Chia Tai Enterprises International Limited
正大企業國際有限公司

(incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
stock code 股份代號：3839

2017
ANNUAL REPORT 年報

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Chairman's Statement
董事長報告書

Major economies around the world showed signs of gradual recovery in 2017 and China maintained steady progress as the country pushed forward on supply-side reforms. While individual sectors delivered varied performances, China's overall economy showed steady and sustainable development. In 2017, China's gross domestic product grew 6.9%, compared to 6.7% in 2016.

In 2017, Chia Tai Enterprises International Limited (the "Company") and its subsidiaries (together the "Group") embraced the challenges and opportunities of our biochemical and industrial businesses. The biochemical industry grappled with rising global concerns over antibiotics resistance in farm animals. Some countries are gradually banning the use of antibiotics to promote animal growth and only conditionally allow the use of antibiotics in disease prevention. In 2017, new industry regulations introduced in certain countries affected the demand for CTC products and impacted the Group's biochemical sales.

On the industrial business front, large-scale infrastructure projects increased in 2017, especially with investments in rural urbanisation. Also, the "One Belt, One Road" initiative as well as the recovery of the steel and coal sectors stimulated demand for excavators. In the automotive industry, motorcycle and automobile sales showed mild improvement compared to last year.

In view of the complex and changing market conditions, the Group has adopted a number of measures in response. We tweaked our marketing strategy to actively develop new markets and strengthen cooperation with overseas business partners. On cost management, we have strengthened our detailed management, and tightened our control of expenses. At the same time, the Group continues to encourage innovation across the board. We boosted production efficiency through adopting innovative production technologies and rolled out the "Six Sigma" project. As a responsible corporate citizen, apart from operational improvements, the Group abides by China's strict environmental policies and regulations, and embraces environmental and social considerations in our business operations, whilst endeavouring to enhance corporate governance.

綜觀全球經濟格局，世界主要地區於二零一七年逐漸復蘇。在推進供給側結構性改革的背景下，中國維持著穩中求進的總基調，雖然個別行業有所差異，但總體仍實現了平穩健康的發展。二零一七年，中國國民生產總值增長率由二零一六年的6.7%上升至6.9%。

二零一七年，正大企業國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)積極面對生化和工業業務的機遇及挑戰。生化行業方面，控制禽畜抗生素耐藥性蔓延為近年全球關注的議題，部分國家正逐步禁止使用抗生素促進食用動物之生長，只有限度地容許抗生素作預防疾病的用途。本集團生化業務的銷售於二零一七年受某些國家的新條例影響，導致金霉素產品需求減少。

工業業務方面，大規模的基礎建設項目，尤其是農村城鎮化的投入，在二零一七年不斷拓展。此外，「一帶一路」倡議對行業同樣有利，加上鋼鐵和煤炭等行業的復蘇，帶動了挖掘機的需求上升。至於國內汽車行業，摩托車銷量和汽車銷量比去年有所增長。

面對複雜的環境及多變的市場形勢，本集團於年內採取相應的措施，調整銷售策略，包括積極開拓新市場及加強與國外客戶緊密合作。在營運成本方面，則加強內部精細化管理及嚴格控制費用。與此同時，本集團繼續鼓勵全線創新，透過生產技術創新及實施精益「六西格碼」項目，進一步提升生產效率。除了在業務上的改進外，本集團作為負責任的企業公民，亦遵守國家嚴格實施的環保政策和法規，在運營過程中考慮環境和社會因素，堅持提升企業管治。

Looking forward to 2018, the Group plans to increase utilisation of our production plants in Pucheng and Zhumadian. Meanwhile, we will continue to implement our "market-oriented and customer-focused" sales approach, constantly expanding our sales channel and customer base, and steadily diversifying our product portfolio and pushing for sales innovation. The Group will also work with external parties and attract talent, as well as increase investment in research and development, in order to develop new biochemical products with high potential. In respect of our industrial business, as China progresses from high-speed growth to high-quality development, infrastructure investments may slow down, affecting the demand for excavators.

Finally, I would like to thank our shareholders for their strong support and our employees for their efforts and hard work in the past year. Focusing on sustainability and guided by our "Three-Benefit Principle" – benefit the countries in which we operate, the people whose community we share, and the companies for which we are responsible – the board of directors will continue to enhance our decision-making processes so as to remain innovative, increase efficiency, work towards our strategic goals and further develop the Group's businesses.

Soopakij Chearavanont
Chairman

Hong Kong, 22 February 2018

展望二零一八年，本集團將提升浦城工廠和駐馬店工廠的產能利用率；並繼續貫徹「以市場為導向、以客戶為中心」的銷售方針，不斷拓展銷售渠道和客户基礎，穩步推進產品多元化和銷售模式創新。本集團並將加強對外合作及高素質人才引進，加大研發投入，發展有潛力的新產品。工業業務方面，隨著中國由高速增長階段邁向高質量發展，基礎建設投資可能有所放緩，挖掘機的需求或會受影響。

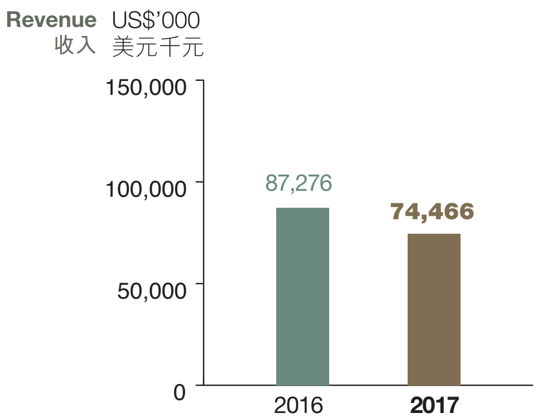
最後，本人謹此衷心感謝過去一年各位股東們的大力支持和全體員工的共同付出與努力。董事會將以持續發展為中心，秉承正大集團「利國、利民、利企業」的三利經營宗旨，進一步完善決策機制，保持創新思維，提高工作效能，貫徹落實總體發展戰略目標，進一步推動本集團的發展。

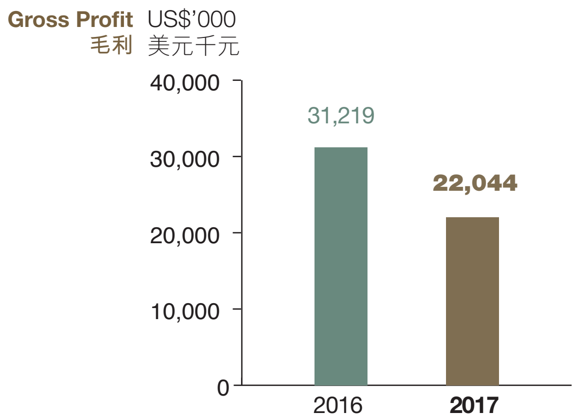
謝吉人
董事長

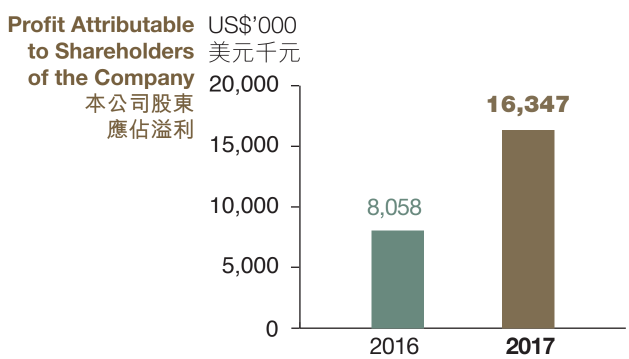
香港，二零一八年二月二十二日

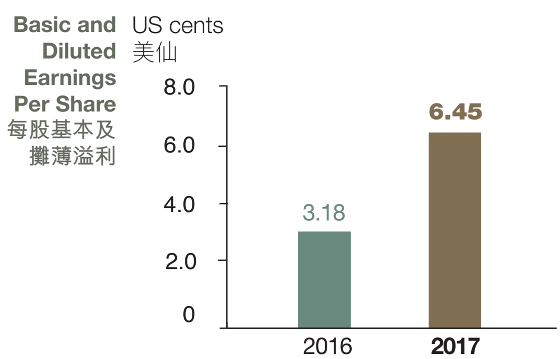
Financial Highlights
財務概要

(Unit: US$'000)	*(單位：美元千元)*	2017	2016
Key Statement of Comprehensive Income Items	**主要全面收益表項目**		
Revenue	收入	**74,466**	87,276
Gross Profit	毛利	**22,044**	31,219
Profit Attributable to Shareholders of the Company	本公司股東應佔溢利	**16,347**	8,058
Basic and Diluted Earnings Per Share (US cents)*	每股基本及攤薄溢利(美仙)*	**6.45**	3.18
Key Statement of Financial Position Items	**主要財務狀況表項目**		
Property, Plant & Equipment	物業、廠房及設備	**49,762**	43,888
Total Assets	總資產	**229,701**	200,043
Total Bank Borrowings	總銀行借款	**9,440**	8,275
Issued Capital	已發行股本	**25,333**	25,333
Shareholders' Equity	股東應佔權益	**173,979**	148,516
Total Equity	權益總額	**197,026**	168,735









Remarks 備註：

* Based on the profit for the year attributable to shareholders of the Company and the weighted average number of ordinary shares and convertible preference shares in issue during the year.
按本公司股東應佔本年溢利，及於本年內已發行普通股及可換股優先股之加權平均數計算。

Management Discussion and Analysis
管理層討論及分析

GROUP RESULTS

The Group has two lines of businesses: biochemical business and industrial business. The biochemical business, which focuses on the manufacture and sale of chlortetracycline ("CTC") products and is carried on by Group subsidiaries, accounts for all of the Group's consolidated revenue. The industrial business comprises the Group's interest in its joint venture ECI Metro Investment Co., Ltd. ("ECI Metro") and its associate Zhanjiang Deni Vehicle Parts Co., Ltd. ("Zhanjiang Deni"). The results of the Group's industrial business are incorporated in the statement of comprehensive income as share of profits from joint venture and associate.

For the year ended 31 December 2017, the Group's revenue decreased 14.7% to US$74.47 million (2016: US$87.28 million). Overall, gross profit margin was 29.6%, versus 35.8% in 2016. Profit attributable to shareholders of the Company grew by 102.9% to US$16.35 million (2016: US$8.06 million). As stated in our announcement dated 19 January 2018, the increase in profit was mainly because of a significant increase in the share of profit from ECI Metro.

Basic and diluted earnings per share were both US 6.45 cents (2016: US 3.18 cents). The board has resolved not to declare a final dividend for the year ended 31 December 2017 (2016: Nil).

集團業績

本集團從事生化業務及工業業務。生化業務專注製造及銷售金霉素產品，乃本集團的所有合併收入，並由本集團之附屬公司營運。工業業務包含本集團於易初明通投資有限公司(「易初明通」)的合營企業權益及於湛江德利車輛部件有限公司(「湛江德利」)的聯營公司權益。本集團工業業務的業績載列於收益表內的應佔合營企業及聯營公司溢利。

截至二零一七年十二月三十一日止年度，本集團的收入下降14.7%至7,447萬美元(二零一六年：8,728萬美元)。整體而言，毛利率為29.6%，二零一六年則為35.8%。本公司股東應佔溢利增加102.9%至1,635萬美元(二零一六年：806萬美元)。如日期為二零一八年一月十九日之公告所述，溢利增加主要是由於應佔易初明通溢利顯著增加。

每股基本及攤薄溢利為6.45美仙(二零一六年：3.18美仙)。董事會決議截至二零一七年十二月三十一日止年度不派付末期股息(二零一六年：無)。

BUSINESS REVIEW

Biochemical

The Group is one of the leading CTC producers globally. We generate revenue from the manufacture and sale of CTC products. The two main products of the Group are CTC Premix and CTC HCL. CTC products are used as feed additives to promote healthy growth of livestock, prevent or cure animal diseases and improve overall feed efficiency.

CTC products sold by the Group are marketed mainly under the Group's own brands "Shihao" and "Citifac." The Group's CTC products are sold and distributed globally, including Asia Pacific, Europe and the United States of America. The Group's overseas customers include feed mills, pharmaceutical companies and trading companies, whereas customers in China are mainly feed mills.

The Group currently has two CTC production plants in China, one located in Pucheng (which produces CTC Premix and CTC HCL) and one located in Zhumadian (which produces CTC Premix). Raw materials are generally sourced locally.

業務回顧

生化業務

作為全球領先的金霉素生產商之一，本集團生化業務的收入來自製造及銷售金霉素產品。本集團的產品主要為金霉素預混劑及鹽酸金霉素。金霉素產品用作飼料添加劑以促進禽畜健康生長、預防或治療禽畜疾病及提高飼養效率。

本集團出售的金霉素產品以本集團自有品牌「施豪」及「喜特肥」銷售。本集團的金霉素產品銷往世界各地，包括亞太地區、歐洲及美國等地區。本集團的海外客戶包括飼料加工廠、製藥公司及貿易公司，而在中國的客戶主要是飼料加工廠。

本集團現時在中國擁有兩個金霉素生產工廠，分別位於浦城(生產金霉素預混劑及鹽酸金霉素)及駐馬店(生產金霉素預混劑)。原材料主要在當地採購。

Management Discussion and Analysis
管理層討論及分析

BUSINESS REVIEW (continued)

Biochemical (continued)

The Group's biochemical revenue decreased 14.7% to US$74.47 million (2016: US$87.28 million). Revenue contribution from mainland China, Asia Pacific (excluding mainland China), Europe, the United States of America and elsewhere were 36.2%, 28.4%, 11.5%, 5.0% and 18.9%, respectively.

Rising concern for antibiotic resistance from the misuse of antibiotics in farming animals has become a global topic in recent years and is expected to cloud the industry in the coming years. In 2017, overseas sales were significantly impacted by sales reduction in two of our major overseas markets – the United States of America and Vietnam – which are phasing out the use of antibiotics in animal farming. In the United States of America, sales reduced as the Food and Drug Administration promulgated a new regulation that banned the use of antibiotic products for growth promotion purpose in animal farming from the beginning of 2017. A similar regulation was also introduced in Vietnam, although, as a transition measure, the Ministry of Agriculture and Rural Development allowed the use of certain types of antibiotics (including CTC) for growth promotion purpose until the end of 2017.

Furthermore, in our overseas market, sales to a large customer experienced a sharp fall, mainly due to a change in its ownership. The impact on sales from this large customer extended from the previous year into 2017. During the year, the Group continued to make efforts to develop other new overseas markets with notable success, including Mexico and Canada.

Competition remained intense and average selling price of CTC premix, our main revenue contributor, reduced by approximately 9.1% in 2017 when compared to 2016. Gross profit margin declined to 29.6% in 2017 from 35.8% in 2016.

業務回顧（續）

生化業務（續）

本集團生化業務的收入減少14.7%至7,447萬美元（二零一六年：8,728萬美元）。其中，來自中國大陸、亞太地區（不包括中國大陸）、歐洲、美國及其他地區的收入分別佔36.2%、28.4%、11.5%、5.0%和18.9%。

近年來在禽畜養殖過程中誤用抗生素，從而加劇了抗生素的耐藥性，成為全球日益關注的議題，預計未來幾年會使行業陰霾重重。二零一七年，美國和越南兩個主要海外市場逐步淘汰於動物養殖過程中使用抗生素，故嚴重影響了來自海外市場的收入。美國方面，食品及藥物管理局頒布了新的法規，從二零一七年初起禁止在動物養殖過程中使用作促進生長用途的抗生素產品，致使來自美國的收入下降。越南亦推出類似的法規，但作為過渡性安排，越南農業及農村發展部允許使用某些類型的抗生素（包括金霉素）作促進生長用途，直至二零一七年末為止。

此外，由於我們海外市場一名大客戶之擁有權有所變化，來自其收入大幅下降，對海外銷售的影響由去年延續至二零一七年。年內，本集團積極開拓其他新的海外市場，包括墨西哥及加拿大，並取得成功。

市場競爭依然激烈，作為本集團最主要收入來源的金霉素預混料，其二零一七年的平均銷售價格較二零一六年下降約9.1%。毛利率由二零一六年的35.8%下降至二零一七年的29.6%。

BUSINESS REVIEW (continued)

Industrial

The Group's industrial business is conducted through two groups of companies, ECI Metro and Zhanjiang Deni.

ECI Metro is principally engaged in the sale, leasing and servicing of Caterpillar machinery equipment. ECI Metro is one of the four Caterpillar dealers in China. Its service territory covers the western part of China, namely Yunnan, Guizhou, Sichuan, Shaanxi, Gansu and Qinghai provinces, Ningxia Hui Autonomous Region, Tibet Autonomous Region and Chongqing municipality. Caterpillar is the world's leading manufacturer of earthmoving and construction equipment. Key customers include those engaged in mining, railroad and road construction and other infrastructure construction industries.

According to the National Bureau of Statistics of the PRC, China's gross domestic product in 2017 registered a year-on-year growth of 6.9%, compared to 6.7% in 2016. Fixed-asset investment growth in China was 7.2% in 2017, of which infrastructure investment growth increased from 17.2% to 19.0%. In ECI Metro's operating region, increased infrastructure investments have stimulated demand for excavators. For the year ended 31 December 2017, our share of profits of joint venture amounted to US$13.35 million (2016: US$2.85 million).

Zhanjiang Deni is principally engaged in the manufacture and sale of automotive parts, which are mainly sold to automobile and motorcycle manufacturers. According to the China Association of Automobile Manufacturers, motorcycle sales recorded a growth of 2% while automobile sales growth was 3% in 2017. For the year ended 31 December 2017, our share of profits of associate was US$2.26 million (2016: US$2.20 million).

業務回顧（續）

工業業務

本集團的工業業務透過易初明通及湛江德利兩組公司經營。

易初明通主要從事卡特彼勒機械設備的銷售、租賃及客戶服務。易初明通是中國四家卡特彼勒經銷商之一，其服務領域覆蓋中國西部地區，即雲南省、貴州省、四川省、陝西省、甘肅省及青海省、寧夏回族自治區、西藏自治區及重慶市。卡特彼勒是世界上領先的土方工程機械及建築設備生產商。易初明通的主要客戶包括從事採礦、鐵路、道路及其他基礎設施建設行業的工程承包商。

根據中華人民共和國國家統計局數據，二零一七年中國國內生產總值按年錄得6.9%增長，二零一六年增長為6.7%。於二零一七年，中國固定資產投資按年增長7.2%，其中基礎建設投資增長由17.2%上升至19.0%。由於易初明通在經營地區的基礎設施投資增加，刺激了挖掘機的需求。截至二零一七年十二月三十一日止年度，應佔合營企業溢利為1,335萬美元（二零一六年：285萬美元）。

湛江德利專注製造及銷售汽車零件，主要出售予汽車及摩托車製造商。根據中國汽車工業協會統計，於二零一七年，摩托車銷售量按年增長2%，而汽車銷售量則增長3%。截止二零一七年十二月三十一日止年度，應佔聯營公司溢利為226萬美元（二零一六年：220萬美元）。

OUTLOOK

Going forward, our biochemical business is likely to be affected by growing concerns on the use of antibiotics in animal farming. Our industrial business shall continue to experience fluctuations as ECI Metro is highly dependent on infrastructure investments, which face policy risks in China. Overall, the Group remains cautious for 2018.

展望

展望未來，我們的生化業務很可能會受到於禽畜養殖過程中誤用抗生素的憂慮影響。由於易初明通高度依賴受中國政策風險影響的基礎設施投資，我們的工業業務表現將持續波動。總體而言，本集團對二零一八年保持謹慎態度。

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2017, the Group had total assets of US$229.7 million, an increase of 14.8% as compared to US$200.0 million as at 31 December 2016.

As at 31 December 2017, the Group had net cash, being cash and deposits less bank borrowings, of US$24.2 million (31 December 2016: US$28.8 million).

All the borrowings of the Group are denominated in Renminbi (“RMB”) as at 31 December 2017 and 2016.

As at 31 December 2017, the Group’s fixed interest rate bank borrowings amounted to US$4.6 million (31 December 2016: US$4.3 million).

All domestic sales in mainland China are transacted in RMB and export sales are transacted in foreign currencies. The Group monitors exchange rate movements and determines appropriate hedging activities when necessary.

資金流動性及財政資源

於二零一七年十二月三十一日，本集團之總資產為2.30億美元，較二零一六年十二月三十一日之2.00億美元，增加14.8%。

於二零一七年十二月三十一日，本集團之淨現金，即現金及存款減銀行借款為2,420萬美元（二零一六年十二月三十一日：2,880萬美元）。

本集團於二零一七年及二零一六年十二月三十一日的借款全部按人民幣作為單位。

於二零一七年十二月三十一日，本集團按固定利率計息之借款為460萬美元（二零一六年十二月三十一日：430萬美元）。

於中國大陸所有國內銷售均以人民幣計算，而出口銷售則以外幣計算。本集團監控外滙變動，必要時考慮適當的對沖活動。

CAPITAL STRUCTURE

The Group finances its working capital requirements through a combination of funds generated from operations and borrowings. The Group had time deposits and cash and cash equivalents of US$33.7 million as at 31 December 2017, a decrease of US$3.4 million compared to US$37.1 million as at 31 December 2016.

資本結構

本集團透過營運資金及借款應付其流動資金需求。於二零一七年十二月三十一日，本集團持有定期存款及現金及現金等價物3,370萬美元（二零一六年十二月三十一日：3,710萬美元），減少340萬美元。

CHARGES ON GROUP ASSETS

As at 31 December 2017, out of the total borrowings of US$9.4 million (31 December 2016: US$8.3 million) obtained by the Group, US$4.8 million (31 December 2016: US$4.0 million) was secured and accounted for 51.2% (31 December 2016: 48.2%) of the total borrowings. Certain of the Group's property, plant and equipment and land lease prepayments with an aggregate net book value of US$7.8 million (31 December 2016: US$3.1 million) were pledged as security.

本集團資產抵押

於二零一七年十二月三十一日，本集團總借款為940萬美元（二零一六年十二月三十一日：830萬美元），其中480萬美元（二零一六年十二月三十一日：400萬美元）借款需提供資產抵押，佔借款總額之51.2%（二零一六年十二月三十一日：48.2%）。本集團若干物業、廠房及設備及預付土地租賃費已用作抵押，賬面淨額合共780萬美元（二零一六年十二月三十一日：310萬美元）。

CONTINGENT LIABILITIES

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

或有負債

本集團於二零一七年十二月三十一日並沒有任何重大或有負債。

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITONS AND DISPOSALS

Save for those disclosed in this annual report, there were no other significant investments held nor material acquisitions or disposals during the year.

持有的重大投資、重大收購及出售

除本年報所披露外，本集團在本年內沒有持有任何其他重大投資，亦沒有進行任何重大收購或出售。

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2017, the Group employed around 800 employees in the PRC and Hong Kong. The Group remunerates its employees based on their performance, experience and prevailing market rates while performance bonuses are granted on a discretionary basis. Other employee benefits include, for example, medical insurance and training.

僱員及酬金政策

於二零一七年十二月三十一日，本集團於中國及香港共聘用約800名僱員。本集團根據僱員的表現、經驗及現行的市場水平，釐訂其薪津，並酌情授予花紅。其他僱員福利包括例如：醫療保險及培訓。

Corporate Governance Report
企業管治報告

Chia Tai Enterprises International Limited (the "Company") is committed to maintaining a high corporate governance standard, the principles of which are to uphold a high standard of ethics, transparency, accountability and integrity in all aspects of business and to ensure that affairs are conducted in accordance with applicable laws and regulations.

正大企業國際有限公司(「本公司」)致力保持高度企業管治水平，其原則旨在維護公司在各業務方面均能貫徹高水平的道德、透明度、責任及誠信操守，並確保所有業務運作符合適用法律和法規。

CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the code provisions prescribed in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year 2017.

企業管治守則

於二零一七年內，本公司已應用載於香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四之《企業管治守則》及《企業管治報告》的原則及遵守其所有守則條文。

THE BOARD

(a) Board Composition

As at the date of this report, the board of directors of the Company (the "Board") comprises nine members including four executive directors, two non-executive directors and three independent non-executive directors.

The biographical details of all directors of the Company (the "Directors") and the relationships among Directors and senior management are set out in the Biographical Details of Directors and Senior Management section on pages 22 to 25 of the annual report.

(b) Chairman and Chief Executive

Mr. Soopakij Chearavanont is the Chairman of the Company. Mr. Thirayut Phityaisarakul and Mr. Thanakorn Seriburi are the chief executive officers of the biochemical division and the industrial division respectively. The roles of chairman and chief executives are distinct and separate with a clear division of responsibilities. The Chairman is responsible for overseeing the function of the Board while the chief executive officers are responsible for managing the Company's business.

董事會

(a) 董事會的組成

截至本報告書日期止，本公司董事會(「董事會」)共有九名成員，包括四名執行董事、兩名非執行董事及三名獨立非執行董事。

本公司所有董事(「董事」)的履歷及董事和高級管理人員之間的關係載於年報第22至25頁「董事及高級管理人員履歷詳情」一節。

(b) 董事長和行政總裁

謝吉人先生為本公司董事長。李紹慶先生及李紹祝先生分別為生化業務及工業業務的行政總裁。董事長與行政總裁的角色獨立分明、分工清晰。董事長負責監督董事會職能運作，行政總裁則負責管理本公司的業務。

(c) Roles and Responsibilities

The Board, directly and through its committees, leads and provides direction for the management by laying down strategies and overseeing their implementation by the management, reviews the operational and financial performance, provides oversight to ensure that a sound system of risk management and internal control is in place, and performs corporate governance functions.

The non-executive directors (including independent non-executive directors) provide advisory, check and balances for effective and constructive contribution to the Board to safeguard interests of the shareholders and the Company as a whole.

The management is responsible for the execution of business strategies and dealing with day-to-day operations.

(d) Independent Non-executive Directors

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers that all independent non-executive Directors are independent.

(e) Directors' Securities Transactions

The Company has adopted the Code of Conduct for Securities Transactions, which is based on the required standards set out in Appendix 10 of the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers, as the code of conduct for dealings in the Company's securities by its directors. In response to a specific enquiry by the Company, all Directors have confirmed that they complied with the required standard set out in the Code of Conduct for Securities Transactions during 2017.

(f) Directors' Training

Every director has kept abreast of his responsibilities as a director of the Company and of the business activities and development of the Company. During 2017, the Company provided trainings on the Listing Rules and monthly updates on the Company's financial performance and financial position to all Directors.

(c) 角色及職責

董事會（直接透過其委員會）帶領並指導管理層，其包括制定及監察管理層推行策略、檢討運作及財務表現，作出監督以確保設有良好的風險管理和內部監控系統，和履行企業管治職能。

非執行董事（包括獨立非執行董事）向董事會提供建議、核查和制衡，對維護股東及本公司的整體利益作出有效及建設性的貢獻。

管理層負責執行業務策略及處理日常運作。

(d) 獨立非執行董事

本公司已根據上市規則第3.13條收到每名獨立非執行董事就其獨立性而作出的年度確認函，並認為所有獨立非執行董事均屬獨立人士。

(e) 董事的證券交易

本公司已採納證券交易行為守則，其乃根據上市規則附錄十之上市發行人董事進行證券交易的標準守則所載的規定標準，作為其董事買賣本公司證券的行為守則。在回應本公司具體查詢時，所有董事確認於二零一七年內，彼等已遵守證券交易行為守則內所載的規定標準。

(f) 董事培訓

每名董事均遵守作為本公司董事之責任，並與本公司之業務活動及發展並進。於二零一七年內，本公司向所有董事提供了有關上市規則的培訓及本公司每月財務表現及財務狀況的最新資料。

(g) General Meetings, Board Meetings and Board Committee Meetings

During 2017, the Company held one annual general meeting, one special general meeting, seven Board meetings, two Audit Committee meetings, one Remuneration Committee meeting and one Nomination Committee meeting.

Directors are expected to devote sufficient time and attention to perform their duties and responsibilities. According to the bye-laws of the Company, Directors can attend board meetings in person or by means of telephone, electronic or other communication facilities.

The attendance of each Director to the meetings, by name, in 2017 is set out in the following table:

(g) 股東大會、董事會及董事會轄下的委員會會議

於二零一七年內，本公司舉行了一次股東周年大會、一次股東特別大會、七次董事會會議、兩次審核委員會會議、一次薪酬委員會會議和一次提名委員會會議。

董事在履行其職責時須付出充分時間及關注。根據本公司細則，董事可親身出席或透過電話、電子或其他通訊設備參與董事會會議。

下表具名列載每位董事於二零一七年出席會議的出席率：

		No. of meetings attended/held 出席次數／會議舉行次數					
		Annual General Meeting 股東周年大會	Special General Meeting 股東特別大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Chairman and Non-executive Director	*董事長及非執行董事*						
Mr. Soopakij Chearavanont	謝吉人先生	1/1	0/1	6/7	–	–	1/1
Executive Directors	*執行董事*						
Mr. Thirayut Phityaisarakul	李紹慶先生	1/1	0/1	7/7	–	–	–
Mr. Thanakorn Seriburi	李紹祝先生	0/1	0/1	5/7	–	0/1	–
Mr. Nopadol Chiaravanont	謝杰人先生	1/1	0/1	6/7	–	–	–
Mr. Yao Minpu	姚民仆先生	1/1	1/1	7/7	–	–	–
Non-executive Director	*非執行董事*						
Mr. Yoichi Ikezoe	池添洋一先生	1/1	1/1	7/7	–	–	–
Independent Non-executive Directors	*獨立非執行董事*						
Mr. Surasak Rounroengrom	Surasak Rounroengrom先生	1/1	0/1	7/7	2/2	1/1	1/1
Mr. Cheng Yuk Wo	鄭毓和先生	1/1	1/1	7/7	2/2	1/1	1/1
Mr. Ko Ming Tung, Edward	高明東先生	0/1	1/1	6/7	2/2	1/1	–

(h) Accountability and Audit

The Board is responsible for presenting a balanced, clear and understandable assessment of the Company's performance in annual and interim reports.

The Directors acknowledge their responsibility for preparing the financial statements, which give a true and fair view of the financial position of the Group and the financial performance and cash flows of the Group in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance. The statement of the auditor of the Company about responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report section on pages 45 to 51 of the annual report.

The Board considers that, in preparing the financial statements, the Group has applied appropriate accounting policies that are consistently adopted and made judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

(h) 問責及審核

董事會負責在年報及中期報告對本公司之表現作出平衡、清晰及容易理解的評估。

董事確認編製財務報表的責任，財務報表須按照《國際財務報告準則》及香港《公司條例》的披露要求真實而中肯地反映本集團的財務狀況、本集團財務表現及現金流量的狀況。本公司核數師就對本集團財務報表的責任之聲明載於年報第45至51頁「獨立核數師報告」一節。

董事會認為本集團在編製財務報表時已一貫地採納適當的會計政策，並根據適用的會計準則作出合理及審慎的判斷與估計。

董事確認經作出一切合理查詢後，就彼等所知、所悉及所信，彼等並不知悉任何重大不明朗之事件或情況，可能會對本公司持續經營能力造成重大疑慮。

BOARD DELEGATION

The Board has delegated authority to four committees which operate under defined terms of reference. The terms of reference of the Nomination Committee, the Remuneration Committee and the Audit Committee are available on the Company's website. The attendance of each committee member to the committee meetings, by name, in 2017 is set out on page 12 of the annual report.

董事會授權

董事會轄下授權四個委員會按照特定的職權範圍運作，提名委員會、薪酬委員會和審核委員會的職權範圍已載於本公司網站。每名委員會成員於二零一七年出席委員會會議的出席率具名載列於年報第12頁。

(i) Nomination Committee

The Nomination Committee consists of a non-executive Director, Mr. Soopakij Chearavanont (Chairman) and two independent non-executive Directors, namely Mr. Surasak Rounroengrom and Mr. Cheng Yuk Wo.

(i) 提名委員會

提名委員會由非執行董事謝吉人先生(主席)及兩名獨立非執行董事即Surasak Rounroengrom先生和鄭毓和先生組成。

(i) Nomination Committee (continued)

The Nomination Committee is delegated by the Board with the primary responsibility to formulate and implement the nomination policy and board diversity policy, make recommendations to the Board on the selection of individual(s) nominated for directorship and assess the independence of independent non-executive Directors.

According to the board diversity policy of the Company, selection of candidates is based on a range of considerations relating to diversity, which include but are not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The Company's corporate strategy and organisational needs are also taken into account. Board appointments are based on meritocracy.

All non-executive Directors and independent non-executive Directors are appointed for a successive term of one year and three years, respectively and, together with all other Directors, are subject to retirement by rotation, but may offer themselves for re-election at annual general meetings in accordance with the Company's bye-laws. According to the Company's bye-laws, at each annual general meeting of the Company no less than one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

During 2017, the Nomination Committee held one meeting to review the Board composition.

(ii) Remuneration Committee

The Remuneration Committee consists of three independent non-executive Directors, namely Mr. Cheng Yuk Wo (Chairman), Mr. Surasak Rounroengrom and Mr. Ko Ming Tung, Edward, and an executive Director, Mr. Thanakorn Seriburi.

The Remuneration Committee is delegated by the Board with primary responsibility to make recommendations to the Board on the remuneration policy and structure for all directors and senior management, determine the remuneration packages of individual directors and senior management and submit for endorsement by the Board.

(i) 提名委員會(續)

提名委員會由董事會授權，主要負責制定及執行提名政策及董事會成員多元化政策、向董事會提供有關挑選提名人士出任董事的建議及評估獨立非執行董事的獨立性。

根據本公司的董事會成員多元化政策，甄選人選是按一系列多元化考慮為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識，以及考慮本公司企業策略和組織需要。董事會委任是以用人唯才為基準。

所有非執行董事及獨立非執行董事獲委任的指定任期分別為一年和三年，可續任和根據本公司細則與所有其他董事輪值退任並於股東周年大會上膺選連任。根據本公司細則，於本公司每屆股東周年大會上，應有不少於當時董事人數三分之一的董事輪值退任(各董事應至少每三年於股東周年大會輪值退任一次)。

於二零一七年內，提名委員會召開了一次會議，以檢討董事會的組成。

(ii) 薪酬委員會

薪酬委員會由三名獨立非執行董事即鄭毓和先生(主席)、Surasak Rounroengrom先生和高明東先生及執行董事李紹祝先生組成。

薪酬委員會由董事會授權，主要負責向董事會就董事及高級管理人員的全體薪酬政策及架構提出建議，釐定個別董事及高級管理人員的薪酬待遇並提呈董事會批准。

(ii) Remuneration Committee (continued)

The primary objective of the Remuneration Committee is to ensure that the Company is able to attract, retain and motivate high-caliber employees who are critical to the success of the Company, thereby enhancing the value of the Company to shareholders. The objective of the Company's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practices.

During 2017, the Remuneration Committee held one meeting to determine remuneration packages for the Directors and senior management.

Details of emoluments of each Director are set out in note 9 to the financial statements of the annual report. The remuneration of the members of the senior management by band for the year ended 31 December 2017 is set out below:

(ii) 薪酬委員會（續）

薪酬委員會主要目標是確保本公司能夠吸引、挽留及激勵高質素僱員，鼓勵他們繼續為本公司的成功作出貢獻，從而為本公司股東創造價值。本公司的薪酬政策旨在根據業務所需及行業慣例，保持公平而具競爭力的僱員薪酬。

於二零一七年內，薪酬委員會召開了一次會議，以釐定董事和高級管理人員的薪酬。

各董事的酬金詳情載於年報內財務報表附註9。於截至二零一七年十二月三十一日止年度內，高級管理人員成員之薪酬範圍如下：

(HK$) *(港元)*		**Number of Senior Management** **高級管理人員人數**
0 to 3,000,000	0至3,000,000	2

(iii) Corporate Governance Committee

The Company established the Corporate Governance Committee on 15 December 2017. The Corporate Governance Committee consists of one independent non-executive Director, Mr. Ko Ming Tung, Edward (Chairman) and two executive Directors, namely Mr. Nopadol Chiaravanont and Mr. Yao Minpu.

The Corporate Governance Committee is delegated by the Board with the primary responsibility to develop and review the Company's policies and practices on corporate governance; review and monitor the training and continuous professional development of directors and senior management; review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; develop, review and monitor the code of conduct applicable to employees and directors; and review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

(iii) 企業管治委員會

本公司於二零一七年十二月十五日成立企業管治委員會。企業管治委員會由一名獨立非執行董事高明東先生（主席）和兩名執行董事即謝杰人先生和姚民仆先生組成。

企業管治委員會由董事會授權，主要負責制定及檢討本公司的企業管治政策及常規；檢討及監察董事及高級管理人員的培訓及持續專業發展；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；制定、檢討及監察僱員及董事的操守準則；及檢討本公司遵守《企業管治守則》的情況及在《企業管治報告》內的披露。

(iv) Audit Committee

The Audit Committee consists of three independent non-executive Directors, namely Mr. Cheng Yuk Wo (Chairman), Mr. Surasak Rounroengrom and Mr. Ko Ming Tung, Edward.

The Audit Committee is delegated by the Board with the primary responsibility to provide independent oversight of the Group's financial reporting, risk management and internal control systems. The Audit Committee is provided with sufficient resources to perform its duties including support from the Internal Audit Department, the external auditor and management in reviewing the Group's financial results, material financial, operational and compliance controls.

The Audit Committee held two meetings during the year. The following is a summary of the work of the Audit Committee in 2017:

- reviewed the annual report and the annual results announcement for the year ended 31 December 2016 and gave recommendation to the Board for approval;
- reviewed the report from the external auditor to the Audit Committee for the year ended 31 December 2016;
- reviewed the Group's compliance with the Corporate Governance Code;
- reviewed internal audit reports of the Group;
- reviewed the interim report and the interim results announcement for the six months ended 30 June 2017 and gave recommendation to the Board for approval;
- reviewed the report from the external auditor to the Audit Committee for the six months ended 30 June 2017;
- reviewed the audit and non-audit services undertaken by the external auditor; and
- reviewed the effectiveness of the risk management and internal control systems.

(iv) 審核委員會

審核委員會由三名獨立非執行董事即鄭毓和先生(主席)、Surasak Rounroengrom先生和高明東先生組成。

審核委員會由董事會授權，主要負責獨立監督本集團的財務匯報、風險管理及內部監控系統。審核委員會備有充足資源執行其工作，包括由內部審計部門、外聘核數師與管理層提供所需支援，以審核本集團財務業績、重要財務、營運及合規的監控。

審核委員會於年內召開了兩次會議，以下為審核委員會於二零一七年的工作摘要：

- 審閱截至二零一六年十二月三十一日止年度的年報及全年業績公告，並建議董事會通過；
- 審閱外聘核數師致審核委員會截至二零一六年十二月三十一日止年度的報告；
- 審閱本集團遵守《企業管治守則》的情況；
- 審閱本集團的內部審計報告；
- 審閱截至二零一七年六月三十日止六個月的中期報告及中期業績公告，並建議董事會通過；
- 審閱外聘核數師致審核委員會截至二零一七年六月三十日止六個月的報告；
- 審閱由外聘核數師所進行的審核及非審核服務；及
- 審閱風險管理和內部監控的成效。

(iv) Audit Committee (continued)

Subsequent to the year end, the Audit Committee reviewed the annual report and the annual results announcement for the year ended 31 December 2017 and gave recommendation to the Board for approval.

The Audit Committee is responsible for the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor. To ensure external auditor's independence, the Audit Committee reviewed the audit and non-audit services undertaken by the external auditor in 2017.

During the year ended 31 December 2017, the remuneration paid by the Group to external auditors are set out below:

(iv) 審核委員會（續）

於年度結束後，審核委員會審閱截至二零一七年十二月三十一日止年度的年報及全年業績公告，並建議董事會通過。

審核委員會負責外聘核數師之委任、續聘和罷免及審批外聘核數師的酬金與聘用條款。為確保外聘核數師的獨立性，審核委員會已檢討於二零一七年由外聘核數師所進行的審核及非審核服務。

於截至二零一七年十二月三十一日止年度內，本集團支付外聘核數師的酬金如下：

Category of Services	服務類別	2017 二零一七年 *(US$'000)* *(美元千元)*
Audit services	審核服務	153
Review engagements and agreed-upon procedures	審閱委聘及執行商定程序	53
		206
Other services	其他服務	2
Total	總額	208

RISK MANAGEMENT AND INTERNAL CONTROL

Our Approach

The Group has established and adopted a risk management policy which is designed to manage the risk of failure associated with the Group while achieving its business objectives and provide reasonable, but not absolute, assurance against material misstatement or loss. A risk appetite statement has been established to define the extent of risks that the Group is willing to take in pursuit of its strategies and business objectives.

Clear roles and responsibilities are assigned to different level of management within the Group. The Board acknowledges that it is responsible for the Group's risk management and internal control systems. The Board also (i) oversees the design, implementation and monitoring of the risk management and internal control systems and (ii) evaluates and determines the nature and extent of risks it is willing to take in achieving the Group's business objectives. The Board delegates the responsibility of reviewing the effectiveness of the Group's risk management and internal control systems to the Audit Committee, which monitors the Group's risk management and internal control systems through the Internal Audit Department. The Internal Audit Department carries out independent review of key business processes and controls, key findings and recommendations for improvement are regularly reported to the Audit Committee. The external auditor also reports on any control issues which has been identified in the course of audit or review work to the Audit Committee. Management is responsible for designing, implementing and monitoring risk management and internal control systems, whereas risk owners appointed by the management are responsible for identifying, analysing and prioritising risk issues for further consideration by management, and ensuring that the risk monitoring and control system are working effectively and risk mitigation actions are implemented within business units.

Effectiveness Review

In 2017, the Audit Committee, on behalf of the Board, has conducted an annual review of the effectiveness of the Group's risk management and internal control systems. The Board considers that the risk management and internal control systems of the Group are effective and adequate. The Board also considers that the Group has adequate resources, staff qualifications and experience, training programmes and budget of accounting, internal audit and financial reporting functions.

風險管理及內部監控

我們的模式

董事會已制定和採納風險管理守則，旨在管理與本集團相關之未能達成業務目標的風險，並就不會有重大的失實陳述或損失作出合理的保證。風險偏好聲明已制定，以訂立本集團在實踐其策略和業務目標時所願意承擔風險程度。

角色和責任清晰分配給本集團內不同級別的管理層。董事會確認負責本集團的風險管理和內部監控系統。董事會亦(i)監督風險管理和內部監控系統的設計、實施和監察；及(ii)評估和決定在實踐本集團業務目標時所願意承擔風險的性質和程度。董事會授權審核委員會檢討本集團風險管理及內部監控系統的成效，其透過內部審計部門以監察本集團之風險管理及內部監控系統。內部審計部門對主要業務流程和監控進行獨立審查，重要發現和改善建議定期向審核委員會報告。外聘核數師亦向審核委員會報告在審核或審閱過程中所識別的任何監控問題。管理層負責風險管理和內部監控系統的設計、實施和監察。而由管理層所指派的風險責任人負責識別、分析和為風險問題進行優先排序，以便管理層進一步考慮，並確保風險監察和監控系統有效運作，在業務單位內實施風險緩解措施。

成效審閱

於二零一七年，審核委員會代表董事會就本集團風險管理和內部監控系統的成效已進行年度審閱。董事會認為本集團的風險管理和內部監控系統有效和足夠。董事會亦認為本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

Continuous Improvement

We are committed to continually improve our risk management and internal control framework and will continue to enhance the integration of risk management and internal control into our business process.

For the handling and dissemination of inside information, an inside information handling policy is in place to enable the Group to handle inside information in accordance with the legal requirements and, where required, communicate with the Group's stakeholders in a timely manner.

SHAREHOLDERS' RIGHTS

Convening a Special General Meeting by Shareholders

In accordance with the Company's bye-law 62, the Board may, whenever it thinks fit, convene a special general meeting, and special general meetings shall also be convened on requisition, as provided by the Companies Act 1981 of Bermuda (as the same may from time to time be amended) (the "Companies Act"), and, in default, may be convened by the requisitionists.

Pursuant to the Companies Act, at the date of the deposit of the requisition, members holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company can submit a written requisition to the Board for convening a special general meeting.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company.

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

Such meeting convened by the requisitionists shall be convened in the same manner as that in which meetings are to be convened by the Board. At least 14 clear days' notice in writing (and not less than 10 business days) shall be given to all members of the Company.

風險管理及內部監控（續）

持續改進

我們致力不斷改進我們的風險管理和內部監控架構，並將繼續加強風險管理和內部監控聯繫於我們的業務流程中。

有關處理及發佈內幕消息，本公司已制定內幕消息處理守則，使本集團能適時根據法律要求處理內幕消息及如有需要與本集團持份者溝通。

股東權利

由股東召開股東特別大會

根據本公司細則第62條，董事會可在其認為適合時召開股東特別大會。根據百慕達《1981年公司法》(同樣經不時修訂)(「公司法」)規定，股東亦可要求召開股東特別大會，並在請求不獲回應時由要求人士自行召開股東特別大會。

根據公司法，於書面要求遞交日期時持有本公司繳足股本(有權於本公司股東大會上投票)不少於十分之一的股東，有權向董事會遞交書面要求，召開股東特別大會。

書面要求必須註明大會之目的，並必須由要求人士簽署，及交回本公司的註冊辦事處。

倘董事會並無於書面要求遞交日期起計二十一日內正式召開會議，要求人士或其中代表全體要求人士總表決權半數以上之任何人士可自行召開會議，惟按此方式召開之任何會議須於書面要求遞交日期起計三個月內舉行。

要求人士依此召開之會議須盡可能以接近本公司董事會召開會議之方式召開。須最少發出十四個整日(及不少於十個營業日)的書面通知予本公司所有股東。

SHAREHOLDERS' RIGHTS (continued)

To Make Enquiry to the Board

Shareholders of the Company can make enquiry to the Board by writing to the principal place of business of the Company in Hong Kong.

To Put Forward Proposals at General Meetings

Pursuant to the Companies Act, any number of members of the Company representing not less than one-twentieth of the total voting rights of all the members having at the date of the requisition a right to vote at the meeting to which the requisition relates or not less than one hundred members can submit a written requisition to the Board for putting forward proposals at general meetings.

The requisition must state the resolution with a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting and the requisition must be signed by the requisitionists.

The requisition must be deposited at the registered office of the Company by not less than six weeks before the meeting in the case of the requisition requiring notice of a resolution or by not less than one week before the meeting in case of any other requisition. The requisitionists must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement to all members of the Company.

股東權利(續)

向董事會作出查詢

本公司股東向董事會作出查詢，可以書面形式遞交至本公司於香港的主要營業地點。

於股東大會上提呈議案

根據公司法，於書面要求遞交日期時持有所有股東總表決權不少於二十分之一的任何數目股東或不少於100名的股東，有權向董事會遞交書面要求，於股東大會上提呈議案。

書面要求必須註明決議案，並載有關於該大會上提呈的決議案所述事宜或將處理的事項不超過1,000字之陳述書，及必須由要求人士簽署。

書面要求(倘書面要求為須予通知的決議案)須在不少於大會舉行前六週或(倘為任何其他書面要求)在大會舉行前一週，交回本公司的註冊辦事處，並付上合理足以彌補本公司為決議案向本公司所有股東發出決議案的通知和陳述書的費用。

SHAREHOLDERS' RIGHTS (continued)

To Propose a Person for Election as a Director

Members of the Company (other than the person to be proposed) who are qualified to attend and vote at general meetings of the Company can submit a written requisition to the Board to propose a person for election as a director of the Company at such general meetings.

The requisition must be signed by the requisitionists and deposited, with a notice signed by the nominated candidate of his willingness to be elected and the candidate's information required to be disclosed under Rule 13.51(2) of the Listing Rules and a written consent from the nominated candidate to the publication of his personal data, at the principal place of business in Hong Kong of the Company no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting.

Details of the procedures for proposing a person for election as a director are available on the Company's website.

INVESTOR RELATIONS

The Board has established a shareholders' communication policy setting out the principles of the Company in relation to the communication with shareholders, with the objective of maintaining full, open and timely communication with shareholders. Information would be communicated to shareholders in a timely manner, mainly through the publication of the Company's corporate communications including interim and annual reports, announcements and circulars. These publications are available on the Company's website.

In 2017, the Company did not make any changes to its constitutional documents.

股東權利(續)

提名個別人士參選董事

合資格出席本公司股東大會及於會上投票的本公司股東(獲提名人士除外)有權向董事會遞交書面要求，於股東大會上提名個別人士參選董事。

書面要求必須由要求人士簽署，連同一份由被提名人士簽署的通知表明願意參選和就上市規則第13.51(2)條規定披露候選人的資料及候選人同意公佈其私人資料的同意書，由該選舉之指定股東大會通告發送翌日起至該股東大會舉行日期前七日，交回本公司於香港的主要營業地點。

由股東提名個別人士參選董事程序的詳情已載於本公司網站。

投資者關係

董事會已制定本公司就與股東通訊之股東通訊政策，旨在致力與股東保持充分、公開和適時的通訊。資訊主要透過本公司之企業傳訊，包括刊登中期報告、年報、公告及通函，向股東適時發佈。該等刊物已載於本公司網站。

於二零一七年內，本公司並無對其組織章程文件作出任何改動。

Biographical Details of Directors and Senior Management
董事及高級管理人員履歷詳情

Mr. Soopakij Chearavanont, aged 53, has been the Chairman, a Non-executive Director of the Company and the Chairman of the Nomination Committee since September 2014. He obtained a Bachelor of Science degree in the College of Business and Public Administration of New York University, USA and has extensive multinational investment and management experience in various industries. Mr. Chearavanont is also the Chairman of Charoen Pokphand Group Company Limited ("Charoen Pokphand Group") and True Visions Public Company Limited, an executive director and vice chairman of C.P. Pokphand Co. Ltd. ("CPP", listed on the Main Board of the Stock Exchange) and an executive director and chairman of C.P. Lotus Corporation ("C.P. Lotus", listed on the Main Board of the Stock Exchange). He is also a director of True Corporation Public Company Limited and CP ALL Public Company Limited (companies listed on the Stock Exchange of Thailand) and a non-executive director of Ping An Insurance (Group) Company of China, Ltd. (a company listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange). Mr. Chearavanont was previously a director of Siam Makro Public Company Limited (a company listed on the Stock Exchange of Thailand).

謝吉人先生，53歲，自二零一四年九月出任本公司之董事長、非執行董事和提名委員會主席。彼持有美國紐約大學商業及公共管理學院之理學士學位，並擁有跨國性投資及管理不同行業之資深經驗。謝先生亦為Charoen Pokphand Group Company Limited（「Charoen Pokphand Group」）和True Visions Public Company Limited之董事長、卜蜂國際有限公司（「卜蜂國際」於聯交所主板上市之公司）之執行董事及副董事長及卜蜂蓮花有限公司（「卜蜂蓮花」於聯交所主板上市之公司）之執行董事及主席，彼亦為True Corporation Public Company Limited及CP ALL Public Company Limited（兩家於泰國證券交易所上市之公司）之董事和中國平安保險（集團）股份有限公司（一家於聯交所主板及上海證券交易所上市之公司）之非執行董事。謝先生曾於Siam Makro Public Company Limited（一家於泰國證券交易所上市之公司）擔任董事。

Mr. Thirayut Phityaisarakul, aged 75, has been the Chief Executive Officer (Biochemical Division) and an Executive Director of the Company since September 2014. He is also a director of several subsidiaries of the Company and a vice chairman of Charoen Pokphand Group. Mr. Phityaisarakul has extensive management experiences in various industries.

李紹慶先生，75歲，自二零一四年九月出任本公司之行政總裁（生化部）及執行董事。彼亦是本公司若干附屬公司之董事和Charoen Pokphand Group之副董事長，李先生擁有管理不同行業之資深經驗。

Mr. Thanakorn Seriburi, aged 72, has been a Director of the Company since February 1988. He was designated as an Executive Director of the Company and appointed as the Chief Executive Officer (Industrial Division) and a member of the Remuneration Committee in September 2014. He is a director of several subsidiaries of the Company. Mr. Seriburi is also the chairman and chief executive officer of the automotive industrial business group (China) of Charoen Pokphand Group. He has been working on investment projects for Charoen Pokphand Group in the PRC since 1979 and has extensive experience in industrial operations in Asia and elsewhere. Mr. Seriburi was previously an executive director of CPP.

李紹祝先生，72歲，自一九八八年二月出任本公司之董事。彼於二零一四年九月任命為本公司之執行董事和獲委任為行政總裁（工業部）及薪酬委員會的成員。彼是本公司若干附屬公司之董事。李先生亦為Charoen Pokphand Group之中國汽車工業業務之董事長及首席執行長。自一九七九年起，彼一直參與發展Charoen Pokphand Group於中國之投資項目，並擁有在亞洲及其他地區的工業營運方面之資深經驗。李先生曾於卜蜂國際擔任執行董事。

Mr. Nopadol Chiaravanont, aged 56, has been a Director of the Company since July 2014 and was designated as an Executive Director of the Company in September 2014. Mr. Chiaravanont was appointed as a member of the Corporate Governance Committee in December 2017. He is a director of several subsidiaries of the Company. Mr. Chiaravanont is also the assistant to chairman of Charoen Pokphand Group, vice chairman of the automotive and industrial business group (China) of Charoen Pokphand Group and a director of CPPC Public Co., Ltd.

謝杰人先生，56歲，自二零一四年七月出任本公司之董事，並於二零一四年九月任命為本公司之執行董事。謝先生於二零一七年十二月獲委任為企業管治委員會的成員。彼是本公司若干附屬公司之董事。謝先生亦為Charoen Pokphand Group的董事長助理、Charoen Pokphand Group的中國汽車工業業務的副董事長以及CPPC Public Co., Ltd.的董事。

Biographical Details of Directors and Senior Management
董事及高級管理人員履歷詳情

Mr. Yao Minpu, aged 66, has been an Executive Director of the Company since September 2014 and was appointed as a member of the Corporate Governance Committee in December 2017. He is a director of several subsidiaries of the Company. Mr. Yao has been a senior vice chairman of Chia Tai Group Agro-Industry and Food Business (China) since 2010. He was also the chairman of National Swine Industry Association China Animal Agriculture Association from 2003 to 2007, a senior research consultant of Agriculture and Business Administration at the School of Continuing Education of Tsinghua University from 2007 to 2008. He was a committee member of Micro-organism Environmental Resources Control Laboratory of Beijing Institute of Technology in 2011 and a part-time professor of School of Chemical Engineering & Environment of Beijing Institute of Technology in 2013, and is currently a committee member of the China Institute for Rural Studies at Tsinghua University. Mr. Yao was awarded with the China Animal Agriculture Association Outstanding Contribution Awards in 2006.

姚民仆先生，66歲，自二零一四年九月出任本公司之執行董事，並於二零一七年十二月獲委任為企業管治委員會的成員。彼是本公司若干附屬公司之董事。姚先生自二零一零年為正大集團農牧食品企業中國區資深副董事長。彼於二零零三年至二零零七年亦擔任中國畜牧業協會豬業分會會長、於二零零七年至二零零八年擔任清華大學繼續教育學院農業工商管理高級研修項目顧問。彼於二零一一年擔任北京理工大學微生物環境資源過程控制校企聯合實驗室專家組主任委員，於二零一三年擔任北京理工大學化工與環境學院兼職教授及現為清華大學中國農村研究院學術委員會委員。姚先生於二零零六年獲得中國畜牧業協會突出貢獻獎。

Mr. Yoichi Ikezoe, aged 58, has been a Non-executive Director of the Company since October 2015. Mr. Ikezoe is also a non-executive director of CPP. Mr. Ikezoe is currently the Senior Officer for Asia and Oceania Bloc, CP and CITIC (Overseas Operation) of ITOCHU Corporation (a company listed on the Tokyo Stock Exchange) and Chairman of ITOCHU Hong Kong Limited. Mr. Ikezoe has been working for ITOCHU Corporation (formerly known as C.ITOH & Co., Ltd.) since 1983. He received his Bachelor of Arts degree from the Faculty of Foreign Studies, Osaka University in Japan in 1983.

池添洋一先生，58歲，自二零一五年十月出任本公司之非執行董事。池添先生亦為卜蜂國際之非執行董事。池添先生現為伊藤忠商事株式會社（一家於東京證券交易所上市之公司）亞洲和大洋洲區、CP和CITIC（海外運作）之資深人員並為伊藤忠商事（香港）有限公司董事長。池添先生自一九八三年在伊藤忠商事株式會社（前稱C.ITOH & Co., Ltd.）工作。彼於一九八三年獲日本大阪大學國際學院頒授文學士學位。

Mr. Surasak Rounroengrom, aged 64, has been an Independent Non-executive Director of the Company and a member of the Audit Committee, the Remuneration Committee and the Nomination Committee since September 2014. Mr. Rounroengrom obtained a Bachelor of Science degree from Royal Thai Naval Academy, Thailand, in February 1977. Throughout his career with the Royal Thai Navy, Mr. Rounroengrom held many positions. He was the 48th Commander-in-Chief of the Royal Thai Navy from October 2011 to September 2013, when he retired from the Thai armed forces. He was the Supreme Commander Advisor from January 2014 to September 2014 and has been a National Legislative Assembly Member since the end of July 2014. Mr. Rounroengrom is currently the chairman and independent director of Ekachai Medical Care Public Company Limited (a company listed on the Stock Exchange of Thailand).

Surasak Rounroengrom先生，64歲，自二零一四年九月出任本公司之獨立非執行董事、審核委員會、薪酬委員會和提名委員會的成員。Rounroengrom先生於一九七七年二月取得泰國皇家海軍學院理學學士。在泰國皇家海軍職業生涯中，Rounroengrom先生曾擔任多個職位，彼於二零一一年十月至二零一三年九月為第48任泰國皇家海軍總司令，其後從泰國武裝部隊退休。彼於二零一四年一月至二零一四年九月曾為最高指揮官顧問，及自二零一四年七月底起一直為國民立法會議委員。Rounroengrom先生現為Ekachai Medical Care Public Company Limited（一家於泰國證券交易所上市之公司）之主席及獨立董事。

Biographical Details of Directors and Senior Management
董事及高級管理人員履歷詳情

Mr. Cheng Yuk Wo, aged 57, has been an Independent Non-executive Director of the Company, the chairman of the Audit Committee and the Remuneration Committee and a member of Nomination Committee since September 2014. Mr. Cheng obtained a Bachelor of Arts (Honours) degree in Accounting from University of Kent, the United Kingdom in 1983 and a Master of Science (Economics) degree, majoring in Accounting and Finance from London School of Economics and Political Science, the United Kingdom in 1984. He is a Fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, and a member of the Institute of Chartered Professional Accountants of Canada. Mr. Cheng has over 20 years' of expertise in accounting, finance and corporate advisory services.

鄭毓和先生，57歲，自二零一四年九月出任本公司之獨立非執行董事、審核委員會主席、薪酬委員會主席及提名委員會的成員。鄭先生於一九八三年取得英國肯特大學會計系(榮譽)文學士學位及於一九八四年取得英國倫敦大學政治經濟學院科學(經濟)碩士(主修會計及金融)學位。彼乃英格蘭及威爾士特許會計師公會及香港會計師公會的資深會員，亦為加拿大特許專業會計師公會的會員。鄭先生擁有逾20年於會計、金融及企業顧問服務的專業知識。

Mr. Cheng is currently an independent non-executive director of C.P. Lotus, CSI Properties Limited, Chong Hing Bank Limited, HKC (Holdings) Limited, Goldbond Group Holdings Limited, CPMC Holdings Limited, Liu Chong Hing Investment Limited, Top Spring International Holdings Limited, DTXS Silk Road Investment Holdings Company Limited, Kidsland International Holdings Limited (companies listed on the Main Board of the Stock Exchange), Miricor Enterprises Holdings Limited and Somerley Capital Holdings Limited (companies listed on the GEM Board of the Stock Exchange). Mr. Cheng was previously an independent non-executive director of Imagi International Holdings Limited (a company listed on the Main Board of the Stock Exchange).

鄭先生現為卜蜂蓮花、資本策略地產有限公司、創興銀行有限公司、香港建設(控股)有限公司、金榜集團控股有限公司、中糧包裝控股有限公司、廖創興企業有限公司、萊蒙國際集團有限公司、大唐西市絲路投資控股有限公司、凱知樂國際控股有限公司(十家於聯交所主板上市之公司)、卓珈控股集團有限公司及新百利融資控股有限公司(兩家於聯交所創業板上市的公司)之獨立非執行董事。鄭先生曾於意馬國際控股有限公司(一家於聯交所主板上市之公司)擔任獨立非執行董事。

Mr. Ko Ming Tung, Edward, aged 57, has been an Independent Non-executive Director of the Company, a member of the Audit Committee and the Remuneration Committee since September 2014. Mr. Ko was appointed as chairman of the Corporate Governance Committee in December 2017. Mr. Ko obtained an external Bachelor of Laws Degree from the University of London in the United Kingdom in 1986 and is a member of The Law Society of Hong Kong. Mr. Ko is the principal of Messrs. Edward Ko & Company and has been practising as a solicitor in Hong Kong for more than 26 years.

高明東先生，57歲，自二零一四年九月出任本公司之獨立非執行董事、審核委員會及薪酬委員會的成員，高先生於二零一七年十二月獲委任為企業管治委員會之主席。高先生於一九八六年以校外生的身份取得英國倫敦大學法律學士學位，現為香港律師會會員。高先生為高明東律師行之主管律師及在香港擁有逾26年執業律師經驗。

Mr. Ko is currently an independent non-executive director of Sinofert Holdings Limited, Wai Chun Group Holdings Limited, EverChina Int'l Holdings Company Limited (companies listed on the Main Board of the Stock Exchange) and Zioncom Holdings Limited (a company listed on the GEM Board of the Stock Exchange). Mr. Ko was previously a non-executive director of Asia Investment Finance Group Limited (formerly known as Harmonic Strait Financial Holdings Limited) (a company listed on the Main Board of the Stock Exchange) and an independent non-executive director of Chinese Energy Holdings Limited (a company listed on the GEM Board of the Stock Exchange).

高先生現時為中化化肥控股有限公司、偉俊集團控股有限公司、潤中國際控股有限公司(三家於聯交所主板上市之公司)及Zioncom Holdings Limited(一家於聯交所創業板上市之公司)之獨立非執行董事。高先生曾出任亞投金融集團有限公司(前稱和協海峽金融集團有限公司)(一家於聯交所主板上市之公司)之非執行董事及華夏能源控股有限公司(一家於聯交所創業板上市之公司)之獨立非執行董事。

Mr. Chawalit Na Muangtoun, aged 51, has been the General Manager of Zhumadian Huazhong Chia Tai Co., Ltd. ("Zhumadian Huazhong") since November 2012, and a director of Zhumadian Huazhong since January 2015. He obtained a Bachelor degree in Accounting from Payap University in Thailand in 1989. Mr. Na Muangtoun was the finance manager of Urumqi Chia Tai Animal Husbandry Co., Ltd. in 1992 and he was the president of Xianghe Chia Tai Co., Ltd from 2005 to 2008.

馬德壽先生，51歲，自二零一二年十一月擔任駐馬店華中正大有限公司(「駐馬店華中」)總經理並自二零一五年一月兼任駐馬店華中的董事。彼於一九八九年取得泰國Payap大學會計學學士學位。馬先生於一九九二年擔任烏魯木齊正大畜牧有限公司的財務經理，及彼自二零零五年至二零零八年擔任香河正大有限公司總裁。

Mr. Yu Tingtang, aged 52, has been the General Manager of Pucheng Chia Tai Biochemistry Co., Ltd. ("Pucheng Chia Tai") and Vice President of Biochemical Engineering Division since November 2017. Mr. Yu joined Chai Tai Animal Husbandry Investment (Beijing) Co., Ltd. in May 2011 and transferred to Pucheng Chia Tai as Assistant to General Manager in June 2014 and re-designated as Executive Vice General Manager of Pucheng Chia Tai in September 2014. He graduated at The Chinese People's Armed Police Training Academy, Zhengzhou Command School in 1988.

于庭堂先生，52歲，自二零一七年十一月擔任浦城正大生化有限公司(「浦城正大」)總經理及生物工程區副總裁。于先生於二零一一年五月加入正大畜牧投資(北京)有限公司，於二零一四年六月調任為浦城正大總經理助理，於二零一四年九月擔任浦城正大執行副總經理，彼於一九八八年取得武警鄭州指揮學校中專學歷。

RELATIONSHIPS AMONG DIRECTORS AND SENIOR MANAGEMENT

Mr. Soopakij Chearavanont is a cousin of Mr. Nopadol Chiaravanont. Mr. Thirayut Phityaisarakul and Mr. Thanakorn Seriburi are brothers. Save as disclosed above, there is no other material relationship among members of the Board and senior management.

董事及高級管理人員之間的關係

謝吉人與謝杰人先生先生乃堂兄弟關係。李紹慶先生及李紹祝先生乃兄弟關係。除上述披露者外，董事會成員及高級管理人員之間沒有其他重大的關係。

Report of the Directors
董事報告書

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

董事謹提呈董事報告書及本集團截至二零一七年十二月三十一日止年度的經審核財務報告。

PRINCIPAL ACTIVITIES

主要業務

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacture and sale of chlortetracycline products. Additionally, the Group is also involved, through its joint venture and associated company, in the trading of machinery and the manufacture and sale of automotive parts.

本公司乃一家投資控股公司及其附屬公司主要從事產銷金霉素產品。此外，本集團亦透過其合營企業及聯營公司從事機械設備貿易及產銷汽車零部件。

BUSINESS REVIEW

業務審視

Business review with financial key performance indicators analysis and future development of the Group are set out in the Chairman's Statement section on pages 2 to 3, Financial Highlights section on page 4 and Management Discussion and Analysis section on pages 5 to 9 of the annual report.

本集團的業務審視（包括財務關鍵表現指標分析）及未來發展載於年報第2至3頁「董事長報告書」、第4頁「財務概要」及第5至9頁「管理層討論及分析」三節。

The principal risks and uncertainties faced by the Group, a discussion on the environmental policies and performance, and the key relationships with stakeholders are set out below.

本集團面對的主要風險及不確定因素、對環境政策及表現的探討，以及與持份者的重要關係載列如下。

For further information about the environmental and social performance of the Group for this financial year, please refer to the Environmental, Social and Governance Report 2017 to be issued.

有關本集團於本財政年度在環境和社會表現的更多資料，請參閱將刊登的二零一七年環境、社會及管治報告。

The Directors are not aware of any important event affecting the Group since the end of the financial year under review.

自回顧財政年度結束，董事並不知悉有任何影響本集團的重大事件。

Principal Risks and Uncertainties

主要風險及不確定因素

Principal risks and uncertainties faced by the Group are discussed below. Details of the Group's financial risk management are set out in note 34 to the financial statements of the annual report.

本集團面對的主要風險及不確定因素討論如下。本集團財務風險管理之詳情載於年報內財務報表附註34。

Reliance on Key Products

依賴主要產品

Sales of CTC Premix account for a substantial portion of the Group's revenue. Any factors adversely affecting the pricing of, demand for, consumer preferences for, regulatory requirements of, or market acceptance of CTC Premix, including increased competition, change in government regulatory requirements, negative findings or publicity on the effects of CTC Premix, could cause the Group's revenue to decline and the Group's business and future operating results to suffer.

金霉素預混劑的銷售佔本集團收入一大部分。對金霉素預混劑的價格、需求、消費者偏好、監管規則、或市場認可有不利影響的任何因素，包括競爭加劇、政府監管規則改變、或有關本集團金霉素預混劑作用的負面發現或報道，均可能導致本集團的收入下降，本集團的業務及未來經營業績可能受損。

BUSINESS REVIEW (continued)

Volatility of Commodity Prices

The principal raw materials of CTC products are corn starch, yeast, peanut meal and soybean meal which are used to manufacture CTC products. The availability and prices of the necessary raw materials may be adversely affected by factors beyond the Group's control, such as weather conditions, natural disasters or a sudden surge in demand.

If the supply of raw materials is disrupted to a material degree or if there is a substantial increase in the prices of raw materials, and the Group is not able to purchase the same raw materials of the same quality from alternative suppliers at competitive prices or to transfer such material price increase to customers, the Group's financial condition and operating results may be materially and adversely affected. Management will set a safety stock level and continuously collect and analyse the commodity prices information when purchasing these raw materials.

Market Competition

The Group faces intense competition from other CTC producers. New players may also enter the market, competing with the Group's existing clients and negatively impacting the Group's market share.

Product Liability

If the Group's products fail to perform as expected, or prove to be defective or result in accidents, personal injuries, casualties or financial losses to customers, the Group may be subject to liability claims for damages. If products do not meet the specifications and requirements requested by customers, or if any of the Group's products are defective, such defects or any complaints or negative publicity resulting therefrom could result in decreased sales of the Group's products, and the Group may also be subject to product liability claims and litigation. The Group's internal quality control team oversees quality assurance controls and systems throughout the production process.

業務審視（續）

商品價格變動

用於製造金霉素產品的主要原材料為玉米澱粉、酵母粉、花生餅粉及黃豆餅粉。所需原材料的市場供應及價格可能因非本集團所能控制的因素，如天氣狀況、自然災害或需求突然上升而受到不利影響。

如果原材料供應遭重大程度中斷或如果原材料價格大幅上漲，及本集團無法以有競爭力的價格向其他供應商採購相同質量相同的原材料或將該大幅價格上漲轉嫁予顧客，本集團的財務狀況及經營業績可能受到重大不利影響。當採購這些原材料時，管理層會訂立一個安全的存貨水平並持續收集和分析此等原材料價格資訊。

市場競爭

本集團面臨來自其他金霉素生產商的激烈競爭。新進生產商亦可能進入市場，從而與我們競爭現有客戶及對本集團的市場份額造成不利影響。

產品責任

如果本集團的產品表現不如預期或被證實有缺陷或導致客戶遭受意外、人身傷害、傷亡或經濟損失，本集團可能因所造成的損失而面臨責任索償。如果產品不符合客戶所要求的規格和規定，或如本集團的任何產品有缺陷，有關缺陷或由其導致的任何投訴或負面報導可能會造成本集團的產品銷量下降，且本集團亦會面臨產品責任索償和訴訟。本集團的內部品質管理團隊監督生產過程中的品質保證控制及系統。

BUSINESS REVIEW (continued)

Licenses and Permits

In accordance with applicable PRC laws and regulations, the Group is required to obtain and maintain various licences and permits in order to commence and operate our business. In addition, in order to export and sell CTC products overseas, the Group needs to obtain various government approvals and comply with applicable standards in relation to production processes, premises and CTC products in the countries where the Group sell CTC products.

Although the Group currently has the necessary licences and permits, the eligibility criteria for such licences and permits may change from time to time and may become more stringent. In addition, new requirements for the grant or renewal of such licences and permits may come into effect in the future. The introduction of any such new and/or more stringent laws or regulations may significantly escalate the compliance and maintenance costs or may limit or even prohibit the Group to continue its existing operations or expand its business. Management continuously keeps abreast of regulatory changes in the relevant laws and regulations on licenses and permits.

Environmental Compliance

Our CTC production is required to comply with applicable environmental protection laws and regulations in the PRC which govern the standards of air pollution, waste water discharge and noise emissions. Local PRC government and authorities generally have the authority delegated by relevant laws and regulations to impose penalties on companies failing to comply with the relevant environmental protection laws and regulations.

In addition to the existing environmental protection laws and regulations, the PRC government may promulgate new and stricter environmental protection laws and regulations in the biochemical industry in the future which may apply to the Group. As a result, compliance with such legal requirements will become more burdensome and we may incur additional costs in production process and operations, which may ultimately adversely affect production and results of operations. Safety, Health and Environmental Committee of the Group oversees relevant environmental policies affecting the Group's operation.

業務審視（續）

牌照及許可證

根據適用中國法律及法規，本集團取得及持有各種牌照及許可證後，方可開始經營我們的業務。此外，為出口及於海外銷售金霉素產品，本集團需在銷售產品的國家取得多項政府批准以及遵守有關生產過程、場所及金霉素產品的適用標準。

儘管本集團目前已取得所需牌照及許可證，該等牌照和許可證的合格評定標準或會不時改變，並可能變得更為嚴格。此外，有關發出該等牌照及許可證的新規定可能於未來生效。任何有關新法律或法規出台及╱或推行更為嚴格的法律或法規，將可能大幅增加我們的合規及維護成本，或將可能限制或禁止本集團繼續經營現有業務或擴張其業務。管理層會持續跟上牌照及許可證的相關法規之變更。

環境法規

我們生產金霉素須遵守中國有關規管大氣污染、廢水排放及噪音污染的適用環保法律及法規。中國地方政府及機構通常擁有相關法律及法規賦予的權利對未遵守相關環保法律及法規的公司施加處罰。

除了現行的環保法律及法規外，中國政府日後可能會於生化行業頒佈適用於本集團新的及更嚴格的環保法律及法規。因此，我們遵守有關法律規定將增加負擔及於生產過程及營運中可能產生額外成本，從而或會對生產及經營業績造成不利影響。本集團之安全、健康及環境委員會管理影響營運的相關環境政策。

BUSINESS REVIEW (continued)

Environmental Policies and Performance

The Group cares about environmental protection. We have devoted significant operating and financial resources to ensure that our production complies with environmental protection laws and regulations in the PRC. In 2017, there was no incidence of non-compliance with the relevant environmental laws and regulations that have a significant impact on the Group.

Key Relationships with Stakeholders

Employees

We highly value our talents and are committed to provide a safe work environment to our employees. The Group remunerates its employees based on their performance, experience and prevailing market rates while performance bonuses are granted on a discretionary basis. Other employee benefits include, for example, medical insurance and training. We also ensure our recruitment policies are in compliance with national regulations in the areas of equal opportunity and anti-discrimination.

We have in place safety guidelines and operating manuals setting out safety measures for the production processes. In accordance with applicable laws and regulations in China, we provide our employees with training programs on work safety including trainings on safe usage of chemicals and machineries, accident prevention and management. We also conduct regular inspections on our machineries to ensure compliance with safety standards.

Customers

We strive to provide products of the highest quality to our customers. Our operations are certified with ISO 9001, GMP and we have stringent internal quality control procedures in place. We have set up our own laboratories to conduct product testing as part of our internal quality assurance. To monitor our customers' satisfaction, the Group's sales teams listen to customers' needs and opinions. With the continuous feedback of our customers, we will continue to improve our product and service qualities.

業務審視（續）

環境政策及表現

本集團注重環境保護。我們投放了重大的經營及財務資源，以確保我們的生產符合中國環保法律及法規。於2017年內，本集團沒有違反對其業務有重大影響的相關環境法律及規例。

與持份者的重要關係

僱員

我們高度重視我們的人才，並致力為我們的員工提供一個安全的工作環境。本集團根據僱員的表現、經驗及現行的市場水平釐訂其薪酬津貼，並酌情授予花紅，其他僱員福利包括醫療保險及培訓。我們亦確保招聘政策符合平等機會和反歧視方面的國家條例。

我們為生產流程制定安全指引和操作手則，並列明安全措施。根據適用中國的法律及法規，我們為員工提供工作安全培訓計劃，包括安全使用化學製品及機械、預防及管理意外的培訓。我們亦為我們的機械進行定期檢查，以確保符合安全標準。

客戶

我們致力向顧客提供最高品質的產品。我們的業務擁有ISO 9001及GMP認證，並設有嚴格的內部質量控制程序。作為我們的內部質量保證的一部分，我們設有自己的實驗室進行產品測試。為了監督我們客戶的滿意度，本集團的銷售團隊會聽取客戶的需求和意見。隨著我們客戶的不斷反饋，我們將繼續改善我們的產品和服務質素。

BUSINESS REVIEW (continued)

Suppliers

The Group has set up supplier management policies in accordance with the laws and regulations in the PRC to monitor the supplier selection process. The quality of incoming materials is ensured under a well-established control process in our production plants. We carefully choose suppliers that share the same commitment to product quality and work ethics with us. In our procurement process, suppliers are evaluated based on a number of assessment criteria, including their service quality, environmental and social performances, and ability to supply high-quality products on a consistent basis. We also perform on-site inspections of suppliers as and when necessary to ensure our requirements are met.

業務審視(續)

供應商

本集團根據中國法規訂立了供應商管理政策以監控挑選供應商的程序。我們的生產廠房擁有成熟的控制程序，以確保來貨物料的質量。我們謹慎地挑選與我們在產品質素及職業道德方面有著共同追求的供應商。在採購過程中，我們選擇供應商乃基於多項評估標準，包括其服務質素、環境和社會表現，及供應穩定高品質產品的能力。我們於有需要時對供應商進行現場檢查，以確保符合我們的標準。

RESULTS AND DIVIDENDS

The Group's financial performance for the year ended 31 December 2017 and the financial position of the Group at that date are set out in the financial statements on pages 52 to 138 of the annual report.

The Board has resolved not to declare a dividend for the year ended 31 December 2017.

The register of members of the Company will be closed from 5 June 2018 to 8 June 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to ascertain shareholders' eligibility to attend and vote at the forthcoming annual general meeting of the Company to be held on 8 June 2018, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on 4 June 2018.

業績及股息

本集團截至二零一七年十二月三十一日止年度的財務表現及本集團於該日的財務狀況載於年報第52至138頁的財務報表內。

董事會決議截至二零一七年十二月三十一日止年度不派付股息。

本公司將於二零一八年六月五日至二零一八年六月八日期間(首尾兩天包括在內)暫停辦理本公司股份過戶登記手續，為確定股東有權出席本公司將於二零一八年六月八日舉行的應屆股東周年大會並於會上投票的資格，務請將所有過戶文件連同有關股票，於二零一八年六月四日下午四時三十分前，送達本公司於香港之股份過戶登記分處，香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖，辦理登記手續。

SUMMARY FINANCIAL INFORMATION

財務資料概要

The consolidated assets, liabilities and results of the Group for the five years ended 31 December 2017, as extracted from the published audited financial statements, are as follows:

本集團截至二零一七年十二月三十一日止五個年度的綜合資產、負債和業績(摘錄自已刊發的經審核財務報告)如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元	2015 二零一五年 US$'000 美元千元	2014 二零一四年 US$'000 美元千元	2013 二零一三年 US$'000 美元千元
Total assets	總資產	**229,701**	200,043	198,972	206,836	216,184
Total liabilities	總負債	**32,675**	31,308	30,854	38,884	81,571
Non-controlling interests	非控制性權益	**23,047**	20,219	19,304	20,280	24,421
Equity attributable to shareholders of the Company	本公司股東應佔權益	**173,979**	148,516	148,814	147,672	110,192
		229,701	200,043	198,972	206,836	216,184
Profit for the year attributable to shareholders of the Company	本公司股東應佔溢利	**16,347**	8,058	8,182	19,430	27,790

PROPERTY, PLANT AND EQUIPMENT

物業、廠房及設備

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2017 are set out in note 14 to the financial statements of the annual report.

於截至二零一七年十二月三十一日止年度內，本集團的物業、廠房及設備變動的詳情載於年報內財務報表附註14。

SHARE CAPITAL

股本

Details of the movements in issued shares of the Company during the year ended 31 December 2017 are set out in note 29 to the financial statements of the annual report.

於截至二零一七年十二月三十一日止年度內，本公司已發行的股份的變動詳情載於年報內財務報表附註29。

PRE-EMPTIVE RIGHTS

優先購股權

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

本公司細則或百慕達法例並無優先購股權之條款，本公司無須按比例向現有股東配售新股份。

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

During 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

購買、出售或贖回本公司上市證券

於二零一七年內，本公司或其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 35 to the financial statements and in the consolidated statement of changes in equity of the annual report, respectively.

儲備

於年內，本公司及本集團儲備變動的詳情分別載於年報內財務報表附註35及綜合權益變動表內。

DISTRIBUTABLE RESERVES

At 31 December 2017, the Company's reserves available for distribution amounted to US$13,358,000 (2016: US$14,367,000).

可供分配儲備

於二零一七年十二月三十一日，本公司可供分派的儲備為1,335.8萬美元(二零一六年：1,436.7萬美元)。

DONATIONS

During the year, the Group made donations for charitable and other purposes amounting to US$23,000 (2016: US$7,000).

捐款

於年內，本集團的慈善及其他捐款總額為2.3萬美元(二零一六年：7千美元)。

MAJOR CUSTOMERS AND SUPPLIERS

Revenue attributable to the five largest customers accounted for less than 30% of the Group's revenue for the year ended 31 December 2017.

Purchases attributable to the largest supplier and the five largest suppliers accounted for 20.5% and 46.7%, respectively, of the Group's purchases for the year ended 31 December 2017.

None of the Directors, their close associates or shareholders of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any interest in the Group's five largest suppliers.

主要客戶及供應商

五大客戶的收入佔截至二零一七年十二月三十一日本集團收入少於30%。

最大供應商及五大供應商的購貨額分別佔截至二零一七年十二月三十一日止年度本集團購貨額的20.5%及46.7%。

概無董事、彼等緊密聯繫人士或本公司股東(據董事所知擁有本公司已發行股本5%以上者)於本集團的五大供應商擁有任何權益。

DIRECTORS

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

CHAIRMAN AND NON-EXECUTIVE DIRECTOR:

Mr. Soopakij Chearavanont

EXECUTIVE DIRECTORS:

Mr. Thirayut Phityaisarakul
Mr. Thanakorn Seriburi
Mr. Nopadol Chiaravanont
Mr. Yao Minpu

NON-EXECUTIVE DIRECTOR:

Mr. Yoichi Ikezoe

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Surasak Rounroengrom
Mr. Cheng Yuk Wo
Mr. Ko Ming Tung, Edward

All non-executive Directors and independent non-executive Directors are appointed for a successive term of one year and three years, respectively and, together with all other Directors, are subject to retirement by rotation, but may offer themselves for re-election, at annual general meetings in accordance with the Company's bye-laws.

In accordance with the Company's bye-law 99, Mr. Soopakij Chearavanont, Mr. Nopadol Chiaravanont and Mr. Yoichi Ikezoe will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers that all independent non-executive Directors are independent.

董事

於年度內及至本報告書日期，本公司董事名單如下：

董事長及非執行董事：

謝吉人先生

執行董事：

李紹慶先生
李紹祝先生
謝杰人先生
姚民仆先生

非執行董事：

池添洋一先生

獨立非執行董事：

Surasak Rounroengrom先生
鄭毓和先生
高明東先生

所有非執行董事及獨立非執行董事獲委任的指定任期分別為一年和三年，可續任和根據本公司細則與所有其他董事輪值退任並於股東周年大會上膺選連任。

根據本公司細則第99條，謝吉人先生、謝杰人先生及池添洋一先生將於本公司應屆股東周年大會上輪值退任，惟符合資格並願意膺選連任。

本公司已根據上市規則第3.13條收到每名獨立非執行董事就其獨立性而作出的年度確認函，及認為所有獨立非執行董事均屬獨立人士。

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事服務合約

擬於本公司應屆股東周年大會上膺選連任的董事，與本公司或其任何附屬公司概無由本集團可決定於一年內終止而須作出任何賠償(法定賠償除外)的服務合約。

DIRECTORS' EMOLUMENTS

Details of the Directors' emoluments are set out in note 9 to the financial statements of the annual report.

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

董事酬金

董事酬金的詳情載於年報內財務報表附註9。

董事酬金經參考董事之職務、責任及表現以及本集團業績釐定。

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT

Save for the transactions as disclosed in the section headed "Continuing Connected Transactions" below and the related party disclosures as disclosed in note 33 to the financial statements of the annual report, none of the Directors had any material interests, either directly or indirectly, in any transaction, arrangement and contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries and fellow subsidiaries was a party during the year ended 31 December 2017.

董事在交易、安排或合約中的重大權益

除下文「持續關連交易」一節所披露之交易及年報內財務報表附註33披露之關連人士披露外，於截至二零一七年十二月三十一日止年度內，概無董事於本公司或其任何控股公司、附屬和同系附屬公司所訂立的任何對本集團業務而言的交易、安排或重大合約中直接或間接擁有重大權益。

CONTRACT OF SIGNIFICANCE

Save for the transactions as disclosed in the section headed "Continuing Connected Transactions" below and the related party disclosures as disclosed in note 33 to the financial statements of the annual report, there had been no contract of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries during the year ended 31 December 2017.

重大合約

除下文「持續關連交易」一節所披露之交易及年報內財務報表附註33披露之關連人士披露外，於截至二零一七年十二月三十一日止年度內，本公司或其任何附屬公司概無與本公司或其任何附屬公司的控股股東(定義見上市規則)訂立重大合約。

ARRANGEMENT TO PURCHASE SHARES

Save as disclosed in the section headed "Share Option Scheme" on pages 38 and 39 of the annual report, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

購買股份之安排

除於年報第38和39頁「購股權計劃」一節所披露外，於年內，本公司、其控股公司或其任何附屬公司概無作為任何安排下之一方，而令本公司之董事可透過收購本公司或任何其他法人團體之股份而獲得利益。

TAX RELIEF AND EXEMPTION

Directors are not aware of any tax relief and exemption available to shareholders of the Company by reason of their holding in the Company's securities.

稅務減免

董事並不知悉任何因本公司股東持有本公司證券而享有的稅務減免。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the interests and short positions of the directors and chief executives of the Company in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are set out below:

董事及主要行政人員持有本公司及其相聯法團的股份及相關股份的權益及淡倉

於二零一七年十二月三十一日，根據證券及期貨條例第352條規定由本公司備存之登記冊的記錄，又或根據標準守則向本公司及聯交所發出的通知，各董事及主要行政人員持有本公司及其相聯法團的股份及相關股份的權益及淡倉(按證券及期貨條例第XV部所界定者)載列如下：

(a) Directors' interests in shares of the Company (Long Positions)

(a) 董事於本公司的權益(好倉)

Name of director 董事名稱	Capacity 身分	Number of ordinary shares held 所持普通股股份數目	Approximate percentage of the issued ordinary share capital of the Company 佔本公司已發行普通股股本概約百份比
Mr. Thirayut Phityaisarakul 李紹慶先生	Beneficial owner 實益擁有人	410,000	0.17%
Mr. Thanakorn Seriburi 李紹祝先生	Beneficial owner 實益擁有人	625,848	0.26%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (continued)

董事及主要行政人員持有本公司及其相聯法團的股份及相關股份的權益及淡倉（續）

(b) Directors' interests in shares of associated corporations of the Company (Long Positions)

(b) 董事於本公司的相聯法團的權益（好倉）

C. P. Pokphand Co. Ltd.

卜蜂國際有限公司

Name of director 董事名稱	Capacity 身分	Number of shares held 所持股份數目	Approximate percentage of the issued share capital the associated corporation 佔相聯法團已發行股本概約百分比
Mr. Thirayut Phityaisarakul 李紹慶先生	Beneficial owner 實益擁有人	41,000,000	0.17%
Mr. Thanakorn Seriburi 李紹祝先生	Beneficial owner 實益擁有人	62,584,807	0.26%

Save as disclosed above, as at 31 December 2017, none of the directors or chief executives of the Company had any interests or short positions in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上述披露者外，於二零一七年十二月三十一日，根據證券及期貨條例第352條規定由本公司備存之登記冊的記錄，又或根據標準守則向本公司及聯交所發出的通知，概無任何本公司董事或主要行政人員在本公司或其相聯法團（按證券及期貨條例第XV部所界定者）的股份及相關股份中擁有任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAVE INTERESTS OR SHORT POSITIONS WHICH ARE DISCLOSEABLE UNDER THE SECURITIES AND FUTURES ORDINANCE

主要股東及根據證券及期貨條例規定須予披露擁有權益或淡倉的人士

As at 31 December 2017, the following persons (not being a director or chief executive of the Company) had the following interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

於二零一七年十二月三十一日，根據證券及期貨條例第336條規定由本公司備存之登記冊的記錄，下述人士(非本公司的董事或主要行政人員)於本公司的股份及相關股份擁有的權益及淡倉如下：

Name of shareholder **股東名稱**	*Notes* *附註*	**Capacity** **身分**	**Number of shares and underlying shares held** **持有股份及相關股份數目** *(Note 1)* *(附註1)*	**Approximate percentage of the issued ordinary share capital of the Company** **佔本公司已發行普通股股本概約百份比** *(Note 1)* *(附註1)*
Charoen Pokphand Group Company Limited	(2)	Interest of controlled corporation 控制法團權益	127,748,147 (L)	53.1 (L)
Charoen Pokphand Foods Public Company Limited	(2)	Beneficial owner and interest of controlled corporation 實益擁有人及控制法團權益	127,748,147 (L)	53.1 (L)
CPF Investment Limited	(2)	Beneficial owner 實益擁有人	115,137,370 (L)	47.8 (L)
ITOCHU Corporation 伊藤忠商事株式會社		Beneficial owner 實益擁有人	60,179,593 (L)	25.0 (L)

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAVE INTERESTS OR SHORT POSITIONS WHICH ARE DISCLOSEABLE UNDER THE SECURITIES AND FUTURES ORDINANCE (continued)

主要股東及根據證券及期貨條例規定須予披露擁有權益或淡倉的人士(續)

Notes:

(1) The letter "L" denotes a long position.

(2) Charoen Pokphand Foods Public Company Limited ("CPF") held 127,748,147 shares and underlying shares of the Company, which included (i) 12,610,777 preference shares beneficially owned by CPF and (ii) 115,137,370 ordinary shares beneficially owned by CPF's wholly-owned subsidiary, CPF Investment Limited. Charoen Pokphand Group Company Limited also declared its interest in these shares by virtue of its shareholding interest in CPF.

附註：

(1) 「L」代表好倉。

(2) Charoen Pokphand Foods Public Company Limited (「CPF」) 持有127,748,147股本公司股份及相關股份，其中包括(i) CPF實益擁有的12,610,777股優先股及(ii) CPF全資附屬公司CPF Investment Limited實益擁有的115,137,370股普通股。Charoen Pokphand Group Company Limited亦申報因擁有CPF的股權，故同樣擁有該等股份的權益。

Save as disclosed above, as at 31 December 2017, no person (not being a director or chief executive of the Company) had an interest or a short position in shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

除上述披露者外，於二零一七年十二月三十一日，根據證券及期貨條例第336條規定由本公司備存之登記冊的記錄，又或向本公司及聯交所發出的通知，概無人士(非本公司董事或主要行政人員)在本公司的股份或相關股份中擁有權益或淡倉。

SHARE OPTION SCHEME

購股權計劃

The Company adopted a share option scheme (the "Share Option Scheme") on 18 March 2015. The Share Option Scheme will remain in force for 10 years from the date of listing on 3 July 2015.

本公司於二零一五年三月十八日採納購股權計劃(「該購股權計劃」)。該購股權計劃自上市日期二零一五年七月三日起持續有效10年。

The Share Option Scheme was established for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group's operations. Eligible persons of the Share Option Scheme include the Company's directors, senior executives, employees of the Group and those persons that, in the opinion of the Directors, have contributions or potential contributions to the Group.

成立該購股權計劃之目的為鼓勵及獎賞對本集團運作具貢獻之人士。合資格參與購股權計劃之人士包括本公司之董事、高級行政人員、本集團僱員及董事認為對本集團具貢獻或潛在貢獻之人士。

The total number of ordinary shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 24,071,831 shares, being 10% of the total number of ordinary shares of the Company in issue on the date of listing on 3 July 2015.

根據該購股權計劃將予授出的全部購股權獲行使時可予發行的股份總數合共不得超過24,071,831股，相當於本公司於上市日期二零一五年七月三日已發行普通股股份總數的10%。

SHARE OPTION SCHEME (continued)

The maximum number of ordinary shares issuable upon exercise of share options granted under the Share Option Scheme was 24,071,831 ordinary shares, representing 10% of the issued ordinary shares of the Company as at the date of this report.

The maximum number of ordinary shares issuable upon exercise of the share options granted to each eligible person under the Share Option Scheme within any 12-month period is limited to 1% of the ordinary shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholders' approval in advance in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the ordinary shares of the Company in issue and with an aggregate value (based on the price of the Company's ordinary shares at the date of grant) in excess of HK$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The exercise period of the share options granted is determinable by the Directors but shall commence after the grant and end on a date which is not later than 10 years from the date of grant of the share options.

The exercise price of the share options is determinable by the Board, but shall be at least the highest of (i) the Stock Exchange closing price of the Company's ordinary shares on the date of grant of the share options; and (ii) the average Stock Exchange closing price of the Company's ordinary shares for the five trading days immediately preceding the date of grant and (iii) the nominal value of the ordinary share of the Company. Share options do not confer rights on the holders to dividends or to vote at a general meeting.

As at the date of this report, no option had been granted, exercised, cancelled or lapsed under the Share Option Scheme.

購股權計劃（續）

於本報告書日期，根據該購股權計劃授出之購股權在悉數行使時可予發行本公司普通股之最高數目為24,071,831股普通股，即為本公司已發行普通股股份10%。

在任何12個月內就每名該購股權計劃的合資格參與人士獲授的購股權可發行的普通股股份不得超過本公司已發行股份的1%。若再授出購股權超過此限額，則須預先獲股東於股東大會上批准。

凡向本公司董事、主要行政人員或主要股東或彼等各自之聯繫人士授予購股權必須事先獲得獨立非執行董事之批准。此外，倘向本公司之主要股東或獨立非執行董事或彼等各自之聯繫人士獲授予購股權，如任何12個月內行使時須發行及將發行之普通股股份合共超過本公司已發行普通股股份之0.1%及按普通股股份於每次授出購股權當日之市價計算之總值超逾五百萬港元，則須預先取得股東於股東大會上之批准。

授予之購股權行使期由董事決定，並以授予購股權日起至授予日後之10年內。

購股權之行使價由董事會釐定，惟至少高於(i)本公司股份於購股權授予當日於聯交所之普通股收市價；及(ii)本公司股份於授予當日前五個交易日於聯交所之普通股平均收市價；及(iii)本公司普通股股份之面值。購股權持有人並不享有股息或於股東大會上投票之權利。

於本報告書日期，概無根據該購股權計劃已授出、行使、註銷或失效的購股權。

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2017, the Group had the following continuing connected transactions that were subject to the Listing Rules' reporting requirement for disclosure in annual report.

CPP Master Supply Agreement

Prior to the reporting period, on 16 April 2015, the Company had entered into a master supply agreement with C.P. Pokphand Co. Ltd. ("CPP") (the "2015 CPP Master Supply Agreement") for the supply of chlortetracycline and animal drugs (including any antibiotics) by the Group to CPP and its subsidiaries (the "CPP Group"). The 2015 CPP Master Supply Agreement took effect from the date of listing on 3 July 2015 and would continue until 31 December 2017.

On 3 July 2015, Charoen Pokphand Foods Public Company Limited ("CPF") was interested in approximately 47.8% of the issued ordinary shares of the Company and was the controlling shareholder of the Company. CPF was also interested in approximately 47.8% of the issued share capital of CPP. Companies in the CPP Group were associates of CPF and connected persons of the Company under the Listing Rules. The transactions contemplated under the 2015 CPP Master Supply Agreement therefore constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

During the year ended 31 December 2017, the annual cap for the transactions contemplated under the 2015 CPP Master Supply Agreement and the actual sales recorded amounted to US$14,515,000 and US$2,432,000 respectively.

As the Company intended to continue the transactions contemplated under the 2015 CPP Master Supply Agreement, on 30 October 2017, the Company entered into a new master agreement with CPP, which took effect on 1 January 2018 and would continue until 31 December 2020.

持續關連交易

於二零一七年十二月三十一日止年度內，本集團已進行下列持續關連交易並須根據上市規則的申報規定於年報內披露。

卜蜂供應總協議

報告期間前，於二零一五年四月十六日，本公司與卜蜂國際有限公司(「卜蜂國際」)簽訂一份供應總協議(「2015卜蜂供應總協議」)，由本集團向卜蜂國際及其附屬公司(「卜蜂集團」)供應金霉素和動物藥品(包括所有抗生素)。2015卜蜂供應總協議於上市日期二零一五年七月三日起生效直至二零一七年十二月三十一日。

於二零一五年七月三日，Charoen Pokphand Foods Public Company Limited(「CPF」)持有本公司已發行普通股股份約47.8%並為本公司之控股股東。CPF亦持有卜蜂國際已發行股本總額約47.8%。卜蜂集團系內的公司根據上市規則為CPF之聯繫人及本公司之關連人士。因此根據2015卜蜂供應總協議項下的交易根據上市規則第十四A章構成本公司之持續關連交易。

於二零一七年十二月三十一日止年度內，2015卜蜂供應總協議項下交易的年度上限及實際銷售記錄總額分別為1,451.5萬美元及243.2萬美元。

由於本公司打算繼續2015卜蜂供應總協議項下之交易，於二零一七年十月三十日，本公司與卜蜂國際簽訂了一份新總協議，其於二零一八年一月一日起生效直至二零二零年十二月三十一日。

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易（續）

HOEL Master Supply Agreement

HOEL供應總協議

Prior to the reporting period, on 16 April 2015, the Company had entered into a master supply agreement with High Orient Enterprises Limited ("HOEL") (the "2015 HOEL Master Supply Agreement") for the supply of chlortetracycline and animal drugs (including any antibiotics) by the Group to HOEL and its subsidiaries (the "HOEL Group"). The 2015 HOEL Master Supply Agreement took effect from the date of listing on 3 July 2015 and would continue until 31 December 2017.

報告期間前，於二零一五年四月十六日，本公司與High Orient Enterprises Limited（「HOEL」）簽訂一份供應總協議（「2015 HOEL供應總協議」），由本集團向HOEL及其附屬公司（「HOEL集團」）供應金霉素和動物藥品（包括所有抗生素）。2015 HOEL供應總協議於上市日期二零一五年七月三日起生效直至二零一七年十二月三十一日。

HOEL is a wholly-owned subsidiary of Charoen Pokphand Group Company Limited, which was treated as connected person of the Company under the Listing Rules. Accordingly, the transactions under the 2015 HOEL Master Supply Agreement were treated as if they were continuing connected transactions of the Company under the Listing Rules. Details of the 2015 HOEL Master Supply Agreement have been set out in the section "Connected transactions" in the Company's listing document dated 17 June 2015.

HOEL是Charoen Pokphand Group Company Limited的全資擁有附屬公司，其被視為根據上市規則本公司之關連人士。據此，2015 HOEL供應總協議項下的交易被視為猶如根據上市規則本公司之持續關連交易。2015 HOEL供應總協議詳情載於本公司日期為二零一五年六月十七日的上市文件「關連交易」一節。

During the year ended 31 December 2017, the annual cap for the transactions contemplated under the 2015 HOEL Master Supply Agreement and the actual sales recorded amounted to US$6,533,000 and US$2,202,000 respectively.

於二零一七年十二月三十一日止年度內，2015 HOEL供應總協議項下交易的年度上限及實際銷售記錄總額分別為653.3萬美元及220.2萬美元。

As the Company intended to continue the transactions contemplated under the 2015 HOEL Master Supply Agreement, on 30 October 2017, the Company entered into a new master agreement with HOEL, which took effect on 1 January 2018 and would continue until 31 December 2020.

由於本公司打算繼續2015 HOEL供應總協議項下之交易，本公司於二零一七年十月三十日，本公司與HOEL簽訂了一份新總協議，其於二零一八年一月一日起生效直至二零二零年十二月三十一日。

CONTINUING CONNECTED TRANSACTIONS (continued)

Listing Rules Compliance

The Internal Audit Department has reviewed the above continuing connected transactions and had no material findings of non-compliance to report to the independent non-executive Directors of the Company.

The independent non-executive Directors of the Company have also reviewed the Group's continuing connected transactions and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

In respect of the above continuing connected transactions, the Company has complied with the relevant announcement, circular and shareholders' approval requirements under Chapter 14A of the Listing Rules from time to time.

KPMG, the Company's auditor, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. KPMG has issued unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, there are no other transactions of the Company which require disclosure in the annual report in accordance with the Listing Rules.

持續關連交易（續）

上市規則的合規

內部審計部門已審閱以上持續關連交易，並向本公司獨立非執行董事報告沒有重大不合規發現。

本公司獨立非執行董事亦已審閱本集團的持續關連交易及確認該等持續關連交易(i)在本集團的日常業務中訂立；(ii)按照一般商務條款或更佳條款進行；及(iii)根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

就以上持續關連交易而言，本公司已遵守不時生效的上市規則第十四A章有關公告、通函及股東批准的規定。

本公司核數師畢馬威會計師事務所獲委聘，按照香港會計師公會頒布的《香港審驗應聘服務準則3000》(經修訂)的*歷史財務資料審計或審閱以外的審驗應聘*，及參照《實務說明》第740號*關於香港上市規則所述持續關連交易的核數師函件*就本集團的持續關連交易作出報告。畢馬威會計師事務所已發出無保留意見函件，當中載有有關本集團根據上市規則第14A.56條所披露之持續關連交易的結果及結論。本公司已經向聯交所提交核數師函件之副本。

除上述披露者外，本公司並無其他交易須根據上市規則於年報內披露。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2017, the Directors were not aware that any of the Directors had interest in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group which falls to be disclosed under the Listing Rules.

董事在競爭業務的權益

於二零一七年十二月三十一日止年度內，董事概不知悉任何董事持有任何可與本集團業務直接或間接或有可能存在競爭的業務(根據上市規則須作出披露)的權益。

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's bye-law 178, every Director shall be indemnified and secured harmless out of the assets of the Company.

The Company has arranged appropriate directors' and officers' liability insurance for its Directors and officers.

獲准許的彌償條文

根據本公司細則第178條，每位董事將獲以本公司資產的彌償保證及獲得擔保免受損害。

本公司已為董事和高級人員購買合適的董事及高級人員的責任保險。

EQUITY-LINKED AGREEMENTS

No equity-linked agreement was entered into by the Group, or existed during the year.

股票掛鈎協議

於年內，本集團並無訂立或存有任何股票掛鈎協議。

MANAGEMENT CONTRACT

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

管理合約

於年內，本公司並無就全部或任何重大部份業務簽訂或存有管理及行政合約。

CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the code provisions prescribed in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules throughout the year 2017.

企業管治守則

於二零一七年內，本公司已應用載於上市規則附錄十四之《企業管治守則》及《企業管治報告》的原則及遵守其所有守則條文。

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company. The principal duties of the Audit Committee include the review and supervision of the Company's financial reporting process, risk management and internal control. The Audit Committee has reviewed the Group's consolidated financial statements prior to the publication of the final results.

審核委員會

審核委員會由本公司三名獨立非執行董事所組成，其主要職責包括檢討及監察本公司的財務報告程序、風險管理及內部監控。審核委員會於年度業績刊載前已審閱本集團的綜合財務報表。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has complied with the requirement as to the amount of public float as required under the Listing Rules during the year ended 31 December 2017 and up to the date of this report.

足夠公眾持股量

本公司根據所得公開資料，並據董事所知，董事確認本公司截至二零一七年十二月三十一日止年度內及直至本報告日期為止，已遵守上市規則規定的足夠公眾持股量。

AUDITOR

KPMG will retire and a resolution for re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

核數師

畢馬威會計師事務所將任滿告退，一項有關續聘為本公司核數師的決議案將於應屆股東周年大會上提呈。

ON BEHALF OF THE BOARD

Thanakorn Seriburi
Director

Hong Kong
22 February 2018

承董事會命

董事
李紹祝

香港
二零一八年二月二十二日

Independent Auditor's Report
獨立核數師報告

Independent auditor's report to the shareholders of Chia Tai Enterprises International Limited
(Incorporated in Bermuda with limited liability)

獨立核數師報告書
致正大企業國際有限公司全體股東
(於百慕達註冊成立之有限公司)

Opinion

We have audited the consolidated financial statements of Chia Tai Enterprises International Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 52 to 138, which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

意見

本核數師(以下簡稱「我們」)已審計列載於第52至第138頁正大企業國際有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表和截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據國際會計準則委員會頒布的《國際財務報告準則》真實而中肯地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露要求妥為擬備。

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("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") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Bermuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「*核數師就審計綜合財務報表承擔的責任*」部分中作進一步闡述。根據香港會計師公會的《*專業會計師道德守則*》(以下簡稱「守則」)以及與我們對百慕達綜合財務報表的審計相關的道德要求,我們獨立於貴集團,並已履行這些道德要求以及守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審核意見提供基礎。

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for 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.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Revenue recognition

Refer to note 5 to the consolidated financial statements and the accounting policies in note 2.4(o).

The key audit matter	How the matter was addressed in our audit
The Group's revenue is mainly derived from the sale of biochemical products. The Group generally recognises revenue when products are delivered to the customer's premises for domestic sales or in accordance with the terms and conditions of sale for export sales. The terms set out in the Group's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold. We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Group and is, therefore, subject to an inherent risk of manipulation by management to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Group's profit for the year.	Our audit procedures to assess the recognition of revenue included the following: • evaluating the design, implementation and operating effectiveness of key internal controls over the existence, accuracy and timing of revenue recognition; • challenging the revenue recognition policies adopted by the Group by making inquiries of management and inspecting a sample of sales contracts to understand the delivery terms of the transactions and to assess the Group's timing of revenue recognition with reference to the requirements of the prevailing accounting standards; • inspecting significant manual adjustments to revenue raised during the reporting period, enquiring of management the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentation; • assessing whether revenue had been recognised in the appropriate accounting period by comparing a sample of sales transactions around the year end with relevant underlying documents, which included customers' signed acknowledgement of delivery (for domestic sales) and bills of lading (for export sales); and • identifying significant sales returns from the sales ledger after the year end and inspecting the underlying documentation to assess if the related adjustments to revenue had been accounted for in the appropriate accounting period.

<table>
<tr><td colspan="2">收入確認</td></tr>
<tr><td colspan="2">請參閱綜合財務報表附註5及附註2.4(o)的會計政策。</td></tr>
<tr><td>關鍵審計事項</td><td>我們的審計如何處理該事項</td></tr>
<tr><td>貴集團的收入主要來源於銷售生化產品。貴集團一般在貨品送達客戶場地時確認國內銷售的收入，或按照出口銷售的銷售條款和條件確認出口銷售的收入。

貴集團的銷售合同中有關客户接收貨品的條款各不相同。由於各項銷售合同對客戶接收貨品的相關條款不同，因此銷售合同的條件和條款可能會影響客戶銷售收入的確認時點。

我們把收入確認列為關鍵審計事項，因為收入是貴集團的關鍵績效指標之一，因而存在管理層為達到目標或期望而進行人為操縱的固有風險，並且因為收入確認的錯誤可能會對貴集團本年度溢利構成重大影響。</td><td>我們評估收入確認的審計程序包括：

• 評估對收入存在性，準確性和確認時點的關鍵內部控制設計，實施和操作有效性；

• 通過詢問管理層對貴集團採用的收入確認政策，檢查銷售合同之樣本以了解交易的交付條款，並參照現行會計準則的要求，評估貴集團確認收入的時點；

• 檢查於報告期內對收入作出的重大手工調整，詢問管理層作出調整的原因，並將調整的細節與相關基礎文件進行核對；

• 選取接近年末的銷售交易樣本，檢查相關基礎文件(包括客戶簽署的交貨確認書(國內銷售)和提單(出口銷售))的樣本，評估收入是否在適當的報告期間內確認；及

• 從年末後銷售分類賬中識別重大銷售退貨，並檢查相關文件紀錄以評估相關收入調整是否在適當的報告期間內列賬。</td></tr>
</table>

Information other than the consolidated financial statements and auditor's report thereon

綜合財務報表及其核數師報告以外的信息

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

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

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.

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

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.

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Responsibilities of the directors for the consolidated financial statements

董事就綜合財務報表須承擔的責任

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB 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.

董事須負責根據國際會計準則委員會頒布的《國際財務報告準則》及香港《公司條例》的披露要求擬備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擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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.

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

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

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照百慕達1981年《公司法案》第90條的規定，僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

- 董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

核數師就審計綜合財務報表承擔的責任（續）

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，説明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

核數師就審計綜合財務報表承擔的責任（續）

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是余慧心。

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

22 February 2018

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓

二零一八年二月二十二日

Consolidated Statement of Comprehensive Income
綜合全面收益表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
REVENUE	**收入**	5	**74,466**	87,276
Cost of sales	**銷售成本**		**(52,422)**	(56,057)
Gross profit	**毛利**		**22,044**	31,219
Other income, net	其他收入淨額	6	**3,005**	2,222
Selling and distribution costs	銷售及分銷成本		**(6,688)**	(6,483)
General and administrative expenses	行政及管理費用		**(14,743)**	(17,817)
Finance costs	財務成本	7	**(156)**	(566)
Share of profits and losses of:	應佔溢利及虧損：			
Joint venture	合營企業		**13,348**	2,849
Associate	聯營公司	18(a)	**2,259**	2,198
PROFIT BEFORE TAX	**除稅前溢利**	8	**19,069**	13,622
Income tax	所得稅	11	**(1,361)**	(2,563)
PROFIT FOR THE YEAR	**本年溢利**		**17,708**	11,059
OTHER COMPREHENSIVE INCOME	**其他全面收益**			
Items that are or may be reclassified subsequently to profit or loss:	已經或其後可能會重新分類至損益之項目：			
Exchange differences related to translation of foreign operations	與外地業務於換算時相關之匯兌差額		**4,529**	(4,289)
Share of other comprehensive income of:	應佔其他全面收益：			
Joint venture	合營企業		**4,756**	(4,243)
Associate	聯營公司	18(a)	**1,114**	(1,193)
Deregistration of a subsidiary	註銷一家附屬公司		**184**	–
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**本年其他全面收益**		**10,583**	(9,725)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**本年全面收益總額**		**28,291**	1,334

Consolidated Statement of Comprehensive Income
綜合全面收益表
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Profit attributable to:	**溢利歸屬予：**			
Shareholders of the Company	本公司股東		**16,347**	8,058
Non-controlling interests	非控制性權益		**1,361**	3,001
			17,708	11,059
Total comprehensive income attributable to:	**全面收益總額歸屬予：**			
Shareholders of the Company	本公司股東		**25,463**	(298)
Non-controlling interests	非控制性權益		**2,828**	1,632
			28,291	1,334
			US cents *美仙*	*US cents* *美仙*
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**本公司股東應佔之每股溢利**	13		
Basic and diluted	基本及攤薄		**6.45**	3.18

Details of dividend for the year are disclosed in note 12 to the financial statements.

本年度之股息詳情於財務報表附註12內披露。

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2017 於二零一七年十二月三十一日

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	14	**49,762**	43,888
Land lease prepayments	預付土地租賃費	15	**7,968**	7,716
Investments in joint venture	於合營企業的投資	17	**77,952**	59,848
Investments in associate	於聯營公司的投資	18	**18,082**	17,460
Other non-current assets	其他非流動資產	19	**252**	236
Total non-current assets	**總非流動資產**		**154,016**	129,148
CURRENT ASSETS	**流動資產**			
Inventories	存貨	20	**16,104**	9,667
Trade and bills receivables	應收貿易賬款及票據	21	**17,067**	16,027
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	22	**8,845**	8,079
Time deposits with maturity over three months	到期日超過三個月之定期存款	23	**–**	2,880
Cash and cash equivalents	現金及現金等價物	23	**33,669**	34,242
Total current assets	**總流動資產**		**75,685**	70,895
CURRENT LIABILITIES	**流動負債**			
Trade payables	應付貿易賬款	24	**3,375**	3,484
Other payables and accruals	其他應付賬款及預提費用	25	**6,403**	8,221
Bank borrowings	銀行借款	26	**6,366**	8,275
Income tax payables	應付所得稅		**114**	403
Total current liabilities	**總流動負債**		**16,258**	20,383
NET CURRENT ASSETS	**淨流動資產**		**59,427**	50,512
TOTAL ASSETS LESS CURRENT LIABILITIES	**總資產減流動負債**		**213,443**	179,660

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年	2016 二零一六年
		Note *附註*	**US$'000** **美元千元**	*US$'000* *美元千元*
NON-CURRENT LIABILITIES	**非流動負債**			
Bank borrowings	銀行借款	26	**3,074**	–
Other non-current liabilities	其他非流動負債	27	**10,170**	8,000
Deferred tax liabilities	遞延稅項負債	28	**3,173**	2,925
Total non-current liabilities	**總非流動負債**		**16,417**	10,925
NET ASSETS	**資產淨值**		**197,026**	168,735
EQUITY	**權益**			
Equity attributable to shareholders of the Company	**本公司股東應佔權益**			
Issued capital	已發行股本	29	**25,333**	25,333
Reserves	儲備	30	**148,646**	123,183
			173,979	148,516
Non-controlling interests	非控制性權益		**23,047**	20,219
TOTAL EQUITY	**權益總額**		**197,026**	168,735

Approved and authorised for issue by the board of directors of the Company on 22 February 2018.

於二零一八年二月二十二日經本公司董事會批准及授權予以刊發。

Thanakorn Seriburi 李紹祝
Director 董事

Thirayut Phityaisarakul 李紹慶
Director 董事

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

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔							
		Issued capital 已發行股本 US$'000 美元千元 (note 29) (附註29)	Capital reserve 資本儲備 US$'000 美元千元 (note 30(b)) (附註30(b))	PRC reserve funds 中國儲備基金 US$'000 美元千元 (note 30(c)) (附註30(c))	Exchange fluctuation reserve 外匯波動儲備 US$'000 美元千元 (note 30(d)) (附註30(d))	Retained profits 未分配利潤 US$'000 美元千元	Total 總額 US$'000 美元千元	Non-controlling interests 非控制性權益 US$'000 美元千元	Total equity 權益總額 US$'000 美元千元
At 1 January 2017	**於二零一七年一月一日**	25,333	10,845	13,366	1,380	97,592	148,516	20,219	168,735
Profit for the year	本年溢利	–	–	–	–	16,347	16,347	1,361	17,708
Other comprehensive income for the year:	**年內其他全面收益：**								
Exchange differences related to translation of foreign operations	與外地業務於換算時之相關匯兌差額	–	–	–	3,118	–	3,118	1,411	4,529
Share of other comprehensive income of:	應佔其他全面收益：								
Joint venture	合營企業	–	–	–	4,756	–	4,756	–	4,756
Associate	聯營公司	–	–	–	1,114	–	1,114	–	1,114
Deregistration of a subsidiary	註銷一家附屬公司	–	–	–	128	–	128	56	184
Total comprehensive income for the year	**年內全面收益總額**	–	–	–	9,116	16,347	25,463	2,828	28,291
Transfer in/(out)	轉入／(出)	–	–	498	–	(498)	–	–	–
At 31 December 2017	**於二零一七年十二月三十一日**	25,333	10,845	13,864	10,496	113,441	173,979	23,047	197,026

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

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔							
		Issued capital 已發行股本 US$'000 美元千元 (note 29) (附註29)	Capital reserve 資本儲備 US$'000 美元千元 (note 30(b)) (附註30(b))	PRC reserve funds 中國儲備基金 US$'000 美元千元 (note 30(c)) (附註30(c))	Exchange fluctuation reserve 外匯波動儲備 US$'000 美元千元 (note 30(d)) (附註30(d))	Retained profits 未分配利潤 US$'000 美元千元	Total 總額 US$'000 美元千元	Non-controlling interests 非控制性權益 US$'000 美元千元	Total equity 權益總額 US$'000 美元千元
At 1 January 2016	**於二零一六年一月一日**	25,333	10,845	13,147	9,736	89,753	148,814	19,304	168,118
Profit for the year	本年溢利	–	–	–	–	8,058	8,058	3,001	11,059
Other comprehensive income for the year:	**年內其他全面收益：**								
Exchange differences related to translation of foreign operations	與外地業務於換算時之相關匯兌差額	–	–	–	(2,920)	–	(2,920)	(1,369)	(4,289)
Share of other comprehensive income of:	應佔其他全面收益：								
Joint venture	合營企業	–	–	–	(4,243)	–	(4,243)	–	(4,243)
Associate	聯營公司	–	–	–	(1,193)	–	(1,193)	–	(1,193)
Total comprehensive income for the year	**年內全面收益總額**	–	–	–	(8,356)	8,058	(298)	1,632	1,334
Dividends declared to non-controlling equity holders	已宣派予非控制性權益持有人股息	–	–	–	–	–	–	(717)	(717)
Transfer in/(out)	轉入／(出)	–	–	219	–	(219)	–	–	–
At 31 December 2016	於二零一六年十二月三十一日	25,333	10,845	13,366	1,380	97,592	148,516	20,219	168,735

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動之現金流量**			
Profit before tax	除稅前溢利		**19,069**	13,622
Adjustments for:	經調整：			
Bank and other interest income	銀行及其他利息收入	6	**(349)**	(165)
Amortisation of government grant	政府補助攤銷		**(280)**	(122)
Finance costs	財務成本	7	**156**	566
Write down of inventories	存貨撥備	8	**–**	20
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	8	**5,112**	5,352
Amortisation of land lease prepayments	預付土地租賃費之攤銷	8	**207**	158
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額	6	**88**	31
Loss on deregistration of a subsidiary	註銷一家附屬公司之虧損	6	**184**	–
Share of profits and losses of:	應佔溢利及虧損：			
Joint venture	合營企業		**(13,348)**	(2,849)
Associate	聯營公司	18(a)	**(2,259)**	(2,198)
			8,580	14,415
(Increase)/decrease in inventories	存貨(增加)／減少		**(5,570)**	5,159
Decrease/(increase) in trade and bills receivables	應收貿易賬款及票據減少／(增加)		**38**	(1,329)
Increase in prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款增加		**(101)**	(799)
(Decrease)/increase in trade payables	應付貿易賬款(減少)／增加		**(331)**	628
(Decrease)/increase in other payables and accruals	其他應付賬款及預提費用(減少)／增加		**(2,400)**	2,894
Cash generated from operations	**經營產生之現金**		**216**	20,968
Interest paid	已付利息		**(283)**	(686)
Income tax paid	已付所得稅		**(1,526)**	(979)
Net cash flows (used in)/from operating activities	**經營活動(所用)／所得之現金流量淨額**		**(1,593)**	19,303

Consolidated Statement of Cash Flows
綜合現金流量表
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動之現金流量**			
Purchases of property, plant and equipment	購買物業、廠房及設備		(7,906)	(3,753)
Government grant received	已收政府補助		2,150	5,760
Increase in land lease prepayment	預付土地租賃費增加		–	(308)
Increase in other non-current assets	其他非流動資產增加		–	(447)
Decrease in other non-current liabilities	其他非流動負債減少		(220)	–
Decrease/(increase) in time deposits with maturity over three months	到期日超過三個月之定期存款減少／(增加)		2,801	(2,880)
Dividends received from joint venture	收取合營公司股息		–	7,201
Dividends received from associate	收取聯營公司股息		2,523	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		22	72
Interest received	已收利息		349	165
Net cash flow (used in)/from investing activities	**投資活動(所用)／所得之現金流量淨額**		(281)	5,810
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動之現金流量**			
Proceeds from bank borrowings	銀行借款所得款項		11,522	17,377
Repayment of bank borrowings	償還銀行借款		(11,030)	(24,696)
Dividend paid to non-controlling equity holders	支付予非控制性權益持有人股息		–	(717)
Net cash flows from/(used in) financing activities	**融資活動所得／(所用)之現金流量淨額**		492	(8,036)
NET(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**現金及現金等價物(減少)／增加淨額**		(1,382)	17,077
Cash and cash equivalents at beginning of year	**年初之現金及現金等價物**		34,242	18,052
Effect of foreign exchange rate changes, net	**外匯率變動之影響淨額**		809	(887)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**年末之現金及現金等價物**	23	33,669	34,242

Notes to the Financial Statements
財務報表附註

Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

1 GENERAL INFORMATION

Chia Tai Enterprises International Limited (the "Company") is a limited liability company incorporated in Bermuda. The Company and its subsidiaries hereinafter are collectively referred to as the "Group". The Group and its joint venture and associate are principally involved in (i) manufacturing and sale of chlortetracycline products; (ii) trading of machinery; and (iii) manufacturing and sale of automotive parts respectively.

At 31 December 2017, the directors consider the immediate holding company of the Company to be Charoen Pokphand Foods Public Company Limited ("CPF"), which is incorporated in the Kingdom of Thailand and shares of which are listed on the Stock Exchange of Thailand, and remains to be as such as at the date of approval of these financial statements. CPF is a significantly owned company of Charoen Pokphand Group Company Limited ("CPG"), which is incorporated in the Kingdom of Thailand.

1 一般資料

正大企業國際有限公司(「本公司」)為一家於百慕達註冊成立之有限公司。本公司及其附屬公司以下統稱為「本集團」。本集團及其合營企業及聯營公司主要分別從事(i)製造及銷售金霉素產品;(ii)機械設備貿易;及(iii)產銷汽車零部件。

於二零一七年十二月三十一日,董事認為,本公司之直接控股公司為於泰國註冊成立的Charoen Pokphand Foods Public Company Limited(「CPF」),其股份於泰國證券交易所上市,並於截至本財務報告獲批當日仍然為本公司的直接控股公司。CPF為一家於泰國註冊成立的Charoen Pokphand Group Company Limited(「CPG」)重大持有之公司。

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

2.1 編製基準

此等財務報表乃根據國際會計準則委員會頒佈之國際財務報告準則(亦包括國際財務報告準則、國際會計準則及詮釋)及香港公司條例之披露規定而編製。此等財務報表亦遵從聯交所證券上市規則(「上市規則」)中適用的披露規定。附屬公司之財務報表採用與本公司一致的報告期及統一的會計政策編制。

2.1 BASIS OF PREPARATION (continued)

Basis of measurement

These financial statements are presented in United States dollars ("US$"), and all values are rounded to the nearest thousand ("US$'000") except when otherwise indicated. The functional currency of the Company is United States dollars.

Use of estimates and judgements

The preparation of these financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and 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.

Judgements made by management in the application of IFRSs that have significant effect on these financial statements and major sources of estimation uncertainty are discussed in note 3.

2.1 編製基準(續)

計量基準

此等財務報表以美元列報。除另有指明外，所有金額均調整至最接近的美元千元計算。本公司的功能貨幣為美元。

使用估算及判斷

按照國際財務報告準則編製財務資料需要管理層作出判斷、估算及假設，該等判斷、估算及假設會影響政策應用以及所呈報的資產、負債、收入及費用金額。該等估算及假設乃基於過往經驗及在有關情況下相信為合理的各項其他因素作出，而所得結果構成用作判斷明顯無法通過其他來源獲得資產及負債賬面值的基準。實際結果可能有別於該等估算。

本集團會將持續地對該等估算及假設進行覆核。倘會計估算的修訂僅對作出估算修訂的期間產生影響，則有關修訂於該期間內確認；倘修訂對現時及未來期間均產生影響，則會在作出該修訂期間及未來期間內確認。

管理層在應用國際財務報告準則時所作出對此等財務報告有重大影響的判斷，及估算不確定性的主要來源於附註3論述。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The IASB has issued a number of amendments to IFRSs that are first effective for the current year. Of these, the following amendments may be relevant to the Group:

Amendments to IAS 7	Amendments to IAS 7 *Statement of cash flows – Disclosure initiative*
Amendments to IAS 12	Amendments to IAS 12 *Income tax – Recognition of deferred tax assets for unrealised losses*
Annual improvements to IFRSs 2014-2016 cycle	Amendments to IFRS 12 *Disclosure of Interests in Other Entities*

Other than as further explained below regarding the impact of Amendments to IAS 7, the adoption of these amendments to IFRSs has had no significant financial effect on these financial statements.

Amendments to IAS 7 *Statement of cash flows – Disclosure initiative*

Amendments to IAS 7 require the Group to provide disclosures (note 23(c)) that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current year.

2.2 會計政策及披露之更改

國際會計準則委員會已頒佈若干國際財務報告準則的修訂，並於本年度首次生效。下列為當中可能與本集團有關之修訂：

國際會計準則第7號的修訂	修訂國際會計準則第7號*現金流量表 — 披露計劃*
國際會計準則第12號的修訂	修訂國際會計準則第12號*稅項 — 就未變現虧損確認遞延稅項資產*
國際財務報告準則2014–2016週期年度改進	修訂國際財務報告準則第12號*披露於其他公司的權益*

除以下對國際會計準則第7號的修訂之影響所作出的進一步闡釋外，採納該等修訂的國際財務報告準則不會對本財務報表構成重大財務影響。

修訂國際會計準則第7號*現金流量表 — 披露計劃*

國際會計準則第7號的修訂要求集團提供披露(附註23(c))，使財務報表使用者能夠評估融資活動產生的負債變化，包括來自現金流量和非現金的變化。

本集團於本年度並無採納任何尚未生效的新準則或詮釋。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

Up to the date of issue of these financial statements, the IASB issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

IFRS 9	*Financial Instruments*[1]
IFRS 15	*Revenue from Contracts with Customers*[1]
IFRS 16	*Leases*[2]
Annual Improvements to IFRSs 2014-2016 Cycle	Amendments to IFRS 1 *First time adoption of International Financial Reporting Standards* and Amendments to IAS 28 *Investments in Associates and Joint Ventures*[1]
Amendments to IFRS 10 and IAS 28	Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures – Sale or contribution of assets between an investor and its associate or joint venture*[3]

1 Effective for annual periods beginning on or after 1 January 2018
2 Effective for annual periods beginning on or after 1 January 2019
3 No mandatory effective date yet determined but available for adoption

2.3 已頒佈但尚未生效的國際財務報告準則

截至本財務報表刊發日，國際會計準則委員會已頒佈數項修訂本及新準則。該修訂本及新準則於截至二零一七年十二月三十一日止年度尚未生效且並未於本財務報表採納。下列包括可能與本集團有關的修訂本及新準則：

國際財務報告準則第9號	*金融工具*[1]
國際財務報告準則第15號	*來自客戶合約之收入*[1]
國際財務報告準則第16號	*租賃*[2]
國際財務報告準則2014-2016週期年度改進	修訂國際財務報告準則第1號*首次採用國際財務報告準則*及修訂國際會計準則第28號*於聯營公司及合營企業的投資*[1]
國際財務報告準則第10號及國際會計準則第28號的修訂	修訂國際財務報告準則第10號*綜合財務報表*及國際會計準則第28號*於聯營公司及合營企業的投資 — 投資者及聯營公司或合營企業間之資產出售或貢獻*[3]

1 於二零一八年一月一日或之後開始之年度期間生效
2 於二零一九年一月一日或之後開始之年度期間生效
3 未有強制性生效日期但可供採納

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

The Group is in the process of making an assessment of the impact of these new and amendments to IFRSs upon initial application. So far, the Group considers the following new standards may be relevant to the Group:

- **IFRS 9 *Financial instruments***

  IFRS 9 introduces new classification and measurement requirements for financial assets on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, and a new expected credit loss model that replaces the incurred loss impairment model used in IAS 39, *Financial Instruments: Recognition and Measurement,* with the result that a loss event will no longer need to occur before an impairment allowance is recognised.

  The management has reviewed the Group's financial instruments as at 31 December 2017 and anticipated that the application of IFRS 9 is not likely to have material impact on the results and financial position of the Group based on an analysis of the Group's existing business model.

- **IFRS 15 *Revenue from contracts with customers***

  Under IFRS 15, revenue from sale of goods or provision of services is recognised when control of a good or service transfers to a customer. Management has assessed the impact of the adoption of IFRS 15 and considered that there would not have current material impact on the financial results.

2.3 已頒佈但尚未生效的國際財務報告準則（續）

本集團現正評估首次採納該等新訂立及經修訂之國際財務報告準則之影響。截至目前，本集團認為下列可能與本集團有關的新準則：

- **國際財務報告準則第9號*金融工具***

  國際財務報告準則第9號以本集團管理金融資產的業務模式及金融資產的合約現金流特徵為基礎，引入新的金融資產分類及計量規定，以及新的預期信貸虧損模式取代國際會計準則第39號 — *金融工具：確認和計量*中的已發生虧損減值模式，從而在確認減值準備之前不再須要發生虧損事件。

  管理層已審閱本集團截至二零一七年十二月三十一日的金融工具，並預期根據對本集團現有業務模式的分析，採納國際財務報告準則第9號不會對本集團的業績及財務狀況造成重大影響。

- **國際財務報告準則第15號*來自客戶合約之收入***

  根據國際財務報告準則第15號，銷售貨品或提供服務的收入在貨品或服務的控制權轉移予客戶時確認。管理層已評估採納國際財務報告準則第15號的影響，認為目前對財務業績並無重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into these financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing these financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

2.4 主要會計政策概要

(a) 附屬公司及非控制性權益

附屬公司乃指由本集團控制的實體。當本集團能透過其於該實體的參與而獲取或有權利獲取各種回報，及有能力透過其對該實體的權力影響該等回報，則本集團能控制該實體。當評估本集團是否有權力時，只考慮具體權利(由本集團及其他人士持有)。

附屬公司的投資由取得控制權當日起併入綜合財務報表內直至失去該控制權為止。集團內公司間的結餘、交易及現金流量以及集團內公司間交易所產生的任何未變現溢利，在編製財務報表時均全數抵銷。集團內公司間交易所產生的未變現虧損的抵銷方式與未變現收入相同，但僅以沒有證據顯示已出現減值為限。

非控制性權益是指並非由本公司直接或間接應佔的附屬公司權益，且本集團並無與相關權益持有人另行訂立條款，而導致本集團整體須就該等權益承擔符合財務負債定義的合同責任。就各項業務合併而言，本集團可選擇按公允值或按非控制性權益應佔附屬公司可識別淨資產的比例，計量任何非控制性權益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Subsidiaries and non-controlling interests (continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2.4(h) or (i) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2.4(b)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2.4(e)).

2.4 主要會計政策概要（續）

(a) 附屬公司及非控制性權益（續）

非控制性權益乃於綜合財務狀況表的權益項目呈列，與本公司權益持有人應佔權益分開呈列。非控制性權益所佔本集團的業績，會按照該年度損益總額及全面收益總額，在非控制性權益與本公司權益持有人之間分配，並在綜合全面收益表呈列。來自非控制性權益持有人的貸款及對該等持有人的其他合約責任，會視乎負債的性質，按照附註2.4(h)或(i)於綜合財務狀況表中呈列為金融負債。

本集團於附屬公司的權益如發生不會造成失去控制權的變動，會入賬列作權益交易，並據此調整綜合權益內的控股及非控制性權益金額，以反映相關權益的變動，惟不會調整商譽，亦不會確認收入或虧損。

當本集團失去一家附屬公司的控制權，則作為出售該附屬公司的全部權益入賬，而所產生的收入或虧損將於損益確認。於失去控制權當日仍保留於前附屬公司的任何權益乃按公允值確認，而該金額將被視為一項金融資產首次確認的公允值，或（如適用）於聯營公司或合營企業投資首次確認的成本（見附註2.4(b)）。

於本公司財務狀況表中，附屬公司的投資按成本減減值虧損入賬（見附註2.4(e)）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Associate and joint venture

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

A joint venture is an arrangement whereby the Group or Company has joint control, established by contracts requiring unanimoius consent for decisions about the activities that significantly affect the arrangements' returns.

An investment in an associate or a joint venture is accounted for in these financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2.4(e)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised as other comprehensive income.

2.4 主要會計政策概要(續)

(b) 聯營公司及合營企業

聯營公司乃指一家本集團或本公司對其管理(包括參與財務及營運政策制定)有重大影響力(但非控制或共同控制其管理)之公司。當本集團持有其他實體的20%至50%投票權時，將被假定為擁有重大影響力。

合營企業乃指本集團或本公司擁有共同控制權的安排，並由契約建立及能對該安排的活動之回報有重大影響的決定需獲一致同意。

聯營公司或合營企業的投資使用權益法於財務報表中列賬，除非其分類為持作出售(或計入分類為持作出售的出售組別)。根據權益法，投資先以成本入賬，並就本集團於收購日應佔被投資企業可辨認淨資產的公允值超越任何投資成本的部分(如有)作出調整。其後就本集團所佔被投資企業淨資產在收購後的變動及有關投資之任何減值虧損作出調整(見附註2.4(e))。任何於收購日之超越成本、本集團所佔被投資企業於收購後之除稅後年度業績及任何年內減值虧損會於損益中確認，而本集團所佔被投資企業於收購後之除稅後其他全面收益，則確認為其他全面收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Associate and joint venture (continued)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associate and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

2.4 主要會計政策概要（續）

(b) 聯營公司及合營企業（續）

倘若本集團應佔聯營公司或合營企業之虧損超越其所佔權益，則本集團的權益將減至零，並會停止確認進一步虧損，惟本集團已產生法定或推定責任或替被投資企業付款除外。就此目的而言，本集團持有之權益為按權益法計算之投資賬面值，連同實質上構成本集團於聯營公司或合營企業之投資淨值之其他長期權益。

本集團與聯營公司及合營企業之間交易所產生之未變現損益撇銷至本集團在被投資企業所佔之權益，但假如未變現虧損證實是由已轉讓資產減值而產生，則這些未變現虧損會即時在損益內確認。

倘於聯營公司之投資變為於合營企業之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。

於所有其他情況下，當本集團失去對聯營公司之重大影響力或對合營企業之共同控制權，於該被投資公司之全部權益會入賬列作出售，其導致之盈虧於損益內確認。任何於失去重大影響力或共同控制權日保留於該前被投資企業之權益以公允值確認，而該金額被視為首次確認金融資產之公允值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Property, plant and equipment and depreciation

Property, plant and equipment

Items of property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses (see note 2.4(e)):

(i) buildings held for own use which are situated on leasehold land classified as held under operating leases (see note 2.4(d)); and

(ii) other items of plant and equipment.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2.4(q)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated on the straight-line basis to write off the cost of items of property, plant and equipment to their estimated residual value over the estimated useful life. The principal annual rates used for this purpose are as follows:

Industrial buildings	2% to 4.5%
Plant and machinery	6% to 15%
Furniture, fixtures and office equipment	10% to 33.33%
Motor vehicles and transport facilities	9% to 33.33%

2.4 主要會計政策概要（續）

(c) 物業、廠房及設備及折舊

物業、廠房及設備

物業、廠房及設備項目（在建工程除外）按成本減累計折舊及減值虧損列賬（見附註2.4(e)）：

(i) 位於分類為根據經營租賃持有的租賃土地的持作自用樓宇（附註2.4(d)）；及

(ii) 其他廠房及設備項目。

自建物業、廠房及設備項目的成本包括材料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌的初步估計成本（如適用）以及適當部分的生產成本及借款成本（見附註2.4(q)）。

報廢或出售物業、廠房及設備項目所產生的收入或虧損按出售所得款項淨額與該項目賬面值之間的差額釐定，並於報廢或出售日期在損益表內確認。

折舊按物業、廠房及設備項目的預計可使用年期以直線法撇銷該等項目的成本至估計殘值計算。就此使用的主要年折舊率如下：

工業樓宇	2%至4.5%
廠房及機器	6%至15%
傢俱、裝置及辦公設備	10%至33.33%
汽車及運輸設施	9%至33.33%

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Property, plant and equipment and depreciation (continued)

Property, plant and equipment (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Construction in progress

Construction in progress represents the silos, factories and warehouses under construction. Construction in progress is stated at cost less any accumulated impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

(d) Operating leases

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2.4 主要會計政策概要(續)

(c) 物業、廠房及設備及折舊(續)

物業、廠房及設備(續)

倘物業、廠房及設備項目各部份的可使用年期不同，則該項目的成本按合理基準於各部份之間分配，每部份分開折舊。資產的可使用年期及其殘值(如有)將每年檢討。

在建工程

在建工程指尚在興建中的筒倉、工廠及倉庫。在建工程按成本減去任何累計減值虧損入賬，並不計提折舊。成本包括直接建造成本及於工程建造期間被資本化的相關借款的借貸成本。當在建工程完成及已能投入使用時，在建工程會被重新分類至物業、廠房及設備中的合適分類。

(d) 經營租賃

倘若本集團乃以經營租賃使用資產，則根據租賃支付之款項於租賃期所涵蓋之會計期間內，以等額在損益內扣除，惟倘有其他基準能更清楚地反映租賃資產所產生之收入模式則除外。已收租賃獎勵均在損益中確認為已付租賃淨付款總額之組成部份。或有租金於其產生之會計期間計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Operating leases (continued)

Land lease prepayments represent costs of land use rights paid to governmental authorities in mainland China. Land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease terms.

(e) Impairment of assets

(i) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2.4 主要會計政策概要（續）

(d) 經營租賃（續）

預付土地租賃費乃付予中國之政府機關的土地使用權支出。經營租賃項下之土地租賃費最初以成本列賬並隨後按使用權之租賃期限以直線法攤銷。

(e) 資產減值

(i) 於股本證券的投資及其他應收賬款的減值

於按成本或攤銷成本入賬的股本證券投資和其他當期及非當期應收賬款於各報告期末審閱，以釐定是否有減值的客觀證據。減值的客觀證據包括引起本集團注意到下列一項或多項虧損事項的可觀察數據：

- 債務人陷入重大財務困難；
- 違反合約，如欠付或拖延償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動並對債務人有不利影響；及
- 於股本工具的投資的公允值大幅或長期跌至低於其成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

Investments in associate and joint venture

When they accounted for under the equity method in the consolidated financial statements (see note 2.4(b)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2.4(e)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2.4(e)(ii).

Trade and other current receivables and other financial assets carried at amortised cost

The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2.4 主要會計政策概要（續）

(e) 資產減值（續）

(i) 於股本證券的投資及其他應收賬款的減值（續）

倘存在任何該等證據，則按以下方式計量及確認減值虧損：

於聯營公司及合營企業的投資

當彼等使用權益法於綜合財務報表列賬（見附註2.4(b)）時，減值虧損根據附註2.4(e)(ii)透過比較投資的可收回金額與其賬面值而計算。根據附註2.4(e)(ii)，倘釐定可收回金額所用估計出現有利變動，則會回撥減值虧損。

貿易及其他當期應收賬款及其他以攤銷成本列賬之金融資產

倘貼現之影響屬重大，減值虧損以資產之賬面值與以金融資產原有效利率（即首次確認該等資產時所計算的有效利率）貼現之估計未來現金流量現值之差額計量。如該等金融資產具備類似風險特徵，例如類似逾期情況及並未單獨被評估為減值，則有關評估會集體進行。集體評估減值之金融資產的未來現金流量，乃根據與整個組別信貸風險特徵類似之資產之過往虧損經驗作出。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

Trade and other current receivables and other financial assets carried at amortised cost (continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade and bills receivable, whose recovery is considered doubtful but not remote.

In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade and bills receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2.4 主要會計政策概要(續)

(e) 資產減值(續)

(i) 於股本證券的投資及其他應收賬款的減值(續)

貿易及其他當期應收賬款及其他以攤銷成本列賬之金融資產(續)

倘減值虧損金額在其後期間減少，且客觀上與確認減值虧損後發生之事件有關，則減值虧損會透過損益回撥。減值虧損之回撥不得導致資產之賬面值超過以往年度沒有確認減值虧損而應釐定之數額。

減值虧損乃直接於相應資產中撇銷，惟就應收賬款中就應收貿易賬款及票據(其可收回性被認為難以預料而並非微乎其微)而確認的減值虧損除外。

在此情況下，呆賬的減值虧損以撥備賬入賬。當本集團確認可收回性微乎其微，則視為不可收回的金額直接於應收貿易賬款及票據中撇銷，而撥備賬中就該債務持有的任何金額予以回撥。先前在撥備賬中計提的金額如被收回，其將從撥備賬中回撥。撥備賬的其他變動及其後收回先前直接撇銷的金額均於損益中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwil1, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- Landlease prepayments classified as being held under an operating lease; and
- investments in subsidiaries in the Company's statement of financial position

If any such indication exists, the asset's recoverable amount is estimated.

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2.4 主要會計政策概要（續）

(e) 資產減值（續）

(ii) 其他資產減值

本集團會在各報告期末審閱內部及外界資料，以識別下列資產是否出現減值跡象或（屬商譽除外）過往確認的減值虧損是否已不再存在或可能減少：

- 物業、廠房及設備；
- 分類為根據經營租賃持有的預付土租賃地費；及
- 本公司財務狀況表所載於附屬公司的投資。

若有上述任何跡象出現，將會估計有關資產的可收回金額。

計算可收回金額

資產可收回金額為其公允值減處置成本與使用價值兩者中的較高額。在評估使用價值時，估計未來現金流量會按照可以反映當時市場對貨幣時間值及資產特定風險的評估的稅前貼現率，貼現至其現值。倘資產所產生現金流入基本上並非獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別（即現金產生單位）釐定可收回金額。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2.4 主要會計政策概要（續）

(e) 資產減值（續）

(ii) 其他資產減值（續）

確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，減值虧損於損益確認。就現金產生單位確認的減值虧損會首先分配至減少該現金產生單位（或該組單位）所獲分配之商譽的賬面值，其後按比例減少該單位（或該組單位）內其他資產的賬面值，惟資產賬面值不會減至低於其本身個別的公允值減去處置成本（如可計量）或使用價值（如能釐定）。

回撥減值虧損

關於商譽以外的資產，倘用作釐定可收回金額的估計數字出現正面變化，減值虧損便會回撥。商譽減值虧損不會撥回。

回撥的減值虧損僅限於過往年度並未確認減值虧損而應釐定的資產賬面值。回撥的減值虧損在確認回撥的年度計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(g) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2.4(e)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

2.4 主要會計政策概要(續)

(f) 存貨

存貨以成本及可變現淨值兩者中的較低者入賬。

成本以加權平均成本法計算，包括所有採購成本、加工成本及將存貨運往現時位置及變成現狀所涉及的其他成本。

可變現淨值是以日常業務過程中的估計售價減去估計完工成本及銷售所需的估計成本。

所出售存貨的賬面值在確認相關收入期間內確認為支出。存貨撥備減至可變現淨值及所有存貨虧損均在撥備或虧損產生期間確認為支出。存貨的任何撥備回撥金額，均在回撥期間確認為已確認為支出的存貨數額中減少。

(g) 貿易及其他應收賬款

貿易及其他應收賬款首次按公允值確認，而其後使用有效利率法按攤銷成本減呆賬減值撥備(見附註2.4(e))入賬，惟作為授予關連方的免息且無固定還款期的貸款或貼現影響並不重大的應收賬款除外。在此情況下，應收賬款按成本減呆賬減值撥備入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(i) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2.4(m), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

2.4 主要會計政策概要（續）

(h) 計息借款

計息借款首次按公允值減應佔交易成本確認。於首次確認後，計息借款按攤銷成本入賬，首次確認金額與贖回價值的任何差額（連同任何應付利息及費用）會在借款期間內以有效利率法於損益內確認。

(i) 貿易及其他應付賬款

貿易及其他應付賬款首次按公允值確認。惟根據附註2.4(m)計量的財務擔保負債除外，貿易及其他應付賬款其後按攤銷成本列值，除非貼現影響並不重大，否則按成本入賬。

(j) 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、存放於銀行的活期存款，以及高度流通短期的投資，該等投資可隨時變現為已知現金數額及無重大價值轉變的風險，並於購入後三個月內到期。就綜合現金流量表而言，現金及現金等價物亦包括須於接獲通知時償還並構成本集團現金管理一部分的銀行透支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee benefits

(i) *Short term employee benefits*

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Termination benefits*

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(iii) *Retirement benefit schemes*

The Group operates a defined contribution Mandatory Provident Fund benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 主要會計政策概要(續)

(k) 僱員福利

(i) *短期僱員福利*

薪金、年度花紅、帶薪年假及非貨幣性福利成本於僱員提供相關服務的年度入賬。倘延期支付或清償該等成本且其影響重大,則該等金額以現值列值。

(ii) *合約終止補償*

合約終止補償會在本集團不再能夠撤回所提供的合約終止補償及確認涉及合約終止補償付款的重組成本(以較早者為準)時確認。

(iii) *退休福利計劃*

根據強制性公積金計劃條例,本集團為所有合資格參與強積金計劃之香港員工,提供強制性公積金退休保障計劃(「強積金計劃」)定義性供款。按強積金計劃規定,公司需按員工薪金之百分比作供款,並於應付時在損益中入賬。強積金計劃之資產存放於獨立管理的基金中,與本集團之資產分開。當本集團作為僱主向強積金計劃供款時,該款項全數歸於僱員。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee benefits (continued)

(iii) Retirement benefit schemes (continued)

As stipulated by the regulations of the PRC government, subsidiaries of the Group in mainland China are required to make specific contributions to the state-controlled retirement plan at rates not more than 20% (the percentage to be determined by each of the government of the provinces, autonomous regions or municipalities) of the total salaries of the employees in mainland China. Certain provinces, autonomous regions or municipalities are overburdened by the pension insurance due to higher number of retired people, it is required to make specific contributions at rates higher than 20% (the percentage to be determined by each of the government of the provinces, autonomous regions or municipalities) of the total salaries of the employees upon approval of the ministry of labour and the ministry of finance. The PRC government is responsible for the pension liability to the retired employees. The employees of the subsidiaries are entitled to a monthly pension at their retirement dates. The subsidiaries have no further obligation for post-retirement benefits beyond the annual contributions.

2.4 主要會計政策概要(續)

(k) 僱員福利(續)

(iii) 退休福利計劃(續)

按中國政府法規，本集團於中國大陸之附屬公司須按中國大陸員工工資之總額不超過20%(具體百分比由各省、自治區或直轄市人民政府確定)作為就國家管理退休計畫作出的指定供款。少數省、自治區或直轄市因退休人數較多，養老保險負擔過重，經勞動部及財政部審批後須按超過員工工資總額之超過20%(具體百分比由各省、自治區或直轄市人民政府確定)作出該指定供款。中國政府會為退休員工發放退休金。附屬公司員工於退休日後能按月收取退休金。除周年供款外，附屬公司對退休後之福利概無其他承擔。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2.4 主要會計政策概要(續)

(l) 所得稅

年內所得稅包括當期稅項及遞延稅項資產與負債的變動。當期稅項及遞延稅項資產與負債的變動均在損益確認，惟倘變動與在其他全面收益或直接於權益中確認的項目有關，則有關稅項金額分別於其他全面收益或直接於權益中確認。

當期稅項為年內應課稅收入的預期應付稅項，採用於報告期末已生效或實質已生效的稅率計算，以及就過往年度應付稅項作出的調整。

遞延稅項資產及負債分別產生自可扣減及應課稅的暫時性差額，即資產及負債的賬面值(就財務報告而言)與計稅基準之間的差額。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are:

(i) the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination); and

(ii) temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

2.4 主要會計政策概要(續)

(l) 所得稅(續)

除若干少數例外情況外,所有遞延稅項負債及遞延稅項資產(只限於日後可能有應課稅溢利用以抵銷可動用資產時)均獲確認。可支持確認源自可扣稅暫時差額的遞延稅項資產的日後應課稅溢利,包括該等源自回撥現有應課稅暫時性差額,惟該等差額須與相同稅務機關及相同應課稅實體有關,並預期於回撥可扣減暫時性差額的同一期間或源自遞延稅項資產的稅項虧損可退算或結轉的期間回撥。在評定現有應課稅暫時性差額是否支持確認因未動用稅項虧損及抵免產生的遞延稅項資產時採用相同的標準(即倘該等暫時性差額與相同稅務機關及相同應課稅實體有關,且預期在可使用稅項虧損或抵免期間內回撥,則會計入該等暫時性差額)。

確認遞延稅項資產及負債的少數例外情況是:

(i) 首次確認不影響會計溢利及應課稅溢利的資產或負債(惟其不屬於企業合併的一部份);及

(ii) 與於附屬公司投資有關的暫時性差額(如為應課稅差額,只限於本集團控制回撥時間,並且不大可能在可見未來回撥的差額,如為可予扣減差額,則只限於可能在未來回撥的差額)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax (continued)

The amount of deferred tax recognised is measured based on expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantially enacted at the end of each reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

(i) in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

(ii) in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either; or

2.4 主要會計政策概要（續）

(l) 所得税（續）

已確認遞延税項金額乃根據資產及負債賬面值變現或結算之預期方式按各報告期末頒佈或實際頒佈的税率計量。遞延税項資產及負債並無貼現。

遞延税項資產的賬面值於各報告期末審閱，並減至不再可能取得足夠應課税溢利以動用有關税務利益時為止。任何此等減幅會於可能取得足夠應課税溢利時撥回。

宣派股息產生的額外所得税在支付相關股息的責任確認時確認。

當期税項結餘及遞延税項結餘，及其變動額單獨列示，並不予抵銷。當期税項資產及當期税項負債，及遞延税項資產及遞延税項負債只會在本公司或本集團有法定執行權以當期税項資產抵銷當期税項負債，並在符合下列附帶條件的情況下，才可互相抵銷：

(i) 當期税項資產及負債方面，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或

(ii) 遞延税項資產及負債方面，如該資產及負債與相同税務機關徵收的所得税就以下其中一項有關；或

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Income tax (continued)

- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(m) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

2.4 主要會計政策概要(續)

(l) 所得稅(續)

- 相同應課稅實體;或
- 不同應課稅實體,計劃在每個未來期間預期有重大金額的遞延稅項負債或資產須予清償或收回,按淨額基準變現當期稅項資產及清償當期稅項負債,或同時變現當期稅項資產及清償當期稅項負債。

(m) 已發出財務擔保

財務擔保指要求發行人(即擔保人)支付指定款項以向擔保受益人(「持有人」)償付因指定債務人未能根據債務工具之條款支付到期款項而導致持有人蒙受損失之合約。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Financial guarantees issued (continued)

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other payables and accruals. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2.4(n) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in other payables and accruals in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

2.4 主要會計政策概要（續）

(m) 已發出財務擔保（續）

倘本集團發出財務擔保，該擔保之公允值首次確認為其他應付賬及預提費用內之遞延收入。已發出財務擔保於發出時的公允值乃參照就類似服務的公平磋商交易中所收取費用（如可獲得該等資料）而釐定，或參照息差作出估計，方法為以放款人在獲提供擔保時實際徵收的利率與在不獲提供擔保時可能徵收的估計利率作比較（如該等資料能可靠估計）。倘就發出有關擔保已收或應收代價，則有關代價根據適用於該類別資產之本集團政策確認。倘並無該等已收或應收代價，則於首次確認任何遞延收入時即時於損益確認費用。

首次確認為遞延收入之擔保金額於擔保期內於損益攤銷，作為已發出財務擔保之收入。此外，當(i)擔保持有人有可能要求本集團履行有關擔保；及(ii)對本集團提出之申索款額預期超過現時就該擔保於其他應付賬及預提費用所列金額（即首次確認之金額），減累計攤銷，則根據附註2.4(n)）確認撥備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

(o) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

2.4 主要會計政策概要（續）

(n) 其他撥備及或有負債

當本集團或本公司須就過往事件承擔法定或推定責任，且履行責任可能須流出經濟利益並可作出可靠估計時，便會就尚未肯定時間或金額之其他負債確認撥備。倘貨幣的時間價值重大，則按預計履行該責任所需支出之現值計提撥備。

倘不大可能須流出經濟利益，或有關數額無法可靠估計，則該責任披露為或有負債，惟流出經濟利益之可能性極低則除外。須視乎一宗或多宗未來事件是否發生才能確定存在與否的可能責任亦披露為或有負債，惟流出經濟利益之可能性極低則除外。

(o) 收入確認

收入乃按已收或應收代價之公允值計量。倘經濟利益很可能流入本集團且收入及成本（如適用）能可靠計量，收入於損益確認如下：

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

(o) Revenue recognition (continued)

(i) Sale of goods

Revenue is recognised when goods are delivered which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Generally, revenue is recognised when products are delivered to the customer's premises for domestic sales or in accordance with the terms and conditions of sale for export sales. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(ii) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(iv) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(o) 收入確認(續)

(i) 貨品銷售

收入於交付貨品時(被視為客戶接納貨品以及所有權相關風險及回報的時間點)確認。一般而言,在貨品送達客戶場地時確認國內銷售的收入,或按照出口銷售的銷售條款和條件確認出口銷售的收入。收入不包括增值稅或其他銷售稅,並為扣除任何貿易折扣後所得者。

(ii) 股息

來自非上市投資的股息收入在股東收取款項的權力設立時確認。

(iii) 利息收入

利息收入使用有效利率法於產生時確認。

(iv) 政府補貼

政府補貼於倘可合理保證本集團能收取政府補貼且符合有關補貼所附條件等則首次於財務狀況表確認。用於補償本集團所涉費用之補貼於費用產生的同期有系統地於損益確認為收入。補償本集團資產成本之補貼從資產賬面值中扣除,並其後於該項資產之可使用期間以減少折舊費用之方式於損益中實際確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

For the purpose of presenting these financial statements, the assets and liabilities of the entities now comprising the Group denominated in currencies other than US$ are translated into US$, the presentation currency of the Group, using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the weighted average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and in equity in exchange fluctuation reserve.

2.4 主要會計政策概要（續）

(p) 外幣換算

年內之外幣交易按交易當日之匯率換算。以外幣計值之貨幣資產及負債按報告期末之匯率換算。匯兌盈虧於損益內確認，惟該等於其他全面收益確認並用於對沖海外業務營運淨投資之外幣借款除外。

以外幣按歷史成本計量的非貨幣資產及負債使用交易日的通行外匯匯率換算。以外幣計值並按公允值計量的非貨幣資產及負債使用計量公允值當日的通行外匯匯率換算。

就呈列財務資料而言，本集團現時旗下實體以美元以外貨幣計值的資產及負債按各報告期末現行的匯率換算為本集團呈列貨幣美元。收支項目按年內加權平均匯率換算。由此而產生之匯兌差額（如有）於其他全面收益中確認，並於外匯波動儲備中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(r) Related parties

(i) A person, or a close member of that person's family, is related to the Group if that person:

(a) has control or joint control over the Group; or

(b) has significant influence over the Group; or

(c) is a member of the key management personnel of the Group or the Group's parent.

(ii) An entity is related to the Group if any of the following conditions applies:

(a) 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).

2.4 主要會計政策概要（續）

(q) 借款成本

直接用於收購、建造或生產需要長時間才可以投入擬定用途的資產之借款成本會被資本化以計入資產成本一部份。其他借款成本則於產生期間支銷。

當已產生資產有關之費用，已產生借款成本及正進行籌備資產作擬定用途或出售的必要工作時，開始將借款成本資本化為合資格資產成本的一部分。當籌備合資格資產作擬定用途或出售的必要工作絕大部分中斷或完成時，會暫停或終止將借款成本資本化。

(r) 關連人士

(i) 任何個人或個人之近親倘符合下列情況，即視為本集團的關連人士：

(a) 控制或共同控制本集團；或

(b) 對本集團有重大影響力；或

(c) 為本集團或本集團母公司的主要管理層人員。

(ii) 如實體符合任何下列條件，即視為本集團有的關連人士：

(a) 該實體與本集團為同一集團（即各母公司、附屬公司及同系附屬公司與彼等相關連）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Related parties (continued)

(ii) (continued)

(b) 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).

(c) both entities are joint ventures of the same third party.

(d) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(e) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(f) the entity is controlled or jointly controlled by a person identified in (i).

(g) a person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(h) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

2.4 主要會計政策概要(續)

(q) 關連人士(續)

(ii) (續)

(b) 一實體為另一實體之聯營公司或合營企業(或另一實體所屬集團旗下成員公司之聯營公司或合營企業)。

(c) 兩實體均為同一第三方之合營企業。

(d) 一實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

(e) 該實體為本集團或與本集團有關連之實體為僱員而設立之退職福利計劃。

(f) 該實體受(i)所指人士控制或共同控制。

(g) (i)(a)所指人士對實體有重大影響力或屬該實體(或該實體的母公司)的主要管理層人員。

(h) 該實體或任何集團旗下成員，為本集團或本集團母公司提供主要管理層人員服務。

個人家庭近親指該等家庭成員與實體來往時可能預期影響該個人或受該個人影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2.4 主要會計政策概要（續）

(s) 分類報告

經營分類及每一個呈列在財務報表中的分類項目金額乃從財務資料中識別，並向本集團管理層有規律地提供及用作分配及評估本集團的各業務及地區之資源及表現。

除非分類具有類似的經濟性質，以及產品與服務的性質、生產工序的性質、客戶類型及類別、用於分派產品或提供服務的方法以及監管環境的性質相似的情況外，個別重大經營分類不會因財務匯報而進行合算。如果各經營分類共享以上大部份條件，個別不重大的經營分類可累積計算。

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In the process of applying the Group's accounting policies, management has made the following accounting judgments and estimates:

(a) Impairment of property, plant and equipment

As explained in note 2.4(e)(ii), the impairment loss for property, plant and equipment is recognised for the amount by which the carrying amount exceeds its recoverable amount when events or changes in circumstance indicate the carrying amounts may not be recoverable. The recoverable amount of the assets, or, where appropriate, the cash generating unit to which they belong, is the higher of its fair value less costs of disposal and value in use. The recoverable amounts are determined based on fair value less costs of disposal which are based on the best information available to reflect the amount obtainable at the reporting date, from the disposal of the asset in an arm's length transaction between knowledgeable and willing parties, after deducting the costs of disposal. For the estimation of value in use, the Group's management estimates future cash flows from the cash-generating units and chooses a suitable discount rate in order to calculate the present value of those cash flows.

3 重大會計判斷及估算

管理層在應用本集團會計政策時，曾作出下列會計判斷、假設及估算：

(a) 物業、廠房及設備減值

倘有事項或狀況改變顯示物業、廠房及設備之賬面值可能不能收回，其賬面值高於可收回金額便須確認減值虧損。資產或（倘適用）其所屬的現金產生單位的可收回金額為資產或現金產生單位的公允值減處置成本與使用價值兩者中的較高者。按公允值減處置成本而釐定的可收回金額乃根據於報告日所得到的最佳資料來反映其金額，乃按公平原則出售資產予有知識及自願人士及扣除處置成本。至於估計使用價值，本集團之管理層估計現金產生單位之未來現金流及選擇合適的貼現率計算該現金流現值，詳情載於附註2.4(e)(ii)。

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Write down of inventories

As explained in note 2.4(f), the management of the Group reviews the aging analysis of its inventories at each reporting date, and makes allowance for obsolete and slow-moving inventory items. Management estimates the net realisable value for such items based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product by product basis at each reporting date and makes allowances for obsolete items.

(c) Impairments of trade receivables

As explained in note 2.4(e)(i), the policy for provision for impairment loss of the Group's trade receivables is based on the evaluation of collectability and the aging analysis of the trade receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

3 重大會計判斷及估算(續)

(b) 存貨撥備

本集團管理層於各報告日檢閱其存貨之賬齡分析，並就過時及滯銷存貨項目作出撥備。管理層主要根據最新發票價及現時市場狀況估計該等項目之可變現價值。本集團於各報告日按個別產品基準進行存貨複核，並就過時項目撥備，詳情載於附註2.4(f)。

(c) 應收貿易賬款之減值

本集團應收貿易賬款之減值虧損撥備之政策乃按對可收款能力與應收貿易賬款賬齡分析之評估以及管理層的判斷進行。評估此等應收賬款之最後套現需作出重大判斷，包括每位客戶之信譽及過往還款狀況。當本集團之客戶財務狀況惡化，導致其還款能力減退，本集團可能需要作出額外撥備，詳情載於附註2.4(e)(i)。

4 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- the biochemical segment is engaged in the manufacture and sale of chlortetracycline products; and
- the industrial segment is engaged in trading of machinery and the manufacture and sale of automotive parts, through the Group's joint venture and associate.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that bank interest income, finance costs and items not specifically attributed to individual segments, such as head office or corporate administration expenses are excluded from such measurements.

Segment assets exclude unallocated corporate assets. Unallocated corporate assets include time deposit, cash and cash equivalents, income tax receivable and other assets that are managed on a group basis.

Segment liabilities exclude unallocated corporate liabilities. Unallocated corporate liabilities include bank borrowings, income tax payables, deferred tax liabilities and other liabilities that are managed on a group basis.

4 經營分類資料

按管理所需，本集團將業務按產品及服務分成以下兩個可呈報經營分類：

- 生化分類代表產銷金霉素等產品；及
- 工業分類代表機械設備貿易及產銷汽車零部件(透過本集團之合營企業及聯營公司)。

管理層會獨立監察本集團經營分類之業績而作出資源分配之決定及評定其表現。分類表現評估乃根據可呈報分類之溢利，即以經調整稅前溢利計算。經調整稅前溢利之計算與本集團稅前溢利之計算一致，除銀行利息收入、財務成本及不屬於個別分類之項目，如總部或企業行政開支不包括在其計算當中。

分類資產不包括未分配企業資產。未分配企業資產包括定期存款、現金及現金等價物、預付所得稅及其他在集團層面管理之資產。

分類負債不包括未分配企業負債。未分配企業負債包括銀行借款、應付所得稅、遞延稅項負債及其他在集團層面管理之負債。

4 OPERATING SEGMENT INFORMATION (continued)

4 經營分類資料(續)

(a) Reportable operating segments

(a) 可呈報經營分類

The following tables present revenue, profit or loss and certain assets, liabilities and expenditure information for the Group's reportable operating segments for the years ended 31 December 2017 and 2016.

以下報表為本集團各可呈報經營分類於截至二零一七年及二零一六年十二月三十一日止年度內之收入、損益及若干資產、負債及開支資料。

Year ended 31 December 2017

截至二零一七年十二月三十一日止年度

		Biochemical operations 生化業務 *US$'000* *美元千元*	Industrial operations 工業業務 *US$'000* *美元千元*	Total 總額 *US$'000* *美元千元*
Segment revenue	分類收入			
Sales to external customers	銷售予外來客戶	74,466	–	74,466
Segment results	分類業績			
The Group	本集團	5,257	(682)	4,575
Share of profits and losses of:	應佔溢利及虧損：			
Joint venture	合營企業	–	13,348	13,348
Associate	聯營公司	–	2,259	2,259
		5,257	14,925	20,182
Reconciliation:	調節項目：			
Bank interest income	銀行利息收入			349
Finance costs	財務成本			(156)
Unallocated head office and corporate expenses	未分配總部及企業開支			(1,306)
Profit before tax	除稅前溢利			19,069
Other segment information	其他分類資料			
Depreciation and amortisation	折舊及攤銷	5,315	4	5,319
Capital expenditure*	資本開支*	8,033	–	8,033
Addition of other non-current assets	新增其他非流動資產	444	–	444

* Including additions to property, plant and equipment.

* 包括物業、廠房及設備之新增。

4 OPERATING SEGMENT INFORMATION (continued)

4 經營分類資料（續）

(a) Reportable operating segments (continued)

(a) 可呈報經營分類（續）

At 31 December 2017

於二零一七年十二月三十一日

		Biochemical operations 生化業務 US$'000 美元千元	Industrial operations 工業業務 US$'000 美元千元	Total 總額 US$'000 美元千元
Segment assets	**分類資產**	94,432	101,364	195,796
Reconciliation:	調節項目：			
Unallocated corporate assets	未分配企業資產			33,905
Total assets	總資產			229,701
Segment liabilities	**分類負債**	19,713	26	19,739
Reconciliation:	調節項目：			
Unallocated corporate liabilities	未分配企業負債			12,936
Total liabilities	總負債			32,675
Other segment information	**其他分類資料**			
Investments in joint venture	於合營企業的投資	–	77,952	77,952
Investments in associate	於聯營公司的投資	–	18,082	18,082

Notes to the Financial Statements
財務報表附註
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度

4 OPERATING SEGMENT INFORMATION (continued)

4 經營分類資料(續)

(a) Reportable operating segments (continued)

(a) 可呈報經營分類(續)

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Biochemical operations 生化業務 US$'000 美元千元	Industrial operations 工業業務 US$'000 美元千元	Total 總額 US$'000 美元千元
Segment revenue	**分類收入**			
Sales to external customers	銷售予外來客戶	87,276	–	87,276
Segment results	**分類業績**			
The Group	本集團	11,740	(1,580)	10,160
Share of profits and losses of:	應佔溢利及虧損：			
Joint venture	合營企業	–	2,849	2,849
Associate	聯營公司	–	2,198	2,198
		11,740	3,467	15,207
Reconciliation:	調節項目：			
Bank interest income	銀行利息收入			165
Finance costs	財務成本			(566)
Unallocated head office and corporate expenses	未分配總部及企業開支			(1,184)
Profit before tax	除稅前溢利			13,622
Other segment information	**其他分類資料**			
Depreciation and amortisation	折舊及攤銷	5,502	8	5,510
Capital expenditure*	資本開支*	4,181	–	4,181
Addition of other non-current assets	新增其他非流動資產	447	–	447

* Including additions to property, plant and equipment and land lease prepayments.

* 包括物業、廠房及設備及預付土地租賃費之新增。

4 OPERATING SEGMENT INFORMATION (continued) 4 經營分類資料(續)

(a) Reportable operating segments (continued) (a) 可呈報經營分類(續)

At 31 December 2016 於二零一六年十二月三十一日

		Biochemical operations 生化業務 *US$'000* *美元千元*	Industrial operations 工業業務 *US$'000* *美元千元*	Total 總額 *US$'000* *美元千元*
Segment assets	**分類資產**	80,627	82,256	162,883
Reconciliation:	調節項目:			
Unallocated corporate assets	未分配企業資產			37,160
Total assets	總資產			200,043
Segment liabilities	**分類負債**	19,498	9	19,507
Reconciliation:	調節項目:			
Unallocated corporate liabilities	未分配企業負債			11,801
Total liabilities	總負債			31,308
Other segment information	**其他分類資料**			
Investments in joint venture	於合營企業的投資	–	59,848	59,848
Investments in associate	於聯營公司的投資	–	17,460	17,460

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4 OPERATING SEGMENT INFORMATION (continued) 4 經營分類資料（續）

(b) Geographical information (b) 地區資料

(i) *Revenue from external customers* (i) *來自外來客戶之收入*

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Mainland China	中國大陸	**26,977**	28,538
United States of America ("United States")	美利堅合眾國（「美國」）	**3,717**	13,914
Asia Pacific (excluding mainland China)*	亞太地區（不包括中國大陸）*	**21,154**	26,583
Europe	歐洲	**8,527**	8,338
Elsewhere	其他地方	**14,091**	9,903
		74,466	87,276

* In Asia Pacific (excluding mainland China), there was no single country that contributed 10% or more of the Group's total revenue during the year ended 31 December 2017 (2016: US$10,154,000 from the Socialist Republic of Vietnam).

* 於亞太地區（不包括中國大陸），並無單一國家於截至二零一七年十二月三十一日止年度內佔本集團之總收入相等於或超過10%（二零一六年：1,015.4萬美元來自越南社會主義共和國）。

The revenue information shown above is based on the location of customers.

上列收入資料乃按客戶所在地分類。

(ii) *Non-current assets* (ii) *非流動資產*

At 31 December 2017, 99% (2016: 99%) of the Group's non-current assets are located in mainland China.

於二零一七年十二月三十一日，本集團99%（二零一六年：99%）之非流動資產均位於中國大陸。

4 OPERATING SEGMENT INFORMATION (continued)

(c) Information about major customers

During the year ended 31 December 2017, there was no single customer that contributed 10% or more of the Group's total revenue (2016: US$13,309,000 from an independent third party customer from United States and US$9,839,000 from CPF and its subsidiaries).

4 經營分類資料（續）

(c) 主要客戶的資料

於截至二零一七年十二月三十一日止年度內，並無單一客戶佔本集團總收入相等於或超過10%（二零一六年：1,330.9萬美元來自一位美國的獨立第三方客戶及983.9萬美元來自CPF及其附屬公司）。

5 REVENUE

Revenue, which is also the Group's turnover, represents the aggregate of the invoiced value of goods sold, net of value-added tax and government surcharges, and after allowances for goods returned and trade discounts. All of the Group's revenue is from the biochemical segment.

5 收入

收入，亦為本集團之營業額，指除增值稅及政府附加費，及扣除退貨及貿易折扣後之累積銷售發票淨額。所有集團之收入均來自生化業務。

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6 OTHER INCOME, NET
6 其他收入淨額

An analysis of other income, net is as follows:

其他收入淨額分析如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Bank interest income	銀行利息收入	349	165
Government grants	政府補助	738	614
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額	(88)	(31)
Loss on deregistration of a subsidiary	註銷一家附屬公司之虧損	(184)	–
Foreign exchange differences, net	外幣折算差異淨額	(24)	470
Income from sale of trial production products, net	銷售試產產品收入淨額	1,892	747
Others	其他	322	257
		3,005	2,222

7 FINANCE COSTS
7 財務成本

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Interest expense on bank borrowings	銀行借款之利息費用	283	686
Less: Interest expense capitalised*	減：利息費用資本化*	(127)	(120)
		156	566

* The interest expense was capitalised at a rate of 4.1% per annum (2016: 4.9%) for the year ended 31 December 2017.

* 截至二零一七年十二月三十一日止年度，利息費用資本化乃按年利率4.1%（二零一六年：4.9%）計算。

8 PROFIT BEFORE TAX 8 除稅前溢利

The Group's profit before tax is arrived at after charging: 本集團除稅前溢利經扣除下列各項：

		Note 附註	**2017** **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Cost of inventories sold	已出售存貨成本		**52,422**	56,037
Write down of inventories	存貨撥備		**–**	20
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	14	**5,112**	5,352
Amortisation of land lease prepayments	預付土地租賃費攤銷	15	**207**	158
Minimum lease payments of leasehold land and properties under operating lease	租賃土地及物業之經營租賃之最低租賃付款金額		**261**	203
Auditors' remuneration	核數師酬金		**206**	194
Employee benefit expenses (including directors' emoluments – note 9)	僱員福利支出（包括董事酬金－附註9）			
Wages, salaries and benefits in kind	工資、薪金及非現金利益		**13,848**	14,509
Pension scheme contributions	退休金供款		**1,040**	987

9 DIRECTORS' EMOLUMENTS

9 董事酬金

Directors' emoluments, disclosed pursuant to Section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure Information about Benefits of Directors) Regulation is as follows:

根據香港公司條例第383(1) 條及公司(披露董事利益資料) 規例第二部規定，董事酬金披露如下：

		Fees 袍金 US$'000 美元千元	Salaries, allowances, and benefits in kind 薪酬、津貼及非現金利益 US$'000 美元千元	Discretionary bonuses 酌情花紅 US$'000 美元千元	Retirement scheme contributions 退休金供款 US$'000 美元千元	Total 總額 US$'000 美元千元
Year ended 31 December 2017	**截至二零一七年十二月三十一日止年度**					
Chairman and non-executive director:	**董事及非執行董事:**					
Mr. Soopakij Chearavanont	謝吉人先生	–	–	–	–	–
		–	–	–	–	–
Executive directors:	**執行董事：**					
Mr. Thirayut Phityaisarakul	李紹慶先生	–	–	–	–	–
Mr. Thanakorn Seriburi	李紹祝先生	–	535	–	–	535
Mr. Nopadol Chiaravanont	謝杰人先生	–	–	–	–	–
Mr. Yao Minpu	姚民仆先生	–	301	–	–	301
		–	836	–	–	836
Non-executive director:	**非執行董事：**					
Mr. Yoichi Ikezoe	池添洋一先生	–	–	–	–	–
		–	–	–	–	–
Independent non-executive directors:	**獨立非執行董事：**					
Mr. Surasak Rounroengrom	Surasak Rounroengrom 先生	31	–	–	–	31
Mr. Cheng Yuk Wo	鄭毓和先生	31	–	–	–	31
Mr. Ko Ming Tung, Edward	高明東先生	31	–	–	–	31
		93	–	–	–	93
Total directors' emoluments	**董事酬金總額**	93	836	–	–	929

9 DIRECTORS' EMOLUMENTS (continued) 9 董事酬金（續）

		Fees 袍金 US$'000 美元千元	Salaries, allowances, and benefits in kind 薪酬、津貼及非現金利益 US$'000 美元千元	Discretionary bonuses 酌情花紅 US$'000 美元千元	Retirement scheme contributions 退休金供款 US$'000 美元千元	Total 總額 US$'000 美元千元
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度					
Chairman and non-executive director:	董事及非執行董事:					
Mr. Soopakij Chearavanont	謝吉人先生	–	–	–	–	–
		–	–	–	–	–
Executive directors:	執行董事：					
Mr. Thirayut Phityaisarakul	李紹慶先生	–	–	–	–	–
Mr. Thanakorn Seriburi	李紹祝先生	–	532	–	–	532
Mr. Nopadol Chiaravanont	謝杰人先生	–	–	–	–	–
Mr. Yao Minpu	姚民仆先生	–	308	–	–	308
		–	840	–	–	840
Non-executive director:	非執行董事：					
Mr. Yoichi Ikezoe	池添洋一先生	–	–	–	–	–
		–	–	–	–	–
Independent non-executive directors:	獨立非執行董事：					
Mr. Surasak Rounroengrom	Surasak Rounroengrom 先生	31	–	–	–	31
Mr. Cheng Yuk Wo	鄭毓和先生	31	–	–	–	31
Mr. Ko Ming Tung, Edward	高明東先生	31	–	–	–	31
		93	–	–	–	93
Total directors' emoluments	董事酬金總額	93	840	–	–	933

9 DIRECTORS' EMOLUMENTS (continued)

During the year ended 31 December 2017, no emolument was paid by the Group to the directors of the Group as an inducement to join or upon joining the Group as compensation for loss of office (2016: nil), and there was no arrangement under which a director waived or agreed to waive any emoluments (2016: nil).

9 董事酬金(續)

於截至二零一七年十二月三十一日止年度，本集團並無支付酬金給董事以誘使加入本集團或在加入本集團時作為解除職務損失補償(二零一六：無)，亦並無董事放棄或同意放棄任何酬金之安排(二零一六：無)。

10 FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2016: two) directors. Details of the emoluments are set out in note 9 above. The emoluments of the remaining three (2016: three) non-directors are as follows:

10 五位最高薪酬僱員

年內，五位最高薪酬僱員包括2位(二零一六年：2位)董事，其酬金的詳情已載列於上文附註9。餘下3位(二零一六年：3位)非董事之酬金如下：

		2017 **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Salaries, allowances and benefits in kind	薪酬、津貼及非現金利益	**740**	695
Discretionary bonus	酌情花紅	**113**	20
		853	715

The number of non-director highest paid employees whose emoluments fell within the following bands is set out below:

最高薪酬非董事僱員的人數按以下級別分類如下：

		2017 **二零一七年** ***Number of individuals*** ***僱員數目***	2016 二零一六年 *Number of individuals* *僱員數目*
US$128,001 to US$192,000 (equivalent to HK$1,000,001 to HK$1,500,000)	128,001美元至192,000美元(相當於1,000,001港元至1,500,000港元)	**–**	1
US$256,001 to US$320,000 (equivalent to HK$2,000,001 to HK$2,500,000)	256,001美元至320,000美元(相當於2,000,001港元至2,500,000港元)	**3**	2

10 FIVE HIGHEST PAID EMPLOYEES (continued)

During the year ended 31 December 2017, no emolument was paid by the Group to any of the five highest paid employees of the Group as an inducement to join or upon joining the Group as compensation for loss of office (2016: nil).

10 五位最高薪酬僱員（續）

於截至二零一七年十二月三十一日止年度，本集團並無支付酬金給五位最高薪酬僱員之任何一位，以誘使加入本集團或在加入本集團時作為解除職務損失補償（二零一六：無）。

11 INCOME TAX

No provision for Hong Kong profits tax has been made for the year as the Group did not generate any assessable profits in Hong Kong during the year (2016: nil).

The subsidiaries operating in the People's Republic of China ("PRC") are subject to income tax at the rate of 25% (2016: 25%) on their taxable income according to the PRC corporate income tax laws. In accordance with the relevant tax rules and regulations in the PRC, certain subsidiaries of the Group in the PRC enjoy income tax exemptions or reductions.

11 所得稅

本集團於本年度未有在香港賺取任何應課稅收入，所以未於本年內作香港利得稅撥備（二零一六年：無）。

根據中國企業所得稅稅例，於中華人民公和國（「中國」）經營之附屬公司需就其應課稅收入按稅率25%（二零一六年：25%）繳交所得稅。根據中國之相關稅務守則及法例，本集團於中國之若干附屬公司享有豁免或減收所得稅之優惠。

		Note 附註	**2017** **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Current – the PRC	本年－中國			
Charge for the year	本年度支出		**1,088**	1,931
Under-provision in prior years	往年少計提		**2**	6
Deferred	遞延	28	**271**	626
Total tax expense for the year	本年度稅項總支出		**1,361**	2,563

11 INCOME TAX (continued)

11 所得稅(續)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for PRC in which the Group principally operates to the tax expense is as follows:

按中國(本集團主要營運地點)的法定稅率計算及除稅前溢利計算的稅項費用與稅項費用的調節表如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Profit before tax	除稅前溢利	**19,069**	13,622
Tax expense on profit before tax, calculated at the PRC corporate income tax rate of 25%	按中國企業所得稅稅率25%及除稅前溢利計算的稅務支出	**4,767**	3,405
Lower tax rates enacted by local tax authority	按特定地區稅務局頒佈之較低稅率	**(574)**	(1,185)
Effect of withholding tax at 10% on the distributable profit of the Group's subsidiaries, joint venture and associate in PRC	按本集團於中國之附屬公司、合營企業及聯營公司可分配利潤計算扣繳稅10%之影響	**531**	800
Under-provision in prior years	往年度撥備不足	**2**	6
Profits and losses attributable to joint venture and associate	應佔合營企業及聯營公司溢利及虧損	**(3,902)**	(1,262)
Expense not deductible for tax	不可扣稅支出	**537**	799
Tax expense at the Group's effective tax rate	按本集團有效稅率計算的稅務支出	**1,361**	2,563

12 DIVIDENDS

12 股息

The board of directors of the Company has resolved not to declare dividend for the year ended 31 December 2017 (2016: nil).

本公司董事會建議不派發截至二零一七年十二月三十一日止年度之股息(二零一六年：無)。

13 EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

13 本公司股東應佔之每股溢利

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of the Company and the weighted average number of ordinary shares and convertible preference shares in issue during the year.

每股基本溢利金額之計算乃根據本公司股東應佔本年度溢利及年內已發行之普通股及可換股優先股加權平均數。

The calculation of basic earnings per share is based on the following data:

每股基本溢利乃根據以下數據計算：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Earnings	**溢利**		
Profit for the year attributable to shareholders of the Company, used in the basic earnings per share calculation	用於計算每股基本溢利之本公司股東本年應佔溢利	**16,347**	8,058

		2017 二零一七年	2016 二零一六年
Shares	**股份**		
Weighted average number of ordinary shares and convertible preference shares in issue during the year, used in the basic earnings per share calculation	用於計算每股基本溢利之本年已發行之普通股及可換股優先股加權平均數	**253,329,087**	253,329,087

As there were no potential dilutive ordinary shares during the years ended 31 December 2017 and 2016, the amount of diluted earnings per share is equal to basic earnings per share.

於二零一七及二零一六年十二月三十一日止年度期間並無潛在攤薄普通股，故每股攤薄溢利相等於每股基本溢利。

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14 PROPERTY, PLANT AND EQUIPMENT 14 物業、廠房及設備

		Note 附註	Industrial buildings 工業樓宇 US $'000 美元千元 (note (a)) (附註(a))	Plant and machinery 廠房及機器 US $'000 美元千元 (note (a)) (附註(a))	Furniture, fixtures and office equipment 傢俱、裝置及辦公設備 US $'000 美元千元	Motor vehicles and transport facilities 汽車及運輸設施 US $'000 美元千元	Construction in progress 在建工程 US $'000 美元千元	Total 總額 US $'000 美元千元
At 1 January 2017:	**於二零一七年一月一日：**							
Cost	成本		30,555	62,478	6,574	1,346	2,033	102,986
Accumulated depreciation and impairment	累計折舊及減值		(12,125)	(41,777)	(4,223)	(973)	–	(59,098)
Net carrying amount	賬面淨值		18,430	20,701	2,351	373	2,033	43,888
Net carrying amount:	**賬面淨值：**							
At 1 January 2017	於二零一七年一月一日		18,430	20,701	2,351	373	2,033	43,888
Additions	添置		6	146	198	177	7,506	8,033
Depreciation provided during the year	年內計提折舊	8	(1,330)	(3,154)	(506)	(122)	–	(5,112)
Transfer in/(out)	轉入╱(出)		1,116	3,639	130	91	(4,976)	–
Disposals	出售		–	(97)	(7)	(6)	–	(110)
Exchange realignment	匯兌調整		1,233	1,417	151	28	234	3,063
At 31 December 2017	於二零一七年十二月三十一日		19,455	22,652	2,317	541	4,797	49,762
At 31 December 2017:	**於二零一七年十二月三十一日：**							
Cost	成本		33,778	69,695	7,302	1,652	4,797	117,224
Accumulated depreciation and impairment	累計折舊及減值		(14,323)	(47,043)	(4,985)	(1,111)	–	(67,462)
Net carrying amount	賬面淨值		19,455	22,652	2,317	541	4,797	49,762

14 PROPERTY, PLANT AND EQUIPMENT (continued)

14 物業、廠房及設備（續）

		Note 附註	Industrial buildings 工業樓宇 US $'000 美元千元 (note (a)) (附註(a))	Plant and machinery 廠房及機器 US $'000 美元千元 (note (a)) (附註(a))	Furniture, fixtures and office equipment 傢俱、裝置及辦公設備 US $'000 美元千元	Motor vehicles and transport facilities 汽車及運輸設施 US $'000 美元千元	Construction in progress 在建工程 US $'000 美元千元	Total 總額 US $'000 美元千元
At 1 January 2016:	**於二零一六年一月一日：**							
Cost	成本		31,118	65,140	5,946	1,330	3,087	106,621
Accumulated depreciation and impairment	累計折舊及減值		(11,446)	(42,176)	(3,587)	(857)	–	(58,066)
Net carrying amount	賬面淨值		19,672	22,964	2,359	473	3,087	48,555
Net carrying amount:	**賬面淨值：**							
At 1 January 2016	於二零一六年一月一日		19,672	22,964	2,359	473	3,087	48,555
Additions	添置		35	368	314	19	3,137	3,873
Depreciation provided during the year	年內計提折舊	8	(1,334)	(3,296)	(566)	(156)	–	(5,352)
Transfer in/(out)	轉入╱(出)		1,336	2,204	413	76	(4,029)	–
Disposals	出售		–	(82)	(9)	(12)	–	(103)
Exchange realignment	匯兌調整		(1,279)	(1,457)	(160)	(27)	(162)	(3,085)
At 31 December 2016	於二零一六年十二月三十一日		18,430	20,701	2,351	373	2,033	43,888
At 31 December 2016:	**於二零一六年十二月三十一日：**							
Cost	成本		30,555	62,478	6,574	1,346	2,033	102,986
Accumulated depreciation and impairment	累計折舊及減值		(12,125)	(41,777)	(4,223)	(973)	–	(59,098)
Net carrying amount	賬面淨值		18,430	20,701	2,351	373	2,033	43,888

14 PROPERTY, PLANT AND EQUIPMENT (continued)

14 物業、廠房及設備(續)

Notes:

(a) At 31 December 2017, certain of the Group's industrial buildings and plant and machinery with an aggregate carrying amounts of US$2,261,000 (2016: US$2,649,000) were pledged to secure certain bank borrowings of the Group (note 26(a)).

(b) Ownership certificates of certain properties with an aggregate carrying amount of US$1,051,000 (2016: US$1,048,000) at 31 December 2017 are yet to be obtained.

附註：

(a) 於二零一七年十二月三十一日，本集團合計賬面淨值為226.1萬美元(二零一六年：264.9萬美元)之若干工業樓宇和廠房及機器，已作為本集團若干銀行借款的抵押品(附註26(a))。

(b) 於二零一七年十二月三十一日，本集團尚未就合計賬面值為105.1萬美元(二零一六年： 104.8萬美元)之若干物業取得所有權證。

15 LAND LEASE PREPAYMENTS

15 預付土地租賃費

		Note 附註	**2017** **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Carrying amount at 1 January	於一月一日賬面值		**7,868**	2,962
Additions	添置		**–**	5,488
Amortisation provided during the year	年內計提攤銷	8	**(207)**	(158)
Exchange realignment	匯兌調整		**522**	(424)
Carrying amount at 31 December	於十二月三十一日賬面值		**8,183**	7,868
Current portion included in prepayments, deposits and other receivables	包含於預付賬款、按金及其他應收賬款之流動部分		**(215)**	(152)
Non-current portion	非流動部分		**7,968**	7,716

Notes:

At 31 December 2017, certain of the Group's leasehold land with an aggregate carrying amount of US$5,584,000 (2016: US$440,000) were pledged to secure certain bank borrowings of the Group (note 26(a)).

附註：

於二零一七年十二月三十一日，本集團合計賬面值為558.4萬美元(二零一六年：44.0萬美元)之若干租賃土地已作為本集團若干銀行借款之抵押品(附註26(a))。

16 INVESTMENT IN SUBSIDIARIES

16 於附屬公司的投資

Investments in subsidiaries are stated at cost. Particulars of the principal subsidiaries are as follows:

於附屬公司的投資乃按成本列賬。各主要附屬公司之詳情如下：

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立／營運地點	Nominal value of issued and paid-up capital 已發行及繳足股本面值	Percentage of attributable equity interest held by 應佔持有股權百分比 Company 本公司	 Group 本集團	Principal activities 主要業務
Pucheng Chia Tai Biochemistry Co., Ltd. *(Notes (i) and (ii))* 浦城正大生化有限公司*(附註(i)及(ii))*	PRC/PRC 中國／中國	RMB189,890,000 189,890,000 人民幣	–	69.7%	Manufacturing and sale of chlortetracycline 產銷金霉素
Zhumadian Huazhong Chia Tai Co., Ltd. *(Notes (i) and (iii))* 駐馬店華中正大有限公司*(附註(i)及(iii))*	PRC/PRC 中國／中國	RMB72,000,000 72,000,000人民幣	–	69.7%	Manufacturing and sale of chlortetracycline 產銷金霉素

Notes:

(i) The official name of the entity is in Chinese. The English name is for identification purpose only.

(ii) Registered as a sino-foreign joint venture under the PRC law.

(iii) Registered as a foreign enterprise under PRC law.

附註：

(i) 該實體的正式名稱為中文名稱，英文名稱僅供識別。

(ii) 根據中國法律註冊為中外合資企業。

(iii) 根據中國法律註冊為外資企業。

The above table lists out the subsidiaries of the Company which, in the opinion of the directors, principally affected the Group's profit and losses or formed a substantial portion of the Group. To give details of all the other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表中所列示之本公司附屬公司，董事認為，主要影響本年度業績或佔本集團淨資產的大部份。董事認為，列出所有其他附屬公司的詳細資料會導致篇幅過於冗長。

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17 INTERESTS IN JOINT VENTURE 17 於合營企業的權益

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Investments in joint venture, included in non-current assets:	於合營企業的投資，包含於非流動資產內：			
Share of net assets	應佔淨資產	(a)	**77,952**	59,848
Interests in joint venture	於合營企業的權益		**77,952**	59,848

Notes:

附註：

(a) Summarised financial information of ECI Metro Investment Co., Ltd. ("ECI Metro Investment") and its subsidiaries (collectively, the "ECI Metro Group"), adjusted for any differences in accounting policy, and a reconciliation to the carrying amount in these financial statements, are disclosed below:

(a) 就會計政策的任何差異作出調整後，易初明通投資有限公司(「易初明通投資」)及其附屬公司(統稱「易初明通集團」)的財務資料概要，及本財務報表的賬面值對賬披露如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Gross amounts of ECI Metro Group's:	易初明通集團以下各項的總額：		
Currents assets	流動資產	**331,144**	223,385
Non-current assets	非流動資產	**25,637**	25,925
Current liabilities	流動負債	**198,883**	129,614
Non-current liabilities	非流動負債	**1,994**	–
Equity	權益	**155,904**	119,696
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	**80,656**	59,813

17 INTERESTS IN JOINT VENTURE (continued)

17 於合營企業的權益（續）

Notes: (continued)

附註：（續）

(a) (continued)

(a) （續）

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Revenue	收入	**706,493**	420,494
Profit from operations	經營溢利	**26,696**	5,698
Other comprehensive income	其他全面收益	**9,512**	(8,486)
Total comprehensive income	全面收益總額	**36,208**	(2,788)
Included in the above profit:	計入上述溢利：		
Depreciation and amortisation	折舊及攤銷	**(4,779)**	(5,027)
Interest income	利息收入	**1,493**	829
Interest expense	利息費用	**(193)**	(18)
Income tax expense	所得稅費用	**(12,303)**	(4,610)
Reconciled to the Group's interest in ECI Metro Group:	與本集團於易初明通集團權益的對賬：		
ECI Metro Group's net assets	易初明通集團資產淨值	**155,904**	119,696
Group effective interest	本集團有效權益	**50%**	50%
Carrying amount in the consolidated financial statements	綜合財務報表的賬面值	**77,952**	59,848

17 INTERESTS IN JOINT VENTURE (continued)

17 於合營企業的權益(續)

Notes: (continued)

附註：(續)

(b) Particulars of the principal joint venture, which is indirectly held by the Company, are as follows:

(b) 由本公司間接持有之主要合營企業詳情如下：

			Percentage of 持有百分比		
Company name 公司名稱	**Place of incorporation/ registration and operations 註冊成立／營運地點**	**Nominal value of issued and paid-up capital 已發行及繳足股本面值**	**Interest attributable to the Group 本集團應佔權益**	**Profit sharing 應佔溢利**	**Principal activities 主要業務**
ECI Metro Investment Co., Ltd 易初明通投資有限公司	British Virgin Islands/ Hong Kong 英屬維爾京群島／香港	US$12,000,000 12,000,000美元	50%	50%	Investment holding and trading of machinery and spare parts 投資控股和機械及零部件貿易

Since neither the Group nor its joint venture partner is in a position to exercise unilateral control over the economic activity of the entity, the Group's interest therein are classified as interest in joint venture.

由於本集團或其合營企業合夥人均未能單一操控該公司之商業活動，本集團持有之權益遂歸類為於合營企業的權益。

ECI Metro Investment was established by the Group with an independent third party investor, to distribute Caterpillar products in the western part of the PRC.

易初明通投資由本集團一位獨立第三方投資者成立，以於中國西部地區分銷卡特彼勒產品。

ECI Metro Investment is an unlisted corporate entity whose quoted market price is not available.

易初明通投資為並無市場報價的未上市企業實體。

18 INTERESTS IN ASSOCIATE　18 於聯營公司的權益

		Note 附註	2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Investments in associate, included in non-current assets: Share of net assets	於聯營公司的投資，包含於非流動資產內：應佔淨資產	(a)	**18,082**	17,460
Due from associate, included in prepayments, deposits and other receivables	應收聯營公司款項，包含於預付賬款、按金及其他應收賬款		**5,241**	4,928
Interests in associate	於聯營公司的權益		**23,323**	22,388

Notes:　附註：

(a) The Group has interests in associate which are regarded as not individually material. The following table summarises, in aggregate, the financial information of the individually immaterial associate that are accounted for using the equity method:

(a) 本集團於並無被視為個別重大的聯營公司的投資。下表概述以權益法列賬的個別非重大聯營公司的財務資料總計：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Carrying amount in the consolidated financial statements	於綜合財務報表的賬面值	**18,082**	17,460
Amounts of the Group's share of associate:	本集團應佔聯營公司：		
Profit from operations	經營溢利	**2,259**	2,198
Other comprehensive income	其他全面收益	**1,114**	(1,193)
Total comprehensive income	全面收益總額	**3,373**	1,005

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18 INTERESTS IN ASSOCIATE (continued)

18 於聯營公司的權益(續)

Notes: (continued)

附註:(續)

(b) Particulars of the principal associate, which is indirectly held by the Company, are as follows:

(b) 由本公司間接持有之主要聯營公司詳情如下:

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/營運地點	Nominal value of issued and paid-up capital 已發行及繳足股本面值	Percentage of 持有百分比: Interest attributable to the Group 本集團應佔權益	Percentage of 持有百分比: Profit sharing 應佔溢利	Principal activities 主要業務
Zhanjiang Deni Vehicle Parts Co., Ltd 湛江德利車輛部件有限公司	PRC/PRC 中國/中國	US$21,250,000 21,250,000美元	28%	28%	Manufacture and sale of automotive parts 產銷汽車部件

19 OTHER NON-CURRENT ASSETS

19 其他非流動資產

The Group's other non-current assets as at 31 December 2017 and 2016 represent deposits made for land use right.

本集團於二零一七年及二零一六年十二月三十一日的其他非流動資產指土地使用權的按金。

20 INVENTORIES

20 存貨

		2017 **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Raw materials	原料	**2,184**	2,506
Work in progress	在製品	**9,333**	4,332
Finished goods	產成品	**4,587**	2,829
		16,104	9,667

21 TRADE AND BILLS RECEIVABLES 21 應收貿易賬款及票據

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Trade receivables	應收貿易賬款	**16,637**	15,950
Bills receivable	應收票據	**430**	77
		17,067	16,027

Depending on the requirements of the market and business, the Group may extend credit to its customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management and interest may be charged by the Group for overdue trade receivables at rates determined by the Group with reference to market practice. In the opinion of the directors, there is no significant concentration of credit risk. An aging analysis of the Group's trade and bills receivables, based on the date of delivery of goods, is as follows:

取決於市場及業務需求，本集團或給予客戶信貸期。本集團對結欠賬款採取嚴格之監控。管理層亦會定時檢查過期之結欠，及可能會按本集團參考市場慣例釐定之利率收取逾期利息。按董事意見，本集團沒有明顯集中信貸風險。本集團應收貿易賬款及票據之賬齡分析（以發貨日期為基準）如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Trade and bills receivables:	應收貿易賬款及票據：		
60 days or below	60日或以下	**14,330**	12,570
61 to 180 days	61至180日	**2,734**	3,370
Over 180 days	多於180日	**3**	87
		17,067	16,027

21 TRADE AND BILLS RECEIVABLES (continued)

21 應收貿易賬款及票據（續）

Notes:

附註：

(a) The aging analysis of trade and bills receivables that are neither individually nor collectively considered to be impaired is as follows:

(a) 未被視為須作出減值之應收貿易賬款及票據賬齡分析如下：

		2017 二零一七年 *US$'000* *美元千元*	2016 二零一六年 *US$'000* *美元千元*
Neither past due nor impaired	未到期或未減值	**13,877**	10,871
180 days or below past due	過期少於180日	**3,188**	5,127
Over 180 days past due	過期多於180日	**2**	29
		17,067	16,027

Receivables that were neither past due nor impaired related to customers for whom there was no recent history of default.

未到期或未減值之應收賬款與無歷史拖欠記錄之客戶有關。

Receivables that were past due but not impaired relate to independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

過期但無減值之應收賬款與本集團有良好記錄之獨立客戶有關。根據過往經驗，本公司董事認為由於信貸品質並無重大變動及該等餘額仍被視為可全數收回，因此無須對該等餘額作出減值撥備。

(b) Included in the Group's trade receivables as at 31 December 2017 are aggregate amount of US$491,000 (2016: US$1,330,000) due from related companies, arising from transactions carried out in the ordinary course of business of the Group. The balances are unsecured, bear interest at rates determined by the Group after past due and are repayable within credit periods similar to those offered by the Group to its major customers.

(b) 本集團於二零一七年十二月三十一日之應收貿易賬款包括本集團經營日常業務交易時所產生合計為49.1萬美元（二零一六年：133.0萬美元）關連公司之款項。該等餘額乃無抵押，於過期後按本集團所定的利率計息，及須於信貸期內償還（與本集團向主要客戶提供之利率及信貸期相若）。

22 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES 22 預付賬款、按金及其他應收賬款

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Income tax receivables	應收所得稅	**197**	–
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	**8,648**	8,079
		8,845	8,079

Notes:

Included in the Group's prepayments, deposits and other receivables as at 31 December 2017 was US$5,241,000 (2016: US$4,928,000) due from associate. The balances are unsecured, interest free and with no fixed terms of repayment.

附註：

本集團於二零一七年十二月三十一日之預付賬款、按金及其他應收賬款為524.1萬美元（二零一六年：492.8萬美元）應收聯營公司之款項。該等金額均為無抵押、免息及無固定還款期。

23 CASH AND BANK BALANCES AND OTHER CASH FLOW INFORMATION 23 現金及銀行存款及其他現金流量資料

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Cash and bank balances other than time deposits	現金及銀行結存（不包括定期存款）	**10,913**	12,457
Time deposits	定期存款	**22,756**	24,665
Total cash and bank balances	現金及銀行存款總額	**33,669**	37,122
Less: Time deposits with maturity over three months	減：到期日超過三個月之定期存款	**–**	(2,880)
Cash and cash equivalents	現金及現金等價物	**33,669**	34,242

23 CASH AND BANK BALANCES AND OTHER CASH FLOW INFORMATION (continued)

23 現金及銀行存款及其他現金流量資料(續)

Notes:

(a) At 31 December 2017, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to RMB69,993,000, equivalent to US$10,765,000 (2016: RMB86,330,000, equivalent to US$12,951,000). RMB is not freely convertible into other currencies. However, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, the Group is permitted to exchange RMB into other currencies through banks authorised to conduct foreign exchange business.

(b) Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods depending on the cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

(c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flow were, or future cash flow will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

附註：

(a) 於二零一七年十二月三十一日，本集團以人民幣計值的現金及銀行結餘為人民幣6,999.3萬元，相當於1,076.5萬美元(二零一六年：人民幣8,633.0萬元，相當於1,295.1萬美元)。人民幣並不能自由兌換成其他貨幣。然而，根據中國大陸外匯管制規定及結匯管理規定，本集團獲准透過獲授權進行外幣兌換業務的銀行把人民幣兌換成其他貨幣。

(b) 存放於銀行的現金按每日銀行浮動的存款率賺取利息。根據本集團對現金的需求，敘做期限不等的定期存款，並賺取按不同定期存款率計算之利息。銀行結餘存放於近期無拖欠記錄及信譽良好之銀行。

(c) 融資活動所產生的負債之調節表：

下表詳細介紹本集團融資活動產生的負債變化，包括來自現金和非現金之變化。融資活動所產生的負債為其現金流量或未來現金流量將會在本集團綜合現金流量表中分類為融資活動所產生的現金流量。

		Short term bank borrowings 短期銀行借款 *US$'000* *美元千元*	Long term bank borrowings 長期銀行借款 *US$'000* *美元千元*	Total 總額 *US$'000* *美元千元*
At 1 January 2017	**於二零一七年一月一日**	**8,275**	**–**	**8,275**
Changes from financing cash flow:	**融資現金流量變動：**			
Proceeds from bank borrowings	銀行借款所得款項	8,563	2,959	11,522
Repayment of bank borrowings	償還銀行借款	(11,030)	–	(11,030)
Total changes from financing cash flows	**融資現金流量總變動**	**(2,467)**	**2,959**	**492**
Exchange realignment	匯兌調整	558	115	673
At 31 December 2017	**於二零一七年十二月三十一日**	**6,366**	**3,047**	**9,440**

24 TRADE PAYABLES

24 應付貿易賬款

An aging analysis of the Group's trade payables as at the end of the reporting period, based on the date of receipt of goods, is as follows:

本集團於報告期末應付貿易賬款之賬齡分析(以收貨日期為基準)如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
60 days or below	60日或以下	**3,351**	3,350
61 to 180 days	61至180日	**24**	126
Over 180 days	多於180日	**–**	8
		3,375	3,484

25 OTHER PAYABLES AND ACCRUALS

25 其他應付賬款及預提費用

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Other payables and accruals	其他應付賬款及預提費用	**6,403**	8,221

26 BANK BORROWINGS 26 銀行借款

		Note 附註	**2017** **二零一七年** ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Bank loans, secured	有抵押銀行借款	(a)	**4,829**	3,955
Bank loans, unsecured	無抵押銀行借款		**4,611**	4,320
Total bank borrowings	銀行借款總額	(c)	**9,440**	8,275
Analysed into amounts repayable:	償還金額分析為：			
Within one year or on demand	一年內或按要求		**6,366**	8,275
In the second year	於第二年		**3,074**	–
Total bank borrowings	銀行借款總計		**9,440**	8,275
Portion classified as current liabilities	分類為流動負債部份		**(6,366)**	(8,275)
Non-current portion	非流動部份		**3,074**	–

Notes:

(a) At 31 December 2017, certain of the Group's property, plant and equipment of US$2,261,000 (2016: US$2,649,000) (note 14(a)) and land lease prepayments of US$5,584,000 (2016: US$440,000) (note 15) were pledged as security for bank borrowings of the Group.

(b) At 31 December 2017, the unutilised borrowing facilities amounted to US$47,425,000 (2016: US$5,764,000).

(c) All the bank borrowings of the Group were denominated in RMB.

(d) As at 31 December 2017, none of the covenants relating to bank borrowings had been breached (2016: nil).

附註：

(a) 於二零一七年十二月三十一日，本集團之若干物業、廠房及設備226.1萬美元(二零一六年：264.9萬美元)(附註14(a))及預付土地租賃費558.4萬美元(二零一六年：44.0萬美元)(附註15)已作為本集團銀行借款之抵押品。

(b) 於二零一七年十二月三十一日，未動用的融資額度為4,742.5萬美元(二零一六年：576.4萬美元)。

(c) 本集團之所有銀行借款均以人民幣作為單位。

(d) 於二零一七年十二月三十一日概無違反任何有關銀行借款的契諾(二零一六年：無)。

27 OTHER NON-CURRENT LIABILITIES 27 其他非流動負債

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Non-current portion of deferred income	非流動部份的遞延收入	**10,170**	8,000

The deferred income of the Group as at 31 December 2017 and 2016 represent (i) the receipt from the government for the relocation of the Group's certain production facilities which will be recognised in profit or loss when certain conditions are fulfilled; and (ii) the government grants received and will be recognised in profit or loss on a straight-line basis over the expected useful lives of the relevant assets.

本集團於二零一七年及二零一六年十二月三十一日的遞延收入為(i) 因搬遷若干本集團之生產設施而從政府獲得的款項，當若干條件被滿足，將計入損益，及(ii)已收政府補助及將按相關資產的估計可使用年期以直線法於損益確認。

28 DEFERRED TAX 28 遞延稅項

The components of the Group's deferred tax liabilities and their movements during the year are as follows:

於年內，本集團之遞延稅項負債之變動組成如下：

		Note 附註	Dividend withholding tax 股息扣繳稅額 US $'000 美元千元	Others 其他 US $'000 美元千元	Total 總額 US $'000 美元千元
At 1 January 2016	於二零一六年一月一日		(1,827)	(472)	(2,299)
Deferred tax (charged)/ credited to profit or loss during the year	年內於損益內(扣除)／增加之遞延稅項	11	(636)	10	(626)
Exchange realignment	匯兌調整		2	(2)	–
At 31 December 2016	於二零一六年十二月三十一日		(2,461)	(464)	(2,925)
At 1 January 2017	於二零一七年一月一日		(2,461)	(464)	(2,925)
Deferred tax charged to profit or loss during the year	年內於損益內扣除之遞延稅項	11	(256)	(15)	(271)
Exchange realignment	匯兌調整		18	5	23
At 31 December 2017	於二零一七年十二月三十一日		(2,699)	(474)	(3,173)

28 DEFERRED TAX (continued)

Notes:

(a) Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on any dividends distributable by the subsidiaries established in mainland China in respect of earnings generated from 1 January 2008 onwards.

(b) At 31 December 2017, temporary differences unrecognised for deferred tax liabilities relating to the undistributed profits of subsidiaries amounted to US$3,570,000 (2016: US$2,534,000). Deferred tax liabilities of US$357,000 (2016: US$253,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

28 遞延稅項（續）

附註：

(a) 根據中國企業所得稅法，於中國大陸成立之海外投資企業分派股息予海外投資者時，須徵收股息10% 之扣繳稅。此條文於二零零八年一月一日生效及應用於二零零七年十二月三十一日之後的利潤。因此，本集團就中國大陸成立之附屬公司於二零零八年一月一日之後產生的利潤相關的任何可分派股息須繳交扣繳稅。

(b) 於二零一七年十二月三十一日，有關附屬公司未分派利潤而又未被確認為遞延稅項的暫時差異為357.0萬美元（二零一六年：253.4萬美元）。35.7萬美元（二零一六年：25.3萬美元）之有關於分派該等未分配利潤時須繳付的稅項之遞延稅項債務未被確認，原因為公司能夠控制該等附屬公司的股息政策，並已決定於可見將來很可能不會分派該等溢利。

29 SHARE CAPITAL　29 股本

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Authorised	**法定**		
Ordinary shares:	*普通股：*		
787,389,223 shares (2016: 787,389,223 shares) of US$0.1 each	787,389,223股（二零一六年：787,389,223股）每股面值0.1美元	**78,739**	78,739
Convertible preference shares:	*可換股優先股：*		
12,610,777 shares (2016: 12,610,777 shares) of US$0.1 each	12,610,777股（二零一六年：12,610,777股）每股面值0.1美元	**1,261**	1,261
		80,000	80,000
Issued and fully paid	**已發行及繳足**		
Ordinary shares:	*普通股：*		
240,718,310 shares (2016: 240,718,310 shares) of US$0.1 each	240,718,310股（二零一六年：240,718,310股）每股面值0.1美元	**24,072**	24,072
Convertible preference shares:	*可換股優先股：*		
12,610,777 shares (2016: 12,610,777 shares) of US$0.1 each	12,610,777股（二零一六年：12,610,777股）每股面值0.1美元	**1,261**	1,261
		25,333	25,333

There were no movements in the Company's issued ordinary shares and convertible preference shares during the years ended 31 December 2017 and 2016.

於截至二零一七年及二零一六年十二月三十一日止年度內，本公司已發行普通股及可換股優先股概無變動。

29 SHARE CAPITAL (continued)

Notes:

The convertible preference shares are convertible into ordinary shares of the Company and are entitled to the same dividends that are declared for the ordinary shares. Convertible preference shares do not carry the right to vote in shareholders' meeting. Upon winding up, the Company's residual assets and funds are distributed to the members of the Company in the following priority:

(i) in paying to the holders of the convertible preference shares, pari passu as between themselves by reference to the aggregate nominal amounts of the convertible preference shares held by them respectively, an amount equal to the aggregate of the distribution value (as defined in the bye-laws of the Company) of all the convertible preference shares held by them respectively;

(ii) the balance of such assets shall be distributed on a pari passu basis among the holders of any class of shares in the capital of the Company other than the convertible preference shares and other than any shares which are not entitled to participate in such assets, by reference to the aggregate nominal amounts paid up on the shares held by them respectively; and

(iii) the remaining balance of such assets shall belong to and be distributed on a pari passu basis among the holders of any class of shares including the convertible preference shares, other than any shares not entitled to participate in such assets, by reference to the aggregate nominal amounts of shares held by them respectively.

The convertible preference shares shall be non-redeemable by the Company or the holders thereof.

29 股本（續）

附註：

可換股優先股可轉換成本公司普通股及可收取與普通股持有人同等之股息。可換股優先股於股東會議不設投票權。於清盤時，本公司股東按以下次序分配本公司餘下資產及資金：

(i) 向可換股優先股之持有人（彼等之間地位相等）參照彼等各自持有之可換股優先股面值總額支付相等於彼等各自持有之全部可換股優先股分派價值（於本公司細則中定義）總額之金額；

(ii) 該等資產之結餘將按同等地位基準向本公司股本中任何類別股份（可換股優先股及無權參與分派該等資產之任何股份除外）之持有人（參照彼等各自持有之股份面值總額）予以分派；及

(iii) 該等資產餘下之結餘將屬於並按同等地位基準向任何類別股份（包括可換股優先股但不包括無權參與分派該等資產之任何股份）之持有人（參照彼等各自持有之股份面值總額）予以分派。

本公司或持有人均不會對可換股優先股作出回購。

30 RESERVES

(a) The amounts of the Group's reserves and the movements therein for the years ended 31 December 2017 and 2016 are presented in the consolidated statement of changes in equity.

(b) The capital reserve mainly represents: (i) the amount of the equity interests acquired pursuant to a group reorganisation in 2015, and (ii) the deemed contribution arising from the transfer of equity interests in prior years.

(c) The PRC reserve funds are reserves set aside in accordance with PRC Companies Law or the Law of the PRC on Joint Ventures Using Chinese and Foreign Investment as applicable to the Group's PRC subsidiaries, joint venture and associate. None of the Group's PRC reserve funds as at 31 December 2017 and 2016 were distributable in the form of cash dividends.

(d) The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.4(p).

30 儲備

(a) 本集團之儲備於截至二零一七及二零一六年十二月三十一日止年度之金額及變動列示於綜合權益變動表內。

(b) 資本儲備主要指：(i)於二零一五年根據集團重組收購的股權，及(ii)往年源自轉讓股權的視作注資。

(c) 中國儲備基金為根據中國公司法及本集團中國附屬公司、合營企業及聯營公司適用的中國中外合資經營企業法撥出的儲備。本集團於二零一七年及二零一六年十二月三十一日之中國儲備金均不能以現金股息之方式分派。

(d) 外匯波動儲備包括換算海外業務之財務報表所產生的所有匯兌差額。儲備乃根據附註2.4(p)所載的會計政策處理。

31 OPERATING LEASE ARRANGEMENTS

The Group leases certain of its equipment, properties and land under operating leases arrangements, with the leases negotiated with original terms ranging from 1 to 5 years.

At 31 December 2017, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

31 經營租賃安排

本集團根據經營租賃安排出租其若干設備、物業及土地，所議定的原租期為1至5年不等。

於二零一七年十二月三十一日，根據不可撤銷經營租賃下，本集團於未來最低總應付租賃：

		2017 二零一七年 ***US$'000*** ***美元千元***	2016 二零一六年 *US$'000* *美元千元*
Within one year	一年內	**3**	1
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	**9**	–
		12	1

32 CAPITAL COMMITMENTS

32 資本承擔

(a) The Group had the following capital commitments as at the end of the reporting period:

(a) 本集團於報告期末之資本承擔如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Contracted, but not provided for:	已簽約，但尚未作出撥備		
Buildings, plant and machinery	樓宇、廠房及機器	**23,534**	3,383

(b) The Group's share of capital commitments of the joint ventures is as follows:

(b) 本集團應佔合營企業之資本承擔如下：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Contracted, but not provided for	已簽約，但尚未作出撥備	**280**	98

33 RELATED PARTY DISCLOSURES

33 關連人士披露

(a) Transactions with related parties

(a) 與關連人士的交易

The Group had the following transactions with related parties during the year:

本集團於年內與關連人士有以下的交易：

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Sales of goods to:	銷售產品予：		
CPP and its subsidiaries ("CPP Group")	卜蜂及其附屬公司（「卜蜂集團」）	**2,432**	9,641
High Orient Enterprises Limited and its related entities, excluding CPP Group	High Orient Enterprises Limited及其關連企業，不包括卜蜂集團	**2,202**	1,732

33 RELATED PARTY DISCLOSURES (continued)

(a) Transactions with related parties (continued)

Note:

Prices of goods sold to related parties were determined with reference to the cost of raw materials, other value added, reasonable profit margins, market demand for goods and competitive prices offered by independent third-party suppliers of similar products. The procedures for determining the prices of goods sold to related parties are the same as those used for determining the prices of goods supplied to independent third party customers. Selling prices to related parties shall be no more favourable than those made available to the Group's customers which are independent third parties.

These related party transactions also constituted continuing connected transactions as defined in Chapter 14A of the Listing Rules with effect from the listing of the Company on 3 July 2015.

33 關連人士披露（續）

(a) 與關連人士的交易（續）

附註：

向關連人士銷售的產品售價乃按原材料成本、其他增值、合理的利潤率、市場對該產品之需求及由獨立第三方供應商提供類似產品的市場競爭價格而釐定。釐定向關連人士銷售的產品價格的程序與釐定向獨立第三方客戶供應的產品價格所用者一致。向關連人士銷售價格將不遜於本集團給予獨立第三方客戶之價格。

本公司於二零一五年七月三日上市後，根據上市規則第十四A章，此等關連人士交易亦構成持續關連交易。

33 RELATED PARTY DISCLOSURES (continued)

33 關連人士披露（續）

(b) Outstanding balances with related parties

Details of the Group's balances with joint venture, associate and related companies included in trade and bills receivables, prepayments, deposits and other receivables are disclosed in notes 21 and 22, respectively.

(b) 與關連人士之間未清賬

有關本集團與合營企業、聯營公司及關連公司之間的餘額包括應收貿易賬款及應收票據、預付賬款、按金及其他應收賬款已分別披露於財務資料附註21及22。

(c) Compensation of key management personnel who are also directors of the Group

(c) 集團主要管理人員（亦為董事）之酬金

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
Short term employee benefits	短期僱員福利	**929**	933

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

34 財務風險管理方針及政策

The Group is exposed to interest rate, credit, currency and liquidity risks in the normal course of its business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below:

本集團於一般業務過程中須面對息率、信貸、貨幣及流動資金風險。本集團面臨的有關風險以及本集團就管理該等風險所採用的財務風險管理政策及慣例載列如下：

(a) Interest rate risk

(a) 息率風險

The Group's exposure to interest rate risk relates primarily to the Group's debt obligations. The Group does not use derivative financial instruments to hedge its interest rate risk. The Group's exposure to market risk arising from changes in interest rates in respect of cash and cash equivalents is considered relatively minimal.

本集團面對息率風險，主要源於本集團之債務責任。本集團並無使用衍生金融公具對沖其息率風險責任。本集團因息率變動而引致現金及現金等價物之市場風險變動相對輕微。

The following tables set out the carrying amounts of the Group's bank borrowings as at the end of the reporting period that are exposed to interest rate risk:

以下為本集團於報告期末，銀行借款在面對利息風險時的賬面值，表列如下：

		2017 二零一七年		2016 二零一六年	
		Carrying amount 賬面值 *US$'000 美元千元*	**Effective interest rate 有效利率 %**	Carrying amount 賬面值 *US$'000 美元千元*	Effective interest rate 有效利率 %
Fixed rate denominated in:	固定利率按以下貨幣為單位：				
RMB	人民幣	**4,611**	**4.42**	4,320	4.42
Floating rate denominated in:	浮動利率按以下貨幣為單位：				
RMB	人民幣	**4,829**	**4.86**	3,955	4.91

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

34 財務風險管理方針及政策(續)

(a) Interest rate risk (continued)

The following table demonstrates the sensitivity to a possible change in interest rates, through the impact on floating rate bank borrowings, of the Group's profit after tax and equity (with all other variables held constant):

(a) 息率風險(續)

下表説明浮動利率銀行貸款在合理利率變動下,本集團的税後利潤及權益的敏感性(其他變數不變):

		2017 二零一七年 Increase/(decrease) in profit after tax and equity 除税後溢利及權益增加/(減少) *US$'000 美元千元*	2016 二零一六年 Increase/(decrease) in profit after tax and equity 除税後溢利及權益增加/(減少) *US$'000 美元千元*
Increase by 100 basis points	增加100基點	**(23)**	(28)
Decrease by 100 basis points	減少100基點	**23**	28

(b) Credit risk

The Group places its cash deposits with a number of major banks. This cash management policy limits the Group's exposure to concentration of credit risk.

At the end of the reporting period, 4% (2016: 20%) of the total trade and bills receivables was due from the Group's largest customer. The Group performs ongoing credit evaluations of its customers' financial conditions. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

(b) 信貸風險

本集團於數家主要銀行存放其現金存款。此項現金管理政策減低了本集團信貸集中之風險。

於報告期末,4%(二零一六年:20%)之應收貿易賬款及票據總額源自本集團的最大客戶。本集團持續評估其客戶的財務狀況。倘有客觀證據証明資產出現減值,估計不可收回金額的適當撥備於損益確認。已確認撥備按資產賬面值與初步確認時計算之有效利率貼現之估計未來現金流量現值兩者的差額計算。

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Foreign currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions are conducted with reference to the exchange rates quoted by the People's Bank of China. Payments for imported materials and remittance of earnings out of mainland China are subject to the availability of foreign currencies.

Export sales of the Group are conducted primarily in US$. For certain subsidiaries, joint venture and associate, funds denominated in RMB may have to be, and from time to time are, converted into US$ or other foreign currencies for the purchase of imported materials and equipment.

Should RMB appreciate/depreciate against US$, it may reduce/increase the foreign currency equivalent of such earnings available for distribution by these subsidiaries, joint venture and associate of the Company.

34 財務風險管理方針及政策（續）

(c) 外匯風險

人民幣不能自由兌換成外幣。所有外匯交易都分別參考中國人民銀行所報的匯率進行。中國地區外的進口原材料的付款和收入匯款項都受可動用的外幣限制。

本集團主要以美元作出口銷售。若干附屬公司、合營企業和聯營公司，需不時以人民幣兌換為美元或其他外幣以購買進口材料及設備。

倘若人民幣較美元升值╱貶值，它可能會減少╱增加本公司的附屬公司、合營企業及聯營公司的外幣等值收益。

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

34 財務風險管理方針及政策（續）

(c) Foreign currency risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a possible change in RMB exchange rates, with all other variables held constant, of the Group's profit before tax and equity (due to changes in the fair value of monetary assets and liabilities of the Group's foreign subsidiaries). The analysis excludes differences that would result from the translation of the financial statement of foreign operations into the Group's presentation currency.

(c) 外匯風險（續）

下表顯示在其他變數維持不變的情況下，本集團之除稅前溢利及權益（因本集團的國外附屬公司之貨幣資產及負債之公允值變動）於報告期末對人民幣匯率可能發生之變動之敏感程度。該等分析不包括換算外地業務財務報表至本集團之列報貨幣時可能產生的差異。

		Appreciation/ (depreciation) in RMB 人民幣升值／（貶值）	Increase/ (decrease) in profit before tax 除稅前溢利 增加／（減少） US$'000 美元千元	Increase/ (decrease) in equity 權益 增加／（減少） US$'000 美元千元
Year ended 31 December 2017	**截至二零一七年十二月三十一日止年度**			
If US$ weakens against RMB	倘美元較人民幣貶值	3%	(388)	(330)
If US$ strengthens against RMB	倘美元較人民幣升值	(3%)	388	330
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度			
If US$ weakens against RMB	倘美元較人民幣貶值	3%	(472)	(401)
If US$ strengthens against RMB	倘美元較人民幣升值	(3%)	472	401

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

34 財務風險管理方針及政策（續）

(d) Liquidity risk

(d) 流動資金風險

The Group's objective is to maintain a balance between funding continuity and flexibility through the use of various types of bank borrowings.

本集團的目的乃透過利用各種類型的銀行借款，維持資金延續性與靈活性之間的平衡。

The Group monitors current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and bank facilities to meet its liquidity requirements.

本集團監察現時及預期之流動資金需求以確保維持足夠現金儲備及銀行信貸以應付其流動資金需求。

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

下表概述於報告期末之到期日，本集團根據合約性未貼現款項的財務負債：

At 31 December 2017

於二零一七年十二月三十一日

		Within 1 year or on demand 按要求或少於一年 US$'000 美元千元	1 to 5 years 一至五年 US$'000 美元千元	Total 總額 US$'000 美元千元
Trade payables	應付貿易賬款	3,375	–	3,375
Other payables and accruals	其他應付賬款及預提費用	6,403	–	6,403
Bank borrowings	銀行借款	6,366	3,074	9,440
Estimated interests on bank borrowings	估計銀行借款利息	98	246	344
		16,242	3,320	19,562

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

34 財務風險管理方針及政策(續)

(d) Liquidity risk (continued)

(d) 流動資金風險(續)

At 31 December 2016

於二零一六年十二月三十一日

		Within 1 year or on demand 按要求或少於一年 *US$'000 美元千元*	1 to 5 years 一至五年 *US$'000 美元千元*	Total 總額 *US$'000 美元千元*
Trade payables	應付貿易賬款	3,484	–	3,484
Other payables and accruals	其他應付賬款及預提費用	8,221	–	8,221
Bank borrowings	銀行借款	8,275	–	8,275
Estimated interests on bank borrowings	估計銀行借款利息	129	–	129
		20,109	–	20,109

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2017 and 2016.

(e) 資本管理

本集團管理資本的主要目的為保障本集團能持續經營,並保持健康資本比率以支持其業務及令其股東價值最大化。

本集團按照經濟狀況的變動管理資本架構,並作出適當調整。為了維持或調整資本架構,本集團可能會調整支付予股東的股息金額或發行新股份。本集團概無任何外部施加之資本需求。於截至二零一七年及二零一六年十二月三十一日止年度,並無就資本管理上的目標、政策或方法作出變動。

35 STATEMENT OF FINANCIAL POSITION OF THE COMPANY 35 本公司的財務狀況表

		2017 二零一七年 US$'000 美元千元	2016 二零一六年 US$'000 美元千元
NON-CURRENT ASSETS	**非流動資產**		
Investments in subsidiaries	於附屬公司的投資	**23,654**	23,654
CURRENT ASSETS	**流動資產**		
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	**39**	39
Cash and cash equivalents	現金及現金等價物	**20,835**	19,956
Total current assets	**總流動資產**	**20,874**	19,995
CURRENT LIABILITY	**流動負債**		
Other payables and accruals	其他應付賬款及預提費用	**5,810**	3,922
NET CURRENT ASSETS	**淨流動資產**	**15,064**	16,073
NET ASSETS	**資產淨值**	**38,718**	39,727
EQUITY	**權益**		
Issued Capital	已發行股本	**25,333**	25,333
Reserves (note)	儲備(附註)	**13,385**	14,394
TOTAL EQUITY	**權益總額**	**38,718**	39,727

35 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

35 本公司的財務狀況表(續)

Note:

附註:

A summary of the Company's reserves is as follows:

本公司之儲備摘要如下:

		Retained profits 未分配利潤 *US$'000* *美元千元*	Exchange fluctuation reserve 外匯波動儲備 *US$'000* *美元千元*	Total 總額 *US$'000* *美元千元*
At 1 January 2016	於二零一六年一月一日	15,437	27	15,464
Loss for the year	本年虧損	(1,070)	–	(1,070)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	14,367	27	14,394
Loss for the year	本年虧損	(1,009)	–	(1,009)
At 31 December 2017	於二零一七年十二月三十一日	13,358	27	13,385

Corporate Information
公司資料

Chairman and Non-executive Director
Mr. Soopakij Chearavanont

董事長及非執行董事
謝吉人先生

Executive Directors
Mr. Thirayut Phityaisarakul
(Chief Executive Officer (Biochemical Division))
Mr. Thanakorn Seriburi
(Chief Executive Officer (Industrial Division))
Mr. Nopadol Chiaravanont
Mr. Yao Minpu

執行董事
李紹慶先生
(行政總裁(生化業務))
李紹祝先生
(行政總裁(工業業務))
謝杰人先生
姚民仆先生

Non-executive Director
Mr. Yoichi Ikezoe

非執行董事
池添洋一先生

Independent Non-executive Directors
Mr. Surasak Rounroengrom
Mr. Cheng Yuk Wo
Mr. Ko Ming Tung, Edward

獨立非執行董事
Surasak Rounroengrom先生
鄭毓和先生
高明東先生

Audit Committee
Mr. Cheng Yuk Wo *(Chairman)*
Mr. Surasak Rounroengrom
Mr. Ko Ming Tung, Edward

審核委員會
鄭毓和先生*(主席)*
Surasak Rounroengrom先生
高明東先生

Remuneration Committee
Mr. Cheng Yuk Wo *(Chairman)*
Mr. Thanakorn Seriburi
Mr. Surasak Rounroengrom
Mr. Ko Ming Tung, Edward

薪酬委員會
鄭毓和先生*(主席)*
李紹祝先生
Surasak Rounroengrom先生
高明東先生

Nomination Committee
Mr. Soopakij Chearavanont *(Chairman)*
Mr. Surasak Rounroengrom
Mr. Cheng Yuk Wo

提名委員會
謝吉人先生*(主席)*
Surasak Rounroengrom先生
鄭毓和先生

Corporate Governance Committee
Mr. Ko Ming Tung, Edward *(Chairman)*
Mr. Nopadol Chiaravanont
Mr. Yao Minpu

企業管治委員會
高明東先生*(主席)*
謝杰人先生
姚民仆先生

Company Secretary
Ms. Ng Mei Wah

公司秘書
吳美華女士

Corporate Information
公司資料

Registered Office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Place of Business

21st Floor, Far East Finance Centre
16 Harcourt Road, Hong Kong

主要營業地點

香港夏慤道16號
遠東金融中心21樓

Auditor

KPMG
Certified Public Accountants

核數師

畢馬威會計師事務所
執業會計師

Legal Advisors

Hong Kong Law
Linklaters

Bermudian Law
Appleby

法律顧問

香港法律
年利達律師事務所

百慕達法律
Appleby

Principal Bankers

Bank of Communications
Bank of China
China Construction Bank

主要往來銀行

交通銀行
中國銀行
中國建設銀行

Share Registrars

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

Bermuda
Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

股份過戶登記處

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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

百慕達
Estera Management (Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Share Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 3839

股份上市地點

香港聯合交易所有限公司
股份代號：3839

Website

http://www.ctei.com.hk

公司網站

http://www.ctei.com.hk

Chia Tai Enterprises International Limited
正大企業國際有限公司