



中國升海集團有限公司

China Shenghai Group Limited

(formerly known as China Shenghai Food Holdings Company Limited)
(前稱中國升海食品控股有限公司)
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1676

2020 ANNUAL REPORT 年報

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Joint-Chairman and Chief Executive Officer*)
(redesignated as Joint-Chairman on 14 January 2020)
Ms. Li Jiayin

NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (*Joint-Chairman*)
(appointed on 14 January 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin
Mr. Chen Sze Hung (resigned on 14 January 2020)
Mr. Pang Wai Ching
Mr. Liu Junting (appointed on 14 January 2020)

AUDIT COMMITTEE

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

NOMINATION COMMITTEE

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

REMUNERATION COMMITTEE

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

COMPANY SECRETARY

Mr. Wong Wai Lun *FCPA*

AUTHORISED REPRESENTATIVES

Mr. Liu Rongru
Ms. Li Jiayin

AUDITORS

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

LEGAL ADVISER AS TO HONG KONG LAW

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

執行董事

劉榮如先生 (*聯席主席兼行政總裁*)
(於二零二零年一月十四日調任為聯席主席)
李佳音女士

非執行董事

李東凡先生 (*聯席主席*)
(於二零二零年一月十四日獲委任)

獨立非執行董事

劉大進先生
陳斯雄先生 (於二零二零年一月十四日辭任)
彭偉正先生
劉俊廷先生 (於二零二零年一月十四日獲委任)

審核委員會

彭偉正先生 (*主席*)
劉大進先生
劉俊廷先生

提名委員會

劉榮如先生 (*主席*)
劉大進先生
劉俊廷先生

薪酬委員會

劉大進先生 (*主席*)
劉俊廷先生
劉榮如先生

公司秘書

黃偉倫先生 *FCPA*

授權代表

劉榮如先生
李佳音女士

核數師

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

香港法律顧問

溫斯頓律師事務所
香港中環
花園道1號
中銀大廈42樓

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

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

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

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square
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KY1-1111, Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop C, 27/F, TML Tower,
3 Hoi Shing Road,
Tsuen Wan,
New Territories,
Hong Kong

WEBSITE

www.chinashenghaigroup.com

STOCK CODE

01676

主要往來銀行

廈門銀行華昌支行
中國
福建省廈門市
華昌路86號

中國建設銀行廈門湖濱支行
中國
福建省廈門市
湖濱南路388號
1A室

主要股份過戶登記處

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

香港股份過戶登記分處

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

開曼群島註冊辦事處

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Hutchins Drive
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KY1-1111, Cayman Islands

中國總部及主要營業地點

中國
福建省廈門市
同安區湖裏工業園
環東海域美溪道
5號廠房五樓

香港主要營業地點

香港
新界
荃灣
海盛路3號
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網址

www.chinashenghaigroup.com

股份代號

01676

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the Board of Directors of China Shenghai Group Limited (the "Company" or "Shenghai") and its subsidiaries (collectively, the "Group"), I report to shareholders our annual report for the year ended 31 December 2020 (the "Year 2020" or the "Year").

BUSINESS REVIEW

In 2020, affected by the outbreak of the 2019 coronavirus, the world's economy was severely hit. The epidemic has greatly changed the way of life of people in China and the world. Various epidemic control measures have completely stopped the exchange between all countries in the world. Even though China is the first country in the world to get out of the haze of the epidemic, minor outbreaks of the epidemic were still occurred repeatedly during the year. Most cities still discourage mobility across provinces and cities, and crowd control is still implemented in most public places, such as large shopping malls and supermarkets which limits the number of people in the premises. Affected by the uncertainty of the epidemic, the general public tends to reduce unnecessary expenditures, leading to further reductions in consumption.

Facing the severe challenges brought by the coronavirus epidemic, coupled with the fact that seafood and algae are not essential products, their demand has been greatly reduced, resulting in a significant decline in the demand for the Group's products from the Group's customers. In addition, in order to ensure the health and safety of the Group's employees and customers, the Group has suspended most of its product promotions during the year, which directly affected the Group's turnover and performance. Dried seafood products remained to be the major products of the Group, however, its revenue has significantly decreased by approximately 65.6% to approximately RMB162.7 million in the year ended 31 December 2020 from approximately RMB472.9 million for the year ended 31 December 2019. Gross profit of the Group fell by 70.4% to approximately RMB30.7 million and the Group has recorded a net loss of approximately RMB32.3 million during the Year.

In order to balance the business risks posed by a single business, the Group launched the fast-moving consumer goods business in early 2020, which mainly involves the sale of cosmetics, daily necessities, fashion and accessories. For the year ended 31 December 2020, the Group's total transaction amount from the fast-moving consumer goods business was approximately RMB132.9 million, and have brought to the Group net income and net profit of approximately RMB7.2 million and RMB3.2 million respectively.

尊敬的各位股東：

本人謹代表董事會向股東匯報中國升海集團有限公司（「本公司」或「升海」）及其附屬公司（統稱「本集團」）截至二零二零年十二月三十一日止年度（「二零二零年」或「年內」）的全年業績。

業務回顧

二零二零年，受到2019新型冠狀病毒大爆發的影響，全世界經濟均受到嚴重打擊，疫情大大改變了中國以至全世界人民的生活方式，各種各樣的疫情管控措施，徹底截斷了世界各國人民之間的正常交流。縱使中國乃全球第一個國家走出的疫情的陰霾，惟疫情於年內仍然反反覆覆，大部分城市仍然不鼓勵跨市民進行跨省市流動，而且多數公共場所如大型商場，超市等，仍然實施人流控制，限制場所內的人數。受疫情的不確定性影響，一般市民都傾向於減少不必要開支，導致消費進一步減低。

面對新冠病毒疫情帶來的嚴峻挑戰，加上由於海鮮和藻類並非必需品，因此其需求大大減少，導致本集團的客戶對本集團的產品需求明顯下滑。此外，為了確保本集團員工和客戶的健康和安全，本集團於年內暫停了大部份產品促銷活動，這直接影響了本集團的營業額和業績。乾海產品仍然是本集團的主要產品，惟其收入由截至二零一九年十二月三十一日止年度的約人民幣472.9百萬元大幅減少約65.6%至截至二零二零年十二月三十一日止年度的約人民幣162.7百萬元，年內本集團毛利減少70.4%至約人民幣30.7百萬元並錄得淨虧損約人民幣32.3百萬元。

為平衡單一業務所帶來的業務風險，本集團於二零二零年初開展快速消費品業務，該業務主要涉及化妝品、日用品、時裝及配飾之銷售。截至二零二零年十二月三十一日止年度，集團來自快速消費品業務之總交易金額約為人民幣132.9百萬元，並為本集團帶來淨收益及淨利潤分別約人民幣7.2百萬元及人民幣3.2百萬元。

CHAIRMAN'S STATEMENT

主席報告書

OUTLOOK

Even though the COVID-19 pandemic has brought the biggest challenge to the Group since its establishment, the Group believes that the pandemic has brought challenges as well as opportunities. The outbreak of the pandemic has accelerated and changed people's consumption habits, and e-commerce has become the major way of daily consumption of the people. In addition, the outbreak of the epidemic has also highlighted the business risks brought about by oversimplification of business. In order to maintain the financial strength and stable growth strategy in these difficulties, the Group will actively change its existing to traditional sales model and increase investment in the development of e-commerce business. In addition, the Group will also further expand its businesses other than food to diversify its sources of income, and will spare no effort in seeking cooperation and merger and acquisition opportunities for the Group to gain growth momentum and make full use of the Company's financial strength.

APPRECIATION

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

China Shenghai Group Limited
Li Dongfan
Joint-Chairman

Hong Kong, 29 March 2021

展望

縱使2019新冠病毒疫情為本集團帶來了自成立以來最大的挑戰，但本集團相信疫情帶來挑戰的同時亦帶來契機，疫情的爆發加速改變了人民的消費習慣，電商進一步成為人民日常消費的主要方式。此外，疫情的爆發亦突顯了業務過分單一所帶來的業務風險。為了在這些困難中保持財務實力和穩定增長的戰略，本集團將積極改變現有至傳統銷售模式，加大投資往電商業務發展。另外，本集團亦將進一步擴大除食品以外的業務，以多樣化其收入來源，並將不遺餘力地通過積極尋求合作以及併購機會為集團取得增長動力及充分利用公司的財務實力。

致謝

本人最後僅代表董事會，向全體員工致以最衷心的謝意，同時亦感謝股東、投資者、長期客戶及供應商的全力支持，我們定將繼續堅守初心、務實經營，積極謀求發展，以實際的業績回報大家的信賴。

中國升海集團有限公司
聯席主席
李東凡

香港，二零二一年三月二十九日

BIOGRAPHICAL DETAILS OF THE DIRECTORS

董事履歷

EXECUTIVE DIRECTORS

Mr. Liu Rongru (劉榮如) (“Mr. Liu”), aged 53, is our Chief Executive Officer, Executive Director and the Joint-chairman of our Board and is primarily responsible for development, positioning and strategy planning of our Group. Mr. Liu is the founder of our Group. He was appointed as a Director and Chief Executive Officer on 8 January 2016 and 6 August 2019 respectively, and redesignated as an Executive Director and Joint-chairman on 11 April 2016 and 14 January 2020 respectively. He is currently a director of all subsidiaries of our Group. He is also a member of our Remuneration Committee and the chairman of our Nomination Committee.

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

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

執行董事

劉榮如先生(「劉先生」), 53歲, 為我們的行政總裁, 執行董事及董事會聯席主席, 主要負責本集團的發展、定位及策略規劃。劉先生為本集團創辦人。彼分別於二零一六年一月八日及二零一九年八月六日獲委任為董事及行政總裁及分別於二零一六年四月十一日及二零二零年一月十四日獲調任為執行董事及聯席主席。彼現為本集團所有附屬公司的董事。彼亦為薪酬委員會成員及提名委員會主席。

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

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

BIOGRAPHICAL DETAILS OF THE DIRECTORS

董事履歷

Ms. Li Jiayin (李佳音) (“Ms. Li”), aged 37, is our Executive Director. She was appointed as an Executive Director on 9 September 2019. She is primarily responsible for business development, overall management and strategic planning of our Group. Ms. Li graduated from Auckland University of Technology, New Zealand with a bachelor’s degree in finance in 2008. She worked as the department head at Le Brun Peirse Limited from 2008 to 2012, and as a senior management at BP Oil Group in 2013. She joined Moody Group in 2014, and has been serving as the regional head of Europe, North America and the chief executive officer of Moody Group. From March 2018 to August 2018, she was appointed as an executive director of Wang Tai Holdings Limited (currently known as “Moody Technology Holdings Limited”) (stock code: 1400) and she has been the acting chairlady of such company from August 2018 to April 2019. Ms. Li is currently the authorized representative of Shenzhen National Development Fund Management Limited* (深圳國展基金管理有限公司), a member of the Asset Management Association of China* (中國證券投資基金業協會) and a Certified Financial Planner in China.

NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (李東凡) (“Mr. Li”), aged 36. He was appointed as our non-executive director and Joint-Chairman on 14 January 2020. He is primarily responsible to provide advice on the Group’s business development, management and strategic planning. Mr. Li is an entrepreneur and he held a degree of Doctor of Philosophy (Finance) granted by Brampton International University, Canada. From November 2017 to July 2018, Mr. Li held various positions of vice chairman, executive director and the joint-chairman of the board of directors of Blockchain Group Company Limited, a company listed on The Stock Exchange of Hong Kong (the “Stock Exchange”) (Stock Code: 364). From April 2018 to August 2018, Mr. Li served as the executive director and chairman of Moody Technology Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1400).

李佳音女士 (「李女士」), 37歲, 為執行董事。彼於二零一九年九月九日獲委任為執行董事。彼主要負責本集團的業務發展、整體管理及策略規劃。李女士於二零零八年畢業於新西蘭奧克蘭理工大學(Auckland University of Technology), 並取得金融學士學位。於二零零八年至二零一二年期間, 彼曾擔任Le Brun Peirse Limited部門負責人; 二零一三年於BP Oil集團任職高級管理人員; 於二零一四年, 彼加入滿地集團, 先後擔任滿地集團歐洲地區負責人, 北美地區負責人及行政總裁等職務; 於二零一八年三月至二零一八年八月期間, 彼獲委任為宏太控股有限公司(現稱「滿地科技股份有限公司」)(股份代號: 1400)之執行董事, 並於二零一八年八月至二零一九年四月期間擔任該公司之代理主席。李女士現為深圳國展基金管理有限公司之授權代表、中國證券投資基金業協會會員及中國國家理財規劃師。

非執行董事

李東凡先生 (「李先生」), 36歲。彼於二零二零年一月十四日獲委任為非執行董事及聯席主席。彼主要負責為本集團的業務發展、管理及策略規劃提供意見。李先生是企業家, 持有加拿大布蘭普頓國際大學授予之哲學(金融)博士學位。自二零一七年十一月至二零一八年七月, 李先生先後擔任區塊鏈集團有限公司, 一家於香港聯交所(「聯交所」)上市之公司(股份代號: 364)之副主席, 執行董事及聯席主席等多個職位。自二零一八年四月至二零一八年八月, 李先生曾擔任滿地科技股份有限公司, 一家於聯交所上市之公司(股份代號: 1400)之執行董事及主席。

BIOGRAPHICAL DETAILS OF THE DIRECTORS

董事履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin (劉大進), aged 55, was appointed as an Independent Non-executive Director on 22 June 2017. Mr. Liu Dajin is also a member of our Audit Committee, our Remuneration Committee and our Nomination Committee. Mr. Liu Dajin has been a practising member of the Chinese Institute of Certified Public Accountants since November 1996. Mr. Liu Dajin graduated with a bachelor degree in economics (major in accounting) from the Central University of Finance and Economics (中央財經大學) (originally named Central Institute of Finance and Banking (中央財政金融學院)) in June 1989. He then obtained a postgraduate qualification from the Xiamen University Postgraduate School in September 1992. Mr. Liu Dajin worked as a teaching assistant at the Jimei Finance and Economics School (集美財經學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from August 1984 to August 1987. Mr. Liu Dajin then served as the deputy director and an instructor at the Financial Management Teaching and Research Centre (財務管理教研室) at the Jimei College of Finance (集美財政專科學校 (currently known as: Finance & Economics Institute, Jimei University 集美大學財經學院)) from July 1989 to August 1995. Mr. Liu Dajin worked in various faculties of the Jimei University (集美大學) since September 1995 and is currently the professor of the Faculty of Management of the Chengyi University College, Jimei University (集美大學誠毅學院). Mr. Liu Dajin is currently the independent non-executive director of Mobile Internet (China) Holdings Limited, a company listed on the Stock Exchange (stock code: 1439), Xiamen Xindeco Ltd., a company listed on Shenzhen Stock Exchange (stock code: 000701.SZ) and Xiamen Zongheng Group Co., Ltd.

Mr. Liu Junting (劉俊廷) ("Mr. Liu Junting"), aged 31, was appointed as an Independent Non-executive Director on 14 January 2020. He is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Liu Junting graduated from Beijing Institute of Technology in July 2013. Mr. Liu Junting is currently the assistant manager of Zhuhai Lvzhou Industrial Limited. Since October 2019, Mr. Liu Junting was appointed as an independent non-executive director of Moody Technology Holdings Limited, a company listed on the Stock Exchange (Stock Code: 1400).

Mr. Pang Wai Ching (彭偉正) ("Mr. Pang"), aged 32, was appointed as an Independent Non-executive Director on 19 October 2019. He is the chairman of the Audit Committee.

Mr. Pang has been a member of the Hong Kong Institute of Certified Public Accountants since March 2015. He obtained the Bachelor degree of Business Administration in Accountancy from City University of Hong Kong in July 2010. He has more than 10 years experience in accounting, auditing and company secretarial matters. Currently, Mr. Pang is the Company Secretary of Xingfa Aluminium Holdings Limited (stock code: 0098).

獨立非執行董事

劉大進先生，55歲，於二零一七年六月二十二日獲委任為獨立非執行董事。劉大進先生亦為審核委員會、薪酬委員會及提名委員會成員。劉大進先生自一九九六年十一月起出任中國註冊會計師協會之執業會員。劉大進先生於一九八九年六月畢業於中央財經大學(原稱中央財政金融學院)，取得經濟學學士學位(會計專業)。其後彼於一九九二年九月獲廈門大學研究生院頒授研究生證書。劉大進先生於一九八四年八月至一九八七年八月於集美財經學校(現稱為集美大學財經學院)出任教學助理。劉大進先生其後於一九八九年七月至一九九五年八月於集美財政專科學校(現稱為集美大學財經學院)財務管理教研室出任副主任及講師。劉大進先生自一九九五年九月起於集美大學各學院工作，現為集美大學誠毅學院管理系教授。劉大進先生現為移動互聯(中國)控股有限公司(一家於聯交所上市之公司(股份代號: 1439))、廈門信達股份有限公司(一家於深圳證券交易所上市之公司(股份代號: 000701.SZ))及廈門縱橫集團股份有限公司之獨立非執行董事。

劉俊廷先生(「劉俊廷先生」)，31歲，於二零二零年一月十四日獲委任為獨立非執行董事。彼亦為審核委員會成員、薪酬委員會成員及提名委員會成員。劉俊廷先生於二零一三年七月畢業於北京理工大學。劉俊廷先生目前於珠海綠洲實業有限公司擔任助理經理，自二零一九年十月起，劉俊廷先生獲委任為滿地科技股份有限公司，一家於聯交所上市之公司(股票代碼: 1400)之獨立非執行董事。

彭偉正先生(「彭先生」)，32歲，於二零一九年十月十九日獲委任為獨立非執行董事。彼亦為審核委員會主席。

彭先生自二零一五年三月起成為香港會計師公會會員。彼於二零一零年七月獲香港城市大學頒授工商管理學士學位，主修會計。彼於會計、審計及公司秘書事務擁有超過10年經驗，彭先生現為興發鋁業控股有限公司(股份代號: 0098)之公司秘書。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The board (the “Board”) of directors (the “Directors”) of China Shenghai Food Holdings Company Limited (the “Company”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2020 (the “Reporting Year”), together with the comparative figures for the corresponding period in 2019.

BUSINESS REVIEW

The Group sells dried seafood, algae and fungi, and seafood snacks in the PRC. The Group (i) sources high quality raw and processed raw materials, (ii) sub-contracts processing of the unprocessed raw materials to third parties, (iii) packages products at its own packaging facilities or through its sub-contractors, and (iv) sells packaged products under its own brand “Wofan (沃豐)”. The Group also sells dried seafood, algae and fungi without packaging. The Group also engaged in the sales of fast moving consumer goods since early 2020.

The Group’s revenue fell by approximately 65.6% to approximately RMB162.7 million in the Reporting Period from approximately RMB472.9 million for the year ended 31 December 2019. The outbreak of the Coronavirus Disease 2019 (“COVID-19”) epidemic has caused serious damage to China’s economy in 2020. The GDP of China’s economy shrank by 6.8% year-on-year in the first quarter of 2020, which was the first GDP decline since the official record began in 1992. The Group’s gross profit for the Reporting Period also fell by 70.4% to approximately RMB30.7 million (year ended 31 December 2019: approximately RMB103.8 million while gross profit margin fell to 18.9% (year ended 31 December 2019: 21.9%). Due to the sharp decline in turnover and gross profit, the Group recorded a loss for the first time since its listing of approximately RMB32.3 million (year ended 31 December 2019: profit of RMB30.8 million).

FOOD BUSINESS

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

The Group’s products are sold through supermarkets, trading companies, convenience stores and other sales channels, such as food companies, gift stores and e-commerce retailers.

中國升海食品控股有限公司(「本公司»)之董事(「董事»)會(「董事會»)欣然公佈本公司及其附屬公司(統稱「本集團»)截至二零二零年十二月三十一日止年度「報告年內»)之經審核綜合全年業績連同二零一九年同期之比較數字。

業務回顧

本集團於中國銷售乾海產品、藻類產品及菌類產品以及海洋休閒產品。本集團(i)採購高質的未加工及已加工原材料，(ii)將未加工原材料的加工工序分包予第三方，(iii)在本集團的自有包裝設施或透過分包商包裝產品，及(iv)以自有品牌「沃豐」銷售包裝產品。本集團亦銷售未包裝乾海產品以及藻類產品及菌類產品。本集團自二零二零年初起亦從事快速消費品之銷售。

本集團的收益由截至二零一九年十二月三十一日止年度的約人民幣472.9百萬元減少約65.6%至報告期間的約人民幣162.7百萬元。二零二零年，在二零一九冠狀病毒病(「COVID-19»)疫情的爆發為中國經濟帶來重創。中國經濟於二零二零年第一季度GDP同比萎縮6.8%，是自一九九二年有官方記錄以來季度GDP首次下滑。於報告期間，本集團的毛利亦減少70.4%至約人民幣30.7百萬元(截至二零一九年十二月三十一日止年度：約人民幣103.8百萬元)，而毛利率減少至18.9%(截至二零一九年十二月三十一日止年度：21.9%)。由於營業額及毛利之大幅下降，本集團錄得自上市以來首次虧損約人民幣32.3百萬元(截至二零一九年十二月三十一日止年度：利潤人民幣30.8百萬元)。

食品業務

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

本集團透過超市、貿易公司、便利店及其他銷售管道(如食品公司、禮品店及零售電商)銷售產品。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As a result of the outbreak of the COVID-19 epidemic, a series of precautionary and control measures have been implemented across the PRC and the Group's operations have been seriously affected. Consumers' demand for the Group's products has fallen further, leading to the Group's customers becoming more cautious when placing orders with the Group. In addition, to ensure the health and safety of employees and customers, the Group has suspended most of the product promotion activities during the year, which directly affected the turnover and results of our food business. The Group's revenue from food business decreased by approximately 67.1% from approximately RMB472.9 million for the year ended 31 December 2019 to approximately RMB155.6 million during the reporting period, and recorded a loss of approximately RMB25.9 million (year ended 31 December 2019: profit of approximately RMB51.0 million).

FAST MOVING CONSUMER GOODS AND OTHER BUSINESS

The Group has been actively studying the feasibility of stepping into other industries, and spared no effort to actively seek cooperation and merger and acquisition opportunities for the Group to obtain growth momentum to make full use of the Company's financial strength. Taking into account the possible long-term impact of the Sino-US trade war on China's economy, coupled with the impact of the COVID-19 epidemic, the Group believes that it should expand more businesses other than food to balance its business risks. In early 2020, the Group began our new fast moving consumer goods business, which will mainly involve in the sales of cosmetics, daily necessities, fashion and accessories. For the year ended 31 December 2020, the Group's fast moving consumer goods business realised total transaction amount of approximately RMB132.9 million and a net revenue of approximately RMB7.2 million and recorded a profit of approximately RMB3.2 million.

For the published Interim results for the six months ended 30 June 2020, the revenue in relation to fast moving consumer goods business were recognised on gross basis. However, during the audit for the year ended 31 December 2020, the auditors of the Group considered the Group was acting agent instead of a principal in the sales and purchase activities of such business and therefore should recognise revenue on net basis. As a result, there has been an overstatement of revenue and cost of sales amounted RMB66.3 million and RMB66.3 million respectively for the six months period ended. Such overstatement has been corrected for the year ended 31 December 2020 by correcting each of the affect financial statement line items.

在COVID-19疫情爆發的影響下，一系列預防和管制措施在全國範圍內施行，本集團之運營受到嚴重影響。消費者對本集團的產品需求進一步下降，導致本集團之客戶在向本集團下單時更趨向謹慎。此外，為確保員工和客戶的健康與安全，本集團於年內已暫停大部份產品推廣活動，此直接影響了我們食品業務之營業額及業績。本集團來自食品業務之收益由截至二零一九年十二月三十一日止年度的約人民幣472.9百萬元減少約67.1%至報告期間的約人民幣155.6百萬元，並錄得虧損約人民幣25.9百萬元（截至二零一九年十二月三十一日止年度：利潤約人民幣51.0百萬元）。

快速消費品及其他業務

本集團一直積極研究涉足其他行業的可行性，並不遺餘力地通過積極尋求合作以及併購機會為集團取得增長動力充分利用公司的財務實力。考慮到中美貿易摩擦對中國經濟有可能帶來長遠影響，加上COVID-19疫情帶來各方面之打擊，本集團認為應該通過拓展更多食品以外業務以平衡業務風險。二零二零年初，本集團開始我們新的快速消費品業務，該業務將主要涉及化妝品、日用品、時裝及配飾之銷售。截至二零二零年十二月三十一日止年度，集團之消費品業務實現交易總額約人民幣132.9百萬元，並錄得淨收益約人民幣7.2百萬元，並錄得利潤約人民幣3.2百萬元。

就截至二零二零年六月三十日止六個月的已刊發中期業績而言，與快速消費品業務相關的收益乃按總額基準確認。然而，於截至二零二零年十二月三十一日止年度的審核期間，本集團審計師認為本集團為有關業務銷售及採購活動的臨時代理人而非負責人，故應按淨額基準確認收益。因此，截至該日止六個月期間多報收入及銷售成本分別為人民幣66.3百萬元及人民幣66.3百萬元。該等截至二零二零年十二月三十一日止年度多報的金額已經糾正各受影響財務報表的項目予以糾正。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

OUTLOOK

Even though the COVID-19 pandemic has brought the biggest challenge to the Group since its establishment, the Group believes that the pandemic has brought challenges as well as opportunities. The outbreak of the pandemic has accelerated and changed people's consumption habits, and e-commerce has become the major way of daily consumption of the people. In addition, the outbreak of the epidemic has also highlighted the business risks brought about by oversimplification of business. In order to maintain the financial strength and stable growth strategy in these difficulties, the Group will actively change its existing to traditional sales model and increase investment in the development of e-commerce business. In addition, the Group will also further expand its businesses other than food to diversify its sources of income, and will spare no effort in seeking cooperation and merger and acquisition opportunities for the Group to gain growth momentum and make full use of the company's financial strength.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

OPERATING RESULTS AND FINANCIAL REVIEW

REVENUE

During the Reporting Period, the Group's revenue decreased by approximately 65.6% to approximately RMB162.7 million from approximately RMB472.9 million for the year ended 31 December 2019, primarily due to decreases in both sales volume and average selling prices.

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

		2020		2019	
		二零二零年	% to total	二零一九年	% to total
		RMB'000	revenue	RMB'000	revenue
		人民幣千元	佔總收益的	人民幣千元	佔總收益的
			百分比(%)		百分比(%)
Food business	食品業務				
Dried seafood	乾海產品	88,018	54.1%	246,108	52.1%
Algae and fungi	藻類產品及菌類產品	62,755	38.6%	190,283	40.2%
Seafood snacks	海洋休閒產品	4,780	2.9%	36,497	7.7%
Fast moving consumer goods and other business	快速消費品及其他業務	7,165	4.4%	–	N/A不適用
Total	總計	162,718		472,888	

展望

縱使COVID-19疫情為本集團帶來了自成立以來最大的挑戰，但本集團相信疫情帶來挑戰的同時亦帶來契機，疫情的爆發加速改變了人民的消費習慣，電商進一步成為人民日常消費的主要方式。此外，疫情的爆發亦突顯了業務過分單一所帶來的業務風險。為了在這些困難中保持財務實力和穩定增長的戰略，本集團將積極改變現有至傳統銷售模式，加大投資往電商業務發展。另外，本集團亦將進一步擴大除食品以外的業務，以多樣化其收入來源，並將不遺餘力地通過積極尋求合作以及併購機會為集團取得增長動力及充分利用公司的財務實力。

購買、出售或贖回上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

經營業績及財務回顧

收益

於報告期內，本集團的收益由截至二零一九年十二月三十一日止年度的約人民幣472.9百萬元減少約65.6%至約人民幣162.7百萬元，主要是由於銷量及平均售價均有所下降所致。

下表載列於報告年內按本集團產品類別劃分的收益：

Year ended 31 December 截至十二月三十一日止年度

	% to total		% to total
	revenue		revenue
	佔總收益的		佔總收益的
	百分比(%)		百分比(%)

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROSS PROFIT AND GROSS PROFIT MARGIN

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

		Year ended 31 December 截至十二月三十一日止年度			
		2020 二零二零年 RMB'000 人民幣千元	Gross profit margin 毛利率 (%)	2019 二零一九年 RMB'000 人民幣千元	Gross profit margin 毛利率 (%)
Food business	食品業務	23,551	15.1%	103,769	21.9%
Fast moving consumer goods and other business	快速消費品及其他業務	7,165	100%	–	N/A不適用
Total	總計	30,716	18.9%	103,769	21.9%

The Group's gross profit margin was approximately 18.9% and approximately 21.9% during the Reporting Year and for the corresponding period of last year. The decrease in gross profit margin was mainly due to the decrease in average selling prices during the year.

OTHER INCOME AND OTHER GAINS/(LOSSES), NET

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

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses primarily consist of salaries and employee benefit expenses for employees engaging in the sales and promotion activities, transportation expenses, advertising and promotion expenses, rental expenses and other expenses. As a percentage of revenue, our selling and distribution expenses amounted to approximately 22.0% and 9.2% for the year ended 31 December 2020 and 2019, respectively. This increase was primarily due to the decrease in revenue of the Group during the Reporting Year.

ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of salaries and employees benefit expenses, rental expenses, office expenses, depreciation and others. As a percentage of revenue, our administrative expenses increased from approximately 3.0% for the year ended 31 December 2019 to approximately 11.8% for the Reporting Year, mainly due to the decrease in revenue of the Group during the Reporting Year.

毛利及毛利率

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

本集團的毛利率於報告年內及去年同期分別為約18.9%及約21.9%。毛利率下降主要是由於年內平均售價下跌所致。

其他收入及其他收益／（虧損）淨額

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

銷售及分銷開支

銷售及分銷開支主要包括從事銷售及推廣活動的僱員的薪金及僱員福利開支、運輸開支、廣告及推廣開支、租賃開支及其他開支。截至二零二零年及二零一九年十二月三十一日止年度，我們的銷售及分銷開支佔收益的百分比分別約為22.0%及9.2%，相關增幅乃主要由於本集團於報告年內之收益下降所致。

行政開支

行政開支主要包括薪金及僱員福利開支、租賃開支、辦公開支、折舊及其他。行政開支佔收益的百分比由截至二零一九年十二月三十一日止年度的約3.0%上升至報告年內的約11.8%，主要由於本集團於報告年內之收益下降所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INCOME TAX EXPENSES

Income tax expense primarily consists of Enterprise Income Tax of Xiamen Wofan Foodstuffs Company Limited and Fujian Wofan Foodstuffs Company Limited, the applicable tax rate of which being 25%. For the year ended 31 December 2020 and 2019, income tax expense were approximately RMB1.9 million and RMB15.2 million, respectively.

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

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

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURES

CASH FLOWS

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

NET CURRENT ASSETS

Net current assets decreased from approximately RMB404.3 million as at 31 December 2019 to approximately RMB391.7 million as at 31 December 2020. The decrease was primarily attributable to an increase in inventories and cash and cash equivalents and decrease in trade payables.

CASH AND CASH EQUIVALENT AND BANK BORROWINGS

During the Reporting Year, the Group maintained a healthy liquidity position. As at 31 December 2020, cash and cash equivalents of the Group was approximately RMB213.5 million, as compared to approximately RMB242.6 million as at 31 December 2019 and the Group has no bank borrowings.

GEARING RATIO

As at 31 December 2020, the gearing ratio (calculated by total debt divided by the total equity as at the end of the year) was 0.040 (31 December 2019: 0.009).

INVENTORIES

As at 31 December 2020, inventories amounted to approximately RMB75.5 million (2019: approximately RMB79.1 million). The number of inventory turnover days was approximately 214 days (2019: 74 days).

TRADE RECEIVABLES

As at 31 December 2020, trade receivables amounted to approximately RMB133.5 million (2019: approximately RMB102.3 million). The Group granted its customers a credit period of 30 to 120 days following the day of delivery. The number of turnover days for trade receivables was approximately 264 days (2019: approximately 82 days).

所得稅開支

所得稅開支主要包括廈門沃豐食品有限公司及福建沃豐食品有限公司按適用稅率25%繳納的企業所得稅。截至二零二零年及二零一九年十二月三十一日止年度，所得稅開支分別約人民幣1.9百萬元及人民幣15.2百萬元。

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

由於本集團並無於香港產生應課稅溢利，故並無計提香港利得稅撥備。

流動資金及財務資源及資本架構

現金流量

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

流動資產淨值

流動資產淨值由二零一九年十二月三十一日約人民幣404.3百萬元下跌至二零二零年十二月三十一日約人民幣391.7百萬元，下跌乃主要由於存貨及現金及現金等價物增加及貿易應付款項減少所致。

現金及現金等價物及銀行借款

於報告年內，本集團維持良好的流動資金狀況。於二零二零年十二月三十一日，本集團現金及現金等價物約為人民幣213.5百萬元，而於二零一九年十二月三十一日約為人民幣242.6百萬元，本集團無銀行借款。

資產負債比率

於二零二零年十二月三十一日，資產負債比率（按總債務除以年末權益總額）為0.040（二零一九年十二月三十一日：0.009）。

存貨

於二零二零年十二月三十一日，存貨為約人民幣75.5百萬元（二零一九年：約人民幣79.1百萬元）。存貨週轉天數為約214天（二零一九年：74天）。

貿易應收款項

於二零二零年十二月三十一日，貿易應收款項為約人民幣133.5百萬元（二零一九年：約人民幣102.3百萬元）。本集團授予其客戶的信貸期自送貨日期翌日起計為期30至120天。貿易應收款項週轉天數為約264天（二零一九年：約82天）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

TRADE PAYABLES

As at 31 December 2020, trade payables amounted to approximately RMB16.4 million (2019: approximately RMB8.7 million). The Group managed to obtain a credit period of an average of 30-60 days from the majority of its suppliers.

CAPITAL EXPENDITURES

For the year ended 31 December 2020, the Group's capital expenditure amounted to approximately RMB7.2 million (Year ended 31 December 2019: approximately RMB5.0 million).

PLEDGE OF ASSETS

As at 31 December 2020, the Group did not pledge any assets.

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

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

EXCHANGE RISK EXPOSURE

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

EMPLOYEES

As at 31 December 2020, the Group had 486 full time employees in total (31 December 2019: 554). The Group remunerates its employees based on their performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees. The package includes salaries, medical insurance, discretionary bonuses, other benefits as well as mandatory provident fund schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2020 to the shareholders.

貿易應付款項

於二零二零年十二月三十一日，貿易應付款項為約人民幣16.4百萬元（二零一九年：約人民幣8.7百萬元）。本集團獲大多數供應商授出平均30至60天的信貸期。

資本開支

於截至二零二零年十二月三十一日止年度，本集團的資本開支約為人民幣7.2百萬元（截至二零一九年十二月三十一日止年度：約人民幣5.0百萬元）。

資產抵押

於二零二零年十二月三十一日，本集團概無任何資產抵押。

重大投資、重大收購及出售附屬公司及 聯營公司

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

外匯風險

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

僱員

於二零二零年十二月三十一日，本集團合共有486名（二零一九年十二月三十一日：554名）全職僱員。本集團按僱員表現、經驗及現行行業常規付予僱員薪酬。為挽留精英僱員，本集團提供有競爭力的薪酬待遇。待遇包括薪金、醫療保險、酌情花紅、其他福利以及香港僱員的強積金計劃及中國僱員的國家管理退休福利計劃。

末期股息

董事會不建議就截至二零二零年十二月三十一日止年度向股東派付末期股息。

REPORT OF THE DIRECTORS

董事會報告

The Directors is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in Note 25 to the Consolidated Financial Statements.

SEGMENT INFORMATION

An analysis of the Group's turnover and results by business segments for the year ended 31 December 2020 is set out in note 6 to the Consolidated Financial Statements.

RESULT AND APPROPRIATION

The Group's financial information for the year ended 31 December 2020 and the financial position of the Group as at 31 December 2020 are set out in the consolidated financial statements from pages 47 to 123.

No dividend has been declared or proposed by the Directors in respect of the year ended 31 December 2020 (2019: Nil).

BUSINESS REVIEW

A review of the business, financial key performance indicators and outlook of the Group for the year ended 31 December 2020 are provided in the Chairman's Statement and Management Discussion and Analysis on pages 4 to 5 and pages 9 to 14 of this annual report.

ENVIRONMENTAL POLICY

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

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

DIVIDEND POLICY

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

董事欣然提呈其報告連同本集團截至二零二零年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司主要業務為投資控股，而本公司主要附屬公司的主要業務載於綜合財務報表附註25。

分部資料

截至二零二零年十二月三十一日止年度，本集團按業務分部劃分之營業額及業績分析載於綜合財務報表附註6。

業績及分派

本集團截至二零二零年十二月三十一日止年度之財務資料及本集團於二零二零年十二月三十一日之財務狀況載於第47至123頁的綜合財務報表。

董事並未宣派或建議派付截至二零二零年十二月三十一日止年度之任何股息（二零一九年：零）。

業務回顧

本集團截至二零二零年十二月三十一日止年度之業務回顧、主要財務表現指標及展望載於本年報第4至5頁之主席報告及第9至14頁之管理層討論及分析。

環境政策

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

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

股息政策

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

REPORT OF THE DIRECTORS

董事會報告

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

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

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

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

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

遵守有關法律及法規

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

REPORT OF THE DIRECTORS

董事會報告

PRINCIPAL RISK AND UNCERTAINTIES

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

RELATIONSHIPS WITH STAKEHOLDERS

EMPLOYEES

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

SUPPLIERS

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

CUSTOMERS

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

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statements of comprehensive income on page 47.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 124 of this annual report.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in Note 23 to the Consolidated Financial Statements.

主要風險及不確定性

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

與持份者之關係

僱員

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

供應商

我們已跟多名供應商建立長久的合作關係，並每年進行公正嚴謹的評核。

客戶

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

業績及分派

本集團截至二零二零年十二月三十一日止年度之業績載於第47頁的綜合全面收益表。

五年財務摘要

本集團過往五個財政年度的業績、資產及負債摘要乃載於本年報第124頁。

股本

本公司股本的年內變動詳情載於綜合財務報表附註23。

REPORT OF THE DIRECTORS

董事會報告

RESERVES

Movements in the reserves of the Group during the year ended 31 December 2020 are set out in the consolidated statements of changes in equity on page 49 of this annual report.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law of the Cayman Islands and the Company's articles of association (the "Articles of Association"), amounted to approximately RMB85.1 million (as at 31 December 2019: approximately RMB92.7 million).

MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's largest and five largest customers accounted for approximately 8.9% and 36.8% of the total turnover for the year 2020 respectively. Purchases from the Group's largest and five largest suppliers accounted for approximately 14.7% and 44.6% of the total purchases for the year 2020 respectively.

To the best knowledge of the Directors, neither the Directors, their associates, nor any shareholders who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 December 2020.

SUBSIDIARIES

Details of the principal subsidiaries of the Company are set out in Note 25 to the Consolidated Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

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

CHARITABLE CONTRIBUTIONS

During the year, the Group did not made charitable contributions (2019: Nil).

儲備

於截至二零二零年十二月三十一日止年度，本集團儲備的變動載於本年報第49頁的綜合權益變動表。

可供分派儲備

於二零二零年十二月三十一日，根據開曼群島公司法及本公司之組織章程細則（「公司細則」）之條文計算，本公司可供分派儲備為約人民幣85.1百萬元（於二零一九年十二月三十一日：約人民幣92.7百萬元）。

主要客戶及供應商

本集團最大及五大客戶的銷售額分別佔二零二零年總營業額約8.9%及36.8%。本集團最大及五大供應商的採購額分別佔二零二零年總採購額約14.7%及44.6%。

就董事所深知，於截至二零二零年十二月三十一日止年度，董事、其聯繫人或擁有本公司已發行股本5%以上的任何股東，概無於本集團五大客戶或供應商擁有任何實益權益。

附屬公司

本公司主要附屬公司的詳情載於綜合財務報表附註25。

物業、廠房及設備

物業、廠房及設備的年內變動詳情載於綜合財務報表附註13。

慈善捐款

年內，本集團並無作出慈善捐款（二零一九年：零）。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS AND DIRECTORS' SERVICE AGREEMENTS

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

EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Joint-Chairman and Chief Executive Officer*)
(redesignated as Joint-Chairman on 14 January 2020)
Ms. Li Jiayin

NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (*Joint-Chairman*)
(appointed on 14 January 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin
Mr. Chen Sze Hung (resigned on 14 January 2020)
Mr. Pang Wai Ching
Mr. Liu Junting (appointed on 14 January 2020)

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

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

DIRECTORS' REMUNERATION

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

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

董事及董事服務合約

於年內及截至本報告日期在任的本公司董事為：

執行董事

劉榮如先生 (*聯席主席兼行政總裁*)
(於二零二零年一月十四日調任為聯席主席)
李佳音女士

非執行董事

李東凡先生 (*聯席主席*)
(於二零二零年一月十四日獲委任)

獨立非執行董事

劉大進先生
陳斯雄先生 (於二零二零年一月十四日辭任)
彭偉正先生
劉俊廷先生 (於二零二零年一月十四日獲委任)

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

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

董事薪酬

董事薪酬乃根據董事的職責、責任及表現以及本集團的業績釐定。

董事薪酬詳情載於綜合財務報表附註12。

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHIES OF DIRECTORS

The biographical details of the Directors of the Group are disclosed in the section headed “Biographical Details of the Directors” on pages 6 to 8 of this annual report.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

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

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year ended 31 December 2020, there was no material acquisition or disposal of subsidiaries or associated companies by the Company.

SHARE OPTION SCHEME

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

董事履歷

本集團董事履歷詳情披露於本年報第6至8頁的「董事履歷」一節。

控股股東不競爭承諾

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

重大收購及出售附屬公司及聯營公司

於截至二零二零年十二月三十一日止年度，概無重大收購或出售本公司附屬公司或聯營公司。

購股權計劃

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

REPORT OF THE DIRECTORS

董事會報告

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

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

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

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

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

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

REPORT OF THE DIRECTORS

董事會報告

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

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

董事及高級行政人員於股份、相關股份及債券的權益及淡倉

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

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

Note:

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

附註：

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

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

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

REPORT OF THE DIRECTORS

董事會報告

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

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

主要股東於本公司股份及相關股份的權益及淡倉

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

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

Notes:

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

附註：

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

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

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

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

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

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

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

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

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

COMPETITION AND CONFLICT OF INTERESTS

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

PURCHASES, SALE AND REDEMPTION OF LISTED SECURITIES

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

MANAGEMENT CONTRACTS

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

獲准許的彌償條文

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

本公司已投購及維持董事責任保險，其為董事及本集團附屬公司董事提供適當保護。

董事及控股股東於重要合約之權益

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

關連交易及持續關連交易

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

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

競爭及利益衝突

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

購買、出售及贖回上市證券

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

管理合約

年內，概無訂立或存在涉及本公司全部或任何重大部分業務的管理及行政合約。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

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

CORPORATE GOVERNANCE

The Company is committed to adopt corporate governance practice. The Company's corporate governance practices are set out in the Corporate Governance Report on pages 26 to 40.

AUDITORS

The Consolidated Financial Statements for the year ended 31 December 2020 have been audited by BDO Limited which retires, and being eligible, offer itself for re-appointment at the AGM. A resolution to re-appoint BDO Limited and to authorize the Directors to fix its remuneration will be proposed at the AGM.

On behalf of the Board

Liu Rongru

Executive Director

Xiamen, the PRC, 29 March 2021

優先購買權

本公司的公司細則或開曼群島法律下並無有關優先購買權的條文。

足夠公眾持股量

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

企業管治

本公司承諾採納企業管治常規。本公司的企業管治常規載於第26至40頁之企業管治報告。

核數師

截至二零二零年十二月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，其將於股東週年大會上退任，惟其符合資格並願意膺選連任。於股東週年大會上將提呈一項決議案以續聘香港立信德豪會計師事務所有限公司，並授權董事釐定其酬金。

代表董事會

執行董事

劉榮如

中國廈門市，二零二一年三月二十九日

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

Under the code provision A.1.1 of the CG Code, the Board should meet regularly and the board meetings should be held at least four times a year at approximately quarterly intervals. During the year ended 31 December 2020, the Board held three Board meetings. The significant matters concerning the business activities and operation of the Group had been either duly reported, discussed and resolved at the three Board meetings or dealt with by the Board by way of written resolutions for expeditious commercial decisions making purposes.

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

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

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

根據企業管治守則之守則條文A.1.1，董事會應定期舉行會議，及應每年最少舉行四次董事會會議，大約每季一次。於截至二零二零年十二月三十一日止年度，董事會舉行了三次董事會會議。本集團業務活動及營運之所有重大事項已在三次董事會會議上作出妥善報告、討論與議決，或由董事會透過書面決議案處理迅速商業決策。

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

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Code provision E.1.2 of the CG Code requires the chairman of the board to invite the chairmen of the Audit Committee, Remuneration Committee, Nomination Committee and any other committees (as appropriate) to attend the annual general meeting. In their absence, he should invite another member of the Committee or failing this his duly appointed delegate, to attend. Due to other business commitments, the chairmen and members of the Audit Committee, Remuneration Committee and Nomination Committee of the Company could not attend the annual general meeting of the Company held in May 2020.

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

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

CORPORATE GOVERNANCE PRACTICES

(A) BOARD OF DIRECTORS

Responsibilities and Delegation

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

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

企業管治守則之守則條文E.1.2規定，董事會主席應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（視何者適用而定）的主席出席股東週年大會。若有關委員會主席未能出席，其應邀請另一名委員（或如該名委員未能出席，則其適當委任的代表）出席。本公司之審核委員會、薪酬委員會及提名委員會之主席及成員因其他公務而未能出席本公司於二零二零年五月舉行之股東週年大會。

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

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

企業管治常規

(A) 董事會

職責及授權

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

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

CORPORATE GOVERNANCE REPORT

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Board Composition

The Board members during the year ended 31 December 2020 and up to the date of this report are as follows:

EXECUTIVE DIRECTORS:

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

Ms. Li Jiayin

NON-EXECUTIVE DIRECTOR:

Mr. Li Dongfan (Joint-Chairman)
(appointed on 14 January 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Liu Dajin
Mr. Chen Sze Hung (resigned on 14 January 2020)

Mr. Pang Wai Ching
Mr. Liu Junting (appointed on 14 January 2020)

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

董事會組成

截至二零二零年十二月三十一日止年度及截至本報告日期止之董事會成員如下：

執行董事：

劉榮如先生（聯席主席兼行政總裁）
（於二零二零年
一月十四日調任聯席主席）
李佳音女士

非執行董事：

李東凡先生（聯席主席）
（於二零二零年一月十四日獲委任）

獨立非執行董事：

劉大進先生
陳斯雄先生
（於二零二零年一月十四日辭任）
彭偉正先生
劉俊廷先生
（於二零二零年一月十四日獲委任）

董事會目前由兩名執行董事，一名非執行董事及三名獨立非執行董事組成，彼等來自不同的業務及專業領域。各董事的履歷載於本年報「董事履歷」部分。董事（包括獨立非執行董事）為董事會帶來了廣泛而寶貴的業務經驗、知識及專業精神，以便董事會有效率及有效益地發揮職能。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Diversity Policy

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

Measurable Objectives and Selection

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

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

Implementation and Monitoring

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

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

董事會成員多元化政策

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

可計量目標及甄選

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

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

實施及監控

提名委員會將監控董事會成員多元化政策的實施情況及每年向董事會作出匯報。

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

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Board Meetings

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

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

During the year and up to the date of this annual report, five Board meetings have been held, at which the Directors approved the interim results of the Group for the six months ended 30 June 2020 and the annual results of the Group for the years ended 31 December 2020 and 2019, reviewed the results announcements and interim and annual reports and resolved other business matters.

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

董事會會議

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

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

於本年度及直至本年報日期，董事會舉行五次會議，董事於該會議上批准本集團截至二零二零年六月三十日止六個月的中期業績和截至二零二零年及二零一九年十二月三十一日止年度的年度業績並審閱業績公佈、中期報告及年報，並決議了其他業務事項。

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

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Appointments, Re-election and Removal of Directors

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

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

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

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

Training Induction and Continuing Development of Directors

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

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

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

委任、重選及罷免董事

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

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

所有董事均須至少每三年輪值退任一次。

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

董事的培訓指引及持續發展

董事熟知作為本公司董事之責任以及本公司的運作、業務活動及發展。

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

董事持續獲得有關法定及監管制度及營商環境之最新資料，以助彼等履行職責。

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Model Code for Securities Transactions

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

(B) BOARD COMMITTEES

Nomination Committee

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

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

Nomination Policy

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

進行證券交易的標準守則

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

(B) 董事會下轄委員會

提名委員會

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

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

提名政策

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

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Selection Criteria

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

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
- (5) qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (6) the number of existing directorships and other commitments that may demand the attention of the candidate;
- (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 3.08, 3.09 and 3.13 of the Listing Rules;
- (8) Board Diversity Policy of the Company and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and
- (9) such other perspectives appropriate to the Company's business.

甄選標準

於評估建議候選人適合與否時，提名委員會將使用下列因素作為參考：

- (1) 誠信聲譽；
- (2) 本集團所從事業務方面的成就及經驗；
- (3) 可投入的時間及對相關利益的承擔；
- (4) 各方面的多元化，包括但不限於種族、性別、年齡（18歲或以上）、教育背景、專業經驗、技能及服務任期；
- (5) 資歷，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；
- (6) 現有董事人數以及其他可能需要候選人關注的承擔；
- (7) 董事會根據上市規則有關委任獨立非執行董事的規定，以及候選人參照上市規則第3.08條、3.09條及3.13條所載的獨立指引是否被視為獨立；
- (8) 本公司的董事會成員多元化政策以及提名委員會為實現董事會成員多元化而採納的任何可計量目標；及
- (9) 其他適用於本公司業務的有關因素。

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Director Nomination Procedure

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

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

Audit Committee

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

董事提名程序

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

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

審核委員會

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

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

The Audit Committee has reviewed the Company's financial statements and the Group's consolidated financial statements for the year ended 31 December 2020, including the accounting principles and practices adopted by the Company and the Group.

During the year, two meetings have been held by the Audit Committee. At such meetings, it reviewed the interim results of the Group for the six months ended 30 June 2020. It also reviewed the annual results of the Group for the year ended 31 December 2019 with the independent auditors and the activities of the Group's internal control and risk management functions. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the CG Code.

Remuneration Committee

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

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

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

審核委員會已審閱截至二零二零年十二月三十一日止年度本公司財務報表及本集團綜合財務報表,包括本公司及本集團所採納的會計原則及應用。

於本年度,審核委員會舉行兩次會議。於該等會議上,審核委員會審閱本集團截至二零二零年六月三十日止六個月的中期業績,亦與獨立核數師審閱本集團截至二零一九年十二月三十一日止年度的年度業績及本集團內部監控及風險管理職能活動。審核委員會亦審閱本公司執行企業管治守則所載企業管治規定的進展。

薪酬委員會

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

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

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

董事的薪酬詳情載於綜合財務報表附註12。

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

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

The attendance of individual members of the Board and other Board Committees meetings during the year is set out in the table below:

於本年度董事會及其他董事會下轄委員會成員出席會議情況載列於下表：

		Board Meeting 董事會	Meeting attended/held 出席/舉行會議		Nomination Committee 提名委員會
			Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	
Executive Directors	執行董事				
Mr. Liu Rongru (<i>Joint-Chairman and Chief Executive Officer</i>) (redesignated as Joint-Chairman on 14 January 2020)	劉榮如先生 (聯席主席兼行政總裁) (於二零二零年一月十四日調任為聯席主席)	6/7	N/A 不適用	3/3	3/3
Ms. Li Jiayin	李佳音女士	7/7	N/A 不適用	N/A 不適用	N/A 不適用
Non-Executive Director	非執行董事				
Mr. Li Dongfan (<i>Joint-Chairman</i>) (appointed on 14 January 2020)	李東凡先生 (聯席主席) (於二零二零年一月十四日獲委任)	6/7	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-Executive Directors	獨立非執行董事				
Mr. Liu Dajin	劉大進先生	6/7	2/2	3/3	3/3
Mr. Chen Sze Hung (resigned on 14 January 2020)	陳斯雄先生 (於二零二零年一月十四日辭任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Liu Junting (appointed on 14 January 2020)	劉俊廷先生 (於二零二零年一月十四日獲委任)	5/7	2/2	2/3	2/3
Mr. Pang Wai Ching	彭偉正先生	7/7	2/2	N/A 不適用	N/A 不適用

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(C) ACCOUNTABILITY AND AUDIT

Directors' and Auditors' Acknowledgement

The Audit Committee and the Board have reviewed the Group's consolidated financial statements for the year ended 31 December 2020. The Directors acknowledge their responsibilities for preparing accounts, the financial statements, performance position and prospects of the Group. Management has provided information and explanation to the Board to enable it to make an informed assessment of the financial and other information put before the Board for approval. The Directors believed that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable.

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

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

Auditor's Remuneration

For the year ended 31 December 2020, the analysis of the remuneration of the Company's auditor, BDO Limited, paid/payable is set out below:

Audit services

審核服務

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

(C) 問責性及審核

董事及核數師的確認

審核委員會及董事會已審閱本集團截至二零二零年十二月三十一日止年度的綜合財務報表。董事確認，彼等的責任乃編製本集團的賬目、財務報表、表現狀況及前景。管理層向董事會提供所有相關資料及解釋，以讓董事會可就提呈董事會審批的財務及其他資料作出知情評估。董事相信，彼等已選用適當的會計政策並貫徹應用，作出審慎及合理的判斷及估計。

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

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

核數師薪酬

截至二零二零年十二月三十一日止年度，已付／應付本公司核數師香港立信德豪會計師事務所有限公司的薪酬分析載列如下：

Amount
金額
(HK\$'000)
(千港元)

1,080

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

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(D) RISK MANAGEMENT AND INTERNAL CONTROLS

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

Handling and Dissemination of Inside Information

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

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

(D) 風險管理及內部監控

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

內幕消息的處理和傳播

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

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

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(E) COMPANY SECRETARY

The Board appoints its Company Secretary in accordance with the Company's Articles of Association and in compliance with the requirements of the Listing Rules. The Company Secretary has complied with the professional training requirement as set out in the Rule 3.29 of the Listing Rules during the year ended 31 December 2020.

(F) SHAREHOLDERS' RIGHTS

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

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

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

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

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

(E) 公司秘書

董事會根據本公司的公司細則及遵照上市規則之規定委任公司秘書。截至二零二零年十二月三十一日止年度，公司秘書已遵守上市規則第3.29條所載有關專業培訓的規定。

(F) 股東權利

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

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

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

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

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

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(G) INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

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

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

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

Constitutional Documents

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

(G) 投資者關係及與股東的溝通

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

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

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

憲章文件

本公司組織章程大綱及細則之最新版本登載於本公司網站。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHINA SHENGHAI GROUP LIMITED

(incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Shenghai Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 47 to 123, which comprise the consolidated statement of financial position as at 31 December 2020 and the consolidated statement of profit or loss and other 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 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS OF OPINION

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

KEY AUDIT MATTERS

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

REVENUE RECOGNITION

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

The Group is principally engaged in the sales of dried seafood, algae and fungi, seafood snacks and procurement and sales of fast moving consumer goods and others.

致中國升海集團有限公司 列位股東之獨立核數師報告書

(於開曼群島註冊成立的有限公司)

意見

吾等已審核中國升海集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第47至123頁的綜合財務報表,當中包括於二零二零年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註,包括重大會計政策概要。

吾等認為,綜合財務報表已根據香港會計師公會頒佈之《香港財務報告準則》真實而公平地反映 貴集團於二零二零年十二月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及其綜合現金流量,並已按照香港《公司條例》披露規定妥為編製。

意見基礎

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

關鍵審核事項

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

收益確認

請參閱於綜合財務報表附註4之重大會計政策概要及附註6之收入披露。

貴集團主要從事乾海產品、藻類產品及菌類產品、海洋休閒產品以及快速消費品及其他產品的採購及銷售。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REVENUE RECOGNITION – continued

Revenue represents income from sales of dried seafood, algae and fungi and seafood snacks sourced from Mainland China, which amounted to RMB155,553,000 for the year ended 31 December 2020, and procurement and sales of fast moving consumer goods to customers in South Korea and others in Hong Kong, which amounted to RMB7,165,000 for the year ended 31 December 2020.

The Group enters into sale and purchase agreements with the distributors, supermarkets and other customers. In accordance with the terms of the agreements, revenue from sales of dried seafood, algae and fungi and seafood snacks is recognised when control of good is transferred to the customers of the Group and revenue from procurement and sale of fast moving consumer goods and others is recognised when the goods being procured for the customers are shipped to the customers.

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

OUR RESPONSE

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

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

收益確認一續

收益指截至二零二零年十二月三十一日止年度銷售自中國內陸採購之乾海產品、藻類產品及菌類產品以及海洋休閒產品達人民幣155,553,000元，以及截至二零二零年十二月三十一日止年度向韓國客戶採購及銷售快速消費品及向香港客戶採購及銷售其他產品達人民幣7,165,000元。

貴集團與分銷商、超市及其他客戶訂立買賣協議，根據該協議之條款，銷售乾海產品、藻類產品及菌類產品以及海洋休閒產品收益於貨品的控制權轉移予本集團客戶時確認，及快速消費品及其他的採購及銷售所得收益於客戶所採購的貨物運至客戶時確認。

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

吾等之回應

吾等有關評估收益確認之程序包括以下各項：

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

IMPAIRMENT ASSESSMENT ON TRADE RECEIVABLES

Refer to summary of significant accounting policies in Note 4, accounting estimates and judgements in Note 5 and disclosure of trade receivables in Note 16 to the consolidated financial statements.

As at 31 December 2020, the Group had net trade receivables amounting to RMB133,482,000, after making loss allowance of RMB4,580,000. It represents 27 % of the total assets of the Group and is considered quantitatively significant to the Group.

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

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

OUR RESPONSE

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

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and calculation of the ECLs;
- assessing, on a sample basis, whether items in the trade receivables ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with the relevant sales invoices;
- assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances; and
- inspecting cash receipts from customers after the financial year end relating to trade receivables balances as at 31 December 2020, on a sample basis.

貿易應收款項減值評估

茲提述綜合財務報表附註4的重大會計政策概要、附註5的會計估計及判斷以及附註16的貿易應收款項披露。

於二零二零年十二月三十一日，作出虧損撥備約人民幣4,580,000元後，貴集團的貿易應收款項淨額為約人民幣133,482,000元，佔貴集團資產總值的27%，數額被視為對貴集團而言屬龐大。

本集團的損失撥備是根據管理層對貿易應收款項的估計損失率，確定其等於全期預期信用損失（「預期信用損失」）的金額。估計損失率考慮了信用歷史，包括拖欠或延遲付款，結算記錄，後續結算以及貿易應收款項的賬齡分析。

如前所述，由於進行減值評估需要大量的判斷和估計，因此我們已將貿易應收款項的減值評估確定為關鍵審計事項。

吾等的回應

吾等就管理層對貿易應收款項減值評估進行的程序包括：

- 了解及評估有關信貸監控、債務收取及計算預期信貸虧損之關鍵內部控制的設計、實施及運作成效；
- 透過抽樣比較個別項目與相關銷售發票，評估貿易應收款項賬齡報告的項目是否已分類至適當的賬齡類別；
- 透過檢查管理層用以作出有關判斷的資料（包括測試過往違約數據的準確性及評估過往虧損率是否根據當前經濟狀況及前瞻性資料作出適當調整及審查本財政年度錄得的實際虧損），評估管理層虧損撥備估計的合理性；及
- 抽樣檢查財政年度結束後來自客戶與截至二零二零年十二月三十一日的貿易應收款餘額有關的現金收入。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

年報內的其他資料

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

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

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

董事對綜合財務報表的責任

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

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

董事亦負責監督貴集團的財務報告過程。審核委員會協助董事履行此方面的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

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

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

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

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

核數師就審核綜合財務報表承擔的責任

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

BDO Limited

Certified Public Accountants

Wan Che Bun

Practising Certificate Number P05804

Hong Kong, 29 March 2021

核數師就審核綜合財務報表承擔的責任－續

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

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

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響吾等獨立性的所有關係及其他事項，以及為消除不利影響或已採納的防範措施而採取的措施（如適用）。

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

香港立信德豪會計師事務所有限公司

執業會計師

尹子斌

執業證書編號：P05804

香港，二零二一年三月二十九日

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	6	162,718	472,888
Cost of sales	銷售成本		(132,002)	(369,119)
Gross profit	毛利		30,716	103,769
Other income and other gains/(losses), net	其他收入及其他收益/ (虧損)淨額	7	1,100	1,272
Selling and distribution expenses	銷售及分銷開支		(35,878)	(43,734)
Administrative expenses	行政開支		(19,167)	(14,098)
Expected credit loss on financial assets	金融資產的預期信貸虧損		(3,309)	(261)
Finance costs	財務成本	8	(444)	(226)
Other expenses	其他開支		(3,358)	(693)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	9	(30,340)	46,029
Income tax expense	所得稅開支	10	(1,915)	(15,189)
(Loss)/profit for the year attributable to owners of the Company	本公司擁有人應佔年內 (虧損)/溢利		(32,255)	30,840
Other comprehensive income	其他全面收益			
<i>Items that will be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至 損益表的項目：</i>			
– Exchange differences arising on translation of foreign operations	– 換算海外業務產生的 匯兌差額		841	(13)
Other comprehensive income for the year	年內其他全面收益		841	(13)
Total comprehensive (expense)/income for the year attributable to owners of the Company	本公司擁有人應佔年內全面 (開支)/收益總額		(31,414)	30,827
(Loss)/earnings per share – Basic and Diluted (RMB)	每股(虧損)/盈利 – 基本及攤薄(人民幣元)	11	(0.3226)	0.3084

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

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

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	56,979	67,356
Deferred tax assets	遞延稅項資產	22	731	372
Deposits paid to suppliers	支付予供應商之按金	14	1,479	5,746
Rental deposit	租賃按金	17	477	–
Prepayments	預付款	17	3,500	3,150
			63,166	76,624
Current assets	流動資產			
Inventories	存貨	15	75,452	79,106
Trade receivables	貿易應收款項	16	133,482	102,278
Deposits paid to suppliers	支付予供應商之按金	14	7,821	–
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	17	6,392	8,258
Cash and cash equivalents	現金及現金等價物	18	213,479	242,578
			436,626	432,220
Current liabilities	流動負債			
Trade payables	貿易應付款項	19	16,353	8,716
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	20	15,467	12,668
Debentures	債券	28	6,287	–
Lease liabilities	租賃負債	27	2,916	1,065
Provision for taxation	稅項撥備		3,878	5,501
			44,901	27,950
Net current assets	流動資產淨值		391,725	404,270
Total assets less current liabilities	總資產減流動負債		454,891	480,894
Non-current liabilities	非流動負債			
Debentures	債權證	28	6,959	900
Lease liabilities	租賃負債	27	1,515	2,163
			8,474	3,063
Net assets	淨資產		446,417	477,831
CAPITAL AND RESERVE	資本及儲備			
Share capital	股本	23	8,723	8,723
Reserves	儲備		437,694	469,108
Total equity	總股權		446,417	477,831

On behalf of the board of directors

代表董事會

Mr. Liu Rongru
劉榮如先生
Director
董事

Ms. Li Jiayin
李佳音女士
Director
董事

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		Share capital 股本 RMB'000 人民幣千元 Note 23 附註23	Share Premium* 股份溢價* RMB'000 人民幣千元 Note (a) 附註(a)	Special reserve* 特別儲備* RMB'000 人民幣千元 Note (b) 附註(b)	Statutory reserve* 法定儲備* RMB'000 人民幣千元 Note (c) 附註(c)	Exchange reserve* 匯兌儲備* RMB'000 人民幣千元	Other reserve* 其他儲備* RMB'000 人民幣千元	Retained earnings* 保留盈利* RMB'000 人民幣千元	Total equity 總股權 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日的結餘	8,723	138,185	17,800	17,430	(1,976)	5,800	261,042	447,004
Profit for the year	年內溢利	-	-	-	-	-	-	30,840	30,840
Other comprehensive income	其他全面收入								
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(13)	-	-	(13)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(13)	-	30,840	30,827
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	1,195	-	-	(1,195)	-
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日的結餘	8,723	138,185	17,800	18,625	(1,989)	5,800	290,687	477,831
Loss for the year	年內虧損	-	-	-	-	-	-	(32,255)	(32,255)
Other comprehensive income	其他全面收入								
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	841	-	-	841
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	841	-	(32,255)	(31,414)
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	8,723	138,185	17,800	18,625	(1,148)	5,800	258,432	446,417

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

* 該等結餘總額指綜合財務狀況表內的「儲備」。

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

Notes:

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

附註：

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動現金流量		
(Loss)/profit before income tax expense	除所得稅開支前(虧損)/溢利	(30,340)	46,029
Adjustments for:	就以下各項作出調整:		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15,085	10,795
Depreciation of right-of-use assets	使用權資產折舊	2,368	1,404
Written down of inventories	存貨撇減	2,105	-
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	675	-
Impairment loss/(reversal of) on deposit paid to suppliers	支付予供應商之按金的減值虧損/(撥回)	17	(130)
Impairment loss on trade receivables	貿易應收款項減值虧損	3,292	851
Reversal of impairment loss on loan receivables	應收貸款減值虧損撥回	-	(460)
Bank interest income	銀行利息收入	(857)	(866)
Loan interest income	貸款利息收入	-	(329)
Interest on lease liabilities	租賃負債之利息	215	221
Interest expense on debenture	債權證之利息開支	229	-
Gain in early termination of lease	提早終止租賃之收益	-	(23)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	-	1
<i>Operating profit before working capital changes</i>	<i>營運資金變動前的經營溢利</i>	(7,211)	57,493
(Increase)/decrease in trade receivables	貿易應收款項(增加)/減少	(34,496)	6,813
Decrease/(increase) in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少/(增加)	968	(3,128)
Increase in long-term prepayment	長期預付款增加	-	(3,150)
Decrease/(increase) in inventories	存貨減少/(增加)	1,549	(8,800)
Increase/(decrease) in trade payables	貿易應付款項增加/(減少)	7,637	(31,193)
Increase in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項增加	2,798	6,297
<i>Cash (used in)/generated from operations</i>	<i>經營活動(所用)/產生的現金</i>	(28,755)	24,332
Income taxes paid	已付所得稅	(3,897)	(18,698)
<i>Net cash (used in)/generated from operating activities</i>	<i>經營活動(所用)/產生的淨現金</i>	(32,652)	5,634
Cash flows from investing activities	投資活動現金流量		
Prepayment of acquisition of property, plant and equipment	收購物業、廠房及設備的預付款項	(3,500)	-
Purchases of property, plant and equipment	購置物業、廠房及設備	(3,699)	(5,004)
Loan repayment received	貸款償還收款	-	7,993
Interest received	已收利息	857	1,195
<i>Net cash (used in)/generated from investing activities</i>	<i>投資活動(所用)/所得淨現金</i>	(6,342)	4,184

CONSOLIDATED STATEMENTS OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度
(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from financing activities	融資活動現金流量		
Prepayment for lease	租賃預付款	(960)	-
Repayment of the lease liabilities	償還租賃負債	(2,104)	(1,259)
Proceeds from debentures	債券所得款項	19,776	-
Repayment of debenture	償還債券	(6,967)	-
Interest paid	已付利息	(229)	(221)
<i>Net cash generated from/(used in) financing activities</i>	<i>融資活動所得/(所用)的淨現金</i>	9,516	(1,480)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(29,478)	8,338
Cash and cash equivalents at beginning of year	年初現金及現金等價物	242,578	234,253
Effect of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	379	(13)
Cash and cash equivalents at end of year	年末現金及現金等價物	213,479	242,578
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘的分析		
Cash and bank balances	現金及銀行結餘	213,479	242,578

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

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

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

The directors consider the Company's immediate and ultimate holding company is Precisely Unique Limited, which is incorporated in the British Virgin Islands and the ultimate controlling shareholder is Mr. Liu Rongru.

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

(A) ADOPTION OF NEW OR AMENDED HKFRSs – EFFECTIVE FROM 1 JANUARY 2020

The Hong Kong Institute of Certified Public Accountants has issued a number of amended HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRS 3, Definition of a Business
- Amendments to HKAS 1 and HKAS 8, Definition of Material
- Amendments to HKAS 39, HKFRS 7 and HKFRS 9, Interest Rate Benchmark Reform

None of these amended HKFRSs has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

1. 一般資料

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

本公司的主要業務為投資控股，而其附屬公司(連同本公司統稱「本集團»)的主要業務為包裝及銷售海產品以及採購及銷售快速消費品及其他產品。

董事認為本公司的直接及最終控股公司為銳奇有限公司，其為一家於英屬處女群島註冊成立的公司及最終控股股東為劉榮如先生。

2. 採納香港財務報告準則(「香港財務報告準則」)

(A) 採納新訂或經修訂香港財務報告準則—自二零二零年一月一日起生效

香港會計師公會頒佈了一系列經修訂香港財務報告準則，於本集團當前會計期間首次生效：

- 香港財務報告準則第3號之修訂，業務之定義
- 香港會計準則第1號及香港會計準則第8號之修訂，重大之定義
- 香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號之修訂，利率基準改革

該等經修訂香港財務報告準則概無對本集團當前或過往期間之業績及財務狀況造成重大影響。本集團尚未提前採納任何於當前會計期間尚未生效之新訂或經修訂香港財務報告準則。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

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

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁴
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Amendments to HKAS 16	Proceeds before Intended Use ²
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Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
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HKFRS 17	Insurance Contracts ⁴
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Amendments to HKFRS 3	Reference to the Conceptual Framework ³
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Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
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Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
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Annual Improvements to HKFRSs 2018-2020²

2. 採納香港財務報告準則（「香港財務報告準則」）— 續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

以下可能與本集團財務報表有關的新訂或經修訂的香港財務報告準則已經發佈，但尚未生效，也未被本集團提早採用。本集團目前的意向為於該等變更生效之日起應用該等變更。

香港會計準則第1號之修訂	負債分類為即期或非即期及香港詮釋第5號（二零二零年），財務報表之呈列— 借入人對載有按求償還條文的定期貸款的分類 ⁴
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香港會計準則第16號之修訂	於作擬定用途前之所得款項 ²
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香港會計準則第37號之修訂	虧損性合約— 履行合約之成本 ²
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香港財務報告準則第17號	保險合約 ⁴
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香港財務報告準則第3號之修訂	概念框架之提述 ³
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香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業間之資產出售或出資 ⁵
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香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂	利率基準改革— 第2階段 ¹
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二零一八年至二零二零年香港財務報告準則之年度改進²

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued

- 1 Effective for annual periods beginning on or after 1 January 2021.
- 2 Effective for annual periods beginning on or after 1 January 2022.
- 3 Effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.
- 4 Effective for annual periods beginning on or after 1 January 2023.
- 5 The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

Amendments to HKAS 1, Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and explain that rights are in existence if covenants are complied with at the end of the reporting period. The amendments also introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

HK Int 5 (2020) was revised as a consequence of the Amendments to HKAS 1 issued in August 2020. The revision to HK Int 5 (2020) updates the wordings in the interpretation to align with the Amendments to HKAS 1 with no change in conclusion and do not change the existing requirements.

The directors of the Company do not anticipate that the application of the amendments and revision in the future will have an impact on the financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）－續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則－續

- 1 於二零二一年一月一日或之後開始之年度期間生效。
- 2 於二零二二年一月一日或之後開始之年度期間生效。
- 3 對收購日期為於二零二二年一月一日或之後開始之首個年度期間開始或之後的業務合併生效。
- 4 於二零二三年一月一日或之後開始之年度期間生效。
- 5 該等修訂將按前瞻基準應用於待定期或之後開始的年度期間發生的資產出售或出資。

香港會計準則第1號之修訂－負債分類為流動或非流動及香港詮釋第5號（二零二零年），財務報表之呈列－借款人對載有按要求償還條文的定期貸款的分類

該修訂澄清負債應基於報告期末存在之權利分類為流動或非流動負債，明確規定分類不受有關實體是否會行使其延遲清償債務權利之預期，並闡述，如於報告期末遵守契約，則存在該權利。該修訂亦引入「結算」的定義，以明確表示結算乃指將現金、股權工具、其他資產或服務轉移至交易對手方。

香港詮釋第5號（二零二零年）乃因二零二零年八月頒佈的香港會計準則第1號之修訂而修訂。香港詮釋第5號（二零二零年）之修訂更新詮釋中的用詞，以與香港會計準則第1號之修訂保持一致，惟結論並無變動，且現有規定亦無變動。

本公司董事預期日後應用該等修訂及修改不會對財務報表造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued

Amendments to HKAS 16, Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items, and the cost of producing those items, is recognised in profit or loss.

The directors of the Company is currently assessing the impact that the application of the amendments will have on the Group’s consolidated financial statements.

Amendments to HKAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (e.g. direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (e.g. the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The directors of the Company anticipate that the application of the amendments will likely impact on the Group’s accounting policies in respect of the determination of when contracts are onerous, and the measurement of provision for onerous contracts recognised.

HKFRS 17, Insurance Contracts

The new standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes HKFRS 4, Insurance Contracts. The standard outlines a ‘General Model’, which is modified for insurance contracts with direct participation features, described as the ‘Variable Fee Approach’. The General Model is simplified if certain criteria are met by measuring the liability for remaining coverage using the Premium Allocation Approach.

The directors of the Company do not anticipate that the application of this standard in the future will have an impact on the financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）— 續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則— 續

香港會計準則第16號之修訂— 於作擬定用途前之所得款項

該等修訂禁止實體從物業、廠房及設備項目的成本中扣除使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件過程中產出的項目的任何銷售所得款項。反而，實體必須於損益中確認出售該等項目的所得款項及產出該等項目的成本。

本公司董事目前正在評估應用修訂對本集團綜合財務報表造成的影響。

香港會計準則第37號之修訂— 虧損性合約— 履行合約之成本

該等修訂釐清「履行合約之成本」包括「與合約直接相關之成本」。與合約直接相關之成本為履行合約之增量成本（如直接勞工及材料），或與履行合約直接相關之其他成本分配（如用於履行合約之物業、廠房及設備項目之折舊支出分配）。

本公司董事預期應用修訂將可能對本集團有關釐定合約何時虧損及計量已確認虧損性合約撥備之會計政策造成影響。

香港財務報告準則第17號，保險合約

新準則確立確認、計量、呈列及披露保險合約的原則，並取代香港財務報告準則第4號保險合約。該準則概述了一個「一般模型」，該模型就有直接參與特徵的保險合約作出修訂，稱為「可變收費方法」。倘若干一般模型的標準透過使用保費分攤法計量餘下保險期而達成，一般模型可予以簡化。

本公司董事預期日後應用該準則將不會對財務報表造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued

Amendments to HKFRS 3, Reference to the Conceptual Framework

The amendments update HKFRS 3 so that it refers to the revised Conceptual Framework for Financial Reporting 2018 instead of the version issued in 2010. The amendments add to HKFRS 3 a requirement that, for obligations within the scope of HKAS 37, an acquirer applies HKAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of HK(IFRIC)-Int 21 Levies, the acquirer applies HK(IFRIC)-Int 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the financial statements.

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

The amendments clarify with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. When the transaction with an associate or joint venture that is accounted for using the equity method, any gains or losses resulting from the loss of control of a subsidiary that does not contain a business are recognised in the profit or loss only to the extent of the unrelated investors’ interests in that associate or joint venture. Similarly, any gains or losses resulting from the remeasurement of retained interest in any former subsidiary (that has become an associate or a joint venture) to fair value are recognised in the profit or loss only to the extent of the unrelated investors’ interests in the new associate or joint venture.

The directors of the Company anticipate that the application of these amendments may have an impact on the financial statements in future periods should such transaction arise.

2. 採納香港財務報告準則（「香港財務報告準則」）－續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則－續

香港財務報告準則第3號之修訂－概念框架之提述

該等修訂更新香港財務報告準則第3號，致使其提述二零一八年財務報告之經修訂概念框架，而非二零一零年頒佈之版本。該等修訂對香港財務報告準則第3號增加一項規定，就香港會計準則第37號範圍內的責任而言，收購方應用香港會計準則第37號釐定於收購日期是否因過往事件而存在現有責任。就香港（國際財務報告詮釋委員會）－詮釋第21號徵稅範圍內的徵稅而言，收購方應用香港（國際財務報告詮釋委員會）－詮釋第21號釐定產生支付徵稅負債的責任事件是否已於收購日期前發生。該等修訂亦增加一項明確聲明，表明收購方並無確認於業務合併中收購的或然資產。

本公司董事預期日後應用該修訂將不會對財務報表造成影響。

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業間之資產出售或出資

該等修訂澄清投資者與其聯營公司或合營企業之間存在資產出售或出資的情況。倘與聯營公司或合營企業的交易採用權益法入賬，則於損益確認因失去對並無包含業務的附屬公司的控制權而產生的任何收益或虧損，惟僅以非相關投資者於該聯營公司或合營企業的權益為限。同樣，於損益內確認因重新計量任何前附屬公司（已成為聯營公司或合營企業）之保留權益至公平值而產生之任何收益或虧損，惟僅以非相關投資者於新聯營公司或合營企業之權益為限。

本公司董事預期應用該等修訂可能會在發生有關交易的未來期間對財務報表造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued

Annual Improvements to HKFRSs 2018-2020

The annual improvements amends a number of standards, including:

- HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, which permit a subsidiary that applies paragraph D16(a) of HKFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to HKFRSs.
- HKFRS 9, Financial Instruments, which clarify the fees included in the ‘10 per cent’ test in paragraph B3.3.6 of HKFRS 9 in assessing whether to derecognise a financial liability, explaining that only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on other’s behalf are included.
- HKFRS 16, Leases, which amend Illustrative Example 13 to remove the illustration of reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- HKAS 41, Agriculture, which remove the requirement to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）— 續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則— 續

二零一八年至二零二零年香港財務報告準則之年度改進

年度改進對多項準則進行了修訂，包括：

- 香港財務報告準則第1號「首次採納香港財務報告準則」，允許應用香港財務報告準則第1號第D16(a)段的附屬公司根據母公司過渡至香港財務報告準則的日期，使用母公司報告的金額計量累計匯兌差額。
- 香港財務報告準則第9號「金融工具」，闡明香港財務報告準則第9號第B3.3.6段「10%」測試所包括的費用，以評估是否終止確認金融負債，並解釋僅實體與貸款人之間支付或收取的費用，包括實體或貸款人代表其他方支付或收取的費用。
- 香港財務報告準則第16號「租賃」，修訂第13項範例以刪除由出租人償還租賃裝修的說明，進而解決因該示例中租賃優惠的說明方式而可能產生的任何有關租賃優惠處理的潛在混淆。
- 香港會計準則第41號「農業」，刪除使用現值技術計量生物資產的公平值時撇除稅項現金流量的要求。

本公司董事預計日後應用該等修訂不會對財務報表造成任何影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

(B) NEW OR AMENDED HKFRSs THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE – continued

Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16, Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the “Reform”). The amendments complement those issued in November 2019 and relate to (a) changes to contractual cash flows in which an entity will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate; (b) hedge accounting in which an entity will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and (c) disclosures in which an entity will be required to disclose information about new risks arising from the Reform and how it manages the transition to alternative benchmark rates.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the financial statements.

3. BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

2. 採納香港財務報告準則（「香港財務報告準則」）－續

(B) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則－續

香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂「利率基準改革－第2階段」

該等修訂解決因利率基準改革（「改革」）而導致公司以替代基準利率取代舊利率基準時可能影響財務報告的問題。該等修訂與2019年11月發佈的修訂相輔相成，涉及(a)合約現金流變動，實體無需因改革所要求的變動而終止確認或調整金融工具的賬面金額，而是更新實際利率以反映替代基準利率的變動；(b)對沖會計法，倘對沖符合其他對沖會計標準，實體無須純粹因改革所要求的變動而終止其對沖會計法；及(c)披露資料，實體須披露關於改革所帶來的新風險的資料，以及如何管理向替代基準利率的過渡。

本公司董事預計日後應用該等修訂不會對財務報表造成任何影響。

3. 編製基準

3.1 合規聲明

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. BASIS OF PREPARATION – continued

3.2 BASIS OF MEASUREMENT

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

3.3 FUNCTIONAL AND PRESENTATION CURRENCY

The functional currency of the Company is Hong Kong dollar (“HKD”), while the consolidated financial statements are presented in Renminbi (“RMB”) as the Group’s main operations are in the PRC and the functional currency of the Group’s major operating subsidiaries in RMB.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 BASIS OF CONSOLIDATION

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

4.2 SUBSIDIARIES

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

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

3. 編製基準—續

3.2 計量基準

綜合財務報表按歷史成本基準編製。

3.3 功能及呈列貨幣

本公司之功能貨幣為港幣（「港幣」），而綜合財務報表則以人民幣（「人民幣」）呈列，原因是本集團的主要營運業務位於中國及本集團主要營運附屬公司的功能貨幣為人民幣。

4. 重大會計政策

4.1 綜合基準

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

4.2 附屬公司

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

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.3 REVENUE RECOGNITION

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

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

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

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

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

4. 重大會計政策一續

4.3 收益確認

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

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

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

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

倘合約中包含就向客戶轉讓貨物或服務提供資金而為客戶提供超過一年的重大融資利益的融資部分，則收益按應收金額的現值計量，並使用本集團與客戶於合約開始時訂立的單獨融資交易中反映的貼現率予以貼現。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.3 REVENUE RECOGNITION – continued

Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

(i) *Seafood and algae products*

Customers obtain control of the seafood and algae products when the goods are delivered to and have been accepted by them. Revenue is thus recognised upon when the customers accepted the seafood and algae products. There is generally only one performance obligation. Invoices are usually payable within 60 – 120 days.

(ii) *Fast moving consumer goods*

Customers obtain control of the fast moving consumer goods when the goods are shipped. Revenue from procurement and sale for these goods is thus recognised at point in time basis upon when the customers accept the fast moving consumer goods. There is generally only one performance obligation. The Group recognises revenue on net basis as its revenue for procurement and sale where the Group acts as agent are provided by other suppliers to the customers. Invoices are usually payable within 30 days.

(iii) *Other income*

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

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

4. 重大會計政策－續

4.3 收益確認－續

倘合約中包含向本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。

就付款與轉讓承諾貨物或服務相隔的期間為一年或以下的合約而言，通過使用香港財務報告準則第15號的可行權宜方法，交易價並不因重大融資部分的影響而予以調整。

(i) *海產品及藻類產品*

客戶於交付並已接納貨物時取得海產品及藻類產品的控制權。因此，收益於客戶接納海產品及藻類產品時予以確認。一般僅有一項履約責任。發票通常於60至120日內支付。

(ii) *快速消費品*

客戶在貨品裝運時取得快速消費品的控制權。因此採購及銷售該等貨品的收益在客戶接收快速消費品時於時間點確認。一般僅有一項履約責任。本集團按淨額基準確認收益，因為在本集團擔任代理時採購及銷售獲得的收益乃由其他供應商提供予客戶。發票通常於30日內支付。

(iii) *其他收入*

經營租賃的租金收入於相關租賃期限按直線基準確認。

利息收入乃根據未償還本金按時間基準以適用利率累計。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.4 PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

Electric equipment	3 years
Plant and machinery	8-10 years
Motor vehicles	4 years
Furniture and equipment	5 years
Leasehold improvement	Shorter of lease term and remaining useful life
Right-of-use assets	Shorter of the asset's useful life and the lease term

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

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

4. 重大會計政策一續

4.4 物業、廠房及設備

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

物業、廠房及設備的成本包括其購入價及收購該等項目直接應佔的成本。

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

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

電力設備	3年
廠房及機器	8-10年
汽車	4年
傢俱及設備	5年
租賃物業裝修	租期或剩餘使用年期（以較短者為準）
使用權資產	資產使用年期或租賃年期（以較短者為準）

倘資產的賬面值高於其估計可收回金額，則資產會即時撇減至其可收回金額。

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.5 LEASES

The Group as a lessee

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

Right-of-use asset

The right-of-use asset is initially recognised at cost and would comprise:

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

Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. For right-of-use asset that meets the definition of a leasehold land and buildings held for own use (see note 4.4), they are carried at revalued amount.

4. 重大會計政策－續

4.5 租賃

本集團作為承租人

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

使用權資產

使用權資產初步按成本確認並將包括：

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

除了符合投資物業定義的使用權資產或本集團應用重估模型的物業、廠房及設備類別外，本集團採用成本模型計量使用權資產。根據成本模型，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債的任何重新計量作出調整。符合為自用而持有的租賃土地及樓宇的定義的使用權資產（見附註4.4）按重估金額列值。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.5 LEASES – continued

Right-of-use asset – continued

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

Lease liability

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

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

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments:

- (i) fixed lease payments less any lease incentives receivable;
- (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date;
- (iii) amounts expected to be payable by the lessee under residual value guarantees;
- (iv) exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

4. 重大會計政策 – 續

4.5 租賃 – 續

使用權資產 – 續

本集團亦根據租賃協議出租本集團行使其判斷及釐定其屬除持作自用的租賃土地及樓宇外單獨類別資產的若干物業。因此，出租協議下物業產生的使用權資產按折舊成本列賬。

租賃負債

租賃負債乃按租賃開始日期未支付的租賃款項之現值確認。倘租賃款項的利率可輕易釐定，則應使用租賃中隱含的利率貼現。倘無法輕易釐定該利率，則本集團將使用承租人的增量借款利率。

租賃負債乃按租賃開始日期未支付的租賃款項之現值確認。倘租賃款項的利率可輕易釐定，則應使用租賃中隱含的利率貼現。倘無法輕易釐定該利率，則本集團將使用承租人的增量借款利率。

下列就於租賃期內且於租賃開始日期尚未支付之相關資產使用權款項被視為租賃款項：

- (i) 固定租賃款項減任何應收租賃優惠；
- (ii) 視乎某一指數或利率而定之可變租賃款項（初步按於開始日期之指數或利率計量）；
- (iii) 承租人根據剩餘價值擔保預期應付之金額；
- (iv) 購買選擇權之行使價（倘承租人合理確定將行使該選擇權）；及
- (v) 終止租賃之罰款（倘租賃期反映承租人行使選擇權終止租賃）。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.5 LEASES – continued

Lease liability – continued

Subsequent to the commencement date, the Group measures the lease liability by:

- (i) increasing the carrying amount to reflect interest on the lease liability;
- (ii) reducing the carrying amount to reflect the lease payments made; and
- (iii) remeasuring the carrying amount to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payments.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease, in all other cases, where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

4. 重大會計政策－續

4.5 租賃－續

租賃負債－續

於開始日期後，本集團將以下列方式計量租賃負債：

- (i) 增加賬面值以反映租賃負債利息；
- (ii) 減少賬面值以反映已支付之租賃款項；及
- (iii) 重新計量賬面值以反映任何重新評估或租賃修訂，或反映經修訂的實質固定租賃款項。

在本集團修訂其任何租賃期限的估計時（因其重新評估行使承租人延長或終止選擇權的可能性等原因），其調整租賃負債的賬面值以反映在經修訂期限須作出的付款，並使用經修訂折現率折現。租賃負債的賬面值在視乎比率或指數的未來租賃付款的可變部分出現修訂時作出類似修訂，惟折現率保持不變。於兩種情況中，均對使用權資產的賬面值作出等額調整，經修訂賬面值於餘下（經修訂）租期內攤銷。如使用權資產賬面值調整至零，則於損益確認任何進一步扣減。

在本集團與出租人重新磋商租賃合約條款時，如重新磋商導致一項或多項額外資產被出租，而出租金額與所獲得的額外使用權的單獨價格相當，則修訂入賬為單獨租賃，在所有其他情況，如重新磋商增加租賃範圍（無論是延長租期，或一項或多項額外資產被出租），則租賃負債使用修改日期適用的折現率重新計量，而使用權資產按同樣金額作出調整。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.6 INVENTORIES

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

4.7 IMPAIRMENT OF ASSETS (OTHER THAN FINANCIAL ASSETS)

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

- Property, plant and equipment

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

4. 重大會計政策－續

4.6 存貨

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

4.7 資產減值（金融資產除外）

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

- 物業、廠房及設備

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.7 IMPAIRMENT OF ASSETS (OTHER THAN FINANCIAL ASSETS) – continued

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

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

4.8 RESEARCH EXPENDITURE

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

4.9 CASH AND CASH EQUIVALENTS

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

4.10 SHARE CAPITAL

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

4. 重大會計政策一續

4.7 資產減值(金融資產除外) – 續

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

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

4.8 研究開支

研究活動開支於產生期間確認為開支。

4.9 現金及現金等價物

現金及現金等價物包括銀行及手頭現金。

4.10 股本

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT

a) Financial assets

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

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

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

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which debt instruments are classified, but the debt instruments held by the Group fall into the amortised cost category, which is as follows:

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

4. 重大會計政策一續

4.11 金融工具

a) 金融資產

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

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

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

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該項資產之現金流量特點。本集團將其債務工具分類為三種計量類別，但本集團持有的債務工具屬於攤銷成本類別，詳情如下：

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

b) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss (“ECL”) on trade receivables and its financial assets measured at amortised cost. ECLs are measured on either of the following bases:

- 12-months ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

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

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

4. 重大會計政策－續

4.11 金融工具－續

b) 金融資產減值虧損

本集團就貿易應收款項及其按攤銷成本計量的金融資產確認預期信貸虧損（「預期信貸虧損」）的虧損撥備。預期信貸虧損按以下方式之一計量：

- 12個月的預期信貸虧損：於報告日期後十二個月內可能發生的違約事件而導致的預期信貸虧損；及
- 整個存續期預期信貸虧損：金融工具在整個預計存續期內所有可能發生的違約事件而導致的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

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

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

b) *Impairment loss on financial assets – continued*

For other debt financial assets, ECLs are based on lifetime ECLs except when there has not been a significant increase in credit risk since initial recognition, in which case the allowance will be based on the 12-months ECLs.

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

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

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

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status.

4. 重大會計政策－續

4.11 金融工具－續

b) 金融資產減值虧損－續

對於其他債務金融資產，預期信貸虧損乃基於整個存續期預期信貸虧損，惟倘信貸風險自初始確認以來並無出現大幅增加，則撥備將以12個月預期信貸虧損為基準。

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

本集團假定，金融資產如逾期超過30日，其信貸風險會顯著增加。

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

取決於金融工具的性质，信貸風險顯著增加的評估按個別或共同基準進行。如評估按共同基準進行，金融工具則按共同的信用風險特徵（如逾期狀況）進行分組。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

b) Impairment loss on financial assets – continued

The Group considers a financial asset to be credit-impaired when:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or being more than 90 days past due.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account for its financial assets measured at amortised cost.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 1 year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

4. 重大會計政策－續

4.11 金融工具－續

b) 金融資產減值虧損－續

本集團認為金融資產於下列情況屬信貸減值：

- 債務人出現重大財務困難；
- 違反合約，如拖欠或逾期超過90日。

本集團於損益中確認所有金融工具的減值收益或虧損，並透過虧損撥備賬項就其按攤銷成本計量的金融資產相應調整其賬面值。

當有資料顯示借款人陷入嚴重財務困難，且並無實際收回的可能之時（如債務人已清盤或進入破產程序），或應收貿易賬款逾期超過1年（以較早發生者為準）本集團會撤銷金融資產。已撤銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

信貸減值金融資產的利息收入乃根據金融資產之攤銷成本（即總賬面值減虧損撥備）計算。對於非信貸減值金融資產而言，利息收入乃根據總賬面值計算。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

c) Financial liabilities

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

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

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

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

4. 重大會計政策－續

4.11 金融工具－續

c) 金融負債

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

按公平值計入損益的金融負債

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

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

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

c) *Financial liabilities – continued*

Financial liabilities at FVTPL – continued

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

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

Financial liabilities at amortised cost

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

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

4. 重大會計政策－續

4.11 金融工具－續

c) *金融負債－續*

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

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

按攤銷成本計量的金融負債

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

收益或虧損於終止確認負債時透過攤銷於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.11 FINANCIAL INSTRUMENT – continued

d) *Effective interest method*

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

e) *Equity instruments*

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

f) *Derecognition*

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

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

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

4. 重大會計政策－續

4.11 金融工具－續

d) *實際利息法*

實際利息法為計算金融資產或金融負債攤銷成本以及分配相關期間利息收入或利息開支的方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款的利率。

e) *股本工具*

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

f) *終止確認*

當就金融資產之未來現金流量的合約權利屆滿時，或金融資產已轉讓且該轉讓符合香港財務報告準則第9號之終止確認規定，本集團會終止確認該項金融資產。

當相關合約中訂明之責任獲解除、註銷或到期時，會終止確認金融負債。

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.12 FOREIGN CURRENCY

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

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

4. 重大會計政策 – 續

4.12 外幣

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

因結算貨幣項目及換算貨幣項目而產生的匯兌差額於產生期間在損益中確認。換算非貨幣項目所產生之匯兌差額按公平值計入期內損益，惟換算有關損益直接於其他全面收益確認之非貨幣項目所產生之匯兌差額除外，在該情況下，匯兌差額亦於其他全面收益確認。

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.13 INCOME TAXES

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

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill not deductible for tax purposes and initial recognition of assets and liabilities that are not part of the business combination which affect neither accounting nor taxable profits, taxable temporary differences arising on investments in subsidiaries, associates and joint ventures where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arises from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period, and reflects any uncertainty related to income taxes.

4. 重大會計政策 – 續

4.13 所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃按已就毋須就所得稅課稅或不可扣減所得稅的項目作出調整的日常業務溢利或虧損，按報告期末已頒佈或實際頒佈的稅率計算。應付或應收即期稅款為預期須支付或收取的反映有關所得稅的任何不確定性的稅款的最佳估計。

遞延稅項乃就作財務報告的資產與負債賬面值，與就稅務所用相應數值間的暫時性差額確認。除不可作扣稅目的的商譽及初步確認並不屬於業務合併的一部分且不影響會計或應課稅溢利的資產與負債外，投資附屬公司、聯營公司及合營企業產生的應課稅暫時性差額，而本集團能夠控制暫時性差額的撥回且暫時性差額可能不會在可預見將來撥回，則會就所有應課稅暫時性差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣稅暫時性差額的情況下確認，惟可扣稅暫時性差額並非從初步確認於一項除既不影響應課稅溢利亦不影響會計溢利的業務合併外之交易之資產及負債產生。遞延稅項乃按適用於資產或負債的賬面值獲變現或結算的預期方式及於報告期末已頒佈或大致上頒佈的稅率計量並反映有關所得稅的任何不確定性。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.13 INCOME TAXES – continued

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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

4.14 EMPLOYEE BENEFITS

a) *Defined contribution retirement plan*

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

b) *Short term employee benefits*

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

4. 重大會計政策－續

4.13 所得稅－續

當擁有按法定可強制執行權利以抵銷即期稅項資產與即期稅項負債，及當有關權利涉及由同一稅務當局徵收之所得稅，以及本集團計劃按淨額基準結算其即期稅項資產及負債時，遞延稅項資產及負債則互相抵銷。

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

4.14 僱員福利

a) *界定供款退休計劃*

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

b) *短期僱員福利*

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

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.15 PROVISIONS AND CONTINGENT LIABILITIES

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

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

4.16 RELATED PARTIES

- (a) A person or a close member of that person's family is related to the Group if that person
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.

4. 重大會計政策一續

4.15 撥備及或然負債

當本集團因過去事項而須承擔法定或推定責任，而有關責任可能需要付出可合理地估計的經濟利益時，便為未確定時間或金額的負債確認撥備。

如果經濟利益需要外流的可能性不大，或不能對數額作出可靠估計，則有關責任會作為或然負債披露，惟若經濟利益外流的可能性極低則作別論。如有可能產生的責任，其存在僅能以一個或數個未來事項的發生或不發生來證實，亦披露為或然負債，除非經濟利益外流的可能性極低則作別論。

4.16 關連方

- (a) 倘屬以下人士，即該人士或該人士的近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司的主要管理層成員。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.16 RELATED PARTIES – continued

(b) An entity is related to the Group if any of the following conditions apply:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

4. 重大會計政策—續

4.16 關連方—續

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團的成員公司（即各自的母公司、附屬公司及同系附屬公司彼此間有關連）。
- (ii) 一家實體為另一實體的聯營公司或合營企業（或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業）。
- (iii) 兩間實體均為同一第三方的合營企業。
- (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關連的實體就僱員福利設立的離職後福利計劃。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) (a)(i)中所識別的人士對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。
- (viii) 實體或其所屬集團任何成員公司為本集團或本集團母公司提供主要管理人員服務。

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4. SIGNIFICANT ACCOUNTING POLICIES – continued

4.16 RELATED PARTIES – continued

(b) – continued

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

4.17 GOVERNMENT GRANT

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable and are recognised as other revenue, rather than reducing the related expense.

4. 重大會計政策 – 續

4.16 關連方 – 續

(b) – 續

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (i) 該名人士的子女及配偶或家庭伴侶；
- (ii) 該名人士的配偶或家庭伴侶的子女；及
- (iii) 該名人士或該名人士的配偶或家庭伴侶的受養人。

4.17 政府補助

政府補貼於可合理確定本集團將會符合政府補貼所附的條件及將會收取補貼後方予以確認。

作為彌補已產生開支或虧損，或向本集團提供並無未來相關成本的即時財務援助而應收的政府補貼，在成為應收款項期間內於損益中確認並確認為其他收益而非扣減相關開支。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Given Covid-19 pandemic has created and may continue to create significant uncertainty in macroeconomic conditions, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

In addition to information disclosed elsewhere in these financial statements, the key judgements applied and key sources of estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

DEPRECIATION

The Group depreciates the property, plant and equipment in accordance with the accounting policies stated in note 4.4. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets. The management reassesses the estimated useful lives at the end of each of the reporting date.

IMPAIRMENT OF RECEIVABLES

The impairment of receivables are based on assumptions about risk of default and expected credit loss rates. The Group adopts judgement in making these assumptions and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data, existing market conditions including forward looking estimates at end of reporting period.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of receivables and impairment losses in the periods in which such estimate has been changed.

5. 重大會計估計及判斷

在應用本集團會計政策時，董事須對未能從其他來源確定的資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及視為相關之其他因素作出。鑒於Covid-19疫情已對並將可能繼續對宏觀經濟條件創造重大不確定性，實際結果可能與該等估計不同。

估計及相關假設須持續檢討。倘會計估計之修訂僅影響修訂期間，則於該期間確認，而倘有關修訂影響當前及日後期間，則於當前及未來期間確認。此外，如本年度因之前估計存在錯誤或出現變動而作出實際調整，則本注釋亦會作出解釋。

除該等財務報表另行披露的資料外，大有可能對下個財務年度資產及負債賬面值作出重大調整之其他估計不確定性的所採用的關鍵判斷及主要來源如下：

折舊

本集團按附註4.4所列的會計政策將物業、廠房及設備折舊。估計使用年期反映董事對本集團打算自使用該等資產獲取未來經濟利益的期間作出的估計。管理層於各報告期末重新評估估計使用年期。

應收款項減值

應收款項的減值基於關於違約風險和預期信用損失率的假設。本集團在作出上述假設並選擇輸入資料以計算此類減值損失時會採用判斷，大致上是基於現有客戶的歷史數據，現有市場狀況（包括各報告期末的前瞻性估計）

倘預期與原先估計有所不同，則有關差額將影響有關估計改變期間之應收款項及減值虧損之賬面值。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS – continued

ESTIMATES OF CURRENT TAX AND DEFERRED TAX

Significant judgement is required in determining the amount of the provision for tax and the timing of payment of the related tax. Where the final tax outcomes are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

DETERMINING WHETHER THE GROUP IS ACTING AS A PRINCIPAL OR AS AN AGENT IN PROVISION OF PROCUREMENT SERVICE

During the year, the Group has commenced the business of selling fast moving consumer goods and others whereby the Group enters into sale contracts with its customers in Hong Kong and South Korea and purchase contracts with its suppliers in the PRC. The Group sources for and sells fast moving consumer goods and others that suit the customers' specific requirements as stated in the sale contracts. Management considers that the Group does not bear price and inventory risks with regard to the fast moving consumer goods and others as the sale contract terms, including the selling prices for the goods, are agreed upon after taking into consideration the prevailing market prices of the fast moving consumer goods and the Group does not obtain control of the goods before they are sold to the customers.

Management of the Group considers that the Group is acting as an agent in these sale transactions with the customers because it does not obtain control of the fast moving consumer goods and others before they are sold to the customers and therefore, net amounts of the sales and cost of sales of these indent trading transactions were recorded as service income. In determining whether the Group is acting as a principal or as an agent, management is required to exercise significant judgement and to consider all relevant facts and circumstances of this trading business.

5. 重大會計估計及判斷－續

當期稅項及遞延稅項估計

決定稅項撥備金額及支付相關稅項時間時須作出重大判斷，當最後稅務結果與最初記錄的金額不同時，有關差額將對作出決定的期間的所得稅及遞延稅項撥備構成影響。

釐定本集團在提供採購服務中是否正在擔任主事人或代理人

年內，本集團已開始提供快速消費品及其他的銷售業務，其中本集團與其香港及韓國客戶訂立銷售合約並與其中國供應商訂立採購合約。本集團採購於銷售合約所載符合客戶特定要求的快速消費品及其他。管理層認為，由於銷售合約條款（包括貨品售價）乃經考慮快速消費品及其他現行市價後協定，本集團並不承擔有關快速消費品及其他的價格及存貨風險，且本集團將貨品出售予客戶前並無獲得該貨品控制權。

本集團管理層認為本集團於在與客戶進行該等銷售交易中擔任代理人，因為其將該等產品出售予客戶前並無獲得快速消費品及其他的控制權，並因而錄得該等期貨買賣交易之銷售淨額及銷售成本作為服務收入。釐定本集團為主事人或代理人時，管理層須作出重大判斷及考慮該交易業務之所有相關事實及情況。

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6. REVENUE AND SEGMENT INFORMATION

Revenue is measured based on the consideration specified in a contract with a customer, net of expected returns of goods, discounts and sales related taxes.

Revenue is recognised when performance obligation is satisfied. The Group's revenue is derived from selling goods and providing services with revenue recognised at a point in time when control of the goods or services has transferred to the customer. For packaging and sales of dried seafood, algae and fungi and seafood snacks, the control is transferred when the goods are delivered to the customer. For procurement and sales of fast moving consumer goods and others, the control is transferred when the goods to which the procurement services relate are shipped.

OPERATING SEGMENT INFORMATION

In a manner consistent with how the Group manages its business and the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified two reportable and operating segments, namely (i) packaging and sales of marine products segment and (ii) all other segment.

CORRECTION OF REVENUE RECOGNITION

In the consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2020 that was included in the interim report of the Group published on 17 September 2020, the Group reported revenue from sale of fast moving consumer goods on gross basis. In the course of preparation of the consolidated financial statements for the year ended 31 December 2020, the Group reassessed the nature of its promises to its customers in relation to the sales of fast moving consumer goods. As explained in Note 5 above, management of the Group has assessed that the Group is acting as an agent in these sale transactions with the customers because it does not obtain control on the fast moving consumer goods before they are sold to the customers. The Group, acting as an agent, therefore recognises revenue on net basis. The change resulted in adjustments to revenue and cost of sales amounting to RMB66,320,000 and RMB66,320,000 respectively for the six months period ended 30 June 2020.

6. 收入及分部資料

收益乃基於與客戶訂立的合約所訂明的代價，扣除預期退貨、折扣及銷售相關稅費計量。

收益於履行履約責任時確認。本集團的收益來自銷售貨品及提供服務，其收益於貨品或服務控制權轉移至客戶時確認。就包裝及銷售乾製海鮮、藻類及菌類及休閒食品，控制權於貨物交付予客戶時轉移。就快速消費品及其他採購及銷售而言，與採購服務有關的控制權於貨品裝運時轉移。

經營分部資料

經營分部資料按照與本集團管理其業務一致的方式，及與就資源分配及表現評估向本集團最高層管理人員內部呈報資料一致的方式，本集團已確定兩個可呈報及營運分部，即(i)包裝及銷售海產品分部及(ii)所有其他分部。

收益確認之改正

本集團於二零二零年九月十七日刊發的中期報告所載本集團截至二零二零年六月三十日止六個月的綜合損益及其他全面收益表中，本集團已按總額基準呈報銷售快速消費品的收益。於編製截至二零二零年十二月三十一日止年度綜合財務報表的過程中，本集團已向其客戶就銷售快速消費品重新評估所作承諾的性質。誠如上文附註5所述，本集團管理層已評估本集團與客戶進行的銷售交易中擔任代理商，因為本集團將快速消費品銷售予客戶前並無獲得控制權。因此，本集團作為代理人，應按淨額基準確認收益。該變動導致截至二零二零年六月三十日止六個月的收益及銷售成本分別調整至人民幣66,320,000元及人民幣66,320,000元。

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6. REVENUE AND SEGMENT INFORMATION – continued

DISAGGREGATED REVENUE INFORMATION

By nature of goods sold or services provided:

Revenue from contract with customers 客戶合約收益

Sale of marine products:	銷售水產品：		
– Dried seafood	– 乾海產品	88,018	246,108
– Algae and fungi	– 藻類產品及菌類產品	62,755	190,283
– Seafood snacks	– 海洋休閒產品	4,780	36,497
Procurement and sales of fast moving consumer goods and others	採購及銷售快速消費品及其他	7,165	–
		162,718	472,888

Geographical markets based on location of customers

– Mainland China	– 中國大陸	155,553	472,888
– Hong Kong	– 香港	236	–
– South Korea	– 韓國	6,929	–
		162,718	472,888

Timing of revenue recognition

– Sales at a point in time	收入確認時間 – 銷售的某個時間點	162,718	472,888
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UNSATISFIED PERFORMANCE OBLIGATIONS

For sales of marine products and procurement and sale of fast moving consumer goods and others, the performance obligations are satisfied and revenue is recognised at a point in time when control of the goods or services has transferred to the customer. No unsatisfied performance obligation at the end of the each reporting years.

INFORMATION ABOUT MAJOR CUSTOMERS

No customer contributed 10% or more of the Group's revenue during the year ended 31 December 2020. (2019: Nil)

INFORMATION ABOUT GEOGRAPHICAL AREAS

The Group's sales by geographical areas, based on the delivery destination of the goods as requested by the customers, were all within the PRC, Hong Kong and South Korea.

The Group's non-current assets other than financial instruments, mainly represent property, plant and equipment, are all located in the PRC.

6. 收入及分部資料—續

收入分類資料

按已售貨品或所提供服務的性質：

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
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Revenue from contract with customers	客戶合約收益		
Sale of marine products:	銷售水產品：		
– Dried seafood	– 乾海產品	88,018	246,108
– Algae and fungi	– 藻類產品及菌類產品	62,755	190,283
– Seafood snacks	– 海洋休閒產品	4,780	36,497
Procurement and sales of fast moving consumer goods and others	採購及銷售快速消費品及其他	7,165	–
		162,718	472,888
Geographical markets based on location of customers	根據客戶位置劃分的地理市場		
– Mainland China	– 中國大陸	155,553	472,888
– Hong Kong	– 香港	236	–
– South Korea	– 韓國	6,929	–
		162,718	472,888
Timing of revenue recognition	收入確認時間		
– Sales at a point in time	– 銷售的某個時間點	162,718	472,888

未履行的履約義務

就水產品的銷售及快速消費品及其他採購及銷售，在貨物或服務的控制權已轉移給客戶時，履約義務已滿足而收入亦已確認。在每個報告年度末，並無未履行的履約義務。

有關主要客戶的資料

截至二零二零年十二月三十一日止年度，概無客戶貢獻本集團收益的10%或以上（二零一九年：零）。

有關地區的資料

本集團根據客戶要求的送貨地點劃分地區，按地區分類的銷售位於中國境內、香港及韓國。

本集團除金融工具以外的非流動資產主要為均位於中國的物業、廠房及設備。

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6. REVENUE AND SEGMENT INFORMATION – continued

SEGMENT REVENUE AND RESULTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group reportable segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of in each of the Group's reportable segments:

For the year ended 31 December 2020

		Sale of marine products 銷售水產品 RMB'000 人民幣千元	All other segments 所有其他分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from external customers	來自外界客戶的收益			
From external customers	來自外界客戶	155,553	7,165	162,718
Segment results	分部業績	(25,887)	3,179	(22,708)
Other income and other gains/(losses)	其他收入及其他 收益/(虧損)			187
Finance costs	財務成本			(229)
Corporate expenses	企業開支			(7,590)
Loss before taxation	除稅前虧損			(30,340)

For the year ended 31 December 2019

		Sale of marine products 銷售水產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue from external customers	來自外界客戶的收益		
From external customers	來自外界客戶	472,888	472,888
Segment results	分部業績	51,045	51,045
Other income and other gains/(losses)	其他收入及其他收益/(虧損)		328
Finance costs	財務成本		(13)
Corporate expenses	企業開支		(5,331)
Profit before taxation	除稅前溢利		46,029

6. 收入及分部資料—續

分部收入及業績

本集團根據主要營運決策者審閱用以作出策略性決定的報告來決定其經營分部。

由於每項業務提供不同的產品及服務，並需要不同的業務策略，故本集團的報告分部乃分開管理。下文概述本集團各報告分部的經營業務：

截至二零二零年十二月三十一日止年度

截至二零一九年十二月三十一日止年度

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6. REVENUE AND SEGMENT INFORMATION – continued

SEGMENT REVENUE AND RESULTS – continued

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment results represent the profit earned by or loss from each segment without allocation of certain other income, other gains and losses, certain finance costs and corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

OTHER SEGMENT INFORMATION

For the year ended 31 December 2020

		Sale of marine products 銷售水產品 RMB'000 人民幣千元	All other segments 所有其他分部 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Amounts (charged)/credited in the measurement of segment profit or loss:	(扣除)/計入分部損益計量之款項				
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(15,698)	(1,755)	-	(17,453)
Impairment loss on financial assets	金融資產減值虧損	(2,974)	(163)	(172)	(3,309)
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	(675)	-	-	(675)
Finance cost	財務成本	(151)	(64)	(229)	(444)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期向主要營運決策人提供但並無計入分部損益計量之款項：				
Income tax expense	所得稅開支	(1,028)	(887)	-	(1,915)

For the year ended 31 December 2019

		Sale of marine products 銷售水產品 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Amounts (charged)/credited in the measurement of segment profit or loss:	(扣除)/計入分部損益計量之款項			
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(12,002)	(197)	(12,199)
(Impairment loss)/reversal of on financial assets	金融資產(減值虧損)/撥回	(721)	460	(261)
Finance cost	財務成本	(213)	(13)	(226)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期向主要營運決策人提供但並無計入分部損益計量之款項：			
Income tax credit	所得稅抵免	(14,868)	(321)	(15,189)

6. 收入及分部資料—續

分部收入及業績—續

可呈報及經營分部之會計政策與本集團的會計政策相同。分部業績指各分部賺取的溢利或虧損，並未分配若干其他收入、其他收益及虧損、若干財務成本及企業開支。此為就資源分配及表現評核向主要營運決策人呈報資料之形式。

其他分部資料

截至二零二零年十二月三十一日止年度

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7. OTHER INCOME AND OTHER GAINS/(LOSSES), NET

Interest income on bank deposits	銀行存款利息收入	857	866
Interest income on secured loan receivables	應收有抵押貸款利息收入	-	329
Rental income	租金收入	55	55
Government grants (note)	政府補助(附註)	145	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	-	(1)
Gain on early termination of lease	提早終止租賃之收益	-	23
Others	其他	43	-
Total	總計	1,100	1,272

Note:

Included in profit or loss is HK\$145,000 (2019: Nil) of government grants obtained from Employment Support Scheme ("ESS") under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Group's employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Group does not have other unfulfilled obligations relating to this program.

7. 其他收入及其他收益/(虧損)，淨額

2020	2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元

附註：

損益包括自香港特別行政區政府推出的防疫基金保就業計劃(「保就業計劃」)獲得的145,000港元(二零一九年：無)的政府補助，以為本集團僱員薪酬提供支持。根據保就業計劃，本集團須承諾將該等補助用於薪酬開支，並且在指定時間內不會將僱員人數減少至低於指定水平。本集團並無其他與此計劃有關的未履行責任。

8. FINANCE COST

Interest expense on lease liabilities	租賃負債利息開支	215	221
Interest expense on debentures	債券利息開支	229	-
Others	其他	-	5
Total	總計	444	226

8. 財務成本

2020	2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元

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9. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging/(crediting):

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Auditor's remuneration	核數師酬金	964	952
Cost of sales (Note)	銷售成本(附註)	132,002	369,119
Written down of inventories	存貨撇減	2,105	-
Research expenditure	研究開支	578	690
Depreciation charge	折舊		
– Property, plant and equipment	– 物業、廠房及設備	17,453	12,199
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	675	-
Impairment loss on trade receivables	貿易應收款項減值虧損	3,292	851
Impairment loss/(reversal of) on deposit paid to suppliers (Note 14)	支付予供應商的按金的減值虧損/(撥回)(附註14)	17	(130)
Reversal of impairment loss on loan receivables	應收貸款減值虧損撥回	-	(460)
Operating lease rental in respect of:	下列各項的經營租賃租金:		
– Short-term leases expenses	– 短期租賃支出	507	1,325
Staff costs (including directors' emoluments – Note 12)	員工成本(包括董事酬金 – 附註12)		
– Salaries and wages	– 薪金及工資	29,634	34,880
– Bonus	– 花紅	491	468
– Retirement scheme contribution	– 退休計劃供款	2,086	4,039

Note: Cost of sales are mainly comprised of cost of inventories recognised as expenses, which amounted to RMB129,897,000(2019: RMB346,669,000)

9. 除所得稅前(虧損)/溢利

所得稅前(虧損)/溢利已扣除/(計入)下列各項:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Auditor's remuneration	964	952
Cost of sales (Note)	132,002	369,119
Written down of inventories	2,105	-
Research expenditure	578	690
Depreciation charge		
– Property, plant and equipment	17,453	12,199
Impairment loss of property, plant and equipment	675	-
Impairment loss on trade receivables	3,292	851
Impairment loss/(reversal of) on deposit paid to suppliers (Note 14)	17	(130)
Reversal of impairment loss on loan receivables	-	(460)
Operating lease rental in respect of:		
– Short-term leases expenses	507	1,325
Staff costs (including directors' emoluments – Note 12)		
– Salaries and wages	29,634	34,880
– Bonus	491	468
– Retirement scheme contribution	2,086	4,039

附註: 銷售成本主要包括確認為開支的存貨成本人民幣129,897,000元(二零一九年: 人民幣346,669,000元)。

10. INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current tax	當期稅項		
Tax for the year	年度稅項	434	12,723
Under-provision in respect of prior year	過往年度撥備不足	149	744
Deferred tax	遞延稅項		
Current year	本年度	1,332	1,722
Total	總計	1,915	15,189

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulations of the EIT Law, the tax rate of the Company's PRC subsidiaries is 25% for both years.

10. 所得稅開支

綜合全面收益表中的稅項金額指:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current tax		
Tax for the year	434	12,723
Under-provision in respect of prior year	149	744
Deferred tax		
Current year	1,332	1,722
Total	1,915	15,189

根據《中國企業所得稅法》(「企業所得稅」)及《企業所得稅法實施條例》，本公司中國附屬公司於兩個年度內的稅率均為25%。

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10. INCOME TAX EXPENSE – continued

Provision for the PRC EIT for the year ended 31 December 2020 and 2019 was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws, and regulations applicable to the subsidiaries operated in the PRC.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2020. No provision for Hong Kong Profits Tax has been made in 2019 as the Group had no assessable income arising in Hong Kong for the year ended 31 December 2019.

The income tax expense for the year can be reconciled to the (loss)/profit before income tax per the consolidated statement of comprehensive income as follows:

10. 所得稅開支—續

截至二零二零年及二零一九年十二月三十一日止年度的中國企業所得稅撥備根據按適用於在中國經營的附屬公司的有關所得稅法例及規例計算所得的估計應課稅溢利作出。

截至二零二零年十二月三十一日止年度，香港利得稅按估計應課稅溢利的16.5%計算。由於本集團截至二零一九年十二月三十一日止年度並無在香港錄得應課稅溢利，因此於二零一九年並無就香港利得稅作出撥備。

年內的所得稅開支與綜合全面收益表所列的除所得稅前(虧損)/溢利對賬如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(30,340)	46,029
Tax thereon at domestic rates applicable to profit or loss in the jurisdictions concerned	按適用於有關司法權區內損益的本地稅率計算的稅項	(7,222)	11,921
Under-provision in prior year	過往年度撥備不足	149	744
Tax effect of expenses not deductible for tax purposes	不可就稅項扣除的開支的稅務影響	296	1,373
Tax effect of revenue not taxable for tax purpose	不用徵稅的收入的稅務影響	(23)	(11)
Tax effect of tax losses not recognised	未確認的稅務虧損的稅務影響	8,715	1,162
Income tax expense for the year	年內所得稅開支	1,915	15,189

11. BASIC AND DILUTED EARNINGS PER SHARE

11. 每股基本及攤薄盈利

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
(Loss)/profits	(虧損)/溢利		
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利	(32,255)	30,840

		2020 二零二零年 Number'000 千股	2019 二零一九年 Number'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares (note)	普通股加權平均數目(附註)	100,000	100,000

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11. BASIC AND DILUTED EARNINGS PER SHARE – continued

Notes:

- (a) Diluted earnings per share were the same as the basic earnings per share as the Group had no potential ordinary shares outstanding during the years ended 31 December 2020 and 2019.
- (b) On 25 May 2020, the share consolidation resolution has been passed by the Company's shareholders in the AGM. On 26 May 2020, every ten issued and unissued shares of HK\$0.01 each in the share capital of the Company were consolidated into one consolidated share of HK\$0.10 each in the share capital of the Company. The authorised share capital of the Company became HK\$100,000,000 divided into 1,000,000,000 consolidated shares of par value of HK\$0.10 each, of which 100,000,000 consolidated shares of par value of HK\$0.10 each was in issue.

The weighted average number of ordinary shares in issue during the years ended 31 December 2020 and 2019 have been retrospectively adjusted for the share consolidation which came into effect on 26 May 2020.

12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES

DIRECTORS' REMUNERATION

Directors' emoluments are as follows:

		Fees	Salaries	Bonuses	Allowances and other benefits in kind	Retirement scheme contributions	Total emoluments
		袍金	薪金	花紅	津貼及其他實物福利	退休計劃供款	總酬金
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2020							
截至二零二零年十二月三十一日止年度							
Executive directors:	執行董事:						
Mr. Liu Rongru	劉榮如先生	-	1,681	-	-	7	1,688
Ms. Li Jiayin	李佳音女士	-	536	45	-	16	597
		-	2,217	45	-	23	2,285
Non-executive director	非執行董事:						
Mr. Li Dongfan (Note 5)	李東凡先生(附註5)	-	857	446	-	16	1,319
Independent non-executive directors:	獨立非執行董事:						
Mr. Liu Dajin	劉大進先生	89	-	-	-	-	89
Mr. Chen Sze Hung (Note 6)	陳斯雄先生(附註6)	3	-	-	-	-	3
Mr. Pang Wai Ching	彭偉正先生	161	-	-	-	-	161
Mr. Liu Junting (Note 7)	劉俊廷先生(附註7)	43	-	-	-	-	43
		296	-	-	-	-	296
Total	總計	296	3,074	491	-	39	3,900

11. 每股基本及攤薄盈利一續

附註:

- (a) 由於本集團於截至二零二零年及二零一九年十二月三十一日止年度並無任何發行在外潛在普通股，故每股攤薄盈利與每股基本盈利相同。
- (b) 於二零二零年五月二十五日，本公司股東於股東週年大會通過股份合併決議案。於二零二零年五月二十六日，本公司股本中每十股每股面值0.01港元的已發行及未發行股份合併為本公司股本中每股面值0.10港元的一股合併股份。本公司法定股本成為100,000,000港元，分為1,000,000,000股每股面值0.10港元的合併股份，其中100,000,000股每股面值0.10港元的合併股份已發行。

截至二零二零年及二零一九年十二月三十一日止年度已發行的普通股加權平均數已就股份合併追溯調整，於二零二零年五月二十六日生效。

12. 董事薪酬及僱員酬金

董事薪酬

董事酬金如下:

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12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued DIRECTORS' REMUNERATION – continued

12. 董事薪酬及僱員酬金 – 續

		董事薪酬 – 續					Total
		Fees	Salaries	Bonuses	Allowances and other benefits in kind	Retirement scheme contributions	emoluments
		袍金	薪金	花紅	津貼及其他實物福利	退休計劃供款	總酬金
Year ended 31 December 2019		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
截至二零一九年十二月三十一日止年度		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事:						
Mr. Liu Rongru	劉榮如先生	-	1,093	-	-	10	1,103
Mr. Jiang Dehua (Note 1)	蔣德華先生 (附註1)	-	780	-	-	10	790
Mr. Chak Chi Shing (Note 2)	翟志勝先生 (附註2)	-	297	-	-	11	308
Ms. Li Jiayin	李佳音女士	-	165	-	-	5	170
		-	2,335	-	-	36	2,371
Independent non-executive directors:	獨立非執行董事:						
Mr. Huang Xingluan (Note 3)	黃興學先生 (附註3)	52	-	-	-	-	52
Mr. Liu Dajin	劉大進先生	89	-	-	-	-	89
Mr. Chen Sze Hung (Note 6)	陳斯雄先生 (附註6)	43	-	-	-	-	43
Mr. Pang Wai Ching	彭偉正先生	32	-	-	-	-	32
Ms. Cheng Shing Yan (Note 4)	鄭承欣女士 (附註4)	107	-	-	-	-	107
		323	-	-	-	-	323
Total	總計	323	2,335	-	-	36	2,694

Notes:

- Mr. Jiang Dehua was appointed as the executive director of the Company with effect from 11 April 2016 and resigned as the executive director of the Company with effect from 6 August 2019.
- Mr. Chak Chi Shing was appointed as the executive director of the Company with effect from 5 December 2018 and resigned as the executive director of the Company with effect from 9 September 2019.
- Mr. Huang Xingluan was appointed as the independent non-executive director with effect from 22 June 2017 and resigned as the independent non-executive director with effect from 9 July 2019.
- Ms. Cheng Shing Yan was appointed as the independent non-executive director with effect from 22 June 2017 and resigned as the independent non-executive director with effect from 19 October 2019.
- Mr. Li Dongfan was appointed as the non-executive director of the Company with effect from 14 January 2020.
- Mr. Chen Sze Hung was appointed as the independent non-executive director with effect from 9 July 2019 and resigned as the independent non-executive director with effect from 14 January 2020.
- Mr. Li Junting was appointed as the independent non-executive director of the Company with effect from 14 January 2020.

附註:

- 蔣德華先生自二零一六年四月十一日起獲委任為本公司執行董事及自二零一九年八月六日起辭任本公司執行董事。
- 翟志勝先生自二零一八年十二月五日起獲委任為本公司執行董事及自二零一九年九月九日起辭任本公司執行董事。
- 黃興學先生自二零一七年六月二十二日起獲委任為獨立非執行董事及自二零一九年七月九日起辭任獨立非執行董事。
- 鄭承欣女士自二零一七年六月二十二日起獲委任為獨立非執行董事及自二零一九年十月十九日起辭任獨立非執行董事。
- 李東凡先生自二零二零年一月十四日起獲委任為本公司非執行董事。
- 陳斯雄先生自二零一九年七月九日起獲委任為獨立非執行董事及自二零二零年一月十四日起辭任獨立非執行董事。
- 劉俊廷先生自二零二零年一月十四日起獲委任為本公司獨立非執行董事。

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12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued DIRECTORS' REMUNERATION – continued

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

No director received any emoluments from Group as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2020 and 2019. No director waived or agreed to waive any emoluments for the years ended 31 December 2020 and 2019.

THE FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group for the years ended 31 December 2020 and 2019 are analysed as followed:

		2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
Directors	董事	3	3
Non-directors	非董事	2	2
		5	5

Details of the remuneration of the above non-directors, the highest paid individuals for the year ended 31 December 2020 and 2019 are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他酬金	1,792	1,523
Retirement scheme contribution	退休計劃供款	21	19
		1,813	1,542

12. 董事薪酬及僱員酬金 – 續

董事薪酬 – 續

上文所示執行董事酬金乃主要與彼等有關管理本公司及本集團事務服務有關。上文所示非執行董事酬金乃主要與彼等擔任本公司或其附屬公司董事有關。上文所示獨立非執行董事酬金乃主要與彼等擔任本公司董事有關。

截至二零二零年及二零一九年十二月三十一日止年度，概無董事向本集團收取任何酬金作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零二零年及二零一九年十二月三十一日止年度，概無董事放棄或同意放棄收取任何酬金。

五位最高薪人士

截至二零二零年及二零一九年十二月三十一日止年度本集團五位最高薪人士的分析如下：

上述截至二零二零年及二零一九年十二月三十一日止年度的最高薪非董事人士的薪酬詳情如下：

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12. REMUNERATION OF DIRECTORS AND EMOLUMENTS OF EMPLOYEES – continued THE FIVE HIGHEST PAID INDIVIDUALS – continued

The number of the highest paid non-directors fell within the following emolument band:

Nil to HKD1,000,000	零至1,000,000港元
HKD1,000,001 to HKD1,500,000	1,000,001港元至 1,500,000港元
HKD1,500,001 to HKD2,000,000	1,500,001港元至 2,000,000港元

For the years ended 31 December 2020 and 2019, no emoluments were paid by the Group to any of the non-director highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which these individuals waived or agreed to waive any emoluments for the years ended 31 December 2020 and 2019.

SENIOR MANAGEMENT EMOLUMENTS

Emoluments paid or payable to members of senior management, other than directors of the Company were within the following bands:

Nil to HKD1,000,000	零至1,000,000港元
HKD1,000,001 to HKD2,000,000	1,000,001港元至 2,000,000港元
HKD2,000,001 to HKD3,000,000	2,000,001港元至 3,000,000港元

12. 董事薪酬及僱員酬金 – 續

五位最高薪人士 – 續
酬金介乎以下級別的最高薪非董事人士人數：

2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
1	2
1	-
-	-
2	2

截至二零二零年及二零一九年十二月三十一日止年度，本集團概無向任何最高薪非董事人士支付酬金，作為邀請加入本集團或加入本集團後的獎勵，或作為辭去職位的補償。截至二零二零年及二零一九年十二月三十一日止年度，概無該等人士放棄或同意放棄收取任何酬金的安排。

高級管理層酬金

已付或應付本公司董事以外高級管理層成員的酬金介乎以下級別：

2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
4	5
-	-
-	-
4	5

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Electric equipment 電力設備 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and equipment 傢俱及設備 RMB'000 人民幣千元	Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Right-of-use assets 使用權資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本:							
At 1 January 2019	於二零一九年一月一日	7,159	24,839	350	4,043	1,400	5,684	43,475
Additions	添置	-	-	-	4	40,000	896	40,900
Disposal	出售	-	-	(21)	-	-	(2,184)	(2,205)
At 31 December 2019	於二零一九年十二月三十一日	7,159	24,839	329	4,047	41,400	4,396	82,170
Additions	添置	-	-	-	264	3,435	4,052	7,751
Disposal	出售	-	-	-	-	-	(253)	(253)
At 31 December 2020	於二零二零年十二月三十一日	7,159	24,839	329	4,311	44,835	8,195	89,668
Accumulated depreciation and impairment:	累計折舊及減值:							
At 1 January 2019	於二零一九年一月一日	1,131	979	317	334	117	-	2,878
Depreciation charge for the year	年內折舊計提	2,230	2,683	7	742	5,133	1,404	12,199
Eliminated on disposals	出售時對銷	-	-	(20)	-	-	(243)	(263)
At 31 December 2019	於二零一九年十二月三十一日	3,361	3,662	304	1,076	5,250	1,161	14,814
Depreciation charge for the year	年內折舊計提	2,230	2,683	7	806	9,359	2,368	17,453
Eliminated on disposals	出售時對銷	-	-	-	-	-	(253)	(253)
Impairment charge for the year (Note)	年內減值計提(附註)	-	675	-	-	-	-	675
At 31 December 2020	於二零二零年十二月三十一日	5,591	7,020	311	1,882	14,609	3,276	32,689
Net book value:	賬面淨值:							
At 31 December 2020	於二零二零年十二月三十一日	1,568	17,819	18	2,429	30,226	4,919	56,979
At 31 December 2019	於二零一九年十二月三十一日	3,798	21,177	25	2,971	36,150	3,235	67,356

Note: For impairment assessment, the Group assess the recoverable amount of property, plant and equipment with reference to the higher of the assets' fair value less cost to disposal and value in use. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. As a result, the Group made an impairment loss of approximately RMB675,000 for the year ended 31 December 2020 (2019: Nil).

附註：就減值評估而言，本集團經參考資產公平值減出售成本及使用價值評估物業、廠房及設備的可收回金額。減值虧損按資產賬面值超出其可收回金額之金額確認。因此，本集團截至二零二零年十二月三十一日止年度作出約人民幣675,000元的減值虧損(二零一九年：零)。

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual values.

上述物業、廠房及設備項目於計及其估計剩餘價值後按直線法於估計使用年期折舊。

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13. PROPERTY, PLANT AND EQUIPMENT – continued RIGHT-OF-USE ASSETS

13. 物業、廠房及設備—續 使用權資產

		Motor vehicles 汽車 RMB'000 人民幣千元	Office and factory 辦公室及廠房 RMB'000 人民幣千元	Property 物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年 一月一日	-	5,555	129	5,684
Additions	添置	-	896	-	896
Depreciation	折舊	-	(1,354)	(50)	(1,404)
Early termination of lease (Note)	提早終止租賃(附註)	-	(1,941)	-	(1,941)
As at 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年 一月一日	-	3,156	79	3,235
Additions	添置	1,830	2,222	-	4,052
Depreciation	折舊	(458)	(1,860)	(50)	(2,368)
At 31 December 2020	於二零二零年 十二月三十一日	1,372	3,518	29	4,919

Note: The Group has early terminated a 5-year lease of factory during the year.

附註：於本年度，本集團已提早終止一廠房之五年期租賃。

14. DEPOSITS PAID TO SUPPLIERS

14. 支付予供應商之按金

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current asset	非流動資產		
Deposit for seafood business	海鮮業務之按金	1,479	5,746
Current assets	流動資產		
Deposit for fast moving consumer business	快速消費品業務之按金	3,370	-
Deposit for seafood business	海鮮業務之按金	4,451	-
		7,821	-

The balance represents the earnest money paid to the suppliers for procurement of fast moving consumer goods and fishermen for securing their long term supply of the marine raw materials amounting to RMB3,370,000 and RMB5,930,000 respectively as at 31 December 2020 (2019: Nil and RMB5,746,000 respectively). The deposits are unsecured, interest-free and the balances are subject to a repayable upon termination of the contracts in 2021 and 2022. During the year, impairment loss on deposits paid to suppliers amounting to RMB17,000 (2019: reversal of RMB130,000) was recognised (Note 9).

結餘指支付予供應商以採購快速消費品及支付予漁民而獲得長期海洋原材料供應的誠意金，於二零二零年十二月三十一日分別為人民幣3,370,000元及人民幣5,930,000元（二零一九年：分別為零及人民幣5,746,000元）。有關按金為無抵押及免息，而結餘須於合約於二零二一年及二零二二年終止時償還。於本年度，支付予供應商之按金之減值虧損人民幣17,000元（二零一九年：撥回人民幣130,000元）已被確認（附註9）。

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15. INVENTORIES

Raw materials	原材料
Finished goods	製成品

15. 存貨

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
2,796	15,064
72,656	64,042
75,452	79,106

During the year, written-down of inventories amounting to RMB2,105,000 has been made in 2020 (2019: nil) and recognised in other expenses in consolidated profit or loss.

年內，二零二零年作出存貨撇賬人民幣2,105,000元（二零一九：零）並於綜合損益內的其他開支確認。

16. TRADE RECEIVABLES

Trade receivables	貿易應收款項
– Sale of marine products	– 銷售水產品
– Procurement and sales of fast moving consumer goods and others	– 採購及銷售快速消費品及其他
Less: impairment loss (note 33(b))	減：減值虧損（附註33(b)）

16. 貿易應收款項

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
129,232	103,566
8,830	–
138,062	103,566
(4,580)	(1,288)
133,482	102,278

Based on the invoice dates, the ageing analysis of the Group's gross trade receivables are as follows:

根據發票日期，本集團的貿易應收款項總額賬齡分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
0 – 30 days	0至30日	20,677	40,754
31 – 60 days	31至60日	24,847	36,638
61 – 90 days	61至90日	18,747	22,643
91 – 120 days	91至120日	11,515	3,531
121 – 365 days	121至365日	62,276	–
		138,062	103,566

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16. TRADE RECEIVABLES – continued

The movement in the allowance for impairment of trade receivables is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	1,288	437
Impairment losses recognised	已確認減值虧損	3,292	851
Carrying amount at 31 December	於十二月三十一日的賬面值	4,580	1,288

The directors consider that the carrying amounts of trade receivables approximate their fair values.

16. 貿易應收款項－續

貿易應收款項減值撥備的變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	1,288	437
Impairment losses recognised	已確認減值虧損	3,292	851
Carrying amount at 31 December	於十二月三十一日的賬面值	4,580	1,288

董事認為貿易應收款項的賬面值與其公平值相若。

17. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Rental deposits	租金按金	477	-
Prepayments – Note (iii)	預付款－附註(iii)	3,500	3,150
		3,977	3,150
Current assets	流動資產		
Amount due from a related party – Note (i)	應收關連方款項－附註(i)	36	36
Amount due from a director – Note (ii)	應收董事款項－附註(ii)	2,389	1,252
VAT receivables	應收增值稅	536	-
Prepayment – Note (iii)	預付款－附註(iii)	3,213	5,976
Other receivable	其他應收款項	218	994
		6,392	8,258

(i) The balance represents a rental deposit paid to a company, which is controlled by the spouse of a director who is also the controlling shareholder of the Company. The balance is unsecured, interest-free, and repayable upon the end of lease term in December 2021.

(ii) The balance represents amount due from a director who is also the controlling shareholder of the Company. The balances are unsecured, interest-free, and repayable on demand, and the maximum amount outstanding during the year was RMB2,389,000.

(iii) The non-current portion of the balance as at 31 December 2020 represents prepayment for acquisition of property, plant and equipment. The current portion of the balance as at 31 December 2020 mainly represents prepayment of advertising and promotion fees, for which the services will be provided subsequent to the end of the reporting period.

17. 按金、預付款項及其他應收款項

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Rental deposits	租金按金	477	-
Prepayments – Note (iii)	預付款－附註(iii)	3,500	3,150
		3,977	3,150
Current assets	流動資產		
Amount due from a related party – Note (i)	應收關連方款項－附註(i)	36	36
Amount due from a director – Note (ii)	應收董事款項－附註(ii)	2,389	1,252
VAT receivables	應收增值稅	536	-
Prepayment – Note (iii)	預付款－附註(iii)	3,213	5,976
Other receivable	其他應收款項	218	994
		6,392	8,258

(i) 有關結餘為支付予一家由董事（其亦為本公司控股股東）配偶控制的公司之租金按金。該結餘無抵押、免息及於租期於二零二一年十二月終止時償還。

(ii) 有關結餘為應收一名董事（其亦為本公司控股股東）之款項。該結餘無抵押、免息及按要求償還，年內最高未償還款項為人民幣2,389,000元。

(iii) 於二零二零年十二月三十一日結餘的非即期部分為收購物業、廠房及設備的預付款。於二零二零年十二月三十一日結餘的即期部分主要為預付廣告費及推廣費，有關服務將於報告期末後提供。

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18. CASH AND CASH EQUIVALENTS

At 31 December 2020, cash and cash equivalents in the amount of RMB345,000 (2019: RMB159,000), RMB209,227,000 (2019: RMB242,419,000) and RMB3,907,000 (2019: Nil) are denominated in HK\$, RMB and USD respectively. The cash and cash equivalents denominated in RMB are deposited in the PRC in the ordinary course of business. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

19. TRADE PAYABLES

Trade payables	貿易應付款項
– Purchase of marine products	– 採購水產品
– Purchase of fast moving consumer goods	– 採購快速消費品

The credit terms of trade payables vary according to the terms agreed with different suppliers, normally 30 – 60 days. Based on the receipt of services and goods, which normally coincide with the invoice dates, the ageing analysis of the Group's trade payables as at 31 December 2020 and 2019 are as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日

The trade payables are short-term and hence the carrying values of the Group's trade payables are considered a reasonable approximate of fair value.

18. 現金及現金等價物

於二零二零年十二月三十一日，金額為人民幣345,000元（二零一九年：人民幣159,000元）、人民幣209,227,000元（二零一九年：人民幣242,419,000元）及人民幣3,907,000元（二零一九年：零）的現金及等價物分別以港元、人民幣及美元計值。在日常業務過程中，以人民幣計值的現金及現金等價物存放於中國。人民幣並非可自由兌換的貨幣及將資金匯出中國境外受中國政府頒佈之相關外匯管制的規則及法規所規限。

19. 貿易應付款項

2020	2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元

7,443	8,716
8,910	–

16,353	8,716
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貿易應付款項的信貸期視乎與不同供應商協定的條款而有所不同，一般為期30至60日。根據一般與發票日期相同的服務及貨品接收日期，本集團於二零二零年及二零一九年十二月三十一日的貿易應付款項的賬齡分析如下：

2020	2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元

11,060	8,716
5,293	–

16,353	8,716
---------------	--------------

貿易應付款項為短期款項，因此本集團貿易應付款項的賬面值被視公平值的合理近似值。

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20. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

Accruals and other payables Note (i)	應計費用及其他應付款項 —附註(i)
Deposit received	已收取定金
Other tax payables	其他應付稅項
Salaries payables	應付工資
Payable for acquisition of property, plant and equipment	購置物業、廠房及 設備的應付款項
Amount due to a related company-Note (ii)	應付關連公司款項—附註(ii)

- i) The balance mainly represents accrued audit fee of RMB916,000 (2019: RMB966,000) and accrued union fee of RMB1,506,000 (2019: RMB1,186,000).
- ii) The balance represents amount due to a related company, which is controlled by Mr. Li Dongfan. Mr. Li is the non-executive director of the Group. The balance is unsecured, interest-free, and repayable on demand, and the maximum amount outstanding during the year was RMB2,505,000.

21. RETIREMENT BENEFIT SCHEMES

The employees of the Group in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The Group's PRC companies are required to contribute certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

20. 應計費用、已收按金及其他應付款項

2020	2019
二零二零年	二零一九年
RMB'000	RMB'000
人民幣千元	人民幣千元

4,231	3,579
849	1,789
64	521
4,268	3,229
3,550	3,550
2,505	—
15,467	12,668

- i) 結餘主要指應計審計費人民幣916,000元(2019年:人民幣966,000元)及應計工會費人民幣1,506,000元(2019年:人民幣1,186,000元)。
- ii) 結餘為應付關連公司的款項，該公司由李東凡先生控制。李先生為本集團非執行董事。結餘為無抵押、免息及按的要求償還，年內最高未償還款項為人民幣2,505,000元。

21. 退休福利計劃

本集團於中國的僱員為中國政府運作的國家管理退休福利計劃的成員。本集團的中國公司須按僱員薪酬的若干百分比向退休福利計劃供款，以提供有關福利的資金。本集團有關退休福利計劃的唯一責任是根據計劃作出所需供款。

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22. DEFERRED TAX ASSETS

Details of the deferred tax assets recognised and movements during the current and prior year are as follows:

		Depreciation on right-of-use asset and interest on lease liabilities 使用權資產 之折舊及 租賃負債之 利息 RMB'000 人民幣千元	Impairment loss on loan receivables 應收貸款之 減值虧損	Impairment loss on trade receivables 貿易 應收款項之 減值虧損 RMB'000 人民幣千元	Impairment loss on deposit paid to suppliers 支付予 供應商之 按金之 減值虧損	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	-	76	109	96	281
(Charged)/credited to profit or loss for the year	(扣除自)/計入 年內損益	(13)	(76)	212	(32)	91
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日	(13)	-	321	64	372
(Charged)/credited to profit or loss for the year	(扣除自)/計入 年內損益	(3)	-	357	5	359
At 1 January 2020	於二零二零年一月一日	(16)	-	678	69	731

The carry forward of tax losses in Hong Kong generally has no time limit, while the tax losses in PRC amounting to RMB29,823,000 will expire, if unused, in 2021 to 2025. No deferred tax asset has been recognised in respect of certain unused tax losses amounted to RMB79,903,000 (2019: RMB42,034,000) due to no assessable profits of the Company and subsidiaries. No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

No deferred tax liability has been recognised on certain temporary differences of RMB324,325,000 (2019: RMB346,752,000) relating to the undistributed earnings of foreign subsidiaries because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

22. 遞延稅項資產

當前及往年已確認之遞延稅項資產及其變動之明細如下：

香港的稅項虧損結轉一般無時間限制，而中國的稅項虧損人民幣29,823,000元，倘未使用，將於二零二一年至二零二五年屆滿。由於本公司及附屬公司無應課稅利潤，因此未確認某些未使用稅項虧損人民幣79,903,000元（二零一九年：人民幣42,034,000元）的遞延稅項資產。由於此等可抵扣暫時性差額很可能無法用於抵扣可抵扣暫時性差額，因此尚未確認任何遞延所得稅資產。

由於本集團有能力控制暫時性差額的轉回時間，因此與海外附屬公司未分配收益相關的若干暫時性差異人民幣324,325,000元（二零一九年：人民幣346,752,000元）未計入遞延稅項負債，並且這種差異很可能在可預見的將來不會逆轉。

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23. SHARE CAPITAL

		23. 股本		2020		2019	
		二零二零年		二零一九年			
		Number	Amount	Number	Amount		
		數目	金額	數目	金額		
		'000	RMB'000	'000	RMB'000		
		千股	人民幣千元	千股	人民幣千元		
		Notes					
		附註					
Authorised:	法定：						
At 1 January	於一月一日		10,000,000	10,000,000	87,412		87,412
Share consolidation	股份合併	(i)	(9,000,000)	-	-		-
At 31 December	於十二月三十一日		1,000,000	10,000,000	87,412		87,412

		2020		2019			
		二零二零年		二零一九年			
		Number	Amount	Number	Amount		
		數目	金額	數目	金額		
		'000	RMB'000	'000	RMB'000		
		千股	人民幣千元	千股	人民幣千元		
		Notes					
		附註					
Issued and fully paid:	已發行及繳足：						
At 1 January	於一月一日		1,000,000	1,000,000	8,723		8,723
Share consolidation	股份合併	(i)	(900,000)	-	-		-
At 31 December	於十二月三十一日		100,000	1,000,000	8,723		8,723

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

普通股持有人有權接收不時宣派的股息並於本公司大會上就每股股份享有一票投票權。

Note:

附註：

- (i) On 25 May 2020, the share consolidation resolution has been passed by the Company's shareholders in the AGM. On 26 May 2020, every ten issued and unissued shares of HK\$0.01 each in the share capital of the Company were consolidated into one consolidated share of HK\$0.10 each in the share capital of the Company. The authorised share capital of the Company became HK\$100,000,000 divided into 1,000,000,000 consolidated shares of par value of HK\$0.10 each, of which 100,000,000 consolidated shares of par value of HK\$0.10 each was in issue.

- (i) 於二零二零年五月二十五日，本公司股東於股東週年大會通過股份合併決議案。於二零二零年五月二十六日，本公司股本中每十股每股面值0.01港元的已發行及未發行股份合併為本公司股本中每股面值0.10港元的一股合併股份。本公司法定股本成為100,000,000港元，分為1,000,000,000股每股面值0.10港元的合併股份，其中100,000,000股每股面值0.10港元的合併股份已發行。

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24. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

24. 控股公司之財務狀況表

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Investment in subsidiaries		於附屬公司的投資	347	694
CURRENT ASSETS		流動資產		
Prepayment and other receivables		預付款項及其他應收款項	481	2,502
Amounts due from subsidiaries	(i)	應收附屬公司款項	107,381	104,763
Amount due from a director	(ii)	應收董事款項	1,252	1,252
Cash and cash equivalents		現金及現金等價物	186	141
			109,300	108,658
CURRENT LIABILITIES		流動負債		
Accruals, deposits received and other payables		應計費用、已收按金及其他應付款項	4,422	4,782
Debentures		債券	6,287	-
Tax payables		應付稅項	-	248
			10,709	5,030
NET CURRENT ASSETS		淨流動資產	98,591	103,628
NON-CURRENT LIABILITIES		非流動負債		
Debentures		債券	6,959	-
NET ASSETS		淨資產	91,979	104,322
CAPITAL AND RESERVE		資本及儲備		
Share capital	23	股本	8,723	8,723
Reserves	(ii)	儲備	83,256	95,599
TOTAL EQUITY		總股權	91,979	104,322

On behalf of the board of directors

代表董事會

Mr. Liu Rongru
劉榮如先生
Director
董事

Ms. Li Jiayin
李佳音女士
Director
董事

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

24. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION – continued

The amounts of the Group's reserves and the movements therein for the year are presented in the consolidated statement of changes in equity of this report.

Notes:

- (i) The amounts due from subsidiaries and amount due from a director are unsecured, interest-free and repayable on demand.
- (ii) Movements in reserves of the Company

24. 控股公司之財務狀況表－續

本集團本年度的儲備金數額和變動情況在本報告綜合權益變動表中列示。

附註：

- (i) 應收附屬公司款項及應收董事款項為無抵押、免息及應要求償還。
- (ii) 本公司儲備之變動

		Share premium 股份溢價 RMB'000 人民幣千元	Foreign currency translation reserve 外幣折算儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total reserves 總儲備 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日之結餘	138,185	728	(42,156)	96,757
Loss for the year	年內虧損	-	-	(3,337)	(3,337)
Exchange differences arising on translation	換算產生之匯兌差額	-	2,179	-	2,179
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日之結餘	138,185	2,907	((45,493))	95,599
Loss for the year	年內虧損	-	-	(7,575)	(7,575)
Exchange differences arising on translation	換算產生之匯兌差額	-	(4,768)	-	(4,768)
Balance at 31 December 2020	於二零二零年十二月三十一日之結餘	138,185	(1,861)	(53,068)	83,256

The aggregate amounts of reserves available for distribution to equity shareholders of the Company were RMB85,117,000 (2019: RMB92,692,000).

可供分配予本公司權益股東的儲備總額為人民幣85,117,000元(二零一九年：人民幣92,692,000元)。

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25. INTERESTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

25. 於附屬公司的投資

下表載列對本集團業績、資產或負債有重大影響的附屬公司詳情。除另有指明外，所持股份屬普通股。

Name of subsidiary 附屬公司名稱	Place of incorporation and operation 註冊成立及經營地點	Issued share capital 已發行股本	% of ownership interest % 擁有權益		Principal activities 主要業務
			2020	2019	
			二零二零年	二零一九年	
Xiamen Wofan Foodstuff Company Limited ^{1,2} 廈門沃豐食品有限公司 ^{1,2}	The People's Republic of China 中華人民共和國	RMB91,066,872 人民幣91,066,872元	Indirectly 100% 間接持有 100%	Indirectly 100% 間接持有 100%	Packaging and sale of seafood products 包裝及銷售海產品
Fujian Wofan Foodstuff Company Limited ^{1,2} 福建省沃豐食品有限公司 ^{1,2}	The People's Republic of China 中華人民共和國	RMB10,000,000 人民幣10,000,000元	Indirectly 100% 間接持有 100%	Indirectly 100% 間接持有 100%	Packaging and sale of seafood products 包裝及銷售海產品
Hanzhong Trading Co., Limited 韓忠貿易有限公司	Hong Kong 香港	HKD1,000,000 1,000,000港元	Indirectly 100% 間接持有 100%	Indirectly 100% 間接持有 100%	Procurement and sales of fast moving consumer products 快速消費品的採購及銷售

Note 1: These companies are registered as wholly foreign owned enterprises under the law of PRC.

附註1：該等公司已根據中國法律註冊為外商獨資企業。

Note 2: These companies are limited liability companies in the PRC.

附註2：該等公司為於中國的有限責任公司。

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26. RELATED PARTY TRANSACTIONS

(A) Saved as disclosed elsewhere in these financial statements, during the year, the Group entered into the following transactions with related parties.

26. 關連方交易

(A) 除該等財務報表另有披露者外，於年內，本集團與關連方訂立以下交易。

Related party identity and relationship 關連方身份及關係	Type of transaction 交易類型	Transaction amount 交易金額		Balance outstanding owed/ (owing) 拖欠結餘	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Xiamen Yehong Foodstuffs Company Limited*, a company which is controlled by the spouse of the major shareholder who is also a director 廈門葉紅食品有限公司，一間由主要股東（亦為董事）之配偶控制的公司	Right-of-use asset 使用權資產	186	186	186	382
	Lease liabilities 租賃負債	14	23	(195)	(391)
	Rental deposit 租賃按金	-	-	36	36
		200	209	27	27
Mr. Liu Rongjian*, Cousin of Mr. Liu Rongru 劉榮建先生， 劉榮如先生的堂兄弟	Purchase – cost of sales <Note> 採購－銷售成本<附註>	576	622	-	(47)
Mr. Liu Rongzhong* Cousin of Mr. Liu Rongru 劉榮忠先生， 劉榮如先生的堂兄弟	Purchase – cost of sales <Note> 採購－銷售成本<附註>	644	696	(6)	(41)

* The English name is translated for identification purpose only.

Note:

The terms and conditions of amounts due from related company are disclosed in note 17(i). The credit period for purchases from related parties is 30 days from invoice date. The outstanding payables are interest-free and unsecured. The directors confirm that the above purchase transactions were entered into with trading terms similar to those with independent third parties.

* 經翻譯的英文名稱僅供識別用途。

附註：

應收關連公司款項的條款及條件於附註17(i)中獲披露。向關連方作出購買的信貸期為自發票日期起30天。尚未償還的應付款項為免息且無抵押。董事確認上述購買交易乃按與第三方訂立的類似交易條款訂立。

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26. RELATED PARTY TRANSACTIONS – continued (B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors for the year are set out below:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	短期福利	3,861	2,658
Contribution to retirement benefit scheme	退休福利計劃供款	39	36
Total	總計	3,900	2,694

The emoluments for the year of senior management who are not directors of the Company are set out below:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	短期福利	580	1,904
Contribution to retirement benefit scheme	退休福利計劃供款	19	41
Total	總計	599	1,945

27. LEASES

The Group leases a number of properties in the jurisdictions in which it operates. Rental contracts are typically made for fixed periods of 2 years to 10 years, no extension and termination options exercisable by the Group or the lessors were stated in the contracts.

NATURE OF LEASING ACTIVITIES

The group leases a number of properties for the purpose of office and factory storage and motor vehicles for shipping products.

26. 關連方交易—續 (B) 主要管理人員薪酬

董事於本年度薪酬載列如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	3,861	2,658
Contribution to retirement benefit scheme	39	36
Total	3,900	2,694

並非本公司董事的高級管理層於本年度薪酬如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	580	1,904
Contribution to retirement benefit scheme	19	41
Total	599	1,945

27. 租賃

本集團於其營運所在的司法權區租賃多項物業。租賃合約期限一般固定為2年至10年，只有在本集團或出租人在合約中載明，方可行使延長及終止選擇權。

租賃活動的性質

本集團租賃了若干物業，用於辦公室和工廠存儲以及運輸產品的汽車。

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27. LEASES – continued RIGHT-OF-USE ASSETS

Right-of-use assets related to leased properties that do not meet the definition of investment property is presented as property, plant and equipment (note 13), the analysis of the net book value by class of underlying asset is as follows:

		31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Motor vehicles carried at depreciated cost	按折舊成本列賬的汽車	1,372	–
Office and factory carried at depreciated cost	按折舊成本列賬的辦公室及工廠	3,518	3,156
Properties carried at depreciated cost	按折舊成本列賬的物業	29	79
Total	總計	4,919	3,235

Payments associated with short-term leases of vehicles are recognised on a straight-line basis as an expense in statement of profit or loss and other comprehensive income. Short-term leases are leases with a lease term of 12 months or less without a purchase option. The leases do not contain any variable lease payments.

27. 租賃—續

使用權資產

不符合投資物業定義的租賃物業相關的使用權資產呈列為物業、廠房及設備(附註13)，按相關資產類別劃分的賬面淨值分析如下：

		31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Motor vehicles carried at depreciated cost	按折舊成本列賬的汽車	1,372	–
Office and factory carried at depreciated cost	按折舊成本列賬的辦公室及工廠	3,518	3,156
Properties carried at depreciated cost	按折舊成本列賬的物業	29	79
Total	總計	4,919	3,235

與短期汽車租賃有關的付款於損益及其他全面收益表中按直線法確認為開支。短期租賃為並無購買選擇權的租期在12個月或以內的租賃。租賃不包含任何可變租賃付款。

LEASE LIABILITIES

		租賃負債		
		Office and factory 辦公室及廠房 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance as at 1 January 2019	於二零一九年一月一日之結餘	5,555	–	5,555
Additions	添置	896	–	896
Interest expense	利息支出	221	–	221
Lease payments	租賃付款	(1,480)	–	(1,480)
Early termination of lease	提早終止租賃	(1,964)	–	(1,964)
Balance as at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日之結餘	3,228	–	3,228
Additions	添置	2,222	870	3,092
Interest expense	利息支出	195	20	215
Lease payments	租賃付款	(2,124)	20	(2,104)
Balance as at 31 December 2020	於二零二零年十二月三十一日 之結餘	3,521	910	4,431

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27. LEASES – continued

LEASE LIABILITIES – continued

Future lease payments are due as follows:

		Minimum lease payments 最低租賃付款 RMB'000 人民幣千元	Interest 利息 RMB'000 人民幣千元	Present value 現值 RMB'000 人民幣千元
As at 31 December 2020	於二零二零年十二月三十一日			
Not later than one year	不遲於一年	3,114	(198)	2,916
Later than one year and not later than two years	遲於一年但不遲於兩年	1,674	(523)	1,151
Later than two years and not later than five years	遲於兩年但不遲於五年	365	(1)	364
		5,153	(722)	4,431
As at 31 December 2019	於二零一九年十二月三十一日			
Not later than one year	不遲於一年	1,194	(129)	1,065
Later than one year and not later than two years	遲於一年但不遲於兩年	1,118	(80)	1,038
Later than two years and not later than five years	遲於兩年但不遲於五年	1,169	(44)	1,125
		3,481	(253)	3,228

The total cash outflows for leases including payment of lease liabilities, payment of interest expenses and operating lease rental in respect of short-term leases for the years end 31 December 2020 was RMB2,611,000 (2019: RMB2,805,000).

截至二零二零年十二月三十一日止年度，包括租賃負債付款、有關短期租賃的利息開支及經營租賃租金付款的租賃現金流出總額為人民幣2,611,000元（二零一九年：人民幣2,805,000元）。

The amounts recognised in profit or loss in relation to leases are as follows:

就租賃於損益確認的款項如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債之利息	215	221
Depreciation charge of right-of-use assets	使用權資產之折舊	2,368	1,404
Operating lease rental in respect of short-term leases	經營有關短期租賃的租賃按金	507	1,325
Total amount recognised in profit or loss	於損益中確認之總金額	3,090	2,950

OPERATING LEASES – LESSOR

The Group has sub-lease arrangement of properties with independent farmers. During the years ended 31 December 2020 and 2019, rental income from the sub-leases were RMB55,000 and RMB55,000 respectively.

經營租賃—出租人
本集團已與獨立農戶訂立分租物業安排。截至二零二零年及二零一九年十二月三十一日止年度來自分租的租金收入分別為人民幣55,000元及人民幣55,000元。

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27. LEASES – continued

OPERATING LEASES – LESSOR – continued

The minimum rent receivables under non-cancellable operating leases are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Not later than one year	不遲於一年	31	55
Later than one year and not later than two years	遲於一年但不遲於兩年	-	31
		31	86

28. DEBENTURES

Balance at 1 January

Addition
Repayment
Interest expenses
Exchange difference

於一月一日之結餘

添置
還款
利息開支
匯兌差額

900
19,776
(6,967)
229
(692)

-
900
-
-
-

Balance at 31 December

Represented by:

Current portion
Non-current portion

於十二月三十一日之結餘

代表：

即期部分
非即期部分

13,246

6,287
6,959

13,246

900

-
900

900

Interest expense on the debenture is calculated by applying the interest rate, which range from 0.1% to 10% per annum (2019: 5%), to the carrying amount of debentures.

The Group entered into 11 additional agreements amounting to HKD 21,950,000 (equivalent to RMB19,597,000). The debentures are bearing interest at rates ranging from 0.1% to 10% per annum (2019: 5%), unsecured and repayable ranging from 4 months to 8 years (2019: 8 years).

During the year ended 31 December 2020, the Group has repaid a total amount of HKD7,800,000 (equivalent to RMB6,967,000).

27. 租賃－續

經營租賃－出租人－續

不可撤銷的經營租賃下的最低應收租金如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
--	-----------------------------------	-----------------------------------

不遲於一年	31	55
遲於一年但不遲於兩年	-	31
	31	86

28. 債券

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
--	-----------------------------------	-----------------------------------

Balance at 1 January	900	-
Addition	19,776	900
Repayment	(6,967)	-
Interest expenses	229	-
Exchange difference	(692)	-

Balance at 31 December	13,246	900
------------------------	--------	-----

Represented by:

Current portion	6,287	-
Non-current portion	6,959	900
	13,246	900

債券之利息開支按介乎0.1%至10% (二零一九年：5%)之年利率乘以債券之賬面值計算。

本集團訂立11份額外協議，金額為21,950,000港元（相當於人民幣19,597,000元）。債券按介乎0.1%至10% (二零一九年：5%)之年利率計息，無抵押及須於介乎4個月至8年 (二零一九年：8年)的期限內償還。

截至二零二零年十二月三十一日止年度，本集團已償還總額7,800,000港元（相當於人民幣6,967,000元）。

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29. COMMITMENTS

CAPITAL COMMITMENTS

Capital expenditure contracted at the end of the year but not yet incurred is as follows:

Property, plant and equipment 物業、廠房及設備

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

3,450

-

30. CAPITAL RISK MANAGEMENT POLICIES AND PROCEDURES

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits, respectively.

The directors of the Company reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new shares issue and share buy-back as well as the issue of new debts or redemption of existing debt, if necessary.

Management regards total equity as capital. The amount of capital as at 31 December 2020 and 2019 amounted to approximately RMB450,227,000 and RMB477,831,000, respectively, which the management considers as optimal having considered the projected capital expenditures and the projected strategic investment opportunities.

29. 承擔

資本承擔

於年末已訂約但尚未產生之資本開支如下：

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
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3,450

-

30. 資本風險管理政策及程序

本集團管理其資本以確保本集團內的實體能繼續持續經營，同時透過優化債務及股權結餘以盡量提高股東回報。

本集團的資本結構包括債務淨額（扣除現金及現金等價物）及本公司擁有人應佔股權（分別包括已發行股本、儲備及保留溢利）。

本公司董事持續考慮資本成本及與資本有關的風險，以檢討其資本結構。本集團將透過派付股息、發行新股份及購回股份，以及發行新債項或贖回現有債項（如有需要），以平衡其整體資本結構。

管理層將股權總額視為資本。於二零二零年及二零一九年十二月三十一日，資本金額分別約人民幣450,227,000元及約人民幣477,831,000元，管理層經考慮預測資本開支及預測策略投資機會後，認為資本金額的水平適當。

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31. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The following table shows the carrying amount of financial assets and liabilities:

31. 按類別劃分的金融資產及金融負債概要

下表載列金融資產及負債的賬面值：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Financial assets	金融資產		
- Cash and cash equivalents	- 現金及現金等價物	213,479	242,578
- Trade and other receivables	- 貿易及其他應收款項	137,138	104,560
- Deposits paid to suppliers	- 支付予供應商的按金	9,300	5,746
		359,917	352,884
Financial liabilities	金融負債		
Amortised cost	攤銷成本		
- Trade and other payables	- 貿易及其他應付款項	31,756	21,763
- Debentures	- 債券	13,246	900
- Lease liabilities	- 租賃負債	4,431	3,228
		49,433	25,891

(A) FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Financial instruments not measured at fair value include bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables, interest-bearing borrowings and lease liabilities.

Due to their short term nature, the carrying values of bank deposits, cash and cash equivalents, trade and other receivables, trade and other payables approximate their fair values.

(A) 並非按公平值計量的金融工具

並非按公平值計量的金融工具包括銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項、計息借貸及租賃負債。

由於其性質屬短期，銀行存款、現金及現金等價物、貿易及其他應收款項、貿易及其他應付款項的賬面值均與彼等各自的公平值相若。

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32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

32. 融資活動產生的負債之對賬

		Debentures 債券 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	–	5,555	5,555
Change from financing cash flows:	來自融資現金流之變動：			
– Issue of debentures	– 發行債券	900	–	900
– Repayments	– 付款	–	(1,259)	(1,480)
– Interest paid	– 已付利息	–	(221)	(221)
Total changes from financing cash flows	來自融資現金流之變動總額	900	(1,480)	(580)
Other changes:	其他變動：			
– Commencement of lease	– 租賃之開始	–	896	896
– Finance costs	– 財務成本	–	(1,964)	(1,964)
– Effects of foreign exchange	– 外匯之影響	–	221	221
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	900	3,228	4,128
Change from financing cash flows:	來自融資現金流之變動：			
– Prepayment	– 預付款項	–	(960)	(960)
– Repayments	– 付款	(6,967)	(2,104)	(9,071)
– Issue of debentures	– 發行債券	19,776	–	19,776
– Interest paid	– 已付利息	(229)	–	(229)
Total changes from financing cash flows	來自融資現金流之變動總額	12,580	(3,064)	9,516
Other changes:	其他變動：			
– Commencement of lease	– 租賃之開始	–	4,052	4,052
– Finance costs	– 財務成本	229	215	444
– Effects of foreign exchange	– 外匯之影響	(463)	–	(463)
As at 31 December 2020	於二零二零年十二月三十一日	13,246	4,431	17,677

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade payables, other payables, debentures and lease liabilities.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(A) INTEREST RATE RISK

The Group's interest rate risk arises primarily from borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out in (i) below

(i) Interest rate profile

The following table details the interest rate profile of the Group's total borrowings at 31 December 2020 and 2019:

		2020 二零二零年		2019 二零一九年	
		Effective interest rate 實際利率 %	Amount 金額 RMB'000 人民幣千元	Effective interest rate 實際利率 %	Amount 金額 RMB'000 人民幣千元
Fixed rate borrowings:	定息借款：				
Unsecured debentures	無抵押債券	0.1%-10%	13,246	5%	900
Lease liabilities	租賃負債	4.65%-5%	4,431	4.75%	3,228
Total net borrowings	淨借款總額		17,677		4,128
Net fixed rate borrowings as a percentage of total net borrowings	定息借款淨額 佔淨借款總額的 百分比		100%		100%

(ii) Sensitivity analysis

At 31 December 2020 and 2019, the Group's total borrowings are fixed rate borrowings therefore no sensitivity analysis is provided.

33. 財務風險管理目的及政策

本集團的主要金融工具包括貿易應收款項、其他應收款項、銀行結餘及現金、貿易應付款項、其他應付款項、債券及租賃負債。

該等金融工具的詳情於各附註內披露。與該等金融工具有關的風險包括利率風險、信貸風險及流動資金風險，有關如何減低該等風險的政策載列如下。本公司董事管理及監察該等風險，以確保及時並有效實施適當措施。

(A) 利率風險

本集團的利率風險主要來自借款。按浮息及定息發行的借款使本集團分別面臨現金流利率風險及公平值利率風險。本集團的利率風險由管理層監督，載列於下文(i)

(i) 利率風險情況

下表詳列本集團於二零二零年及二零一九年十二月三十一日的總借款之利率情況：

(ii) 敏感度分析

於二零二零年及二零一九年十二月三十一日，本集團之借款總額乃定息借款，因此並無提供敏感度分析。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK

At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action are taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each individual trade receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

The Group is exposed to credit risk in relation to its deposits paid to suppliers, trade receivables, deposits, prepayments, amount due from a related party, amount due from a director, other receivables and cash deposits at banks. The carrying amounts of deposits paid to suppliers, trade receivables, deposits, amount due from a related party, amount due from a director, other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited at creditworthy banks and financial institution with no recent history of default. Management does not expect that there will be any significant losses from non-performance by these counterparties. The Group considers these balances have low credit risk and the amount of the loss allowance for impairment was negligible.

33. 財務風險管理目的及政策—續

(B) 信貸風險

於報告期末，本集團因對約方未能履行責任而對本集團構成財務損失的最大信貸風險來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量減低信貸風險，本公司董事已指定團隊負責釐定信貸限額、信貸批核及其他監察程序，以確保採取跟進行動收回逾期債項。此外，本公司董事檢視各項貿易應收款項於報告期末的可收回金額，以確保就不可收回金額作出充分減值虧損。就此，本公司董事認為得以大幅減低本集團的信貸風險。

本集團面臨有關支付予供應商的按金、貿易應收款項、按金、預付款項、應收關聯方款項、應收董事款項、其他應收款項以及銀行現金存款的信貸風險。支付於供應商的按金、貿易應收款項、按金、應收關聯方款項、應收董事款項、其他應收款項以及現金及現金等價物的賬面值為本集團金融資產面臨的最大信貸風險。

本集團預期銀行現金存款並無顯著信貸風險，原因為現金存款大多數儲存於資信良好且並無違約歷史的銀行及金融機構。管理層預期該等對手方並無存在任何來自不良貸款的任何重大虧損。本集團認為該等結餘存在低信貸風險及減值虧損撥備金額微不足道。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued

The credit risk of the Group is concentrated on trade receivables from the Group's five largest customers at 31 December 2020 and 2019 amounting to RMB48,732,000 and RMB42,117,000, respectively, and accounted for 35% and 35% of the Group's total trade receivables. In order to minimise the credit risk, the directors of the Company continuously monitor the level of exposure by frequent review of the credit evaluation of the financial condition and credit quality of its customers to ensure that prompt actions will be taken to lower exposure.

The Group considers the probability of default upon initial recognition of, a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtors
- significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors in the Group and changes in the operating results of the debtors

33. 財務風險管理目的及政策—續

(B) 信貸風險—續

於二零二零年及二零一九年十二月三十一日，本集團的信貸風險集中於本集團五大客戶的貿易應收款項，分別為人民幣48,732,000元及人民幣42,117,000元，佔本集團貿易應收款項總額的35%及35%。為盡量減低信貸風險，本公司董事頻密檢討財務狀況的信貸評估及客戶的信貸質量，以確保迅速採取行動減低風險。

本集團於初始確認金融資產時考慮違約的可能性及信貸風險於各報告期間內是否已持續顯著增加。為評估信用風險是否已顯著增加時，本集團將報告日期資產發生違約的風險與初始確認日期之違約風險進行比較，並考慮合理及有根據的現有前瞻性資料。尤其包括下列指標：

- 內部信用評級
- 外部信用評級
- 預期會導致債務人履行責任的能力發生重大變化的業務、財務或經濟狀況的實際或預期重大不利變動
- 債務人經營業績的實際或預期重大變動
- 債務人預期表現及行為的重大變動，包括本集團內債務人付款狀況的變動及債務人經營業績的變動。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued

As at 31 December 2020 and 2019, the Group applies the general approach to provide for expected credit losses prescribed by HKFRS 9, which permits to recognize 12-month expected credit losses for deposits paid to suppliers, amount due from a director and other receivables. Trade receivables applies the simplified approach to provide for expected losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision, which is calculated using a provision matrix. The provision matrix is based on the group's historical credit loss experience adjusted for assessment of both the current and forecast general economic conditions at the reporting date. As the Group's historical credit loss experience does not indicate different loss patterns for different subsidiaries, the loss allowance based on past due status is not further distinguished between the Group's different subsidiaries.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and deposits paid to suppliers:

(i) Trade receivables

2020	二零二零年	Expected loss rate 預期虧損率
Current	即期	1.62%
1 – 30 days past due	逾期1至30日	1.72%
31 – 60 days past due	逾期31至60日	2.88%
61 – 90 days past due	逾期61至90日	3.01%
91 – 120 days past due	逾期91至120日	3.84%
More than 120 days past due	逾期120日以上	7.81%

33. 財務風險管理目的及政策－續

(B) 信貸風險－續

於二零二零年及二零一九年十二月三十一日，本集團採用香港財務報告準則第9號所規定的一般方法就預期信貸損失作出撥備，該方法允許就支付給供應商的押金、應收董事款項和其他應收款項確認12個月預期信貸損失。貿易應收款項採用香港財務報告準則第9號所規定的簡化方法以計提預期損失，該準則允許使用預計壽命損失撥備，該準則使用撥備矩陣計算。撥備矩陣基於集團的歷史信用損失經驗，並以評估報告日期的當前和預測的一般經濟狀況加以調整。由於本集團的歷史信貸虧損經驗並無顯示不同附屬公司的不同虧損模式，根據逾期狀況的虧損撥備並無在本集團不同附屬公司之間進一步區別。

下表提供有關本集團信貸風險範圍和貿易應收款項及支付予供應商的按金的預期信貸虧損的資料：

(i) 貿易應收款項

Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
57,333	(931)
18,461	(317)
11,795	(340)
10,909	(328)
10,722	(412)
28,842	(2,252)
138,062	(4,580)

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued

(i) Trade receivables – continued

2019	二零一九年
Current	即期
0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 120 days	91至120日

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and forward looking information of the group's view of economic conditions over the expected lives of the receivables.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

33. 財務風險管理目的及政策－續

(B) 信貸風險－續

(i) 貿易應收款項－續

Expected loss rate 預期虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
0.41%	40,754	(165)
1.14%	36,638	(419)
2.52%	22,643	(571)
3.78%	3,531	(133)
	103,566	(1,288)

預期虧損率根據過去5年的實際虧損經驗計算。該等比率經調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對應收款項預期年期經濟狀況的看法之間的差異。

並無減值的逾期應收款項與多個與本集團往績記錄良好的獨立客戶有關。根據過往經驗，管理層相信，由於信貸品質並無重大變動，而且認為仍可全數追回該等結餘，因此無須就該等結餘計提減值撥備。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued

(i) Trade receivables – continued

The following significant changes in the gross carrying amount of trade receivables contributed to the increase in the loss allowance for the year ended 31 December 2020:

- Decrease in trade receivables that were current and not past due resulted in an decrease in loss allowances of RMB357,000.
- Increase in amounts past due over 0 days but within 30 days resulted in an increase in loss allowances of RMB317,000.
- Increase in amounts past due over 30 days but within 60 days resulted in an increase in loss allowances of RMB340,000.
- Increase in amounts past due over 60 days but within 90 days resulted in an increase in loss allowances of RMB328,000.
- Increase in amounts past due over 90 days but within 120 days resulted in an increase in loss allowances of RMB412,000.
- Increase in amounts past due over 120 days resulted in an increase in loss allowances of RMB2,252,000.

33. 財務風險管理目的及政策－續

(B) 信貸風險－續

(i) 貿易應收款項－續

貿易應收款項總賬面值的以下重大變動導致截至二零二零年十二月三十一日止年度的虧損撥備增加：

- 屬當期且無逾期的貿易應收款項減少導致虧損撥備減少人民幣357,000元。
- 逾期0至30日的款項增加導致虧損撥備增加人民幣317,000元。
- 逾期30至60日的款項增加導致虧損撥備增加人民幣340,000元。
- 逾期60至90日的款項增加導致虧損撥備增加人民幣328,000元。
- 逾期90至120日的款項增加導致虧損撥備增加人民幣412,000元。
- 逾期120日以上的款項增加導致虧損撥備增加人民幣2,252,000元。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued (ii) Deposits paid to suppliers

2020	二零二零年	Expected loss rate 預期虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
1 – 2 years to maturity	離到期1至2年	2.83%	9,571	(271)
2019	二零一九年	Expected loss rate 預期虧損率	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
2 – 3 years to maturity	離到期2至3年	4.2%	6,000	(254)

Expected loss rates are based on the number of years to maturity adjusted with forward looking factor to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the deposits paid to suppliers.

The following significant changes in the gross carrying amount of deposits paid to suppliers contributed to the increase in the loss allowance for the year ended 31 December 2020:

- Origination of new deposits paid to suppliers resulted in an increase in loss allowances of RMB17,000.

33. 財務風險管理目的及政策－續

(B) 信貸風險－續 (ii) 支付予供應商的按金

Gross carrying amount
總賬面值
RMB'000
人民幣千元

Loss allowance
虧損撥備
RMB'000
人民幣千元

預期虧損率根據離到期的年數計算，並就前瞻性因素作出調整以反映收集歷史數據期間的經濟狀況、目前狀況與本集團對支付予供應商的按金預期年期經濟狀況的看法之間的差異。

以下支付予供應商的按金之總賬面值的重大變動導致截至二零二零年十二月三十一日止年度虧損撥備增加：

- 產生新的支付予供應商的按金導致虧損撥備增加人民幣17,000元。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(B) CREDIT RISK – continued

(ii) Deposits paid to suppliers – continued

For other receivables and amount due from a director, there were no significant increase in credit risk since initial recognition. The Group assessed the expected credit loss to be immaterial.

As at 31 December 2020 and 2019, the loss allowance provision for trade receivables and deposits paid to suppliers reconciles to the opening loss allowance for that provision as follows:

		Trade receivables 貿易應收款項 RMB'000 人民幣千元	Deposits paid to suppliers 支付予供應商之按金 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	437	384	821
Provision for loss allowance	計提的虧損撥備	851	-	851
Reversal of loss allowance	虧損撥備撥回	-	(130)	(130)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	1,288	254	1,542
Provision for loss allowance	計提的虧損撥備	3,292	17	3,158
At 31 December 2020	於二零二零年十二月三十一日	4,580	271	4,851

As at 31 December 2020, the gross carrying amount of trade receivables and deposits paid to suppliers were RMB138,062,000 and RMB9,571,000 thus the maximum exposure to loss was RMB4,580,000 and RMB271,000 respectively.

於二零二零年十二月三十一日，貿易應收款項及支付供應商按金的賬面總值為人民幣138,062,000元和人民幣9,571,000元，因此最大損失敞口分別為人民幣4,580,000元和人民幣271,000元。

(C) LIQUIDITY RISK

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities.

(C) 流動資金風險

本公司董事承擔流動資金風險管理的最終責任，彼等已建立適當的流動資金風險管理框架，以管理本集團的短期、中期及長期資金以及流動資金管理規定。本集團維持足夠的儲備及銀行融資，以流動資金風險。

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

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – continued

(C) LIQUIDITY RISK – continued

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from current interest rate at the end of each reporting period.

2020	二零二零年	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		賬面值 RMB'000 人民幣千元	合約未貼現 現金流量總額 RMB'000 人民幣千元	須於一年內或 按要求清償 RMB'000 人民幣千元	一年以上兩年 以內償還 RMB'000 人民幣千元	兩年以上五年 以內償還 RMB'000 人民幣千元	五年以上償還 RMB'000 人民幣千元
Non-derivatives:	非衍生工具:						
Trade payables	貿易應付款項	16,353	16,353	16,353	-	-	-
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	15,467	15,467	15,467	-	-	-
Debenture	債券	13,246	17,039	6,632	424	1,271	8,712
Lease liabilities	租賃負債	4,431	5,153	3,115	1,674	364	-
		49,497	54,012	41,567	2,098	1,635	8,712

2019	二零一九年	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		賬面值 RMB'000 人民幣千元	合約未貼現 現金流量總額 RMB'000 人民幣千元	須於一年內或 按要求清償 RMB'000 人民幣千元	一年以上兩年 以內償還 RMB'000 人民幣千元	兩年以上五年 以內償還 RMB'000 人民幣千元	五年以上償還 RMB'000 人民幣千元
Non-derivatives:	非衍生工具:						
Trade payables	貿易應付款項	8,716	8,716	8,716	-	-	-
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	12,668	12,668	12,668	-	-	-
Debenture	債券	900	1,209	45	45	134	985
Lease liabilities	租賃負債	3,228	3,481	1,194	1,118	1,169	-
		25,512	26,074	22,623	1,163	1,303	985

(D) CURRENCY RISK

The Group mainly operated in the PRC with most of the transactions settled in RMB and did not have significant exposure to risk resulting from changes in foreign currency exchange rates.

33. 財務風險管理目的及政策－續

(C) 流動資金風險－續

下表詳列本集團非衍生金融負債的剩餘合約到期日。該表根據本集團最早可被要求還款當日的金融負債未貼現現金流量擬備，包括利息及本金現金流量。就利率流量為浮動利率而言，未貼現金額按各報告期末的當期利率計算。

(D) 貨幣風險

本集團主要於中國經營，大多數交易以人民幣結算，且並無面臨因外幣匯率變動導致的重大風險。

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

34. EVENT AFTER REPORTING PERIOD AND EFFECT OF COVID-19

- (a) On 23 March 2021, the Company entered into a Sales and Purchase Agreement with an independent third party (the "Vendor"), pursuant to which, the Vendor conditionally agreed to sell, and the Company conditionally agreed to purchase, 51% shareholding in the Target Company for a consideration of RMB19.7 million subject to and upon the terms of the Sale and Purchase Agreement. As at the date of approval of these consolidated financial statements, acquisition of the Target Company has not been completed. Details of the acquisition were set out in the Company's announcements dated 23 March 2021.
- (b) Following the outbreak of Coronavirus Disease 2019 ("the COVID-19 Outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the PRC, which has affected the business and economic activities of the Group to a certain extent.

In light of the negative impact brought upon by the COVID-19 Outbreak in short term, it may lead to increase of costs incurred by additional hygiene and epidemic prevention requirements when rendering procurement and sales of fast moving consumer goods and others, as well as decrease or delay of revenue from sales of marine goods due to various level of restrictions and controls.

The Group is in the opinion that any negative effect brought by COVID-19 on the Group's business has already been reflected during the year 2020. If the epidemic remains stable, it does not expect to see further negative impact on the Group's business after the year ended 2020.

35. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 29 March 2021.

34. 報告期間後事項及COVID-19的影響

- (a) 於二零二一年三月二十三日，本公司與獨立第三方（「賣方」）訂立買賣協議，據此，賣方有條件同意出售而本公司有條件同意購買目標公司51%股權，代價為人民幣19,7百萬元，惟須遵守買賣協議條款。於該等綜合財務報表批准當日，收購目標公司尚未完成。收購事項詳情載於本公司日期為二零二一年三月二十三日的公告。
- (b) 於二零一九冠狀病毒病於二零二零年年初爆發（「COVID-19爆發」）後，中國全面實施並繼續實施一系列防控措施，該等措施已在一定程度上影響到本集團的業務及經濟活動。

鑒於COVID-19爆發短期內帶來的負面影響，其可能導致在提供快速消費品及其他採購及銷售服務時因額外的衛生及防疫要求引致成本增加，並導致銷售海產品所得收入因各種級別的限制及管控而減少或延遲。

本集團認為COVID-19對本集團業務帶來的任何負面影響已於二零二零年作出反映。如疫情保持穩定，預期不會對本集團於截至二零二零年止年度後的業務造成進一步負面影響。

35. 批准綜合財務報表

綜合財務報表由董事會於二零二一年三月二十九日批准及授權刊發。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

A summary of the results and assets, liabilities and equity of the Group for the last five financial years is depicted below:

本集團最近五個財政年度之業績與資產、負債及權益概要列示如下：

RESULTS

業績

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Revenue	收入	162,718	472,888	667,958	644,407	468,039
Cost of sales	銷售成本	(132,002)	(369,119)	(498,864)	(480,901)	(349,642)
Gross profit	毛利	30,716	103,769	169,094	163,506	118,397
Other income and other gains	其他收入及其他收益	1,100	1,272	2,363	195	435
Selling and distribution expenses	銷售及分銷費用	(35,878)	(43,734)	(54,575)	(23,806)	(17,838)
Administrative expenses	行政費用	(19,167)	(14,098)	(11,553)	(34,912)	(14,039)
Expected credit losses on financial assets	金融資產的預期信貸虧損	(3,309)	(261)	(72)	-	-
Other expenses	其他費用	(444)	(693)	(842)	(598)	(1,320)
Finance costs	融資成本	(3,358)	(226)	-	-	(219)
Profit before income tax	除所得稅前溢利	(30,340)	46,029	104,415	104,385	85,416
Income tax expense	所得稅開支	(1,915)	(15,189)	(28,001)	(34,183)	(24,264)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	(32,255)	30,840	76,414	70,202	61,152
Other comprehensive income	其他全面收入					
<i>Items that may be classified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>					
- Exchange differences arising from translation of foreign operations	- 換算海外業務產生的匯兌差額	841	(13)	547	(1,719)	(804)
Other comprehensive income for the year	年內其他全面收入	841	(13)	547	(1,719)	(804)
Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年內溢利及全面收入總額	(31,414)	30,827	76,961	68,483	60,348
Earnings per share	每股盈利					
- basic and diluted (RMB)	- 基本及攤薄 (人民幣)	0.3226	0.0308	0.0764	0.0812	0.0815

ASSETS, LIABILITIES AND EQUITY

資產、負債及權益

		As at 31 December 於十二月三十一日				
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Total Assets	資產總額	499,792	508,844	503,103	444,958	222,630
Total Liabilities	負債總額	53,375	31,013	56,099	73,981	67,044
Total Equity	權益總額	446,417	477,831	447,004	370,977	155,586

