 本集團已轉讓收取該項資產現金流量之權利，或已根據一項「轉移」安排，在未有嚴重延誤情況下對第三方全數承擔支付已收現金流之責任；並(a)已轉讓該項資產絕大部分風險及回報；或(b)並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產之控制權。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

Available-for-sale financial investments (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated statement of profit or loss.

Derecognition of financial assets (policies under HKFRS 9 applicable from 1 January 2018 and policies under HKAS 39 applicable before 1 January 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

終止確認金融資產 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策及二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

當本集團轉讓其可獲取資產所得現金流量之權利，或訂立一項轉移安排，會評估其有否保留該項資產擁有權的風險及回報，以及其程度。倘本集團並無轉讓或保留該項資產絕大部分風險及回報，且並無轉讓該項資產之控制權時，則本集團將繼續確認已轉讓資產，惟以持續相關部分為限。於該情況下，本集團亦確認一項關聯負債。已轉讓資產及關聯負債按反映本集團保留的權利及責任的基準計量。

持續參與是以該集團就被轉讓資產作出之一項保證的形式出現，並以該項資產之原賬面值及該集團或須償還之代價數額上限 (以較低者為準) 計算。

金融資產減值 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策)

本集團就並非按公允值計量且其變動計入損益之所有債務工具確認預期信貸虧損撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取並按原始實際利率的概約利率貼現之所有現金流量之間的差額釐定。預期現金流量將包括出售所持抵押品或合約條款所包含的其他信貸升級措施所得的現金流量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (policies under HKFRS 9 applicable from 1 January 2018 and policies under HKAS 39 applicable before 1 January 2018) (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融資產減值 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策) (續)

一般法

預期信貸虧損分兩個階段確認。就初步確認以來信貸風險並無大幅增加的信貸敞口而言，會為未來12個月可能發生違約的事件所產生的信貸虧損計提預期信貸虧損撥備 (12個月預期信貸虧損)。就初步確認以來信貸風險大幅增加的信貸敞口而言，須就預期於敞口的餘下年期產生的信貸虧損計提減值撥備，不論違約的時間 (整個可使用年期預期信貸虧損)。

於報告日期，本集團評估一項金融工具的信貸風險自初步確認以來是否大幅增加。於作出評估時，本集團將金融工具於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險進行比較，並考慮毋須花費過度成本或精力即可獲得的合理及可靠資料 (包括歷史及前瞻性資料)。

本集團於合約付款逾期90天時考慮金融資產違約。然而，於若干情況下，當內部或外部資料顯示，在沒有計及本集團持有之任何信貸升級措施前，本集團不大可能悉數收取未償還合約金額，則本集團亦可能認為金融資產將違約。金融資產於無合理預期收回合約現金流量時撇銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融資產減值 (自二零一八年一月一日起適用之香港財務報告準則第9號下之政策) (續)

一般法 (續)

按攤銷成本列賬的金融資產須按一般法進行減值，且該等金融資產於以下計量預期信貸虧損的階段內計量，惟如下文詳述應用簡化方法的應收賬款及票據除外。

第1階段 - 信貸風險自初步確認起並無大幅增加及虧損撥備按等於12個月預期信貸虧損之金額計量的金融工具

第2階段 - 信貸風險自初步確認起並無大幅增加但並非信貸減值金融資產及虧損撥備按等於可使用年期預期信貸虧損之金額計量的金融工具

第3階段 - 於報告日期發生信貸減值 (但購入或產生時未發生信貸減值) 及虧損撥備按等於可使用年期預期信貸虧損之金額計量的金融資產

簡化方法

就不含有重大融資成分或本集團已應用不調整重大融資成分之影響的可行權宜方法的應收賬款及票據而言，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並無追蹤信貸風險變動，而是於報告日期根據可使用年期預期信貸虧損確認虧損撥備。本集團基於其歷史信貸虧損經驗建立撥備矩陣，並就債務人及經濟環境特定的前瞻性因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

General approach (continued)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables which apply the simplified approach as detailed below.

Stage 1 - Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 - Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 - Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融資產減值 (二零一八年一月一日前適用之香港會計準則第39號下之政策)
本集團於每個報告期末作出評核有否客觀證據，證明某項金融資產或金融資產組別已減值。倘於初始確認資產後發生之一項或多項事件對可作可靠估量之某項金融資產或金融資產組別之估計未來現金流量產生影響，則存在減值。減值證據可包括一個或多個債務人面臨重大財政困難、拖欠或未能償還利息或本金款額、彼等可能破產或進行其他財務重組及可觀察數據顯示預計未來現金流量將嚴重減少，例如欠款數目變動或出現與違約相關的經濟狀況。

以攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先評估是否就個別重大之金融資產或集體重大但個別不重大之金融資產單獨存在減值。若本集團決定並無客觀證據證明個別評估之金融資產出現減值（無論重大與否），該金融資產會被歸類到具類似信貸風險特徵的金融資產組別內並被集體作減值評估之資產。接受個別減值評估及減值虧損現已並將持續確認之資產不包括在集體減值評估。

以資產之賬面值與估計未來現金流量之現值兩者之差額計量任何已識別減值虧損之金額（不包括並未產生之未來信貸虧損）。估計未來現金流量之現值由金融資產之初始實際利率（即初步確認時計算之實際利率）計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融資產減值 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

以攤銷成本列賬之金融資產 (續)

資產之賬面值透過準備賬扣減，虧損則於綜合損益表確認。利息收入持續計入已減少之賬面值，採用計量減值虧損時用作貼現未來現金流量之利率。貸款及應收款項連同任何相關之準備於實際上無法在未來收回或抵押品已變現或轉至本集團時撇銷。

倘預計減值虧損數額於往後期間因於減值確認後發生之某事項而增加或減少，早前確認之減值虧損亦會通過調整準備賬而增加或減少。倘撇銷可於稍後收回，該收回會計入綜合損益表其他開支一項。

可供出售金融投資

就可供出售金融投資而言，本集團於各報告期末評估一項投資或投資組別減值之客觀證據是否存在。

倘一項可供出售資產減值，由其成本 (扣減任何本金付款及攤銷) 及其現有公允值之差額，減去任何先前於綜合損益表中確認之減值虧損所得之金額，將從其他全面收益刪除，並於綜合損益表內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the consolidated statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the consolidated statement of profit or loss.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the consolidated statement of profit or loss, is removed from other comprehensive income and recognised in the consolidated statement of profit or loss.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融資產減值 (二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

可供出售金融投資 (續)

就歸類為可供出售之股權投資而言，客觀證據包括一項投資之公允值出現重大或長期低於成本價。「重大」須參照投資之原有成本作出評估，而「長期」則須參照其公允值低於原有成本之期間作出評估。倘減值證據存在，累計虧損 (以收購成本及現有公允值之差額減任何該項投資先前於綜合損益表內確認之減值虧損計量) 將從其他全面收益刪除，並於綜合損益表內確認。歸類為可供出售之股本工具之減值虧損並不透過綜合損益表撥回。減值後公允值之增加直接於其他全面收益內確認。

釐定「大幅」或「長期」時需要作出判斷。於作出判斷時，本集團會評估 (其中包括) 投資之公允值低於其成本之時間或幅度。

金融負債 (自二零一八年一月一日起適用之香港財務報告準則第9號下及二零一八年一月一日前適用之香港會計準則第39號下之政策)

初步確認及計量

金融負債於初始確認時乃視情況分類為透過損益以公允值列賬的金融負債、貸款及借款以及應付款項、或在有效對沖中被指定為對沖工具的衍生工具。

所有金融負債初次確認時按公允值確認，而倘屬貸款及借貸，則須扣除應佔的直接交易成本。

本集團之金融負債包括應付賬款、計入其他應付款項及應計款項之金融負債以及計息銀行借貸。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Available-for-sale financial investments (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated statement of profit or loss – is removed from other comprehensive income and recognised in the consolidated statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the consolidated statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals and interest-bearing bank borrowings.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

金融負債(自二零一八年一月一日起適用之香港財務報告準則第9號下及二零一八年一月一日前適用之香港會計準則第39號下之政策) (續)

後續計量

金融負債之後續計量取決於彼等之分類，並詳列如下：

貸款及借貸

除非貼現效果並不顯著，即計息銀行借貸以成本列賬，否則經初始確認，計息銀行借貸以實際利率法按攤銷成本計量。倘該等負債透過實際利率攤銷過程終止確認，收益及虧損會於損益表中確認。

於計算攤銷成本時，已計及收購之任何折讓或溢價，並包括作為實際利率不可或缺部分之費用或成本。實際利率攤銷包括在綜合損益表之融資成本內。

終止確認金融負債(自二零一八年一月一日起適用之香港財務報告準則第9號下及二零一八年一月一日前適用之香港會計準則第39號下之政策)

金融負債於負債項下責任獲履行或取消或屆滿時終止確認。

倘某項現有金融負債以同一貸方提供條款大部分不同之負債取代，或現有負債條款經大幅修訂，則有關交換或修訂按終止確認原有負債及確認新負債處理，而相關賬面值之差額則於綜合損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

Derecognition of financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

抵銷金融工具(自二零一八年一月一日起適用之香港財務報告準則第9號下及二零一八年一月一日前適用之香港會計準則第39號下之政策)

若現時擁有可強制執行之法律權利，以抵銷確認數額，且有意以淨額方式償還，或同時實現資產及償還負債，金融資產及金融負債方被沖銷，而該淨額則會於財務狀況表申報。

存貨

存貨按成本及可實現淨值兩者中之較低者列賬。成本按加權平均基準釐定，如屬在製品及製成品，其成本包括直接物料費用、直接工資及按適當比例分配之製造費用。可實現淨值按估計售價減預期完成及售出所需之任何估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款以及可隨時轉換為已知數額現金之高度流通短期投資，有關投資所承受價值變動風險不大，到期日一般為購入後三個月內，再扣除在要求時須償還及構成 貴集團現金管理方面一個完整部分之銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括手頭及銀行現金，當中包括存款期、及等同於現金之資產且用途不限之定期存款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

撥備

倘由於過往發生之事件引致承擔現有責任(法律或推定)，而履行有關責任可能導致日後資源流出，並能夠可靠估計履行責任所涉及金額時，撥備會被確認。

倘貼現影響屬重大，就撥備而確認之金額為預期履行責任所需之未來開支於報告期末之現值。因時間流逝而引致之貼現現值之增加會計入綜合損益表內之融資成本。

所得稅

所得稅包括即期及遞延稅項。倘所得稅與在損益賬外確認之項目相關，則所得稅於損益賬外之其他全面收入或直接於權益確認。

根據於報告期末已頒佈或大致已頒佈之稅率(及稅法)，並考慮到本集團經營業務所在國家之現行詮釋及慣例，即期稅項資產及負債，按預期自稅務機關收回或向稅務機關支付之金額計算。

遞延稅項就於報告期末資產及負債之稅基與就財務報告用途之賬面值間之所有暫時差額，以負債法作出撥備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項負債就所有應課稅暫時差額確認，惟下列情況除外：

- 遞延稅項負債來自初始確認之商譽或由非業務合併交易而產生的資產或負債，且於進行交易時沒有對會計利潤或應課稅利潤或虧損構成影響；及
- 就與於附屬公司及一間聯營公司之投資有關之應課稅暫時差額而言，如可以控制撥回暫時差額之時間及暫時差額於可見將來不大可能撥回。

遞延稅項資產就所有可扣稅暫時差額、結轉未動用稅項抵免及任何未動用稅項虧損確認。惟遞延稅項資產以可能有應課稅利潤以動用可扣稅暫時差額、結轉未動用稅項抵免及未動用稅項虧損為限，惟下列情況除外：

- 遞延稅項資產與初次確認非業務合併交易產生的資產或負債產生之可扣稅暫時差額有關，且於進行交易時沒有對會計利潤或應課稅利潤或虧損構成影響；及
- 就與於附屬公司及一間聯營公司之投資有關之可扣稅暫時差額而言，只有在暫時差額可能於可見將來撥回，且可能有應課稅利潤以動用暫時差額之情況下，方會確認遞延稅項資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產之賬面值於各報告期末檢討，當再無可能獲得足夠應課稅利潤以動用全部或部分遞延稅項資產，則會下調。之前未確認之遞延稅項資產於各報告期末獲重新評估，於可能有足夠應課稅利潤以動用全部或部分遞延稅項資產時確認。

根據於報告期末已生效或實質已生效之稅率（及稅法），遞延稅項資產及負債按變現資產或償還負債之期間預期適用之稅率計算。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債之不同稅務實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補助

當可以合理確定將會收取補助及已符合所有附帶條件，則按公允值確認政府補助。如補助與某項開支有關，則於相關期間確認為收入，以將擬補足開支有系統地支銷。

如補助與某項資產有關，其公允值則計入遞延收入賬目，於有關資產之預計可用年期按每年相等之金額撥入綜合損益表，或從資產之賬面值扣除，通過遞減折舊方式撥入綜合損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the consolidated statement of profit or loss by way of a reduced depreciation charge.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

收入確認 (自二零一八年一月一日起適用)

客戶合約收益

客戶合約收益於貨品控制權轉移至客戶時按反映本集團預期就交換該等貨品有權收取之代價之金額確認。

當合約中的代價包括可變金額時，估計的代價將是本集團將貨品轉移至客戶時有權收取的金額。可變代價在合約開始時估計並受約束，直至與可變代價相關的不確定性消除時，累計已確認的收入金額很可能不會發生重大轉回。

當合約中包含一個融資部分，即為客戶轉移貨物超過一年且提供給客戶重大的融資利益時，收入於合約開始時按應收金額的現值計量，並使用本集團與客戶之間的獨立融資交易中反映之貼現率貼現。當合約包含為本集團提供超過一年的重大財務利益的融資部分時，根據合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與承諾商品或服務轉讓之間的期限為一年或一年以下的合約，使用香港財務報告準則第15號之可行權宜處理方法，交易價格不會就重大融資成份之影響作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018)

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

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

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

收入確認 (自二零一八年一月一日起適用) (續)

客戶合約收益 (續)

銷售針織服裝產品

銷售針織服裝產品之銷售額於資產控制權轉移至客戶的時點確認，通常於針織服裝產品交付或提貨時。

其他收入

租賃收入按租賃期間的時間比例確認。

利息收入以實際利率法按權責發生時確認，按於金融工具預計可用年期或更短時間 (如適用) 將估計未來現金流入貼現至金融資產之賬面淨值之利率計算。

股息收入在股東獲得支付款項的權利確立、與股息有關的經濟利益很可能會流入本集團且股息的數額亦可能可靠地計算時確認。

收入確認 (二零一八年一月一日前適用)

當本集團可能獲得經濟利益，而有關收入能夠可靠計算時，則按下列基準確認收入：

- (a) 銷售貨品收入於擁有權之大部分風險及回報已轉讓予買方時確認，惟本集團必須不再持有擁有權通常伴隨之相關程度管理權力，亦不再實際控制已售出貨品；
- (b) 租賃收入按租賃期以直線法確認；

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

Sale of knitwear products

Revenue from the sale of knitwear products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery or pick-up of the knitwear products.

Other income

Rental income is recognised on a time proportion basis over the lease terms.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Revenue recognition (applicable before 1 January 2018)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income is recognised on the straight-line basis over the lease terms;



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

收入確認 (二零一八年一月一日前適用) (續)

(c) 利息收入以實際利率法按權責發生制確認，按於金融工具預計可用年期及更短時期（如適用）將估計未來現金流入貼現至金融資產之賬面淨值之利率計算；及

(d) 股息收入於股東收取款項的權利確立時確認。

合約負債 (自二零一八年一月一日起適用)

合約負債是指本集團已收或應收客戶代價（或到期代價金額）而應向客戶轉讓貨品或服務的義務。如果客戶在本集團向客戶轉讓貨品或服務之前支付合約代價，則應在客戶實際支付款項與到期應支付款項孰早時點確認合約負債。合約負債於本集團根據合約履約時確認為收入。

僱員福利

退休金計劃

本集團在中國大陸營運之附屬公司之員工須參加當地市政府管理之中央退休計劃。該等附屬公司須向中央退休計劃支付員工工資成本之若干百分比作為供款。根據中央退休計劃規則，該等供款將在須支付時於綜合損益表扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable before 1 January 2018) (continued)

(c) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and

(d) dividend income, when the shareholders' right to receive payment has been established.

Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Employee benefits

Pension schemes

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

僱員福利 (續)

退休金計劃 (續)

本集團根據強制性公積金計劃條例，為合資格參與之僱員實施一項定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款乃按僱員基本薪金之某個百分比支付，並根據強積金計劃規則在須支付時於綜合損益表扣除。強積金計劃之資產存入獨立管理之基金內，與本集團的資產分開持有。本集團之僱主供款於向強積金計劃作出供款時完全屬於僱員。

借貸成本

購買、建造或生產合資格資產（即需要一段頗長時間始能達致其擬定用途或出售之資產）直接應計之借貸成本均予資本化，作為此等資產成本之一部分。當此等資產大體上已完成可作其擬定用途或出售時即停止將該等借貸成本資本化。指定用於合資格資產之借貸在其尚未支銷時用作短暫投資所賺取之投資收入，乃於已資本化之借貸成本內扣除。所有其他借貸成本於產生期間支銷。借貸成本包括實體有關借入資金之利息及其他成本。

股息

末期股息將於股東大會上獲股東批准後確認為負債。建議末期股息於財務報表附註披露。

中期股息於建議同時宣派，蓋因本公司之組織章程授權董事宣派中期股息。因此，中期股息於建議宣派後隨即確認為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Pension schemes (continued)

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company’s memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

外幣

該等財務報表以本公司之呈列貨幣人民幣呈列。本集團各實體決定其個別呈列貨幣，而列入各實體財務報表之各自之項目乃按該功能貨幣計量。本集團實體所記錄之外幣交易使用於交易日期之各自之現行功能貨幣匯率初步入賬。以外幣列值之貨幣資產及負債按報告期末適用之功能貨幣匯率換算。來自結算及換算貨幣之差額於綜合損益表內確認。

以外幣歷史成本計算之非貨幣項目，按最初交易日期之匯率換算；而以外幣按公允值計算之非貨幣項目，則按計量公允值當日之匯率換算。換算按公允值計量之非貨幣項目而產生的收益或虧損，按確認該項目（即已於其他全面收益或損益確認其公允值收益或虧損的項目，其換算差額亦分別於其他全面收益或損益確認）的公允值變動的收益或虧損一致的方法處理。

於釐定相關資產初步確認之匯率、終止確認與預付代價有關的非貨幣資產或非貨幣負債的開支或收入時，初步交易日期為本集團初步確認預付代價產生的非貨幣資產或非貨幣負債之日期。倘有多項預付或預收款項，則本集團會釐定各項預付代價付款或收款之交易日期。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in RMB, which is the Company's presentation currency. Each entity in the Group determines its own presentation currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

2.4 主要會計政策概要 (續)

外幣 (續)

本公司之功能貨幣為港元(「港元」)。若干位於中國大陸境外附屬公司之功能貨幣為人民幣以外之貨幣。於報告期末，該等實體之資產及負債已按報告期末之現行匯率換算為人民幣，而彼等之損益表則以年內平均匯率換算為人民幣。

所得匯兌差額於其他全面收入確認，並累計至匯兌波動儲備。

就綜合現金流量表而言，本公司及若干海外附屬公司之現金流按現金流量日期之適用匯率換算為人民幣。海外附屬公司於整個年度內經常產生之現金流量按年內之加權平均匯率換算為人民幣。

3. 重要會計估計

編製本集團財務報表時，管理層須作出可能影響收入、開支、資產及負債之呈報數目及其隨附之披露，以及或然負債之披露之判斷、估計及假設。此等假設及估計之不確定因素可能導致須於未來為受影響之資產或負債賬面值作出重大調整。

估計之不確定因素

下文概述有關日後之主要假設及於報告期末其他主要估計不確定因素來源，有關假設及不確定因素具有導致下一個財政年度之資產與負債賬面值須作出重大調整之重大風險。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currency of the Company is the Hong Kong dollar ("HK\$"). The functional currencies of certain subsidiaries located outside Mainland China are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve.

For the purpose of the consolidated statement of cash flows, the cash flows of the Company and certain overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

3. 重要會計估計 (續)

估計之不確定因素 (續)

應收賬款及票據預期信貸虧損撥備

本集團使用撥備矩陣計算應收賬款及票據預期信貸虧損。撥備矩陣初步基於本集團歷史觀察違約率。本集團將調整矩陣，以按前瞻性資料調整歷史信貸虧損經驗。例如，倘預測經濟狀況預期於下一年惡化（可能導致違約數目增加），則會調整歷史違約率，於各報告日期，更新歷史觀察違約率並分析前瞻性估計變動。

對歷史觀察違約率、預測經濟狀況及預期信貸虧損之間的相關性的評估是一個重要的估計。預期信貸虧損金額對環境的變化和預測經濟狀況很敏感。本集團之歷史信貸虧損經驗及對經濟狀況的預測也可能無法代表未來客戶的實際違約。有關本集團應收賬款及票據預期信貸虧損的資料披露於財務報表附註19。

存貨過剩及陳舊存貨撥備

管理層於報告期末審核賬齡分析，並對本期不再適合使用的陳舊及滯銷存貨項目作出撥備。管理層主要根據最近期發票價格及目前市況估計該等原材料、在製品及製成品的可變現淨值。

3. SIGNIFICANT ACCOUNTING ESTIMATES

(continued)

Estimation uncertainty (continued)

Provision for expected credit losses on trade and bills receivables

The Group uses a provision matrix to calculate ECLs for trade and bills receivables. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and bills receivables is disclosed in note 19 to the financial statements.

Inventory excess and obsolescence provisions

Management of the Group reviews ageing analysis at the end of the reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are not suitable for use in current production. Management estimates the net realisable value for such raw materials, work in progress and finished goods based primarily on the latest invoice prices and current market conditions.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

3. 重要會計估計 (續)

估計之不確定因素 (續)

物業、廠房及設備之可用年期

本集團管理層釐定之預計可用年期及相關折舊費用。該估計乃根據過往性質及功能類似之物業、廠房及設備之實際可用年期作出。由於技術不斷創新及競爭對手就行業週期作出相應行動，有關估計可出現大幅變動。倘可用年期少於先前估計之可用年期，管理層將提高折舊費用，或撤銷或撤減已報廢或出售之技術上過期或非戰略式資產。

非金融資產 (商譽除外) 減值

本集團於各報告期末評估所有非金融資產是否有任何減值跡象。非金融資產則於有跡象顯示賬面值可能不可收回時進行減值測試。當資產或現金產生單位之賬面值超過其可收回金額 (即其公允值減出售成本與其使用價值兩者之較高者) 時，即為出現減值。公允值減出售成本乃根據來自類似資產之公平交易中具約束力之銷售交易所獲得之數據或可觀察市價減出售該資產之增量成本計算。於採用使用價值計算時，管理層必須估計來自該資產或現金產生單位之預期未來現金流量，並選擇合適之貼現率，以計算該等現金流量之現值。

3. SIGNIFICANT ACCOUNTING ESTIMATES

(continued)

Estimation uncertainty (continued)

Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and consequently related depreciation charges. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to the industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

3. 重要會計估計 (續)

估計之不確定因素 (續)

遞延稅項資產

如將可能有應課稅利潤可與未動用稅項虧損抵銷，則會就未動用稅項虧損確認遞延稅項資產。於釐定可確認之遞延稅項資產金額時，管理層需要作出重大判斷，有關判斷將根據可能出現未來應課稅利潤之時間及數額，以及未來稅務規劃策略作出。於二零一八年十二月三十一日，並無已確認稅項虧損之遞延稅項資產（二零一七年：零）。於二零一八年十二月三十一日，累計稅項虧損金額約人民幣414,056,000元（二零一七年：人民幣392,180,000元），將於一至五年內到期，用於抵銷未來應課稅利潤。進一步詳情載於財務報表附註29。

3. SIGNIFICANT ACCOUNTING ESTIMATES

(continued)

Estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. No deferred tax assets were recognised for tax losses at 31 December 2018 (2017: Nil). The amount of accumulated tax losses at 31 December 2018 was approximately RMB414,056,000 (2017: RMB392,180,000), which will expire in one to five years for offsetting against future taxable profits. Further details are given in note 29 to the financial statements.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

4. 經營分部資料

為方便管理，本集團按其產品劃分為不同業務單元，其中只有一個呈報經營分部：製造及銷售針織服裝產品。管理層以各業務單元為一整體而監督經營業績，以便決定資源分配及評估表現。

地區資料

(a) 外部客戶收入

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
中國大陸	Mainland China	6,312,412	4,844,588
歐盟	European Union	3,795,982	4,031,077
美國	United States of America	3,252,725	2,337,903
日本	Japan	3,236,002	3,129,042
其他區域	Other regions	4,353,084	3,742,637
		20,950,205	18,085,247

上述收入資料乃按產品交付地點劃分。

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and there is one reportable operating segment: the manufacture and sale of knitwear products. Management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

The revenue information above is based on the delivery destinations of the products.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018



4. 經營分部資料 (續)

地區資料 (續)

(b) 非流動資產

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
中國大陸	Mainland China	5,087,674	5,005,773
越南	Vietnam	3,883,814	3,066,377
柬埔寨	Cambodia	261,167	138,291
其他區域	Other regions	152,911	5,802
		9,385,566	8,216,243

上述非流動資產資料乃按資產所在地劃分，並不包括抵押存款、長期定期銀行存款、於一間聯營公司之投資及遞延稅項資產。

4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information (continued)

(b) Non-current assets

The non-current asset information above is based on the locations of the assets and excludes pledged deposits, long-term time deposits at banks, investment in an associate and deferred tax assets.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

4. 經營分部資料 (續)

主要客戶之資料

來自以下主要客戶之收入分別佔本集團收入10%或以上：

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
客戶甲	Customer A	6,258,783	5,256,058
客戶乙	Customer B	3,989,895	3,609,402
客戶丙	Customer C	3,869,983	3,697,096
客戶丁	Customer D	2,118,771	1,722,345

5. 收入、其他收入及收益

收入分析如下：

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
客戶合約收入	Revenue from contracts with customers		
銷售商品－於某個時間點	Sale of goods – at a point in time	20,950,205	18,085,247

客戶合約收入

(i) 下表列示於報告期初計入合約負債於本報告期間確認的收入金額：

		二零一八年 2018 人民幣千元 RMB'000
於報告期初計入合約負債的已確認收入：	Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	
銷售商品	Sales of goods	22,415

4. OPERATING SEGMENT INFORMATION

(continued)

Information about major customers

Revenue from major customers which individually accounts for 10% or more of the Group's revenue is as follows:

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

Revenue from contracts with customers

(i) The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

5. 收入、其他收入及收益 (續)

客戶合約收入 (續)

(ii) 履約責任

本集團之履約責任在針織服裝產品獲交付或提取時達成，而通常於自交付起計30至180日內付款。

5. REVENUE, OTHER INCOME AND GAINS

(continued)

Revenue from contracts with customers (continued)

(ii) Performance obligations

The Group's performance obligation is satisfied upon delivery or pick-up of the knitwear products and payment is generally due within 30 to 180 days from delivery.

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
其他收入	Other income		
政府補助	Government grants	335,572	341,436
銀行利息收入	Bank interest income	209,195	180,961
來自委託貸款之 其他利息收入	Other interest income from entrusted loans	15,253	5,590
來自按公允值計量且 變動計入損益/ 可供出售投資之 其他利息收入	Other interest income from FVPL/ available-for-sale investments	55,500	24,885
來自其他金融資產之 其他利息收入	Other interest income from other financial assets	14,763	–
租金收入	Rental income	17,378	18,682
		647,661	571,554
收益	Gains		
匯兌收益淨額	Exchange gains, net	61,578	–
		709,239	571,554

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

6. 除稅前利潤

本集團之除稅前利潤已扣除／（計入）：

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/ (crediting):

	附註 Notes	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
已出售存貨成本	Cost of inventories sold	14,323,652	12,388,106
物業、廠房及設備項目折舊	Depreciation of items of property, plant and equipment	838,683	751,125
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	30,870	24,447
無形資產攤銷	Amortisation of intangible assets	11,678	8,119
根據經營租賃應付之最低租金款項	Minimum lease payments under operating leases	171,228	150,364
審計師酬金	Auditor's remuneration	3,120	2,983
僱員福利開支 （包括董事及最高行政人員酬金（附註8））：	Employee benefit expense (including directors' and chief executive's remuneration (note 8)):		
工資及薪金	Wages and salaries	4,842,575	4,385,206
退休計劃供款	Pension scheme contributions	435,922	382,511
其他福利	Other benefits	171,699	148,774
		5,450,196	4,916,491
匯兌差額淨額*	Foreign exchange differences, net*	(61,578)	98,041
撇減存貨至可實現淨值	Write-down of inventories to net realisable value	79,816	26,659
銀行利息收入	Bank interest income	(209,195)	(180,961)
來自委託貸款之其他利息收入	Other interest income from entrusted loans	(15,253)	(5,590)
來自按公平值計入損益／可供出售投資之其他利息收入	Other interest income from FVPL/ available-for-sale investments	(55,500)	(24,885)
來自其他金融資產之其他利息收入	Other interest income from other financial assets	(14,763)	–
出售物業、廠房及設備項目之虧損	Loss on disposal of items of property, plant and equipment	8,880	26,350

* 截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度之匯兌差額淨額已分別計入綜合損益表之「其他收入及收益」及「其他開支」內。

* The net foreign exchange differences for the years ended 31 December 2018 and 31 December 2017 are included in "Other income and gains" and "Other expenses", respectively, on the face of the consolidated statement of profit or loss.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

7. 融資成本

融資成本分析如下：

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
可換股債券之利息	Interest on convertible bonds	-	42,074
銀行借貸之利息	Interest on bank borrowings	61,049	80,942
		61,049	123,016

7. FINANCE COSTS

An analysis of finance costs is as follows:

8. 董事及最高行政人員之酬金

根據上市規則及香港公司條例第383(1)(a)、(b)、(c)及(f)條的規定及公司(披露董事利益資料)規例第2部規定，本年度董事及最高行政人員之酬金披露如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
袍金	Fees	96	96
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	6,281	6,420
退休計劃供款	Pension scheme contributions	105	103
		6,386	6,523
		6,482	6,619

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

8. 董事及最高行政人員之酬金 (續)

執行董事 (包括最高行政人員) 及獨立非執行董事

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

Executive directors (including the chief executive) and independent non-executive directors

		袍金	薪金、津貼及 實物利益	退休計劃 供款	酬金總額
		Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total remuneration
		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
二零一八年	2018				
執行董事：	Executive directors:				
馬建榮先生	Mr. Ma Jianrong	-	1,498	27	1,525
黃關林先生 (行政總裁)	Mr. Huang Guanlin (Chief executive)	-	1,378	27	1,405
馬仁和先生	Mr. Ma Renhe	-	1,085	27	1,112
王存波先生	Mr. Wang Cunbo	-	1,058	12	1,070
陳芝芬女士	Ms. Chen Zhifen	-	1,125	12	1,137
		-	6,144	105	6,249
獨立非執行董事：	Independent non-executive directors:				
蔣賢品先生	Mr. Jiang Xianpin	96	39	-	135
裘煒國先生	Mr. Qiu Weiguo	-	39	-	39
陳旭先生	Mr. Chen Xu	-	39	-	39
張炳生先生 (於二零一八年 九月一日獲委任)	Mr. Zhang Bingsheng (appointed on 1 September 2018)	32	20	-	52
		128	137	-	265
		128	6,281	105	6,514

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

8. 董事及最高行政人員之酬金 (續)

執行董事 (包括最高行政人員) 及獨立
非執行董事 (續)

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

Executive directors (including the chief executive) and
independent non-executive directors (continued)

		袍金	薪金、津貼及 實物利益 Salaries, allowances and benefits in kind	退休計劃 供款 Pension scheme contributions	酬金總額 Total remuneration
		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
二零一七年	2017				
執行董事：	Executive directors:				
馬建榮先生	Mr. Ma Jianrong	–	1,540	27	1,567
黃關林先生 (行政總裁)	Mr. Huang Guanlin (Chief executive)	–	1,423	27	1,450
馬仁和先生	Mr. Ma Renhe	–	1,141	27	1,168
王存波先生	Mr. Wang Cunbo	–	1,051	11	1,062
陳芝芬女士	Ms. Chen Zhifen	–	1,139	11	1,150
		–	6,294	103	6,397
獨立非執行董事：	Independent non-executive directors:				
蔣賢品先生	Mr. Jiang Xianpin	96	39	–	135
裘煒國先生	Mr. Qiu Weiguo	–	39	–	39
陳旭先生	Mr. Chen Xu	–	39	–	39
徐暢成先生 (於二零一七年 四月一日獲委任及 於二零一七年 六月二日辭任)	Mr. Xu Changcheng (appointed on 1 April 2017 and resigned on 2 June 2017)	–	9	–	9
		96	126	–	222
		96	6,420	103	6,619

年內，並無董事或最高行政人員放棄或
同意放棄任何酬金之安排。

There was no arrangement under which a director or the chief
executive waived or agreed to waive any remuneration during
the year.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

9. 五名最高薪酬僱員

年內五名(二零一七年:五名)非本公司董事或最高行政人員最高薪酬僱員之酬金詳情如下:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	13,285	9,697
退休計劃供款	Pension scheme contributions	51	42
		13,336	9,739

酬金介乎以下組別之非董事及最高行政人員最高薪酬僱員人數:

9. FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration for the year of the five (2017: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		僱員人數 Number of employees	
		二零一八年 2018	二零一七年 2017
1,500,001港元至 2,000,000港元	HK\$1,500,001 to HK\$2,000,000	-	2
2,000,001港元至 2,500,000港元	HK\$2,000,001 to HK\$2,500,000	-	2
2,500,001港元至 3,000,000港元	HK\$2,500,001 to HK\$3,000,000	2	1
3,000,001港元至 3,500,000港元	HK\$3,000,001 to HK\$3,500,000	3	-
		5	5

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

10. 退休福利

10. RETIREMENT BENEFITS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
於綜合損益表中扣除	Charged to the consolidated statement of profit or loss		
– 退休福利供款	– Retirement benefit contributions	435,922	382,511

本集團於中國大陸之全職僱員之退休福利受多項由政府資助之退休金計劃所保障。按照該等計劃，本集團須作出之保險費及福利供款按僱員薪金總額之若干百分比計算，並設有若干上限內承擔，並向有關政府當局繳納。

本集團亦根據強制性公積金計劃條例於香港為合資格參與強積金計劃之僱員參與一項界定供款強積金計劃。供款乃按僱員基本薪金之某個百分比支付，並根據強積金計劃規則在須支付時於綜合損益表扣除。強積金計劃之資產存入獨立管理之基金內，與本集團的資產分開持有。本集團之僱主供款於向強積金計劃作出供款時完全屬於僱員。

於柬埔寨王國及越南註冊成立之全資附屬公司申洲柬埔寨、大千柬埔寨、榮德、德利越南及世通越南須根據有關當地機關之規定按僱員薪金向退休福利計劃供款（界定供款）。

The retirement benefits of full-time employees of the Group in Mainland China are covered by various government-sponsored pension plans under which the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salaries of employees, subject to a certain ceiling, and are paid to the relevant government authorities.

The Group also participates in a defined contribution, the MPF Scheme in Hong Kong under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Shenzhou Cambodia, Daqian Cambodia, Rong Win, Gain Lucky Vietnam and Worldon Vietnam, wholly-owned subsidiaries incorporated in the Kingdom of Cambodia and Vietnam, are required to contribute amounts based on employees' salaries (defined contribution) to the retirement benefit schemes as stipulated by the relevant local authorities.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

10. 退休福利 (續)

於澳門註冊成立之全資附屬公司百事達澳門，須按當地相關部門規定向退休福利計劃作出若干金額之供款。

除上文所述之供款外，本集團毋須承擔其他退休後福利或住房公積金之責任。

11. 所得稅

截至二零一八年及二零一七年十二月三十一日止年度之所得稅開支主要成分為：

10. RETIREMENT BENEFITS (continued)

Buddies Macao, a wholly-owned subsidiary incorporated in Macao, is required to contribute a certain amount to the retirement benefit scheme as stipulated by the relevant local authority.

The Group has no further obligation for post-retirement benefits or housing funds beyond contributions in respect of the above.

11. INCOME TAX

The major components of income tax expense for the years ended 31 December 2018 and 2017 are:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
香港之當期利得稅	Current Hong Kong profits tax	34,247	45,883
海外之當期預扣稅	Current overseas withholding tax	5,105	–
中國大陸之當期企業所得稅(「企業所得稅」)	Current Mainland China corporate income tax (“CIT”)	469,921	487,036
遞延稅項(附註29)	Deferred taxation (note 29)	88,530	(4,639)
		597,803	528,280

根據開曼群島稅務優惠法(一九九九年修訂版)第六條，本公司已獲開曼群島總督會同行政局承諾，開曼群島並無法例對本公司或其業務所得利潤、收入、收益或增值徵稅。

二零一八年香港利得稅撥備乃按年內估計應課稅利潤首2,000,000港元按8.25%(二零一七年：16.5%)及餘額按16.5%(二零一七年：16.5%)計算。

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Council that no law enacted in the Cayman Islands imposing any tax to be levied on profits, income, gain or appreciation shall apply to the Company or its operations.

The provision for Hong Kong profits tax for 2018 is calculated at 8.25% (2017: 16.5%) of the first HK\$2,000,000 and 16.5% (2017: 16.5%) of the remaining estimated assessable profits for the year.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

11. 所得稅 (續)

於英屬處女群島註冊成立之附屬公司毋須繳納所得稅，原因為該等附屬公司於英屬處女群島並無營業地點（只有註冊辦事處）。

於柬埔寨王國註冊成立之附屬公司須按20%（二零一七年：20%）稅率繳納所得稅。根據柬埔寨王國之法律及規例，若干附屬公司的首四個獲利年度獲豁免繳納所得稅。由於年內子公司並無於柬埔寨產生任何應課稅利潤或處於免稅期，故並無就柬埔寨所得稅計提撥備。

於日本註冊成立之附屬公司根據日本稅務法須按所得稅稅率30%（二零一七年：30%）就於日本產生之應課稅利潤繳納稅項。由於年內子公司並無於日本產生任何應課稅利潤，故並無就日本所得稅計提撥備。

於越南註冊成立之附屬公司按稅率20%繳納所得稅。根據越南法律及法規，若干附屬公司可按較低稅率10%繳納所得稅。此外，若干附屬公司可獲豁免首四年及其後九年可減免50%所得稅。由於年內兩間子公司處於免稅期，故並無就越南所得稅計提撥備。

由於根據澳門相關稅法，於澳門註冊成立之附屬公司獲豁免繳納澳門利得稅，故本年並無作出澳門利得稅撥備。

根據中華人民共和國企業所得稅法（「新企業所得稅法」），各中國附屬公司於年內須就應課稅收入按25%之稅率繳稅（根據新企業所得稅法釐定）。一間附屬公司符合高新技術企業（「高新技術企業」）資格，故有權自二零一六年一月一日起三年享有15%之所得稅優惠稅率。

11. INCOME TAX (continued)

The subsidiaries incorporated in the BVI are not subject to income tax as these subsidiaries do not have a place of business (but only a registered office) or carry on any business in the BVI.

The subsidiaries incorporated in the Kingdom of Cambodia, are subject to income tax at a rate of 20% (2017: 20%). Under the laws and regulations of Cambodia, certain subsidiaries are entitled to an exemption from income tax for the first four profit-making years. No provision for Cambodia income tax has been made as the subsidiaries either had no assessable profits arising in Cambodia or was entitled to an exemption from income tax during the year.

The subsidiary incorporated in Japan, under the Law of Taxation in Japan, is subject to income tax at a rate of 30% (2017: 30%) of the assessable profits arising in Japan. No provision for income tax has been made as the subsidiary had no assessable profits arising in Japan during the year.

The subsidiaries incorporated in Vietnam, are subject to income tax at a rate of 20%. Under the laws and regulations of Vietnam, certain subsidiaries are entitled to enjoy a lower profits tax rate of 10%. Furthermore, certain subsidiaries are entitled to an exemption from income tax for four years and a 50% reduction for the nine years thereafter. No provision for Vietnam income tax has been made as the two subsidiaries were entitled to an exemption from income tax for the year.

No provision for Macao Complementary Tax has been made during the year, as the subsidiary incorporated in Macao is exempted from Macao Complementary Tax pursuant to Macao's relevant tax legislations.

Pursuant to the Corporate Income Tax Law of the People's Republic of China (the "New CIT Law"), the PRC subsidiaries as determined for the year in accordance with the New CIT Law are subject to a tax rate of 25% on their assessable income. A subsidiary is qualified as a High-New Technology Enterprise ("HNTE"), and is entitled to a concessionary rate of income tax at 15% for three years commencing 1 January 2016.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

11. 所得稅 (續)

稅項開支與會計利潤乘以截至二零一八年及二零一七年十二月三十一日止課稅年度之中國境內稅率之對賬如下：

11. INCOME TAX (continued)

A reconciliation between the tax expense and the product of accounting profit multiplied by the PRC's domestic tax rate for the tax years ended 31 December 2018 and 2017 is as follows:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
除稅前利潤	Profit before tax	5,090,346	4,288,231
以法定稅率25% (二零一七年: 25%) 計算之稅項	Tax at the statutory tax rate of 25% (2017: 25%)	1,272,587	1,072,058
特定司法權區或地方部門 實施之較低稅率	Lower tax rates for specific jurisdictions or enacted by local authorities	(698,618)	(531,354)
對以前期間當期稅項的 調整	Adjustments in respect of current tax of previous periods	(13,975)	(5,516)
應佔一間聯營公司利潤	Profits attributable to an associate	(1,280)	(920)
毋須課稅收入	Income not subject to tax	(387)	(2,583)
不可扣稅支出	Expenses not deductible for tax	2,257	17,050
海外預扣稅	Overseas withholding tax	5,105	–
年內未確認之稅項虧損	Tax losses not recognised during the year	33,191	14,026
利用以前未確認的 稅項虧損	Utilisation of previously unrecognised tax losses	(1,077)	(34,481)
		597,803	528,280

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018



12. 股息

12. DIVIDENDS

	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
中期－每股普通股0.85港元 (二零一七年：0.70港元) per ordinary share	1,115,083	888,540
擬派末期股息－ 每股普通股0.90港元 (二零一七年：0.75港元) Proposed final – HK\$0.90 (2017: HK\$0.75) per ordinary share	1,185,411	942,408
	2,300,494	1,830,948

本年度之擬派末期股息須由本公司股東於應屆股東週年大會上批准。

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

13. 母公司普通股股權持有人應佔每股盈利

每股基本盈利乃根據母公司普通股股權擁有人應佔年內利潤以及年內已發行普通股加權平均數1,503,222,397股(二零一七年：1,456,223,000股)計算。

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,503,222,397 (2017: 1,456,223,000) in issue during the year.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

13. 母公司普通股股權持有人應佔每股盈利 (續)

截至二零一八年十二月三十一日止年度，本集團並無具潛在攤薄影響之已發行普通股。

二零一七年度，每股攤薄盈利金額乃根據母公司普通股股權持有人應佔年內利潤計算，並經調整以反映可換股債券之利息。在計算時所採用的已發行普通股加權平均數即為計算每股基本盈利所採用的年內已發行普通股加權平均數以及假設所有具潛在攤薄影響之普通股股份被視為悉數行使或轉換為普通股而按零代價予以發行之普通股加權平均數。

每股基本及攤薄盈利之計算如下：

盈利

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
計算每股基本盈利 所採用之母公司普通股 股權持有人應佔利潤	Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	4,540,487	3,762,721
可換股債券之利息	Interest on convertible bonds	-	42,074
扣除可換股債券之利息前 母公司普通股股權 持有人應佔利潤	Profit attributable to ordinary equity holders of the parent before interest on convertible bonds	4,540,487	3,804,795

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2018.

For the year of 2017, the calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the convertible bonds. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

Earnings

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

13. 母公司普通股股權持有人應佔每股盈利 (續)

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

股份

Shares

		股份數目 Number of Shares	
		二零一八年 2018	二零一七年 2017
計算每股基本盈利 所採用之年內已發行 普通股加權平均數	Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	1,503,222,397	1,456,223,000
攤薄之影響－ 普通股加權平均股數： 可換股債券	Effect of dilution – weighted average number of ordinary shares: Convertible bonds	–	46,999,397
計算每股攤薄盈利 所採用之普通股 加權平均數	Weighted average number of ordinary shares used in the diluted earnings per share calculation	1,503,222,397	1,503,222,397

每股盈利

Earnings per share

		二零一八年 2018	二零一七年 2017
		人民幣 RMB	人民幣 RMB
基本	Basic	3.02	2.58
攤薄	Diluted	3.02	2.53

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

14. 物業、廠房及設備

14. PROPERTY, PLANT AND EQUIPMENT

		樓宇	廠房及 機器	運輸工具	傢俬及 固定裝置 Furniture and fixtures	在建工程	總計
		Buildings	Plant and machinery	Vehicles	fixtures and Construction in progress	Construction in progress	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
賬面淨值:	Net book value:						
於二零一七年十二月三十一日	At 31 December 2017	3,408,552	3,205,888	56,756	128,159	317,432	7,116,787
成本:	Cost:						
於二零一八年一月一日	At 1 January 2018	4,591,390	5,754,538	149,415	361,059	317,432	11,173,834
添置	Additions	18,017	463,280	174,734	48,037	956,721	1,660,789
出售	Disposals	(57,512)	(148,483)	(3,824)	(43,509)	-	(253,328)
轉撥	Transfers	508,983	330,429	1,835	1,641	(860,660)	(17,772)
轉撥至無形資產	Transfers to intangible assets	-	-	-	-	(1,622)	(1,622)
匯兌調整	Exchange realignment	41,053	51,030	1,158	2,696	14,130	110,067
於二零一八年十二月三十一日	At 31 December 2018	5,101,931	6,450,794	323,318	369,924	426,001	12,671,968
累計折舊:	Accumulated depreciation:						
於二零一八年一月一日	At 1 January 2018	1,182,838	2,548,650	92,659	232,900	-	4,057,047
年度折舊撥備	Depreciation provided during the year	300,132	464,212	26,990	47,349	-	838,683
出售	Disposals	(54,975)	(127,443)	(3,470)	(43,269)	-	(229,157)
轉撥	Transfers	(1,570)	(16,202)	-	-	-	(17,772)
匯兌調整	Exchange realignment	5,191	13,280	492	1,480	-	20,443
於二零一八年十二月三十一日	At 31 December 2018	1,431,616	2,882,497	116,671	238,460	-	4,669,244
賬面淨值:	Net book value:						
於二零一八年十二月三十一日	At 31 December 2018	3,670,315	3,568,297	206,647	131,464	426,001	8,002,724
賬面淨值:	Net book value:						
於二零一六年十二月三十一日	At 31 December 2016	3,455,277	3,018,825	60,686	133,489	344,760	7,013,037
成本:	Cost:						
於二零一七年一月一日	At 1 January 2017	4,412,175	5,404,661	139,290	344,297	344,760	10,645,183
添置	Additions	11,402	419,748	13,277	51,597	628,398	1,124,422
出售	Disposals	(34,984)	(336,008)	(3,322)	(30,905)	-	(405,219)
轉撥	Transfers	292,206	348,892	2,120	2,422	(645,640)	-
匯兌調整	Exchange realignment	(89,409)	(82,755)	(1,950)	(6,352)	(10,086)	(190,552)
於二零一七年十二月三十一日	At 31 December 2017	4,591,390	5,754,538	149,415	361,059	317,432	11,173,834
累計折舊:	Accumulated depreciation:						
於二零一七年一月一日	At 1 January 2017	956,898	2,385,836	78,604	210,808	-	3,632,146
年度折舊撥備	Depreciation provided during the year	265,519	412,189	17,870	55,547	-	751,125
出售	Disposals	(33,233)	(234,909)	(3,169)	(30,628)	-	(301,939)
匯兌調整	Exchange realignment	(6,346)	(14,466)	(646)	(2,827)	-	(24,285)
於二零一七年十二月三十一日	At 31 December 2017	1,182,838	2,548,650	92,659	232,900	-	4,057,047
賬面淨值:	Net book value:						
於二零一七年十二月三十一日	At 31 December 2017	3,408,552	3,205,888	56,756	128,159	317,432	7,116,787



財務報表附註 Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

14. 物業、廠房及設備 (續)

於二零一八年十二月三十一日，本集團之樓宇、廠房及設備並無按揭。於二零一七年十二月三十一日，本集團賬面淨值約為人民幣856,765,000元之若干樓宇、廠房及設備已作抵押作為本集團所獲授若干銀行貸款之擔保(附註28)。

於本報告日期，本集團正為其若干樓宇申請所有權證，於二零一八年十二月三十一日賬面淨值總額約人民幣1,651,660,000元(二零一七年：人民幣1,217,677,000元)。本公司董事認為本集團有權合法並有效佔有及使用上述樓宇。本公司董事亦認為上述事宜不會對本集團於二零一八年十二月三十一日的財務狀況有重大影響。

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

As at 31 December 2018, there were no mortgages over buildings, plant and machinery of the Group. As at 31 December 2017, certain of the Group's buildings, plant and machinery with a net carrying amount of approximately RMB856,765,000 were pledged to secured certain bank loans granted to the Group (note 28).

As at the date of this report, the Group was in the process of applying for the title certificates of certain of its buildings with an aggregate net carrying amount of approximately RMB1,651,660,000 (2017: RMB1,217,677,000) as at 31 December 2018. The directors of the Company are of the view that the Group is entitled to lawfully and validly occupy and use the above-mentioned buildings. The directors of the Company are also of the opinion that the aforesaid matters will not have any significant impact on the Group's financial position as at 31 December 2018.

15. 預付土地租賃款項

15. PREPAID LAND LEASE PAYMENTS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
成本：	Cost:		
於一月一日	At 1 January	1,100,904	1,043,511
添置	Additions	268,363	72,970
匯兌調整	Exchange realignment	6,583	(15,577)
於十二月三十一日	At 31 December	1,375,850	1,100,904
累計攤銷：	Accumulated amortisation:		
於一月一日	At 1 January	143,996	120,339
年內攤銷	Amortisation during the year	30,870	24,447
匯兌調整	Exchange realignment	483	(790)
於十二月三十一日	At 31 December	175,349	143,996
賬面淨值：	Net book value:		
於十二月三十一日	At 31 December	1,200,501	956,908
於一月一日	At 1 January	956,908	923,172

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

16. 無形資產

16. INTANGIBLE ASSETS

		軟件 Software 人民幣千元 RMB'000	用水權* Water Use Right* 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一八年 十二月三十一日	31 December 2018			
於二零一八年一月一日之 成本，已扣減累計攤銷	Cost at 1 January 2018, net of accumulated amortisation	31,069	67,188	98,257
添置	Additions	11,458	-	11,458
轉撥自在建工程	Transfers from construction in progress	1,622	-	1,622
年度攤銷撥備	Amortisation provided during the year	(5,228)	(6,450)	(11,678)
匯兌調整	Exchange realignment	15	-	15
於二零一八年 十二月三十一日	At 31 December 2018	38,936	60,738	99,674
於二零一八年 十二月三十一日：	At 31 December 2018:			
成本	Cost	59,261	129,000	188,261
累計攤銷	Accumulated amortisation	(20,325)	(68,262)	(88,587)
賬面淨值	Net carrying amount	38,936	60,738	99,674

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

16. 無形資產 (續)

16. INTANGIBLE ASSETS (continued)

		軟件 Software 人民幣千元 RMB'000	用水權* Water Use Right* 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一七年 十二月三十一日	31 December 2017			
於二零一七年一月一日之 成本，已扣減累計攤銷	Cost at 1 January 2017, net of accumulated amortisation	31,590	73,638	105,228
添置	Additions	1,417	–	1,417
年度攤銷撥備	Amortisation provided during the year	(1,669)	(6,450)	(8,119)
匯兌調整	Exchange realignment	(269)	–	(269)
於二零一七年 十二月三十一日	At 31 December 2017	31,069	67,188	98,257
於二零一七年 十二月三十一日：	At 31 December 2017:			
成本	Cost	46,142	129,000	175,142
累計攤銷	Accumulated amortisation	(15,073)	(61,812)	(76,885)
賬面淨值	Net carrying amount	31,069	67,188	98,257

* 根據本集團與寧波市北侖區政府於二零零六年四月訂立之協議以及本集團、寧波市北侖區水利局與寧波市自來水總公司於二零零八年訂立之三份補充協議，本集團已同意向當地政府支付人民幣129,000,000元，以保證以優惠價持續獲得水資源供應，為期20年（「用水權」）。於二零一八年十二月三十一日，本集團已支付人民幣53,000,000元（二零一七年：人民幣53,000,000元），而餘額人民幣76,000,000元已計入其他應付款項。

* Pursuant to an agreement entered into by the Group and the Government of Beilun District, Ningbo City, in April 2006 and three supplementary agreements entered into by the Group, Ningbo Beilun Water Conservancy Bureau and Ningbo Water Supply General Company in 2008, the Group has agreed to pay the local government an amount of RMB129 million in exchange for a guaranteed constant water supply with a favourable price for a period of 20 years ("Water Use Right"). As at 31 December 2018, the Group has paid an amount of RMB53,000,000 (2017: RMB53,000,000), and the remaining amount of RMB76,000,000 was included in other payables.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

17. 於一間聯營公司之投資

17. INVESTMENT IN AN ASSOCIATE

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
攤佔資產淨額	Share of net assets	12,365	10,851

寧波艾利申洲針織印花有限公司（「寧波艾利」）為本集團一間聯營公司，並被視作本集團之關聯方。

Ningbo Avery Dennison Shenzhou Knitting and Printing Co., Ltd. ("Ningbo Avery") is an associate of the Group and is considered to be a related party of the Group.

本集團於該聯營公司之持股量指通過本公司一間全資附屬公司持有之30%的權益股份。

The Group's shareholding in the associate represents the 30% equity shares held through a wholly-owned subsidiary of the Company.

下表詳述本集團聯營公司之合計財務資料：

The following table illustrates the aggregate financial information of the Group's associate:

		Year ended 31 December 十二月三十一日止年度	
		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
於一月一日	At 1 January	10,851	7,173
應佔聯營公司期間利潤及其他全面收益	Share of the associate's profit and other comprehensive income for the period	5,121	3,678
聯營公司期間宣派的股息	Dividends declared by the associate for the period	(3,607)	–
本集團於聯營公司投資之賬面值總額	Aggregate carrying amount of the Group's investment in the associate	12,365	10,851



財務報表附註 Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

18. 存貨

18. INVENTORIES

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
原材料	Raw materials	1,179,985	994,954
在製品	Work in progress	2,075,322	1,677,620
製成品	Finished goods	2,104,700	1,847,674
		5,360,007	4,520,248
撥備	Provision	(122,575)	(42,759)
		5,237,432	4,477,489

19. 應收賬款及票據

19. TRADE AND BILLS RECEIVABLES

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
應收賬款及票據	Trade and bills receivables	3,564,821	2,814,779

本集團與客戶之貿易往來主要以信貸形式進行，信貸期約六個月以內。高級管理層會定期檢討逾期未付結餘。本集團並無就其應收賬款及票據結餘持有任何抵押品或制定其他提升信貸質素安排。應收賬款及票據不計利息。

The Group's trading terms with its customers are mainly on credit with credit terms of within six months. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

19. 應收賬款及票據 (續)

於報告期末，根據發票日期計算及扣除零虧損撥備之應收賬款及票據賬齡分析如下：

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
三個月內	Within three months	3,339,865	2,709,033
三個月以上	Over three months	224,956	105,746
		3,564,821	2,814,779

並無單獨或共同被視為已減值之應收賬款及票據之賬齡分析如下：

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
未逾期或減值	Neither past due nor impaired	3,547,595	2,801,177
逾期少於三個月	Less than three months past due	8,544	6,747
逾期三個月以上	Over three months past due	8,682	6,855
		3,564,821	2,814,779

未逾期或減值之應收款項與近期並無拖欠記錄之客戶有關。

已逾期但未減值之應收款項與若干獨立客戶有關，該等客戶向本集團付款之記錄良好。根據過往經驗及前瞻性資料，本公司董事認為，由於信貸質素並無重大變動，且該等結餘仍被視為可全數收回，故無須就該等結餘計提預期信貸虧損撥備。

19. TRADE AND BILLS RECEIVABLES (continued)

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of nil loss allowance, is as follows:

The ageing analysis of the trade and bills receivables that are not individually nor collectively considered to be impaired is as follows:

Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience and forward-looking information, the directors of the Company were of the opinion that no provision for expected credit losses was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

19. 應收賬款及票據 (續)

於十二月三十一日，應收賬款及票據以下列貨幣計值：

19. TRADE AND BILLS RECEIVABLES (continued)

At 31 December, the trade and bills receivables were denominated in the following currencies:

		二零一八年 2018		二零一七年 2017	
		原幣 Original currency 千元 in thousand	折合人民幣 RMB equivalent 人民幣千元 RMB'000	原幣 Original currency 千元 in thousand	折合人民幣 RMB equivalent 人民幣千元 RMB'000
美元	US\$	342,505	2,350,679	255,432	1,669,042
人民幣	RMB		1,214,142		1,145,737
			3,564,821		2,814,779

應收賬款及票據之賬面值與其公允值相若。

The carrying amounts of the trade and bills receivables approximate to their fair values.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

20. 預付款項及其他應收款項

20. PREPAYMENTS AND OTHER RECEIVABLES

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
即期	Current		
預付款項及按金	Prepayments and deposits		
– 購買原材料	– Purchase of raw materials	108,961	130,460
– 購買物業、廠房及設備項目	– Purchase of items of property, plant and equipment	95,447	104,223
– 預付租金及按金	– Prepaid rental fee and deposits	110,636	106,432
– 其他	– Others	20,422	13,900
應收及可收回增值稅退款	VAT refund receivable and recoverable	112,988	256,004
應收利息	Interest receivable	102,631	106,119
其他應收款項	Other receivables	108,870	92,648
		659,955	809,786
非即期	Non-current		
長期預付款項*	Long-term prepayments*	82,667	44,291

上述資產均無逾期或減值。上述結餘所包含之金融資產與近期並無欠款記錄之應收款項有關。

預付款項及其他應收款項之賬面值與其公允值相若。

* 長期預付款項是土地使用權之預付款項。

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

The carrying amounts of the prepayments and other receivables approximate to their fair values.

* Long-term prepayments represent the prepayments for land use right.



財務報表附註 Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

21. 按公允值計量且變動計入損益之金融資產／可供出售投資

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/AVAILABLE-FOR-SALE INVESTMENTS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
由金融機構發行的 金融產品	Financial products issued by financial institutions	-	2,976,900

上述金融產品之年期少於一年且預期年回報率最高達5.5%。有關購買該等金融產品的相關適用規模測試結果均低於5%，故而該等購買毋須遵守香港聯合交易所有限公司證券上市規則（「上市規則」）第十四章須予公佈的交易之規定。於二零一八年一月一日，於採納香港財務報告準則第9號後，該等金融產品被強制性分類為按公允值計量且變動計入損益之金融資產，因其合約現金流量並非僅是本金及利息付款。

The above financial products have terms of less than one year and have expected annual rates of return up to 5.5%. The applicable size test results in respect of the purchases of these financial products are all below 5% and thus, these purchases are not subject to the notifiable transaction requirements under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). On 1 January 2018, upon adoption of HKFRS 9, they were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows were not solely payments of principal and interest.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

22. 其他金融資產

22. OTHER FINANCIAL ASSETS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
由金融機構發行的 金融產品	Financial products issued by financial institutions	1,480,000	-

於二零一八年十二月三十一日，由一間金融機構所發行若干賬面值為人民幣1,480,000,000元（二零一七年：零）的金融產品乃按攤銷成本入賬。有關購買該等金融產品的相關適用規模測試結果均低於5%，故而該等購買毋須遵守上市規則第十四章須予公佈的交易之規定。金融產品之年期少於一年且固定年回報率最高達4.3%（二零一七年：零）。根據相關合約或通知，該等金融產品為保本及保證收益。

As at 31 December 2018, certain of the financial products issued by financial institutions with a carrying amount of RMB1,480,000,000 (2017: Nil) were stated at amortised cost. The applicable size test results in respect of the purchases of these financial products are all below 5% and thus, these purchases are not subject to the notifiable transaction requirements under Chapter 14 of the Listing Rules. The financial products have terms of less than one year and have fixed annual rates of return up to 4.3% (2017: Nil). Pursuant to the underlying contracts or notices, these financial products are capital and return guaranteed.

23. 結構存款

23. STRUCTURED DEPOSITS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
存放於中國持牌銀行的 結構存款，按攤銷成本計	Structured deposits in licensed banks in the PRC, at amortised cost	-	1,050,000

於二零一七年十二月三十一日，結構存款期限少於一年，固定年回報率最高為4.65%。根據有關合約或通告，該等結構存款保本且保證收益。

As at 31 December 2017, the structured deposits had terms of less than one year with fixed annual rates of return up to 4.65%. Pursuant to the underlying contracts or notices, these structured deposits are capital and return guaranteed.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

24. 現金及銀行結餘及定期存款 24. CASH AND BANK BALANCES AND TIME DEPOSITS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
現金及銀行結餘	Cash and bank balances	2,815,916	2,079,349
定期存款	Time deposits	4,379,678	1,647,570
		7,195,594	3,726,919
減：抵押存款	Less: Pledged deposits	(500,000)	(500,000)
初始存款期超過三個月 之銀行存款	Bank deposits with an initial term of over three months	(3,129,678)	(605,518)
銀行長期定期存款	Long-term time deposits at banks	-	(150,000)
現金及現金等價物	Cash and cash equivalents	3,565,916	2,471,401

於報告期末，本集團以人民幣計值之現金及銀行結餘約為人民幣753,020,000元（二零一七年十二月三十一日：人民幣352,935,000元）。人民幣不可自由兌換為其他貨幣。然而，根據中國大陸之外匯管理條例及結匯、售匯及付匯管理規定，本集團獲批准透過獲授權可以進行匯兌業務之銀行將人民幣兌換為其他貨幣。

存放於銀行之現金按銀行之每日存款利率以浮動利率賺取利息。定期存款以一日至36個月不等之不同期間存置，視乎本集團之即時現金需求而定，並按相應短期存款利率賺取利息。銀行結餘已存入最近並無違約記錄之信譽良好銀行。現金及現金等價物之賬面值與其公允值相若。

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately RMB753,020,000 (31 December 2017: RMB352,935,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and 36 months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

24. 現金及銀行結餘及定期存款 (續)

於二零一八年十二月三十一日，若干本集團定期存款人民幣500,000,000元（二零一七年十二月三十一日：人民幣500,000,000元）已就授予本集團之有抵押銀行貸款作抵押。定期存款期限超過一年，固定年回報率為3.5%。於二零一八年十二月三十一日，該等存款將於一年內到期。

25. 應付賬款

於報告期末，根據發票日期之應付賬款賬齡分析如下：

24. CASH AND BANK BALANCES AND TIME DEPOSITS (continued)

At 31 December 2018, certain of the Group's time deposits with an amount of RMB500,000,000 (31 December 2017: RMB500,000,000) were pledged to secure bank loans granted to the Group. The time deposits have initial terms of more than one year and have fixed annual rates of return at 3.5%. As at 31 December 2018, these deposits will mature within one year.

25. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
六個月內	Within six months	789,836	847,695
六個月至一年	Six months to one year	6,647	7,761
一年至兩年	One year to two years	5,891	7,630
兩年以上	Over two years	10,313	10,020
		812,687	873,106

應付賬款不計息。應付賬款之賬面值與其公允值相若。

The trade payables are non-interest-bearing. The carrying amounts of the trade payables approximate to their fair values.

財務報表附註 Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018



26. 合約負債／預收賬款

26. CONTRACT LIABILITIES/ADVANCES FROM CUSTOMERS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
合約負債	Contract liabilities	24,161	-
預收賬款	Advances from customers	-	26,225
		24,161	26,225

合約負債／預收賬款指為交付針織服裝產品而收取的短期預收賬款。於二零一八年一月一日，於採納香港財務報告準則第15號後，預收賬款被重新分類為合約負債。

Contract liabilities/advances from customers represent short-term advances received for knitwear products. On 1 January 2018, upon adoption of HKFRS 15, advances from customers were reclassified as contract liabilities.

27. 其他應付款項及應計款項

27. OTHER PAYABLES AND ACCRUALS

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
應計開支	Accrued expenses	769,732	626,742
用水權應付款項(附註16)	Payable for Water Use Right (note 16)	76,000	76,000
購置物業、廠房及 設備之應付款項	Payables for purchase of property, plant and equipment	23,143	18,954
有關建築工程之 應付款項及保證金	Payables and guarantee deposits related to construction projects	62,361	52,371
租賃按金	Rental deposits	12,286	10,640
其他應付稅項	Other taxes payable	150,588	100,732
其他	Others	87,566	59,210
		1,181,676	944,649

其他應付款項及應計款項之賬面值與其公允值相若。其他應付款項不計息。

The carrying amounts of other payables and accruals approximate to their fair values. Other payables are non-interest-bearing.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

28. 計息銀行借貸

28. INTEREST-BEARING BANK BORROWINGS

		二零一八年 2018			二零一七年 2017		
		實際利率 (厘) Effective interest rate (%)	到期日 Maturity	人民幣千元 RMB'000	實際利率 (厘) Effective interest rate (%)	到期日 Maturity	人民幣千元 RMB'000
流動	Current						
銀行貸款－無抵押 (按要求還款)	Bank loans – unsecured (due for repayment on demand)	HIBOR +0.55 – 0.90/ 1M-LIBOR +1.2/ 3M-LIBOR +2.40/ 6M-LIBOR +0.5 – 0.75	2019 – 2022*	1,934,391	HIBOR +0.55 – 0.72	2018	1,170,260
銀行貸款－有抵押 (按要求還款)	Bank loans – secured (due for repayment on demand)	2.65	2019	500,000	2.65	2019*	500,000
銀行貸款－有抵押 (按要求還款)	Bank loans – secured (due for repayment on demand)	-	-	-	6M-LIBOR +0.75/ 3M-LIBOR +2.40	2018 – 2022*	460,149
				2,434,391			2,130,409
非流動	Non-current						
銀行貸款－無抵押	Bank loans – unsecured	1M-LIBOR +1.8	2023	82,358	-	-	-
				2,516,749			2,130,409

* 該等銀行借貸計入流動負債內，原因為銀行擁有絕對權力可隨時要求以現金還款。

* These bank borrowings are included in current liabilities as the banks have an overriding right to call for cash repayment on demand at any time.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

28. 計息銀行借貸 (續)

28. INTEREST-BEARING BANK BORROWINGS

(continued)

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
細分為：	Analysed into:		
須於下列期間償還之	Bank loans and overdrafts repayable:		
銀行貸款及透支：			
一年內或按要求	Within one year or on demand	2,434,391	2,130,409
一年以上	Beyond one year	82,358	–
		2,516,749	2,130,409

(a) 於二零一八年十二月三十一日，銀行借貸結餘約人民幣702,449,000元（二零一七年十二月三十一日：人民幣460,149,000元）以美元計值，約人民幣1,314,300,000元（二零一七年十二月三十一日：人民幣1,170,260,000元）以港元計值及約人民幣500,000,000元（二零一七年十二月三十一日：人民幣500,000,000元）以人民幣計值。

(b) 於二零一七年十二月三十一日，本集團若干銀行貸款乃以本集團總賬面值人民幣856,765,000元之樓宇、廠房及設備之按揭作抵押。於二零一八年十二月三十一日，本集團之若干銀行貸款乃以本集團若干金額為人民幣500,000,000元（二零一七年十二月三十一日：人民幣500,000,000元）之定期存款所作出之質押作抵押。

(a) As at 31 December 2018, bank borrowing balances of approximately RMB702,449,000 (31 December 2017: RMB460,149,000) were denominated in United States dollars, approximately RMB1,314,300,000 (31 December 2017: RMB1,170,260,000) were denominated in Hong Kong dollars, and approximately RMB500,000,000 (31 December 2017: RMB500,000,000) were denominated in RMB, respectively.

(b) As at 31 December 2017, certain of the Group's bank loans were secured by mortgages over the Group's buildings, plant and machinery, which had an aggregate carrying value of RMB856,765,000. As at 31 December 2018, certain of the Group's bank loans were secured by the pledge of certain of the Group's time deposits amounting to RMB500,000,000 (31 December 2017: RMB500,000,000).

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

29. 遞延稅項

遞延稅項資產及負債於年內之變動：

(a) 遞延稅項資產

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
撥備	Provisions		
於一月一日	At 1 January	9,632	3,629
於本年度損益表計入之 遞延稅項	Deferred tax credited to the statement of profit or loss during the year	4,064	6,003
於十二月三十一日	At 31 December	13,696	9,632

於二零一八年十二月三十一日，本集團有於中國大陸、柬埔寨王國及越南產生之累計稅務虧損約人民幣414,056,000元（二零一七年十二月三十一日：人民幣392,180,000元）將於一至五年內列期，用以抵銷未來應課稅利潤。本集團並未就此等可扣稅暫時差額確認遞延稅項資產，原因為其認為不大可能有應課稅利潤以供抵銷可扣稅暫時差額。

29. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

(a) Deferred tax assets

As at 31 December 2018, the Group had accumulated tax losses of approximately RMB414,056,000 (31 December 2017: RMB392,180,000) arising in Mainland China, the Kingdom of Cambodia and Vietnam, which will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these deductible temporary differences as it is not considered probable that taxable profits will be available against which the deductible temporary differences can be utilised.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

29. 遞延稅項 (續)

(b) 遞延稅項負債

29. DEFERRED TAX (continued)

(b) Deferred tax liabilities

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
折舊撥備超出有關 折舊的金額	Depreciation allowance in excess of related depreciation		
於一月一日	At 1 January	3,197	1,833
於本年度損益表扣除之 遞延稅項	Deferred tax charged to the statement of profit or loss during the year	92,594	1,364
於十二月三十一日	At 31 December	95,791	3,197

根據中國企業所得稅法，於二零零八年一月一日起並適用於二零零七年十二月三十一日後之盈利，於中國大陸成立之海外投資企業所宣派之股息須徵收10%預扣稅。倘中國大陸與海外投資者所屬司法權區有稅務協定，則可應用較低之預扣稅率。就本集團而言，適用稅率為5%。稅務機關於二零零八年二月二十二日頒佈財稅(2008)第1號，訂明以於二零零七年十二月三十一日的保留盈利宣派及匯出中國之股息獲豁免繳納預扣稅。

於二零一八年十二月三十一日，概無就本集團於中國大陸成立之附屬公司須繳交預扣稅之未匯出盈利之應付預扣稅而確認遞延稅項。董事認為，該等附屬公司於可見將來分派該等盈利之可能性不大。於二零一八年十二月三十一日，與投資於中國大陸附屬公司有關尚未確認遞延稅項負債之暫時差額總數約為人民幣16,384,258,000元(二零一七年十二月三十一日：人民幣14,129,494,000元)。

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared from the foreign investment enterprises established in Mainland China effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. On 22 February 2008, Caishui (2008) No. 1 was promulgated by the tax authorities to specify that dividends declared and remitted out of the PRC from the retained profits as at 31 December 2007 are exempted from withholding tax.

At 31 December 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB16,384,258,000 at 31 December 2018 (31 December 2017: RMB14,129,494,000).

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

30. 股本 股份

30. SHARE CAPITAL Shares

		二零一八年 2018		二零一七年 2017	
		千港元 HK\$'000	人民幣千元 RMB'000	千港元 HK\$'000	人民幣千元 RMB'000
已發行及繳足：	Issued and fully paid:				
1,503,222,397股	1,503,222,397 (2017:				
(二零一七年：	1,503,222,397) ordinary				
1,503,222,397股) 每股	shares of HK\$0.10 each				
面值0.10港元之普通股		150,322	151,200	150,322	151,200

本公司股本變動概要如下：

A summary of movements in the Company's share capital is as follows:

		已發行股份數目 Number of shares in issue	股本 Share capital	
			港元 HK\$	人民幣千元 RMB'000
於二零一七年一月一日	At 1 January 2017	1,399,000,000	139,900,000	142,105
轉換可換股債券	Conversion of convertible bonds	104,222,397	10,422,240	9,095
於二零一七年十二月三十一日及 二零一八年十二月三十一日	At 31 December 2017 and 31 December 2018	1,503,222,397	150,322,240	151,200

於二零一七年內，於二零一八年六月十日前後，本金額為3,900,000,000港元之可換股債券連同應計利息獲按每股普通股37.50港元及每股普通股37.01港元之換股價分別轉換成合共104,222,397股本公司每股面值0.10港元之普通股，引致股本增加人民幣9,095,000元。

During the year of 2017, the convertible bonds in the principal amount of HK\$3,900,000,000 together with accrued interest were converted into a total of 104,222,397 shares of the Company of HK\$0.10 each at a conversion price of HK\$37.50 per ordinary share and of HK\$37.01 per ordinary share for conversions that took place before and after 10 June 2018 respectively, resulting in the increase of share capital amounting to RMB9,095,000.



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

31. 儲備

本集團於目前及過往年度之儲備金額及其變動已呈列於財務報表第159頁綜合權益變動表。

(i) 法定盈餘公積金（「法定盈餘公積金」）

根據中國公司法及中國大陸附屬公司之組織章程細則，各中國大陸附屬公司須將按照中國公認會計原則釐定之除稅後利潤10%撥入至法定盈餘公積金，直至有關公積金達到註冊股本之50%為止。部分法定盈餘公積金可用於增加繳足股本，惟資本化後之餘額不得少於註冊股本之25%。

(ii) 匯兌波動儲備

匯兌波動儲備指因換算海外附屬公司之財務報表產生之匯兌差額。

(iii) 其他儲備

其他儲備指不喪失控制權的情況下，部分出售附屬公司所獲得的代價超過於交易日期非控制性權益賬面值部分。

31. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 159 of the financial statements.

(i) Statutory surplus reserve ("SSR")

In accordance with the Company Law of the PRC and the articles of association of the Mainland China subsidiaries, each of the Mainland China subsidiaries is required to allocate 10% of their profit after tax, as determined in accordance with the PRC generally accepted accounting principles, to the SSR until the reserve reaches 50% of its registered capital. Part of the SSR may be converted to increase paid-up capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital.

(ii) Exchange fluctuation reserve

The exchange fluctuation reserve represents exchange differences arising from the translation of the financial statements of the foreign subsidiaries.

(iii) Other reserve

The other reserve represents the excess of the consideration received for partial disposal of a subsidiary without loss of control, over the carrying amount of the non-controlling interests as at the transaction date.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

32. 綜合現金流量表附註

融資活動導致之負債變動

二零一八年

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

2018

		銀行貸款 Bank loans 人民幣千元 RMB'000
於二零一八年一月一日	At 1 January 2018	2,130,409
融資現金流產生之變動	Changes from financing cash flows	386,340
利息開支	Interest expense	61,049
分類為經營現金流量之已付利息	Interest paid classified as operating cash flows	(61,049)
於二零一八年十二月三十一日	At 31 December 2018	2,516,749

二零一七年

2017

		銀行貸款 Bank loans 人民幣千元 RMB'000	可換股債券 Convertible bonds 人民幣千元 RMB'000
於二零一七年一月一日	At 1 January 2017	1,241,433	3,410,145
融資現金流產生之變動	Changes from financing cash flows	888,976	(1,363)
轉換成本公司股份	Converted to shares of the Company	-	(3,369,240)
匯兌波動	Foreign exchange movement	-	(81,616)
利息開支	Interest expense	80,942	42,074
分類為經營現金流量之 已付利息	Interest paid classified as operating cash flows	(80,942)	-
於二零一七年十二月三十一日	At 31 December 2017	2,130,409	-

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

33. 或然負債

於二零一八年十二月三十一日，本集團並無重大或然負債。

34. 資產抵押

就本集團銀行貸款抵押之本集團資產之詳情分別載於財務報表附註14、24及28。

35. 承擔

(a) 經營租賃承擔

本集團根據不可撤銷經營租賃安排租賃其若干辦公室物業及廠房。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃應付之未來最低租金如下：

33. CONTINGENT LIABILITIES

As at 31 December 2018, the Group had no significant contingent liabilities.

34. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank loans are included in notes 14, 24 and 28 to the financial statements.

35. COMMITMENTS

(a) Operating lease commitments

The Group leases certain of its office premises and plants under non-cancellable operating lease arrangements.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases as follows:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
一年內	Within one year	104,543	110,173
第二至第五年 (包括首尾兩年)	In the second to fifth years, inclusive	296,607	322,883
五年後	After five years	130,891	84,494
		532,041	517,550

(b) 資本承擔

(b) Capital commitments

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
已訂約但未撥備：	Contracted, but not provided for:		
購置物業、廠房及設備	Acquisition of property, plant and equipment	718,614	577,922
購置土地使用權	Acquisition of land use right	70,420	105,130
		789,034	683,052

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

36. 關聯人士交易

(a) 本集團主要管理人員之酬金

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
董事及高級管理人員酬金	Remuneration of directors and senior management	28,753	26,986

有關董事及最高行政人員薪金之進一步詳情載於財務報表附註8。

36. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel of the Group

Further details of the directors' and chief executive's emoluments are included in note 8 to the financial statements.

(b) 與關聯人士之持續交易

除本財務報表其他地方詳述之交易外，本集團於年內曾與關聯人士進行下列重大交易：

(b) Continuing transactions with related parties

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
向寧波申洲置業有限公司 (「申洲置業」)* 租賃服裝生產物業	Lease of apparel production properties from Ningbo Shenzhou Properties Co., Ltd. ("Shenzhou Properties") *	9,624	9,624
向紹興縣華西 包裝品有限公司 (「華西包裝品公司」)** 採購包裝物料	Purchase of packaging materials from Shaoxing County Huaxi Packaging Materials Company Limited ("Huaxi Packaging Company") **	31,580	43,861
寧波艾利***提供印花服務	Printing service provided by Ningbo Avery ***	108,987	65,533
向寧波艾利***提供銷售及 營銷服務以及一般支援 服務	Sales and marketing services and general support services provided to Ningbo Avery***	5,451	3,821



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

36. 關聯人士交易 (續)

(b) 與關聯人士之持續交易 (續)

- * 申洲置業由本公司一名執行董事控制。
- ** 華西包裝品公司由本公司一名執行董事之親屬控制。
- *** 寧波艾利為本集團之聯營公司，視作本集團之關聯人士。該交易並未構成上市規則第14A章界定的持續關連交易。

向關聯人士提供之服務及向關聯人士之採購及租賃乃根據有關公司向其主要客戶提供之公開價格及條款進行。

(c) 與關聯人士之未償還結餘

本集團與其關聯人士有以下結餘：

36. RELATED PARTY TRANSACTIONS (continued)

(b) Continuing transactions with related parties (continued)

- * Shenzhou Properties is controlled by one of the Company's executive directors.
- ** Huaxi Packaging Company is controlled by the relatives of one of the Company's executive directors.
- *** Ningbo Avery is an associate of the Group and is considered to be a related party of the Group. This transaction does not constitute continuing connected transaction as defined in Chapter 14A of the Listing Rules.

The services provided to and purchase and lease from the related parties were made according to the published prices and conditions offered by the related companies to their major customers.

(c) Outstanding balances with related parties

The Group had the following balances with its related parties:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
應收關聯人士款項	Amounts due from related parties		
– 與貿易有關：	– trade related:		
申洲置業	Shenzhou Properties	949	444
寧波艾利	Ningbo Avery	1,676	162
		2,625	606
應付一名關聯人士款項	Amount due to a related party		
– 與貿易有關：	– trade related:		
華西包裝品公司	Huaxi Packaging Company	1,882	–

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

37. 按類別劃分之金融工具

於報告期末，各類別金融工具之賬面值如下：

金融資產
二零一八年

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets
2018

		按攤銷成本計算之可換股債券 Financial assets at amortised cost 人民幣千元 RMB'000
應收賬款及票據	Trade and bills receivables	3,564,821
計入預付款項及其他應收款項之金融資產	Financial assets included in prepayments and other receivables	211,501
應收關聯人士款項	Amounts due from related parties	2,625
其他金融資產	Other financial assets	1,480,000
已抵押存款	Pledged deposits	500,000
初始存款期逾三個月之銀行存款	Bank deposits with an initial term of over three months	3,129,678
現金及現金等價物	Cash and cash equivalents	3,565,916
		12,454,541

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018



37. 按類別劃分之金融工具 (續)

金融資產 (續)

二零一七年

37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial assets (continued)

2017

		貸款及 應收款項	可供出售 金融資產	總計
		Loans and receivables	Available- for-sale financial assets	Total
		人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000
可供出售投資	Available-for-sale investments	-	2,976,900	2,976,900
應收賬款及票據	Trade and bills receivables	2,814,779	-	2,814,779
計入預付款項及其他 應收款項之金融資產	Financial assets included in prepayments and other receivables	198,767	-	198,767
應收關聯人士款項	Amounts due from related parties	606	-	606
結構存款	Structured deposits	1,050,000	-	1,050,000
已抵押存款	Pledged deposits	500,000	-	500,000
初始存款期逾三個月之 銀行存款	Bank deposits with an initial term of over three months	605,518	-	605,518
銀行長期定期存款	Long-term time deposits at banks	150,000	-	150,000
現金及現金等價物	Cash and cash equivalents	2,471,401	-	2,471,401
		7,791,071	2,976,900	10,767,971

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

37. 按類別劃分之金融工具 (續)

金融負債

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
按攤銷成本計算之 金融負債	Financial liabilities at amortised cost		
應付賬款	Trade payables	812,687	873,106
計入其他應付款項及 應計款項之金融負債	Financial liabilities included in other payables and accruals	261,356	317,907
應付一名關聯人士款項	Amount due to a related party	1,882	-
計息銀行借貸	Interest-bearing bank borrowings	2,516,749	2,130,409
		3,592,674	3,321,422

37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Financial liabilities

38. 金融工具之公允值及公允值層級

本集團之金融工具賬面值及公允值(其賬面值與公允值合理相若者除外)如下:

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

		賬面值 Carrying amounts		公允值 Fair values	
		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
金融資產:	Financial assets:				
已抵押長期存款	Long-term time pledged deposits	-	500,000	-	498,739
銀行長期定期存款	Long-term time deposits at banks	-	150,000	-	150,250
		-	650,000	-	648,989
金融負債:	Financial liabilities:				
計息銀行借貸	Interest-bearing bank borrowings	2,516,749	2,130,409	2,483,528	2,107,387



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

38. 金融工具之公允值及公允值層級 (續)

管理層評估，現金及現金等價物、初始存款期超過三個月之銀行存款之即期部分、短期抵押存款、結構存款、按公允值計且變動計入損益之金融資產／可供出售投資、其他金融資產、應收賬款及票據、應付賬款、計入預付款項及其他應收款項之金融資產、計入其他應付款項及應計款項之金融負債、應收關聯人士款項以及應付一名關聯人士款項的公允值與其賬面值相若，主要原因為該等工具於短期內到期。

金融資產及負債之公允值以該工具於自願交易方（而非強迫或清盤銷售）當前交易下的可交易金額入賬。下列方法及假設乃用於估算公允值：

銀行長期定期存款、已抵押長期存款及計息銀行借貸之公允值乃使用具有類似條款、信貸風險及餘下到期日之工具現時可取得之利率貼現預期未來現金流量而計算。

39. 財務風險管理目標及政策

本集團之主要金融工具包括銀行貸款及現金以及銀行存款。該等金融工具主要旨在為本集團營運籌集所需資金。本集團亦有多種其他金融資產及負債，例如直接從營運產生之應收賬款及票據以及應付賬款。

本集團金融工具產生之主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事會審閱及協定政策以管理各項風險，有關政策於下文概述。

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Management has assessed that the fair values of cash and cash equivalents, the current portion of bank deposits with an initial term of over three months, short-term pledged deposits, structured deposits, financial assets at fair value through profit or loss/available-for-sale investments, other financial assets, trade and bills receivables, trade payables, financial assets included in prepayments and other receivables, financial liabilities included in other payables and accruals, amounts due from related parties and an amount due to a related party approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of long-term time deposits at banks, long-term pledged deposits and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans and cash and bank deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

利率風險

本集團所面對市場利率變動風險主要與本集團浮息長期債務責任(包括載有按要求還款條文且須於一年後到期償還之銀行借貸)有關。

於二零一八年十二月三十一日,本集團約20%(二零一七年:23%)的計息借貸按固定利率計息。

下表列示所有其他變數不變之情況下,本集團除稅前利潤通過浮息借貸的影響對利率合理可能變動之敏感度分析。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations (including the bank borrowings due to repayment after one year which contain a repayment on demand clause) with floating interest rates.

At 31 December 2018, approximately 20% (2017: 23%) of the Group's interest-bearing borrowings bore interest at fixed rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before tax through the impact on floating rate borrowings.

		上調/ (下調)基點	除稅前 利潤增加/ (減少)
		Increase/ (decrease) in basis points	Increase/ (decrease) in profit before tax
			人民幣千元 RMB'000
二零一八年	2018		
如利率上調	If interest rate increases	50	(1,259)
如利率下調	If interest rate decreases	(50)	1,259
二零一七年	2017		
如利率上調	If interest rate increases	50	(1,309)
如利率下調	If interest rate decreases	(50)	1,309



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

外匯風險

本集團面對交易貨幣風險。該等風險來自以並非該等單元功能貨幣之貨幣經營之單元之銷售。本集團約43% (二零一七年: 36%) 銷售以外幣計值, 而非以進行銷售之經營單位功能貨幣計值。

下表列示於報告期末, 在所有其他變數不變之情況下, 本集團除稅前利潤對美元及港元匯率合理可能變動之敏感度分析 (由於貨幣資產及負債之公允值改變所致)。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales by operating units in currencies other than the units' functional currencies. Approximately 43% (2017: 36%) of the Group's sales were denominated in foreign currencies other than the functional currencies of the operating units making the sales.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the US\$ and HK\$ exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

		外幣匯率 上升/(下跌)	對除稅前利潤之 上升/(下跌)	權益上升/ (下跌)*
		Increase/ (decrease) in foreign currency rate	Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity*
		%	人民幣千元 RMB'000	人民幣千元 RMB'000
二零一八年	2018			
倘人民幣兌美元升值	If RMB strengthens against US\$	5	(99,697)	(85,986)
倘人民幣兌美元貶值	If RMB weakens against US\$	(5)	99,697	85,986
二零一七年	2017			
倘人民幣兌美元升值	If RMB strengthens against US\$	5	(58,088)	(72,697)
倘人民幣兌美元貶值	If RMB weakens against US\$	(5)	58,088	72,697
二零一八年	2018			
倘人民幣兌港元升值	If RMB strengthens against HK\$	5	8,673	56,786
倘人民幣兌港元貶值	If RMB weakens against HK\$	(5)	(8,673)	(56,786)
二零一七年	2017			
倘人民幣兌港元升值	If RMB strengthens against HK\$	5	8,327	50,066
倘人民幣兌港元貶值	If RMB weakens against HK\$	(5)	(8,327)	(50,066)

* 保留盈利除外

* Excluding retained profits

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

信貸風險

本集團僅與知名及信譽良好之第三方進行交易。本集團之政策為所有欲按信貸期進行交易之客戶，必須經過信貸核實程序。此外，本集團持續監察應收款項結餘，且本集團面對之壞賬風險並不重大。

本集團其他金融資產（包括現金及現金等價物、初始存款期逾三個月之銀行存款、抵押存款、計入預付款項結構存款、按公允值計量且變動計入損益之金融資產／可供出售投資、其他金融資產、計入預付款項及其他應收款項之金融資產、應收關聯人士款項）之信貸風險來自交易對手違約，所承受最高風險相等於該等工具之賬面值。

由於本集團只與知名且信譽良好之第三方進行交易，因此毋須抵押品。信貸集中風險按客戶／交易對手管理。於報告期末，本集團有若干信貸集中風險，因本集團39%（二零一七年：32%）及91%（二零一七年：92%）應收賬款及票據分別來自本集團之最大客戶及五大客戶。由於本集團之主要客戶均為世界著名品牌公司，其與本集團已建立長期業務關係，因此，本集團可妥善管理信貸集中風險。

有關本集團來自應收賬款及票據之信貸風險進一步量化數據，於財務報表附註19披露。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, bank deposits with an initial term of over three months, pledged deposits, structured deposits, financial assets at fair value through profit or loss/available-for-sale investments, other financial assets, financial assets included in prepayments and other receivables, amounts due from related parties, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty. At the end of the reporting period, the Group had certain concentrations of credit risk as 39% (2017: 32%) and 91% (2017: 92%) of the Group's trade and bills receivables were due from the Group's largest customer and the five largest customers, respectively. As the major customers of the Group are all world-famous brand companies, which have established long-term business relationships with the Group, concentrations of credit risk are well managed by the Group.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 19 to the financial statements.

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

流動資金風險

本集團透過循環流動資金計劃工具監控資金短缺風險。有關工具考慮其金融工具及金融資產（例如應收賬款及票據）之到期日以及經營業務之預計現金流量。

於報告期末，按照已訂約無貼現付款計算，本集團金融負債之到期日情況如下：

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

		二零一八年 2018					
		六個月至					
按要求	少於六個月	少於十二個月	一至兩年	兩年以上	總計		
		6 to					
	Less than	less than	1 to 2	Over			
On demand	6 months	12 months	years	2 years	Total		
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	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
應付賬款	Trade payables	22,851	789,836	-	-	-	812,687
其他應付款項	Other payables	261,356	-	-	-	-	261,356
應付一名關聯人士款項	Amount due to a related party	1,882	-	-	-	-	1,882
計息銀行借貸	Interest-bearing bank borrowings	-	1,255,677	1,048,304	121,942	154,770	2,580,693
		286,089	2,045,513	1,048,304	121,942	154,770	3,656,618

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

流動資金風險 (續)

39. FINANCIAL RISK MANAGEMENT

OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

		二零一七年					
		2017					
		六個月至					
	按要 求	少於六個月	少於十二個月	一至兩年	兩年以上	總計	
		Less than	less than	1 to 2	Over	Total	
	On demand	6 months	12 months	years	2 years	Total	
	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	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
應付賬款	Trade payables	25,411	847,695	-	-	-	873,106
其他應付款項	Other payables	317,907	-	-	-	-	317,907
計息銀行借貸	Interest-bearing bank borrowings	-	973,642	430,759	517,622	273,000	2,195,023
		343,318	1,821,337	430,759	517,622	273,000	3,386,036



財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

資本管理

本集團資本管理之主要目標在於維護本集團持續經營之能力及維持良好資本比率，以支持其業務及為股東爭取最大價值。

本集團根據經濟狀況變動管理及調整其資本架構。為維持或調整資本架構，本集團可能調整向股東派付之股息、向股東發還資本或發行新股。截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度，有關管理資本的目標、政策或程序並無變動。

本集團採用資本負債比率（即債務淨額除經調整資本加債務淨額）監控資本。債務淨額包括計息銀行借貸、應付賬款以及其他應付款項及應計款項，減現金及現金等價物。資本包括可換股債券負債部分及母公司擁有人應佔權益。於報告期末，資本負債比率如下：

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2018 and 31 December 2017.

The Group monitors capital using a gearing ratio, which is net debt divided by the adjusted capital plus net debt. Net debt includes interest-bearing bank borrowings, trade payables and other payables and accruals, less cash and cash equivalents. Capital includes the liability component of convertible bonds and equity attributable to owners of the parent. The gearing ratios as at the end of the reporting periods were as follows:

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

39. 財務風險管理目標及政策

(續)

資本管理 (續)

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
計息銀行借貸	Interest-bearing bank borrowings	2,516,749	2,130,409
應付賬款	Trade payables	812,687	873,106
其他應付款項及應計款項	Other payables and accruals	261,356	944,649
應付一名關聯人士款項	Amount due to a related party	1,882	–
減：現金及現金等價物	Less: Cash and cash equivalents	(3,565,916)	(2,471,401)
債務淨額	Net debt	26,758	1,476,763
母公司擁有人應佔權益	Equity attributable to owners of the parent	22,298,738	19,621,181
經調整資本	Adjusted capital	22,298,738	19,621,181
資本及債務淨額	Capital and net debt	22,325,496	21,097,944
資本負債比率	Gearing ratio	0.1%	7.0%

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018



40. 本公司財務狀況表

本公司於本報告期末之財務狀況表之詳情載列如下：

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS		
物業、廠房及設備	Property, plant and equipment	6	7
於附屬公司之投資	Investments in subsidiaries	883,681	883,681
給予附屬公司之貸款	Loans to subsidiaries	3,126,063	3,296,007
非流動資產總值	Total non-current assets	4,009,750	4,179,695
流動資產	CURRENT ASSETS		
應收賬款	Trade receivables	216,076	181,861
其他應收賬款	Other receivables	3,661,420	2,623,543
給予附屬公司之貸款	Loans to subsidiaries	1,034,930	1,082,260
應收附屬公司款項	Amounts due from subsidiaries	377,716	602,029
現金及現金等價物	Cash and cash equivalents	123,247	109,022
總流動資產	Total current assets	5,413,389	4,598,715
流動負債	CURRENT LIABILITIES		
其他應付款項及應計款項	Other payables and accruals	1,762,958	1,303
計息銀行借貸	Interest-bearing bank borrowings	1,139,060	1,003,080
應付附屬公司款項	Amount due to a subsidiary	226,291	3,180,587
應繳稅項	Tax payable	775	18,952
總流動負債	Total current liabilities	3,129,084	4,203,922

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

40. 本公司財務狀況表 (續)

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

		二零一八年 2018 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000
淨流動資產	NET CURRENT ASSETS	2,284,305	394,793
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES	6,294,055	4,574,488
非流動負債	NON-CURRENT LIABILITIES		
來自附屬公司貸款	Loans from subsidiaries	1,235,373	–
淨資產	Net assets	5,058,682	4,574,488
權益	EQUITY		
股本	Share capital	151,200	151,200
儲備 (附註)	Reserves (note)	4,907,482	4,423,288
總權益	Total equity	5,058,682	4,574,488

財務報表附註

Notes to Financial Statements

二零一八年十二月三十一日 31 December 2018

40. 本公司財務狀況表 (續)

附註：

本公司的儲備摘要如下：

		股份溢價	股本盈餘	可換股債券之權益部份	匯兌波動儲備	保留盈利	總計
		Share premium account	Capital surplus	Equity component of convertible bonds	Exchange fluctuation reserve	Retained profits	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零一七年一月一日	At 1 January 2017	661,648	727,430	197,140	(306,714)	952,262	2,231,766
年度全面收益總額	Total comprehensive income for the year	-	-	-	(175,246)	1,490,450	1,315,204
轉換可換股債券	Conversion of convertible bonds	3,557,285	-	(197,140)	-	-	3,360,145
宣派二零一六年末期股息	Final 2016 dividend declared	(700,787)	-	-	-	(894,500)	(1,595,287)
二零一七年中期股息	Interim 2017 dividend	(888,540)	-	-	-	-	(888,540)
於二零一七年十二月三十一日	At 31 December 2017	2,629,606	727,430	-	(481,960)	1,548,212	4,423,288
年度全面收益總額	Total comprehensive income for the year	-	-	-	183,539	2,358,146	2,541,685
宣派二零一七年末期股息	Final 2017 dividend declared	-	-	-	-	(942,408)	(942,408)
二零一八年中期股息	Interim 2018 dividend	(1,115,083)	-	-	-	-	(1,115,083)
於二零一八年十二月三十一日	At 31 December 2018	1,514,523	727,430	-	(298,421)	2,963,950	4,907,482

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

41. 批准財務報表

董事會於二零一九年三月二十五日批准並授權刊發財務報表。

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2019.

財務資料摘要

Financial Information Summary

(除另有註明外，所有金額以人民幣千元列示) (Amounts expressed in RMB'000 unless otherwise stated)

本集團根據本財務報表所載基準編製以往五個財政年度之已公佈業績以及資產、負債及少數股東權益概要載列如下：

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, prepared on the basis as set out herein, is set out below:

		截至十二月三十一日止年度／於十二月三十一日				
		For the year ended 31 December/As at 31 December				
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		2018	2017	2016	2015	2014
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
業績	Results					
收入	Revenue	20,950,205	18,085,247	15,099,076	12,639,332	11,131,532
融資成本	Finance costs	(61,049)	(123,016)	(119,834)	(98,733)	(46,442)
除稅前利潤	Profit before tax	5,090,346	4,288,231	3,642,947	2,886,901	2,543,347
所得稅開支	Income tax expense	(597,803)	(528,280)	(695,267)	(532,059)	(476,717)
年度利潤	Profit for the year	4,492,543	3,759,951	2,947,680	2,354,842	2,066,630
以下人士應佔權益：	Attributable to:					
母公司擁有人	Owners of the parent	4,540,487	3,762,721	2,947,673	2,354,664	2,065,867
非控制性權益	Non-controlling interests	(47,944)	(2,770)	7	178	763
		4,492,543	3,759,951	2,947,680	2,354,842	2,066,630
資產、負債及非控制性權益	Assets, Liabilities and Non-controlling Interests					
總資產	Total assets	27,552,054	24,093,205	21,816,062	18,361,614	15,943,028
總負債	Total liabilities	(5,097,775)	(4,268,552)	(6,506,460)	(5,271,778)	(4,131,702)
非控制性權益	Non-controlling interests	(155,541)	(203,472)	(216,658)	(15,716)	(15,757)
		22,298,738	19,621,181	15,092,944	13,074,120	11,795,569

附註：本集團截至二零一七年及二零一八年十二月三十一日止兩個年度各年之綜合業績，以及於二零一七年及二零一八年十二月三十一日之綜合資產、負債及非控制性權益即財務報表第155頁至第275頁所載者。

Note: The consolidated results of the Group for each of the two years ended 31 December 2017 and 2018 and the consolidated assets, liabilities and non-controlling interests of the Group as at 31 December 2017 and 2018 are those set out on pages 155 to 275 of the financial statements.

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