C.P. POKPHAND CO. LTD.
卜蜂國際有限公司

Annual Report 2018
年報

Stock Code 股份代號：43

CONTENTS
目錄

Chairman's Statement 董事長報告書	2
Financial Highlights 財務概要	12
Management Discussion and Analysis 管理層討論及分析	13
Corporate Governance Report 企業管治報告	21
Biographical Details of Directors and Senior Management 董事及高級管理人員履歷詳情	36
Report of the Directors 董事報告書	42
Independent Auditor's Report 獨立核數師報告	71
Consolidated Statement of Comprehensive Income 綜合全面收益表	80
Consolidated Statement of Financial Position 綜合財務狀況表	83
Consolidated Statement of Changes in Equity 綜合權益變動表	85
Consolidated Statement of Cash Flows 綜合現金流量表	87
Notes to Financial Statements 財務報表附註	89
Corporate Information 公司資料	235

Chairman's Statement
董事長報告書

In 2018, China, one of the two key markets in which C.P. Pokphand Co. Ltd. (the "Company") and its subsidiaries (together "the Group") operate, faced multiple headwinds and mounting pressures, both externally and domestically. With increasing uncertainties over its economic development and growing downward pressure on the economy, China's gross domestic product growth slowed from 6.9% in 2017 to 6.6% in 2018. As the Chinese government accelerated the further opening of the Chinese market, made adjustments to cyclical economic conditions and expedited high-quality economic reforms, the economy managed to maintain overall stability. As for Vietnam, the other key market in which the Group operates in, gross domestic product growth increased from 6.8% in 2017 to 7.1% in 2018, driven by the industrial, construction and service sectors. Moreover, the agricultural sector began to recover and registered a year-on-year growth of 3.8%, the highest in seven years.

二零一八年，在卜蜂國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)經營的兩大經濟體中，中國經濟受到內外多重挑戰和壓力的疊加效應日益突顯，經濟發展的不確定性增加，經濟下行的壓力增大，中國國民生產總值增長率從二零一七年的6.9%放緩至二零一八年的6.6%。中國政府加大了對外全面開放、經濟逆週期調整和改革的力度，推動經濟實現高品質發展，中國經濟總體運行比較平穩。至於集團的另一個主營市場越南，國民生產總值增長率從二零一七年的6.8%增加至二零一八年的7.1%，工業、建築業和服務業繼續為增長亮點，而農產業亦開始出現復蘇，實現3.8%的同比增長，為七年內最高增幅。

A new round of socio-economic development has propelled China's agri-food industry to usher in a new stage of transformation and upgrade. Along with consumers' increasing demand for food safety, the government continues to strengthen food safety governance and strive to bridge the gap with international food safety and quality standards. As a result, the Chinese market is braced for an influx of affordable and high-quality agricultural products from overseas. At the same time, the nation has tightened its requirements on environmental protection and the government has strengthened measures on ecological and environmental protection in agricultural industries and villages. Tighter monitoring and tighter prevention of environmental pollution are being emphasized as well as stronger push for agricultural green development. Moreover, threats from exacerbating epidemics (African Swine Fever in particular) and other factors combined have brought about challenges and pressures to the agri-food industry. However, at the same time, these developments have also brought unprecedented opportunities, accelerated agri-food industry consolidation by weeding out weaker players and hastened the overall industry's upgrade. In order to cope with the changes in China's operating environment and to capture the resulting enormous opportunities, the Group will continue to leverage on its competitive advantages: its nationwide footprint and its integrated business model spanning the entire modern agri-food value chain. The Group will continue to commit to its belief in safe, high-quality products and green, sustainable development to push forward transformation and upgrade of its operational practices. Furthermore, the Group will adopt international standards and use advanced technologies to ensure high-quality products and services. As a result, the Group hopes to more effectively tackle challenges, adapt to market place changes and capture opportunities as they arise. In addition, the Group also hopes to rapidly improve its core competencies and to continuously improve its ability to achieve and maintain sustainable development.

新一輪社會經濟發展帶動中國農牧食品產業加速進入全面轉型升級的新階段。消費者對食品安全的要求與日俱增，政府對食品安全的管治力度不斷加大，推動食品安全與品質標準快速與國際接軌，大量的國外廉價高品質農牧食品湧入中國市場，與此同時，國家環保要求日益提高，政府進一步強化農業農村生態環境保護工作，嚴防嚴控環境污染，全面推進農業綠色發展，加上日益嚴峻的疫病尤其是非洲豬瘟疫情的威脅，各種綜合因素交織對整個飼料畜牧食品行業帶來的挑戰和壓力日益增大，但也產生了空前的發展機遇，推動農牧食品產業加速整合、加快優勝劣汰進程和行業轉型升級的步伐。針對中國經營環境的一系列重大變化和由此產生的巨大歷史性發展機遇，本集團憑藉全國產業佈局優勢和發展現代全產業鏈食品業務的綜合優勢，堅持安全、優質、綠色、可持續發展理念，大力推進業務的轉型和升級，用國際化的高標準、以最先進的技術裝備，保證高品質的產品和服務，從而更有效地應對挑戰，適應市場變化，搶抓市場機遇，快速提升本集團綜合競爭力和可持續性發展能力。

The year 2018 marked the 25th anniversary of the Group's entry into the Vietnamese market. In this special year, we were honoured to be awarded the Third-Class Labour Medal by the State President of the Socialist Republic of Vietnam. This award is a recognition of our contribution to Vietnam's agricultural and social development. In 2018, in addition to strong economic growth in Vietnam, the government signed "The Comprehensive and Progressive Agreement for Trans-Pacific Partnership" (CPTPP) and took a major step towards signing the "EU-Vietnam Free Trade Agreement" (EVFTA). These developments have fuelled the government's push for structural reforms to improve the competitiveness of both domestic and export-oriented Vietnamese enterprises, with an aim of developing overseas markets and boosting domestic consumption. Focusing on the agri-food industry, with the aspiration to promote sustainable development, the Vietnamese government has deepened industrial reforms; it is also pushing to improve product quality and productivity, strengthen food safety, prevent and treat animal and plant epidemic outbreaks, enhance resources and environmental management as well as step up the application of new technologies. As a leading agri-food company in Vietnam, the Group continues to firmly commit itself to sustainable development, adhere to its promise of providing quality products, apply the latest technology and emphasize food safety. With the new developments in international free trade agreements, the Group will also explore new opportunities in exporting our products.

二零一八年為本集團進入越南市場的第二十五周年。在這具代表性的一年，我們榮幸獲得越南政府頒發的第三級勞工獎項的認可，表揚我們對農產業和社會的貢獻。越南經濟快速增長，加上於二零一八年簽署了《全面與進步跨太平洋夥伴關係協定》並為簽署《越南–歐盟自由貿易協定》推進了一大步，促使政府推進結構性改革，以提高越南企業在海內外的競爭力，有助發展海外市場和提振國內消費。聚焦農牧食品行業，越南政府為促進可持續發展，深化產業重組改革，致力提高產品品質和生產力、加強食品安全、防治動物及植物的流行性疾病、強化資源和環境管理以及推進高新技術應用。作為越南領先的農牧食品企業之一，本集團一直堅持可持續發展、堅守提供優質產品的承諾、應用高新技術，並重視食品安全。隨著國際自由貿易協定下的新發展，本集團亦將探索產品出口的新機會。

Looking ahead, as China and Vietnam increase their focus on food safety, product quality, environmental protection and innovative technology, there are systemic challenges that enterprises will face. However, they will also become the drivers to expedite industry reform and upgrade. Aspiring to become "The Kitchen of the World", the Group will upgrade its management system in-line with Industry 4.0, emphasize environmental protection and resources usage, fulfil its corporate social responsibility and maintain transparent information flows. Furthermore, capitalising on our solid corporate governance and sustainable operating model, the Group will accelerate its transformation across the entire value chain – spanning from feed milling, animal farming, to slaughtering and food processing – to ensure food safety starting from the origin, and thereby becoming a leader in the agri-food industry.

展望未來，隨著中國和越南更加關注食品安全、產品品質、環境保護、創新技術，企業面臨系統性的壓力和挑戰，同時也是促進行業加速轉型升級的機遇和動力。本集團將秉持「做世界廚房」的經營理念，根據工業4.0經濟要求轉變管理方式，注重保護環境和資源利用，履行社會責任和保持資訊透明，通過良好的公司治理和可持續運營能力，全面加快發展從飼料、養殖、屠宰至食品加工的全產業鏈經營模式，從源頭保障食品安全，成為食品行業的領先者。

Finally, I would like to express my heartfelt thanks to all members of our team for their efforts and contributions to the Group in the past year. My gratitude also goes to our shareholders and stakeholders for their unwavering trust and support over the years.

最後，本人謹此衷心感謝團隊全體成員在過去一年所付出的努力和貢獻，亦衷心感謝各股東及持分者一直以來對我們的信賴和支持。

Dhanin Chearavanont
Chairman

謝國民
董事長

Hong Kong, 18 February 2019

香港，二零一九年二月十八日

CP
WELCOME TO C.P.VIET NAM
FOOD PROCESSING CU CHI

Our Vietnam business spans the entire agri-food value chain, from manufacture and sale of animal feed products, breeding, farming and sale of livestock and aquatic animals, to the manufacture and sale of value-added, processed food products.
We continue to develop the downstream food business, striving to fulfil our vision of becoming "The Kitchen of the World."

Our new food processing factory in Cu Chi sources meat from our farms and produces some of the most popular Vietnamese food items — chilled and retort sausages.

本集團在越南的業務涵蓋整條農牧食品產業鏈，由產銷動物飼料產品，繁殖、養殖及銷售禽畜及水產，到產銷增值加工食品產品。我們不斷發展下游食品業務，實現我們成為「世界的廚房」的願景。

我們在古芝的新食品加工廠採用自家農場的鮮肉，生產越南其中一款最受歡迎的食品 — 冷藏和常溫香腸。

Chilled Sausage
冷藏香腸

Stuffing 灌腸

Smoking 煙燻

Cooling 冷卻
Cutting 切割
OK
Packaging 包裝

Retort Sausage
常溫香腸

Stuffing 灌腸

First Wash 一次清洗

Sterilizing 消毒

Second Wash 二次清洗

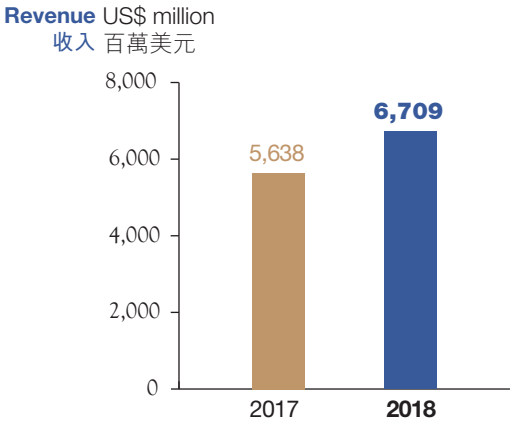
Drying 烘乾

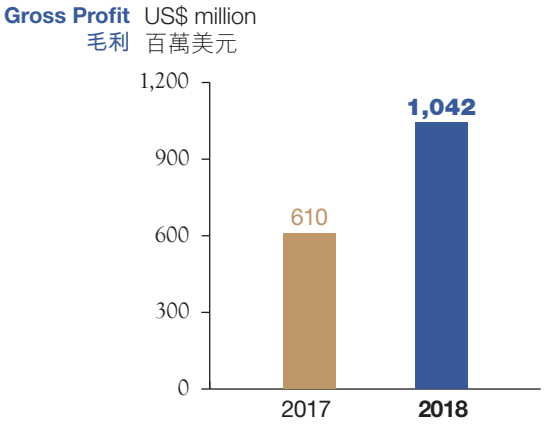
Packaging 包裝

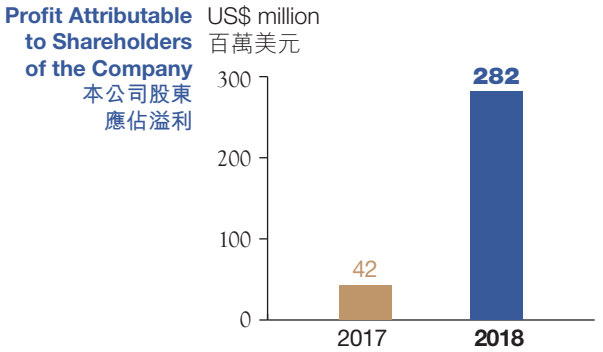
CP
NEM GIÒN
Fermented Sausage
BÜCHER
BÜCHER
Premium Sausage
- Sản phẩm đã mở bao bì phải đóng
lại thật kỹ và sử dụng hết trong vòng
48 tiếng.
- Bảo quản ở nhiệt độ 0 °C – 4 °C.
Thời hạn sử dụng:

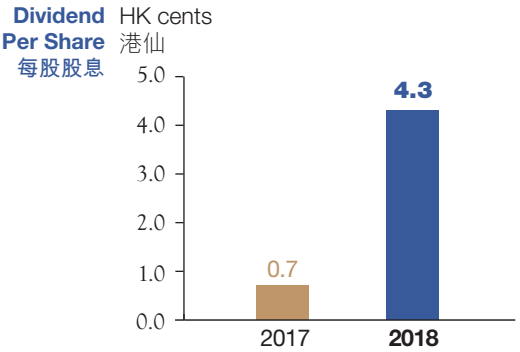
Financial Highlights
財務概要

(Unit: US$ million)	*(單位：百萬美元)*	2018	2017
Key Statement of Comprehensive Income Items	**主要全面收益表項目**		
Revenue	收入	6,709	5,638
Gross Profit	毛利	1,042	610
Profit Attributable to Shareholders of the Company	本公司股東應佔溢利	282	42
Basic Earnings Per Share (US cents)*	每股基本溢利(美仙)*	1.112	0.165
Diluted Earnings Per Share (US cents)	每股攤薄溢利(美仙)	1.112	0.165
Total Dividend Per Share (HK cents)	每股股息(港仙)	4.3	0.7
Interim Dividend Per Share (HK cents)	每股中期股息(港仙)	1.7	–
Final Dividend Per Share (HK cents)	每股末期股息(港仙)	2.6	0.7
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	1,781	1,755
Total Assets	總資產	4,611	4,233
Total Bank Borrowings & Corporate Bond	總銀行借款及企業債券	1,811	1,687
Issued Capital	已發行股本	253	253
Shareholders' Equity	股東應佔權益	1,356	1,238
Total Equity	權益總額	1,702	1,515









* 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

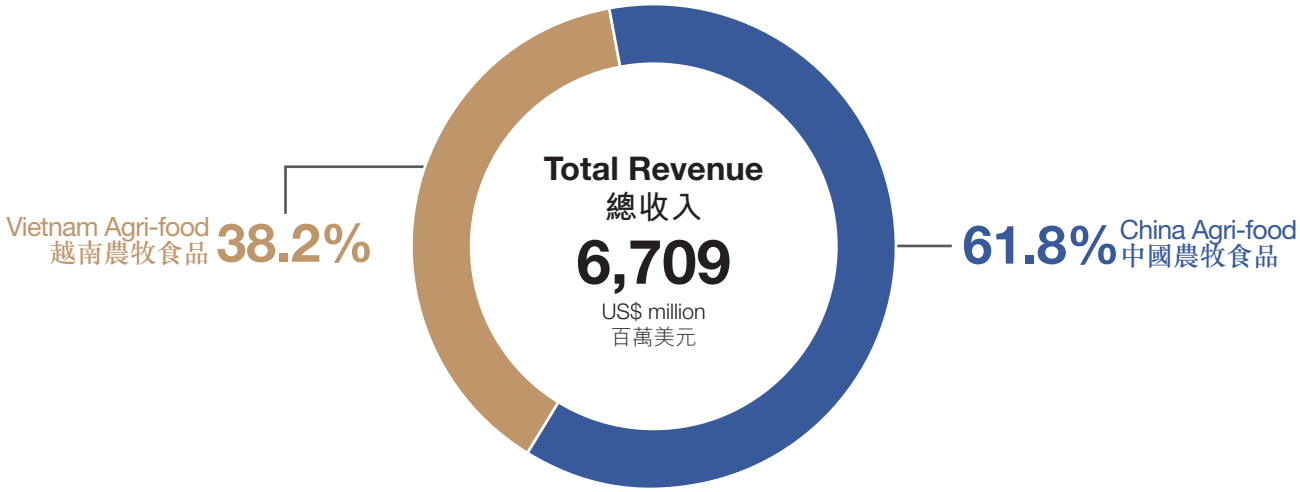
For the year ended 31 December 2018, the Group's revenue increased 19.0% to US$6,709 million (2017: US$5,638 million). Agri-food business in China contributed 61.8% of the Group's revenue while agri-food business in Vietnam contributed 38.2% of the Group's revenue. Overall gross profit margin for the year was 15.5% (2017: 10.8%). The Group's profit attributable to shareholders increased from US$42 million in 2017 to US$282 million in 2018. The increase in profit was mainly due to the recovery of swine prices in Vietnam as compared to 2017, resulting in a significant increase in profit margins of the Vietnam farming business and also a significant positive net change in fair value of biological assets as at the end of the fiscal year.

Basic and diluted earnings per share were both US 1.112 cents (2017: US 0.165 cents). The board has proposed a final dividend per share ("DPS") of HK$0.026. Including the interim DPS of HK$0.017, total DPS in 2018 was HK$0.043 (2017: HK$0.007).

集團業績

截至二零一八年十二月三十一日止年度，本集團之收入上升19.0%至67.09億美元(二零一七年：56.38億美元)。中國農牧食品業務及越南農牧食品業務分別佔本集團之收入的61.8%和38.2%。年內整體毛利率為15.5%(二零一七年：10.8%)。本集團股東應佔溢利由二零一七年的0.42億美元增加至二零一八年的2.82億美元。利潤增加的主要原因為越南生豬價格與二零一七年相比有所復甦，帶動越南養殖業務的利潤顯著上升，以及生物資產公允值於本財政年度末錄得顯著正變動淨額。

每股基本及攤薄後溢利為1.112美仙(二零一七年：0.165美仙)。董事會建議派付末期股息每股0.026港元，若包括已派付中期股息每股0.017港元，二零一八年合共派付股息每股0.043港元(二零一七年：0.007港元)。



BUSINESS REVIEW

Agri-food Business in China

In China, along with the country's integration into the global economy, demand for safe and high quality food has been on the rise. This development is also driving China to lift its food and safety standards so as to meet international levels.

業務回顧

中國農牧食品業務

隨著中國逐漸融入全球經濟體系，安全和優質食品的需求亦與日俱增，這發展驅使中國提升其食品及安全標準，並與國際水平接軌。

Management Discussion and Analysis
管理層討論及分析

BUSINESS REVIEW (continued)

業務回顧(續)

Agri-food Business in China (continued)

中國農牧食品業務(續)

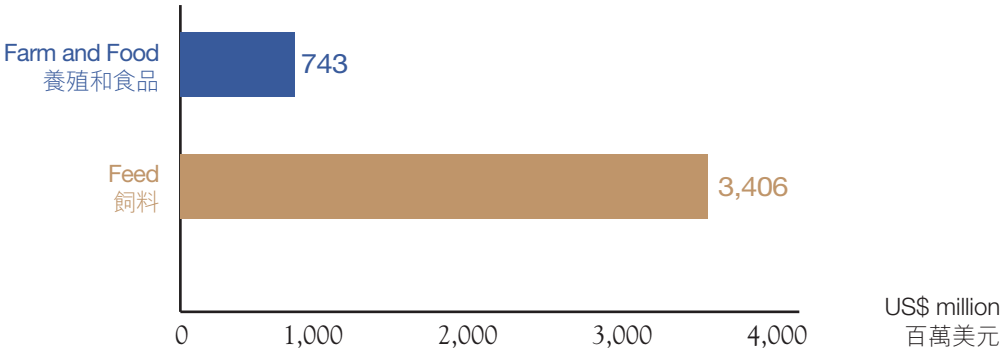
Against the backdrop of these trends in the agri-food industry, the government is also pushing forward reforms across the entire agri-food production chain, including stricter food safety and environmental regulations. Larger players in the industry have started to benefit from the resulting industry consolidation, and they have, along the way, taken over some smaller players. Other weaker, smaller players that have insufficient resources to cope with the mounting pressures from the industry changes have been forced to exit.

在此農牧食品行業發展趨勢的背景下，政府推進農牧食品產業鏈的行業改革，包括更嚴謹的食品安全和環境法規。業內較大規模的企業已經開始從行業整合中受益，並在進程中接管了部分較小型的企業。其他較弱及較小型的企業因資源不足，未能應付行業變化帶來的壓力而被迫退出。

In 2018, revenue of the Group's agri-food business in China grew by 12.4% to US$4,149 million. Feed business accounted for 82.1% of agri-food business revenue in China while farm and food businesses combined contributed the remaining 17.9%. Overall gross profit margin for the Group's China agri-food business decreased from 15.5% in 2017 to 14.0% in 2018. While feed business gross margin remained at a solid level, farm and food business gross margin was dampened by new food factories which commenced operations at the end of 2017 and recently acquired integrated poultry businesses.

於二零一八年，中國農牧食品業務收入上升12.4%至41.49億美元。飼料業務收入佔中國農牧食品業務收入的82.1%，而養殖及食品業務共佔餘下的17.9%。本集團中國農牧食品業務的整體毛利率由二零一七的15.5%下降至二零一八的14.0%。儘管我們飼料業務的毛利率仍然保持穩健，但養殖及食品業務的毛利率受到二零一七年年底開始營運的新食品廠以及最近收購的綜合家禽業務的負面影響。

China – Revenue
中國－收入



The Group's China feed sales volume increased 1.9% to 7.04 million tons and feed revenue rose 5.0% to US$3,406 million. Swine feed was the largest component in the Group's China feed business segment, accounting for 53.5% of this segment's revenue in 2018. Poultry feed, aqua feed, other feed products and premix contributed 26.5%, 9.6%, 6.1% and 4.3%, respectively.

本集團中國飼料銷量增加1.9%至704萬噸，飼料收入亦按年增長5.0%至34.06億美元。豬飼料為本集團中國飼料業務收入佔比最重要的部分，佔該業務二零一八年收入的53.5%。家禽、水產、其他飼料產品及預混合飼料分別佔26.5%、9.6%、6.1%及4.3%。

Swine feed sales volume in 2018 grew by 3.0% to 3.75 million tons, mainly due to increased sales to large-scale swine farms. Swine feed revenue rose 6.0% to US$1,820 million. Poultry feed sales volume declined by 3.0% to 2.23 million tons while revenue increased by 0.7% to US$904 million. Sales volume of aqua feed increased by 9.7% to 0.49 million tons and revenue increased by 11.5% to US$327 million, mainly because of increased marketing efforts on fish and crayfish feed.

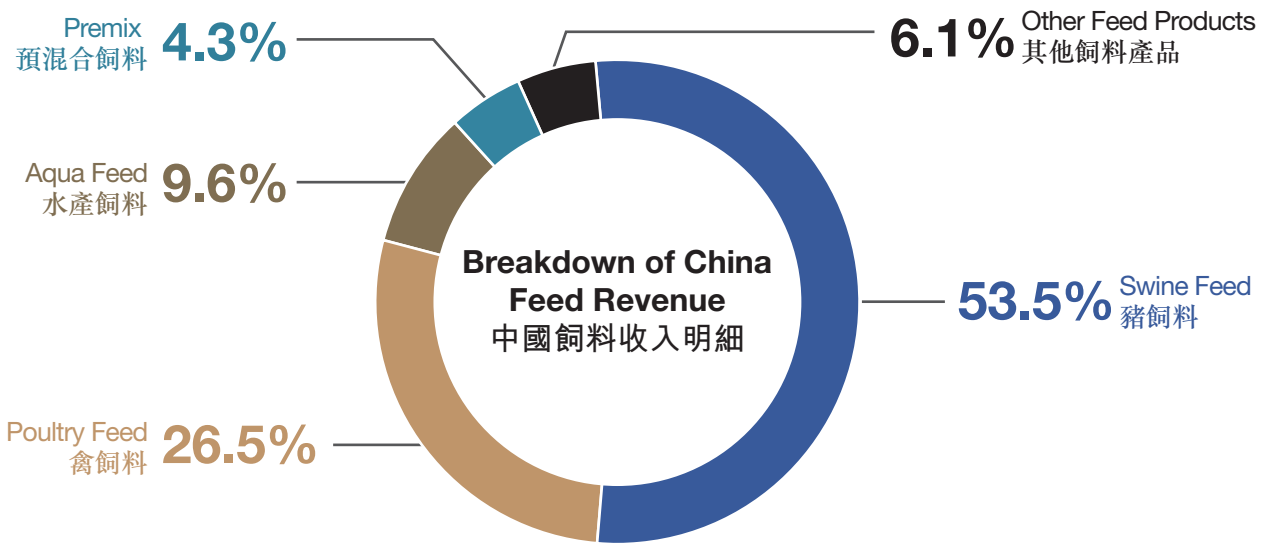
本集團於二零一八年的豬飼料銷量上升3.0%至375萬噸，主要受惠於增加對規模養豬場的銷售。豬飼料收入則上升6.0%至18.20億美元。家禽飼料銷量減少3.0%至223萬噸，收入則上升0.7%至9.04億美元。水產飼料銷量增長9.7%至49萬噸，收入則上升11.5%至3.27億美元，主要受惠於加大了對魚及小龍蝦飼料的營銷力度。

BUSINESS REVIEW (continued)

業務回顧(續)

Agri-food Business in China (continued)

中國農牧食品業務(續)



Combined farm and food revenue in China was US$743 million compared to US$447 million in 2017. Revenue from our new food factories that commenced operations at the end of 2017 and recently acquired integrated poultry businesses are the major contributors to the significant revenue increase in this segment. To a lesser extent, our food factories in Qingdao and Qinhuangdao also generated revenue growth. However, start-up losses at the newest food factories and the newly acquired businesses have reduced the overall profitability of China's agri-food business.

中國養殖及食品業務的整體收入為7.43億美元，而二零一七年為4.47億美元。我們於二零一七年年底開始營運的新食品廠及最近收購的綜合家禽業務產生的收入貢獻為此業務分部收入顯著增長的主要因素。我們位於青島和秦皇島的食品廠也貢獻了該業務收入的增加。然而，這些最新的食品廠和新收購的業務虧損降低了中國農牧食品業務的整體利潤。

Agri-food Business in Vietnam

越南農牧食品業務

In 2018, we reached an exciting milestone and celebrated our 25th year of operation in Vietnam. We are the first Thai company to be awarded the Third-Class Labor Medal by the State President of Socialist Republic of Vietnam. This award is a recognition of our contribution to Vietnam's agricultural and social development.

我們於二零一八年慶祝在越南運營的二十五週年，標誌著新的里程碑。我們是第一家泰國公司獲越南社會主義共和國總統頒發第三級勞工獎章，表揚我們對越南農業和社會發展的貢獻。

Vietnam swine prices, which had started tumbling since late 2016 as a result of a major oversupply situation, remained weak until the end of first quarter 2018 as supply and demand started to re-balance. Favourable swine prices during the last three quarters of 2018 benefitted the financial performance of our swine farming business in Vietnam. However, with a reduction of swine population in the market, swine feed demand in 2018 was lower as compared to last year.

自二零一六年末生豬供過於求導致豬價暴跌以來，生豬價格持續疲弱直至二零一八年第一季度末，反映供需情況開始回復平衡。我們越南生豬養殖業務的財務表現受惠於二零一八年最後三個季度有利的生豬價格。然而，隨著市場上的生豬存欄減少，二零一八年的豬飼料需求與去年相比有所下降。

Management Discussion and Analysis
管理層討論及分析

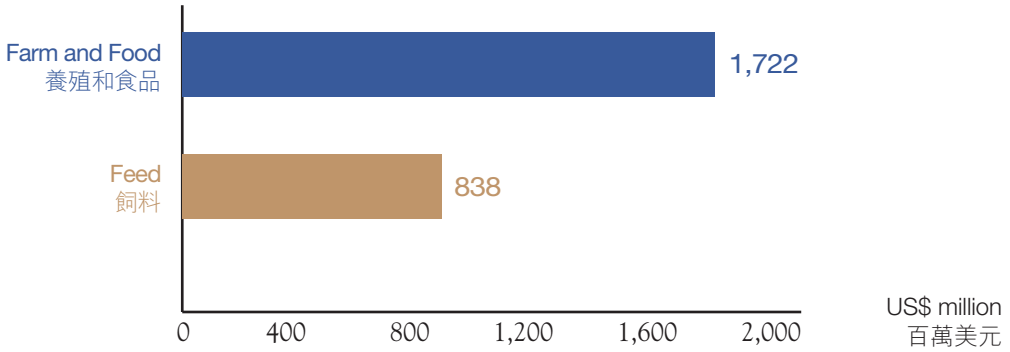
Agri-food Business in Vietnam (continued)

The Group's agri-food business in Vietnam generated revenue of US$2,560 million, increasing 31.5% year-on-year. Feed business accounted for 32.7% of the Group's Vietnam revenue, while farm and food businesses combined accounted for the remaining 67.3%. Overall gross profit margin of the Group's agri-food business in Vietnam increased significantly to 18.1% in 2018 (2017: 1.9%) mainly due to a rebound in swine prices, benefitting our farming business.

越南農牧食品業務(續)

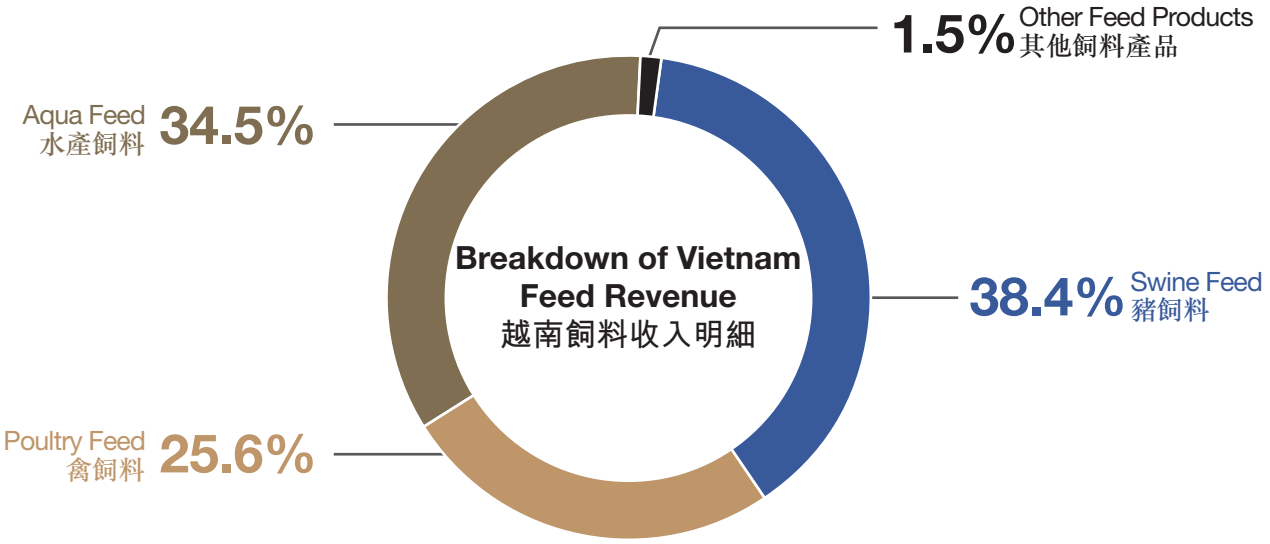
本集團越南農牧食品業務收入按年上升31.5%至25.60億美元，其中飼料業務佔本集團越南收入的32.7%，而養殖及食品業務共佔餘下的67.3%。本集團越南農牧食品業務的整體毛利率於二零一八年大幅上升至18.1%(二零一七年：1.9%)，主要是由於生豬價格反彈利好我們的養殖業務。

Vietnam – Revenue
越南－ 收入



As the majority of our feed sales were of swine feed, the reduced swine population in Vietnam led to a decline in overall feed sales volume. Other feed products, including poultry and aqua feed, recorded an increase in sales volume. In 2018, total feed sales volume dropped by 2.3% to 1.76 million tons. Revenue of the Group's feed business in Vietnam increased by 2.6% to US$838 million. Swine, poultry, aqua and other feed products accounted for 38.4%, 25.6%, 34.5% and 1.5%, respectively.

由於我們的飼料銷售大部分來自豬飼料，故越南豬存欄數目的減少導致整體飼料銷量下降，其他飼料包括家禽和水產飼料的銷售量則有所增加。二零一八年，飼料銷量整體下降2.3%至176萬噸。本集團越南飼料業務收入上升2.6%至8.38億美元，其中豬、家禽、水產及其他飼料產品分別佔38.4%、25.6%、34.5%及1.5%。



Agri-food Business in Vietnam (continued)

Meanwhile, swine farming continued to be the major revenue contributor of the Group's farm and food businesses. Favourable swine prices lifted the performance of this segment. Combined revenue of the Group's farm and food businesses in Vietnam was US$1,722 million, a 52.4% increase from last year. The average selling price of our fattening pigs in 2018 was approximately VND43,500 per kg, compared to VND28,000 per kg in 2017 – an increase of 56% year-on-year.

As a result of the recovery in swine prices, a positive net change in fair value of biological assets of US$95.9 million was recorded in 2018, compared to US$7.4 million in 2017.

OUTLOOK

Looking forward, we expect our feed businesses in China and Vietnam as well as our farm and food businesses in Vietnam to track market development in 2019. Our food business in China will continue to be in ramp-up phase. Overall, our business performance should remain solid in 2019.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group had total assets of US$4,611.4 million, representing an increase of 8.9% as compared to US$4,232.9 million as at 31 December 2017.

Net debt (31 December 2018: US$1,368.4 million, 31 December 2017: US$1,360.2 million) to equity ratio (defined as total bank borrowings and corporate bond minus cash and deposits divided by total equity) was 0.80 as compared to 0.90 as at 31 December 2017.

The borrowings of the Group are denominated in U.S. dollars ("US$") (31 December 2018: US$792.9 million, 31 December 2017: US$761.7 million), Vietnamese Dong ("VND") (31 December 2018: US$348.8 million, 31 December 2017: US$381.5 million) and Renminbi ("RMB") (31 December 2018: US$669.7 million, 31 December 2017: US$543.8 million).

越南農牧食品業務(續)

與此同時，生豬養殖業務繼續為養殖及食品業務的主要收入來源，故有利的生豬價格對該業務產生了正面影響。本集團的越南養殖及食品業務整體收入較去年上升52.4%至17.22億美元。二零一八年平均育肥豬價格為約每公斤43,500越南盾，而二零一七年則為約每公斤28,000越南盾，按年上升56%。

由於生豬價格復甦，二零一八年的生物資產公允值淨額錄得的正變動為9,587萬美元，而二零一七年為739萬美元。

展望

展望未來，我們預計中國和越南的飼料業務及越南的養殖和食品業務於二零一九年將跟隨行業發展。中國的食品業務會繼續處於增產的階段。總體而言，我們的業務表現應在二零一九年保持穩健。

資金流動性及財政資源

於二零一八年十二月三十一日，本集團之總資產為46.11億美元，較二零一七年十二月三十一日之42.33億美元，增加8.9%。

淨債務(二零一八年十二月三十一日：13.68億美元，二零一七年十二月三十一日：13.60億美元)對權益比率(定義為銀行借款及企業債券總額減現金及存款後除以權益總額)為0.80，相對二零一七年十二月三十一日之0.90。

本集團的借款以美元(二零一八年十二月三十一日：7.93億美元，二零一七年十二月三十一日：7.62億美元)、越南盾(二零一八年十二月三十一日：3.49億美元，二零一七年十二月三十一日：3.82億美元)及人民幣(二零一八年十二月三十一日：6.70億美元，二零一七年十二月三十一日：5.44億美元)作為單位。

Management Discussion and Analysis
管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES (continued)

As at 31 December 2018, the Group's current portion of long-term borrowings amounted to US$190.4 million (31 December 2017: US$115.5 million), and fixed interest rate borrowings amounted to US$342.8 million (31 December 2017: US$314.1 million).

All domestic sales in the PRC and Vietnam are transacted in RMB and VND respectively and export sales are transacted in foreign currencies. Foreign currencies are required for purchase of certain raw materials, equipment etc. The Group monitors foreign exchange movements and determines appropriate hedging activities when necessary. During the year, the Group has entered into forward exchange contracts to manage its exchange rate exposures of US$ denominated liabilities against RMB and VND. As at 31 December 2018, the aggregate notional principal amount of these outstanding derivative financial instruments was US$193.7 million.

資金流動性及財政資源(續)

於二零一八年十二月三十一日，本集團長期借款之流動部分為1.90億美元(二零一七年十二月三十一日：1.16億美元)及按固定利率計息之借款為3.43億美元(二零一七年十二月三十一日：3.14億美元)。

於中國和越南之所有國內銷售分別以人民幣和越南盾計算，而出口銷售則以外幣計算。本集團於購買若干原材料及設備時均需支付外幣。本集團監控外滙變動，必要時考慮適當的對沖活動。於本年內，本集團已訂立遠期外匯合同以管理其美元負債兑人民幣及越南盾之匯率風險。於二零一八年十二月三十一日，未到期衍生金融工具的面值合計為1.94億美元。

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$408.1 million as at 31 December 2018, an increase of US$106.0 million as compared to 31 December 2017.

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。於二零一八年十二月三十一日，本集團持有定期存款及現金及現金等價物4.08億美元，較二零一七年十二月三十一日增加1.06億美元。

CHARGES ON GROUP ASSETS

As at 31 December 2018, out of the total borrowings of US$1,811.4 million (31 December 2017: US$1,687.0 million) obtained by the Group, US$169.8 million (31 December 2017: US$162.9 million) was secured and accounted for 9.4% (31 December 2017: 9.7%) 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$225.5 million (31 December 2017: US$117.8 million) were pledged as security.

本集團資產抵押

於二零一八年十二月三十一日，本集團總借款為18.11億美元(二零一七年十二月三十一日：16.87億美元)，其中1.70億美元(二零一七年十二月三十一日：1.63億美元)借款需提供資產抵押，佔總借款之9.4%(二零一七年十二月三十一日：9.7%)。本集團已用作抵押之物業、廠房及設備及預付土地租賃費賬面淨額合計為2.26億美元(二零一七年十二月三十一日：1.18億美元)。

CONTINGENT LIABILITIES

Guarantees were given by certain subsidiaries in the Group to financial institutions in the PRC for certain indebtedness of independent third party customers of the Group. In the case of financial guarantees provided which exceed the net asset value of the relevant subsidiaries, our maximum contingent liabilities are limited to the net asset value of these subsidiaries. The net asset value of the relevant subsidiaries as at 31 December 2018 was approximately US$54.5 million (31 December 2017: US$91.2 million). The contingent liabilities of the Group in respect of such guarantees as at 31 December 2018 were US$14.9 million (31 December 2017: US$23.5 million).

或有負債

本集團若干附屬公司在中國為獨立第三方客戶之若干債務向財務機構提供擔保。假若提供的財務擔保超過相關附屬公司之淨資產，本集團最高之或有負債則限於該等附屬公司之淨資產。相關附屬公司於二零一八年十二月三十一日之淨資產約為0.55億美元(二零一七年十二月三十一日：0.91億美元)。本集團於二零一八年十二月三十一日有關該等擔保之或有負債為0.15億美元(二零一七年十二月三十一日：0.24億美元)。

BIOLOGICAL ASSETS

As at 31 December 2018, the Group's biological assets amounted to US$556.1 million (2017: US$417.0 million). The increase in the value of biological assets during the year ended 31 December 2018 of US$139.1 million (2017: US$33.2 million) was mainly attributable to purchases/raising of biological assets of US$1,697.5 million (2017: US$1,206.7 million) minus sales of biological assets of US$1,561.8 million (2017: US$1,102.6 million). Details of the Group's biological assets are set out in note 18 to the financial statements of the annual report. During the year ended 31 December 2018, the Group recorded a positive net change in fair value of biological assets of US$95.9 million (2017: US$7.4 million). We have complied with relevant laws and regulations and have obtained the requisite licenses and permits for carrying out our farming business from relevant regulatory authorities, including the Investment Certificate issued by the Management Board of Dong Nai Industrial Zone in Vietnam.

生物資產

於二零一八年十二月三十一日，本集團之生物資產合計5.56億美元(二零一七年：4.17億美元)。於截至二零一八年十二月三十一日止年度內生物資產上升1.39億美元(二零一七年：0.33億美元)，主要由於購買／養殖生物資產合計16.98億美元(二零一七年：12.07億美元)減銷售生物資產合計15.62億美元(二零一七年：11.03億美元)。本集團生物資產的詳情載於年報內財務報表附註18。於截至二零一八年十二月三十一日止年度內，本集團錄得正0.96億美元(二零一七年：0.07億美元)生物資產公允值變動淨額。我們已遵守相關法規，並已從相關監管機構取得從事養殖業務所需要之執照及許可，包括於越南同奈工業區管理局所發的投資證書。

Management Discussion and Analysis
管理層討論及分析

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS 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 2018, the Group employed around 38,000 staff in the PRC, Vietnam 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

於二零一八年十二月三十一日，本集團於中國、越南及香港共聘用約38,000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

C.P. Pokphand Co. Ltd. (the "Company" and together with its subsidiaries, the "Group") is committed to maintaining strict corporate governance standards. 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.

卜蜂國際有限公司(「本公司」連同其所屬公司統稱「本集團」)致力保持嚴格的企業管治水平。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 the code provisions set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") – Corporate Governance Code and Corporate Governance Report (the "Corporate Governance Code") throughout the year 2018.

企業管治守則

於二零一八年內，本公司已應用香港聯合交易所有限公司(「聯交所」)《證券上市規則》(「《上市規則》」)附錄十四所載之《企業管治守則》及《企業管治報告》(「《企業管治守則》」)原則及遵守守則條文。

THE BOARD

(a) Board Composition

As at the date of this report, the board of directors of the Company (the "Board") comprises fifteen directors, including eight executive directors, two non-executive directors and five independent non-executive directors.

The biographical details of the directors of the Company (the "Directors") and the relationships among the Directors and senior management are set out in the Biographical Details of Directors and Senior Management section on pages 36 to 41 of the annual report.

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」)共有十五名成員，包括八名執行董事、兩名非執行董事及五名獨立非執行董事。

本公司所有董事(「董事」)的履歷詳情及董事和高級管理人員之間的關係載於年報第36至41頁「董事及高級管理人員履歷詳情」一節。

(b) Chairman and Chief Executive

Mr. Dhanin Chearavanont is the Chairman of the Group. Mr. Bai Shanlin and Mr. Sooksunt Jiumjaiswanglerg are the Chief Executive Officers of China area and Vietnam area respectively. The roles of the Chairman and the 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 Group's business.

(b) 董事長和行政總裁

謝國民先生為本集團董事長。白善霖先生及Sooksunt Jiumjaiswanglerg先生分別為中國區及越南區的行政總裁。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集團的業務。

(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 as well as checks and balances for effective and constructive contribution to the Board to safeguard interests of the shareholders and the Company (the "Shareholders") as a whole.

(c) 角色及職責

董事會(直接及透過其轄下的委員會)帶領並指導管理層，其包括制定及監察管理層推行策略、檢討營運及財務表現，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，對維護本公司股東(「股東」)及本公司的整體利益作出有效及建設性的貢獻。

THE BOARD (continued)

(c) Roles and Responsibilities (continued)

The management is responsible for 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/her independence pursuant to Rule 3.13 of the Listing Rules and considers that all independent non-executive Directors are independent. Mrs. Vatchari Vimooktayon was appointed as an independent director of Charoen Pokphand Foods Public Company Limited ("CPF"), which is the immediate holding company of the Company, on 18 February 2019. Subsequent to the year end, on 18 February 2019, Mrs. Vatchari Vimooktayon was appointed as an independent director of Charoen Pokphand Foods Public Company Limited ("CPF"), which is the immediate holding company of the Company and on 20 February 2019, CPF announced the proposed appointment, to be voted on the annual general meeting of CPF to be held on 24 April 2019, of Mr. Vinai Vittavasgarnvej as an independent director. In the event of any resolution of the Board on any proposal, contract or other matters in which CPF is regarded as having any interest (other than as a Shareholder), Mrs. Vatchari Vimooktayon and Mr. Vinai Vittavasgarnvej (if elected as independent director of CPF) will be required to abstain from voting.

(e) Directors' Securities Transactions

The Company has adopted Appendix 10 of the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), 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 confirmed that they complied with the required standard set out in the Model Code during 2018.

(f) Continuous Professional Development

All of the Directors have kept abreast of their responsibilities as directors of the Company and of the business activities and development of the Company. During the year, Mr. Dhanin Chearavanont, Mr. Adirek Sripratak, Mr. Soopakij Chearavanont, Mr. Suphachai Chearavanont, Mr. Bai Shanlin, Mr. Sooksunt Jiumjaiswanglerg, Mrs. Arunee Watcharananan, Mr. Yu Jianping, Mr. Meth Jiaravanont, Mr. Yoichi Ikezoe, Mr. Ma Andrew Chiu Cheung, Mr. Sombat Deo-isres, Mr. Sakda Thanitcul, Mr. Vinai Vittavasgarnvej and Mrs. Vatchari Vimooktayon participated in continuous professional development by attending trainings organized by the Company and/or other professional organisations, director training webcasts and e-training provided by the Stock Exchange and/or monthly updates on the financial performance and financial position provided by the Company.

董事會(續)

(c) 角色及職責(續)

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屬獨立人士。Vatchari Vimooktayon女士於二零一九年二月十八日獲委任為Charoen Pokphand Foods Public Company Limited(「CPF」)(其為本公司之直接控股公司)之獨立董事。於年度結束後，於二零一九年二月十八日，Vatchari Vimooktayon女士獲委任為Charoen Pokphand Foods Public Company Limited(「CPF」)(其為本公司之直接控股公司)之獨立董事及於二零一九年二月二十日，CPF刊發公告，Vinai Vittavasgarnvej先生於二零一九年四月二十四日舉行的應屆CPF股東周年大會上獲建議選任為其獨立董事。當CPF於董事會就任何建議、合約或其他事項的決議案被視為有任何權益(作為股東除外)的任何情況下，Vatchari Vimooktayon女士及Vinai Vittavasgarnvej先生(如當選為CPF之獨立董事)須放棄投票。

(e) 董事的證券交易

本公司已採納《上市規則》附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，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，所有董事確認於二零一八年內，彼等已遵守標準守則內所載的規定標準。

(f) 持續事業發展

所有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。於年內，謝國民先生、蔡益光先生、謝吉人先生、謝鎔仁先生、白善霖先生、Sooksunt Jiumjaiswanglerg先生、Arunee Watcharananan女士、于建平先生、謝克俊先生、池添洋一先生、馬照祥先生、Sombat Deo-isres先生、Sakda Thanitcul先生、Vinai Vittavasgarnvej先生及Vatchari Vimooktayon女士透過出席本公司及／或其他專業機構舉辦的培訓、聯交所提供的董事培訓短片和網上培訓及／或本公司提供每月的財務表現及財務狀況資料參與持續專業發展。

THE BOARD (continued)

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

During the year ended 31 December 2018, the Company held one annual general meeting, ten Board meetings, five Audit Committee meetings, two Remuneration Committee meetings, one Nomination Committee meeting and one Corporate Governance Committee meeting.

The 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 a telephone conference or similar communications equipment.

The attendance of each Director at each of the meetings in 2018, by name, is set out in the following table:

董事會(續)

(g) 股東大會、董事會及董事會轄下的委員會會議

於截至二零一八年十二月三十一日止年度，本公司已舉行一次股東周年大會、十次董事會會議、五次審核委員會會議、兩次薪酬委員會會議、一次提名委員會會議和一次企業管治委員會會議。

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會議方式或類似的通訊設備參與董事會會議。

下表具名列載每位董事於二零一八年出席各會議的出席率：

		No. of meetings attended/held 出席次數／會議舉行次數					
		Annual General Meeting 股東周年大會	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	Corporate Governance Committee 企業管治委員會
Executive Directors	*執行董事*						
Mr. Dhanin Chearavanont (Chairman)	謝國民先生(董事長)	1/1	7/10	–	–	0/1	–
Mr. Adirek Sriparatak	蔡益光先生	1/1	10/10	–	2/2	1/1	–
Mr. Soopakij Chearavanont	謝吉人先生	1/1	8/10	–	–	–	–
Mr. Suphachai Chearavanont	謝鎔仁先生	0/1	5/10	–	–	–	–
Mr. Bai Shanlin	白善霖先生	0/1	10/10	–	–	–	–
Mr. Sooksunt Jiumjaiswanglerg	Sooksunt Jiumjaiswanglerg先生	0/1	10/10	–	–	–	–
Mrs. Arunee Watcharananan	Arunee Watcharananan女士	0/1	10/10	–	–	–	–
Mr. Yu Jianping	于建平先生	0/1	10/10	–	–	–	–
Non-executive Directors	*非執行董事*						
Mr. Meth Jiaravanont	謝克俊先生	1/1	9/10	5/5	–	–	1/1
Mr. Yoichi Ikezoe	池添洋一先生	1/1	10/10	–	–	–	–
Independent Non-executive Directors	*獨立非執行董事*						
Mr. Ma Andrew Chiu Cheung	馬照祥先生	1/1	10/10	5/5	2/2	1/1	1/1
Mr. Sombat Deo-isres	Sombat Deo-isres先生	1/1	9/10	4/5	1/2	0/1	0/1
Mr. Sakda Thanitcul	Sakda Thanitcul先生	1/1	8/10	5/5	1/2	0/1	1/1
Mr. Vinai Vittavasgarnvej	Vinai Vittavasgarnvej先生	1/1	8/10	–	–	–	–
Mrs. Vatchari Vimooktayon	Vatchari Vimooktayon女士	1/1	10/10	–	–	–	–

THE BOARD (continued)

(h) Accountability and Audit

The Board is responsible for presenting a balanced, clear and understandable assessment of the Company's performance in the 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 its responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report section on pages 71 to 79 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.

董事會(續)

(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。

董事確認其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。本公司核數師就其對本集團財務報表的責任之聲明載於年報第71至79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 the following four committees which operate under defined terms of reference. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are available on the Company's website. The attendance of each committee member to the committee meetings in 2018, by name, is set out on page 23 of the annual report.

(i) Audit Committee

The Audit Committee comprises three independent non-executive Directors, Mr. Ma Andrew Chiu Cheung (Chairman), Mr. Sombat Deo-isres and Mr. Sakda Thanitcul, and a non-executive Director, Mr. Meth Jiaravanont.

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, external auditor and management, in reviewing the Group's financial results, material financial, operational and compliance controls.

董事會授權

董事會轄下授權下列四個委員會按照明確的職權範圍運作，審核委員會、薪酬委員會和提名委員會的職權範圍已載於本公司網站。每名委員會成員於二零一八年出席委員會會議的出席率具名列載於年報第23頁。

(i) 審核委員會

審核委員會由三名獨立非執行董事馬照祥先生(主席)、Sombat Deo-isres先生和Sakda Thanitcul先生及非執行董事謝克俊先生所組成。

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。

BOARD DELEGATION (continued)

(i) Audit Committee (continued)

During 2018, the Audit Committee held five meetings. The following is a summary of work of the Audit Committee in 2018:

- reviewed the annual report and the annual results announcement for the year ended 31 December 2017, 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 2017;
- reviewed the Group's compliance with the Corporate Governance Code for the year ended 31 December 2017;
- approved the 2018 audit fee;
- reviewed the internal audit reports of the Group;
- reviewed the interim report and the interim results announcement for the six months ended 30 June 2018, 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 2018;
- reviewed the audit and non-audit services undertaken by the external auditor; and
- reviewed the effectiveness of the risk management and internal control systems.

Subsequent to the year end, the Audit Committee reviewed the annual report and the annual results announcement for the year ended 31 December 2018 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 the approval of the remuneration and terms of engagement of the external auditor. To ensure the external auditor's independence, the Audit Committee reviewed the audit and non-audit services undertaken by the external auditor during the year.

董事會授權(續)

(i) 審核委員會(續)

於二零一八年，審核委員會召開了五次會議，以下為審核委員會於二零一八年的工作摘要：

- 審閱截至二零一七年十二月三十一日止年度的年報及年度業績公告，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十二月三十一日止年度的報告；
- 審閱本集團截至二零一七年十二月三十一日止年度遵守《企業管治守則》的情況；
- 批准二零一八年審計費用；
- 審閱本集團內部審計報告；
- 審閱截至二零一八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二零一八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系統的成效。

於年度結束後，審核委員會審閱截至二零一八年十二月三十一日止年度的年報及年度業績公告，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年內由外聘核數師所進行的審核及非審核服務。

BOARD DELEGATION (continued)

董事會授權(續)

(i) Audit Committee (continued)

(i) 審核委員會(續)

During 2018, the remuneration paid by the Group to the external auditor are set out below:

於二零一八年，本集團支付外聘核數師的酬金如下：

Category of Services	服務類別	2018 二零一八年 *(US$'000)* *(美元千元)*
Audit Services	審核服務	2,157
Review engagements and agreed-upon procedures	審閱委聘及執行商定程序	274
		2,431
Other services	其他服務	19
Total	總額	2,450

(ii) Remuneration Committee

(ii) 薪酬委員會

The Remuneration Committee comprises three independent non-executive Directors, Mr. Ma Andrew Chiu Cheung (Chairman), Mr. Sombat Deo-isres and Mr. Sakda Thanitcul, and an executive Director, Mr. Adirek Sripratak.

薪酬委員會由三名獨立非執行董事馬照祥先生(主席)、Sombat Deo-isres先生和Sakda Thanitcul先生及執行董事蔡益光先生所組成。

The Remuneration Committee is delegated by the Board with the primary responsibility to make recommendations to the Board on remuneration policy and structure for all directors and senior management as well as to consider and recommend to the Board the remuneration packages of individual executive directors and senior management.

薪酬委員會由董事會授權，主要負責就董事及高級管理人員的全體薪酬政策及架構向董事會提出建議和考慮及向董事會建議個別執行董事及高級管理人員的薪酬待遇。

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 its shareholders. The objective of the Company's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practices.

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。

During 2018, the Remuneration Committee held two meetings to determine remuneration packages for the Directors and senior management and other remuneration matters.

於二零一八年，薪酬委員會召開了兩次會議以釐定董事和高級管理人員的薪酬及其他薪酬事宜。

BOARD DELEGATION (continued)

(ii) Remuneration Committee (continued)

Details of emoluments of each Director are set out in note 10 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 2018 is set out below:

董事會授權(續)

(ii) 薪酬委員會(續)

各董事的酬金詳情載於年報內財務報表附註10。於截至二零一八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：

(US$) *(美元)*		Number of Senior Management 高級管理人員人數
0 to 500,000	0至500,000	2
500,001 to 1,000,000	500,001至1,000,000	1

(iii) Nomination Committee

The Nomination Committee comprises two executive Directors, Mr. Dhanin Chearavanont (Chairman) and Mr. Adirek Sripratak, and three independent non-executive Directors, Mr. Ma Andrew Chiu Cheung, Mr. Sombat Deo-isres and Mr. Sakda Thanitcul.

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 selection of individual(s) nominated for directorship and assess the independence of independent non-executive Directors.

All non-executive Directors and independent non-executive Directors are appointed for a successive term of one year 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 2018, the Nomination Committee held one meeting to review the Board composition.

The Company adopted a board diversity policy which sets out the approach to achieve diversity on the Board. The Company is committed to maintain a high corporate governance standard and recognises and embraces the benefits of having a diverse board to strengthen its effectiveness and governance. Board appointments will be based on meritocracy.

Selection of candidates will be based on a range of diversity considerations, which include but are not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The Nomination Committee, in carrying out its duties, will also take into account the Company's corporate strategy and organisational needs.

(iii) 提名委員會

提名委員會由兩名執行董事謝國民先生(主席)和蔡益光先生及三名獨立非執行董事馬照祥先生、Sombat Deo-isres先生和Sakda Thanitcul先生所組成。

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。

所有非執行董事及獨立非執行董事獲委任的指定任期為一年，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)。

於二零一八年，提名委員會召開了一次會議以檢討董事會的組成。

本公司採納董事會多元化政策，製定有關達致董事會多元化的方針。本公司致力保持高度企業管治水平，並承認及擁護多元化董事會的好處以加強其有效性及管治。董事會委任以用人唯才為基準。

甄選人選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、知識和服務任期。提名委員會在履行職責時亦考慮本公司企業策略和組織需要。

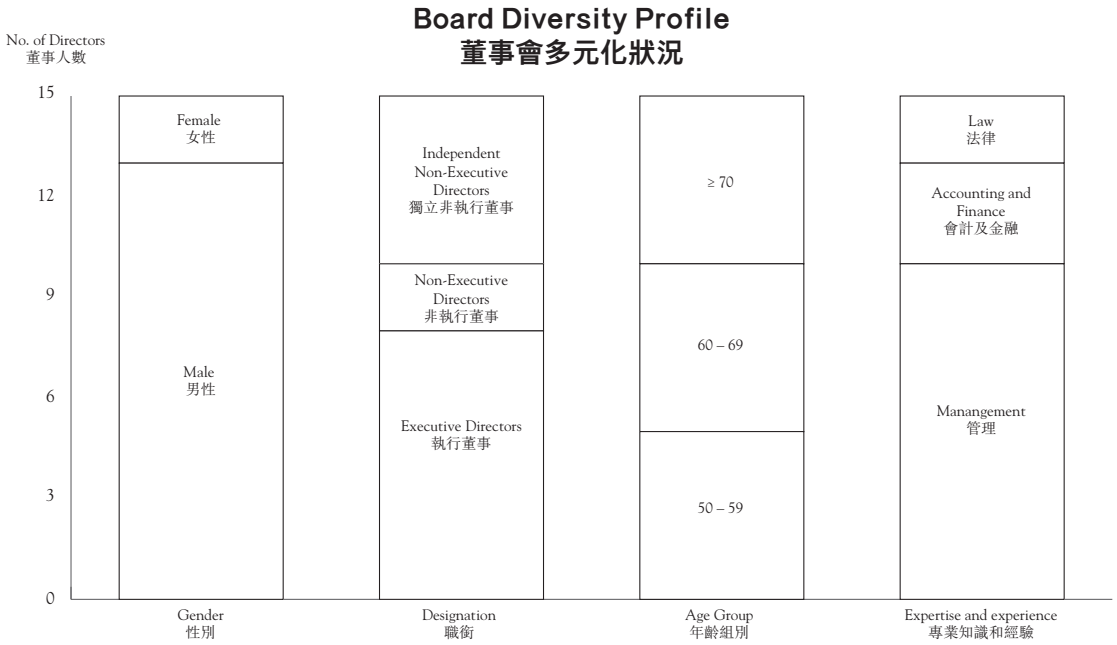
Corporate Governance Report
企業管治報告

BOARD DELEGATION (continued)

董事會授權(續)

(iii) Nomination Committee (continued)

(iii) 提名委員會(續)



The nomination policy adopted by the Company on 12 December 2018 is set out below:

本公司於二零一八年十二月十二日採納的提名政策載列如下：

1 Purpose

1 目的

1.1 The Nomination Committee of the Company has the primary responsibility of identifying and nominating suitably qualified candidates to become Directors (to fill casual vacancies and as new Board members).

1.1 本公司提名委員會主要負責物色及提名合適合資格候選人成為董事以填補臨時空缺和成為新董事會成員。

1.2 This Policy sets out the approach with respect to the selection and nomination of candidates for directorship of the Company so as to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business for the Board to consider and, if appropriate, appoint as additional Directors or as Directors to fill casual vacancies, as the case may be, or make recommendations to the shareholders of the Company for election as Directors at general meetings.

1.2 本政策製定有關甄選和提名候選人擔任本公司董事職位的方針，以確保董事會在技能、經驗和適合本公司業務要求多元化觀點方面取得平衡，由董事會(如適用)考慮增新董事或委任董事以填補臨時空缺(視乎情況而定)，或於股東大會向本公司股東提呈建議選舉為董事。

BOARD DELEGATION (continued)

(iii) Nomination Committee (continued)

2 Selection Criteria, Eligibility and Documentary Requirements

2.1 The Nomination Committee may select suitably qualified candidates to nominate to the Board from such resources as the Nomination Committee considers appropriate, including through referrals by members of the Board, by the management of the Company and by external professional agencies and other resources.

2.2 The Nomination Committee shall consider the factors listed below, together with any other factors as the Nomination Committee may consider appropriate, in assessing the suitability of any candidate:

- character, reputation and integrity;
- qualifications, accomplishments and experience;
- capacity to devote sufficient time to discharge duties amidst other significant commitments;
- effect on the diversity of the Board, including but not limited to gender, age, cultural and educational background, professional and industry experience, skills and expertise;
- (where the proposed candidate is being considered as a candidate for an Independent Non-executive Director position) ability to fulfil the independence requirements under the Listing Rules; and
- potential contributions to the Board and any other relevant factors.

The list of factors stated above is for reference only and not intended to be exhaustive or definitive. The Nomination Committee shall assess all relevant factors with a view to achieve the Company's corporate strategy and organisational needs and has the discretion to nominate any person as it considers appropriate.

2.3 The candidates shall timely provide such information and documents relating to their nomination as the Nomination Committee or the Board may request, including but not limited to any such information as is required for disclosure under the Listing Rules and their written consent to be elected as Directors and to the public disclosure of their information.

董事會授權(續)

(iii) 提名委員會(續)

2 甄選準則、適任和文件要求

2.1 提名委員會可從提名委員會認為適當的來源中(包括董事會成員、本公司管理層以及外來專業機構和其他來源的轉介)選出合適合資格候選人向董事會提名。

2.2 提名委員會在評估任何候選人的適合性時，須考慮下列因素(連同提名委員會認為合適的任何其他因素)：

- 品格、聲譽和誠信；
- 資格、成就和經驗；
- 有能力在其他重要承諾中投入足夠時間履行職責；
- 董事會多元化的影響，包括但不限於性別，年齡，文化和教育背景，專業和行業經驗，技能和專業知識；
- (建議候選人被考慮成為獨立非執行董事職位的人選)《上市規則》的獨立性規定；和
- 對董事會潛在的貢獻和任何其他相關因素。

上述因素列表僅供參考，並非詳盡或具決定性。提名委員會應以實現公司的企業策略和組織需求評估所有相關因素和酌情提名其認為合適的任何人士。

2.3 候選人應及時向提名委員會或董事會提供可能要求之有關其提名的資料和文件，包括但不限於根據上市規則需要披露的任何資料及其被選舉為董事及公開披露其資料之書面同意。

BOARD DELEGATION (continued)

(iii) Nomination Committee (continued)

3 Nomination Rules and Procedures

3.1 The Secretary of the Nomination Committee shall call a meeting of the Nomination Committee and in advance of the meeting invite nomination of candidates from members of the Board, if any, for consideration by the Nomination Committee. The Nomination Committee may put forward other candidates irrespective of whether such candidates have been nominated by members of the Board.

3.2 The Nomination Committee shall, upon receipt of all necessary information relating to the candidates, evaluate each of such candidates at the meeting based on the criteria set out in Section 2 above to determine whether to make a nomination to the Board.

3.3 The number of candidates nominated by the Nomination Committee may exceed the number of casual vacancies or vacancies for Director's appointment by the Board or at the general meeting.

3.4 The Board shall have the final decision on all matters relating to the appointment of candidates as Directors and its recommendation of candidates to stand for election at any general meeting.

3.5 Any proposed candidate is entitled to withdraw his/her candidature at any time before the meeting of the Board at which his appointment is to be considered or the general meeting at which he/she is to stand for election by serving a notice in writing to the Company.

4 Confidentiality

Unless required by law or any regulatory authority, under no circumstances may a member of the Nomination Committee disclose any information to the public with regard to any nomination or candidature whilst such information has not been disclosed by the Company to the public.

董事會授權(續)

(iii) 提名委員會(續)

3 提名規則和程序

3.1 提名委員會秘書須召開提名委員會會議，並於開會前邀請董事會成員提名候選人(如有)以供提名委員會考慮。提名委員會可提名其他候選人，不論該等候選人是否已獲董事會成員提名。

3.2 提名委員會在收到有關候選人所有必需的資料後，應在會議上根據上文第2節所列的準則評估每位候選人，以決定是否向董事會提名。

3.3 提名委員會提名的候選人人數可能超過臨時空缺或由董事會或於股東大會任命董事的空缺數目。

3.4 董事會應就所有有關任命候選人為董事的事項和就其建議於任何股東大會上參選的候選人的事項作出最終決定。

3.5 任何建議候選人有權在審議其任命的董事會會議之前或在其參加競選的股東大會之前任何時間以書面形式通知本公司撤回其候選人資格。

4 保密

除非法律或任何監管機構要求，否則在任何情況下，提名委員會成員均不得向公眾披露有關任何提名或候選人的任何信息而公司尚未向公眾披露該信息。

BOARD DELEGATION (continued)

(iii) Nomination Committee (continued)

5 Review

The Nomination Committee will review this Policy from time to time, as appropriate, and discuss any revisions that may be considered appropriate, including to ensure that it remains relevant to the Company's needs and reflects both current regulatory requirements and good corporate governance practice, and recommend them to the Board for approval.

6 Disclosure of Policy

The Policy may be disclosed in such manner as the Board considers appropriate and in compliance with any applicable regulatory requirements or guidelines.

(iv) Corporate Governance Committee

The Corporate Governance Committee comprises three independent non-executive Directors, Mr. Ma Andrew Chiu Cheung (Chairman), Mr. Sombat Deo-isres and Mr. Sakda Thanitcul, and a non-executive Director, Mr. Meth Jiaravanont.

The Corporate Governance Committee is delegated by the Board with the primary responsibility to review the Company's corporate governance policies and practices, review and monitor the training and continuous professional development of directors, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code, and the compliance with the Corporate Governance Code.

During 2018, the Corporate Governance Committee held one meeting to review the Group's compliance with the Corporate Governance Code for the six months ended 30 June 2018.

Subsequent to the year end, the Corporate Governance Committee reviewed the Group's compliance with the Corporate Governance Code for the year ended 31 December 2018.

董事會授權(續)

(iii) 提名委員會(續)

5 審查

提名委員會將不時(如適合)審查本政策，並討論可能認為是適合的任何修訂，包括確保政策與公司需求保持相關及反映當前監管的要求和良好企業管治的常規，並提呈給董事會審批。

6 披露政策

本政策可根據董事會認為適當的方式和遵守任何適用監管的要求或指引作出披露。

(iv) 企業管治委員會

企業管治委員會由三名獨立非執行董事馬照祥先生(主席)、Sombat Deo-isres先生和Sakda Thanitcul先生及非執行董事謝克俊先生所組成。

企業管治委員會由董事會授權，主要負責檢討本公司的企業管治政策及常規、檢討及監察董事培訓及持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、遵守標準守則的情況和遵守《企業管治守則》的情況。

於二零一八年，企業管治委員會召開了一次會議審閱本集團截至二零一八年六月三十日止六個月內遵守《企業管治守則》的情況。

於年度結束後，企業管治委員會審閱本集團截至二零一八年十二月三十一日止年度遵守《企業管治守則》的情況。

Corporate Governance Report
企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

Our Approach

我們的模式

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 to 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.

本集團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其業務目標的風險，並就不會有重大的失實陳述或損失作出合理但非絕對的保證。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。

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 any control issues which have 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.

本集團內不同級別的管理層獲分配予明確的角色和職責。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之成效，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；定期向審計委員會報告重要發現和改善建議。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。

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

風險管理及內部監控(續)

Effectiveness Review

成效審閱

During the year, 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 for accounting, internal audit and financial reporting functions.

於年內，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。

Continuous Improvement

持續改進

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.

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

For 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 legal requirements and, where required, communicate with the Group's stakeholders in a timely manner.

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。

SHAREHOLDERS' RIGHTS

股東權利

Convening a Special General Meeting by Shareholders

由股東召開股東特別大會

In accordance with the Company's bye-laws, 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.

根據本公司細則，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。

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.

根據公司法，於遞交書面要求日期時持有不少於在本公司股東大會上有表決權的本公司繳足股本十分之一的股東，有權向董事會遞交書面要求，召開股東特別大會。

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.

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

SHAREHOLDERS' RIGHTS (continued)

股東權利(續)

Convening a Special General Meeting by Shareholders (continued)

由股東召開股東特別大會(續)

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.

倘董事會並無於遞交書面要求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遞交書面要求日期起計三個月內舉行。

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

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。書面通知須於最少十四個整日(及不少於十個營業日)發出予本公司所有股東。

To Make Enquiry to the Board

向董事會作出查詢

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

本公司股東可向董事會作出查詢，以書面形式遞交至本公司於香港的主要營業地點。

To Put Forward Proposals at General Meetings

於股東大會上提呈議案

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.

根據公司法，於遞交書面要求日期時任何為數持有代表所有股東總表決權二十分之一的股東或不少於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。

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.

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。

The requisition must be deposited at the registered office of the Company no less than six weeks before the meeting in the case of the requisition requiring notice of a resolution or no 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.

書面要求須在不少於(倘書面要求為須發出通知的決議案)大會舉行前六周或(倘為任何其他書面要求)大會舉行前一周，交回本公司的註冊辦事處。要求人士須付上一筆合理充足的款項以支付本公司向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/her 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/her personal data, at the principal place of business of the Company in Hong Kong 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 in relation to 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.

During the year, 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，並連同一份由被提名人士簽署的通知以表明願意參選和就《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個人資料的同意書，由發送該等選舉之指定股東大會通告翌日起至該等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

董事會已制定與股東交流之股東交流政策，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. Dhanin Chearavanont, aged 79, has been an Executive Director of the Company since 1988. He was appointed as Executive Chairman of the Company in 2005 and this title was subsequently changed to Chairman with effect from February 2010. Mr. Chearavanont was appointed as Chairman of the Nomination Committee of the Company in April 2012. Mr. Chearavanont is also the Senior Chairman of Charoen Pokphand Group Company Limited ("Charoen Pokphand Group"). He has extensive experience in establishing and operating businesses in Asia, Europe and USA. He also holds directorship in a subsidiary of the Company. Mr. Chearavanont is also the chairman of Charoen Pokphand Foods Public Company Limited ("CPF"), True Corporation Public Company Limited ("True Corporation") and CP ALL Public Company Limited ("CP ALL") (each a company listed on the Stock Exchange of Thailand).

謝國民先生，79歲，自一九八八年出任本公司之執行董事。彼於二零零五年獲委任為本公司執行董事長，及隨後由二零一零年二月，此職銜更改為董事長。謝先生於二零一二年四月獲委任為本公司提名委員會主席。謝先生亦為Charoen Pokphand Group Company Limited(「Charoen Pokphand Group」)之資深董事長。謝先生擁有在亞洲、歐洲及美國建立與經營業務之資深經驗。彼亦擔任本公司一家附屬公司之董事職位。謝先生亦擔任Charoen Pokphand Foods Public Company Limited(「CPF」)、True Corporation Public Company Limited(「True Corporation」)與CP ALL Public Company Limited(「CP ALL」)(於泰國證券交易所上市之公司)之董事長。

Mr. Adirek Sripratak, aged 72, has been a Vice Chairman of the Company and a member of the Remuneration Committee and the Nomination Committee of the Company since April 2012. Mr. Sripratak has been the Vice Chairman of CPF since 2013 and Chairman of the Executive Committee of CPF since 2017. He is also a director of several subsidiaries of CPF and of the Company. Mr. Sripratak is also a director of CP ALL and Siam Makro Public Company Limited ("Siam Makro") (each a company listed on the Stock Exchange of Thailand). He has more than 40 years' experience in the agri-business and food industry. His valuable experience is widely recognised and has led to his appointment to a number of public offices and positions. His public service experiences include served as a Senator of the National Assembly of Thailand, the Honor President of the Thai Broiler Processing Exporters Association and an Honorary Director of Chiang Mai University Council. He received Honorary Doctorates from a number of universities in Thailand including Maejo University, Mae Fah Luang University, Rajamangala University of Technology Suvarnabhumi, Chiang Mai University, Rajamangala University of Technology Isan and Kasetsart University.

蔡益光先生，72歲，自二零一二年四月出任為本公司之副董事長及本公司薪酬委員會和提名委員會成員。蔡先生自二零一三年出任CPF之副董事長及自二零一七年出任CPF行政委員會主席。彼亦是CPF和本公司若干附屬公司之董事。蔡先生亦是CP ALL及Siam Makro Public Company Limited(「Siam Makro」)(於泰國證券交易所上市之公司)之董事。彼擁有超過40年農業和食品工業的經驗。彼之寶貴經驗被受公認亦為其帶來若干公職和職位。彼之公職經驗包括泰國國會的參議員、Thai Broiler Processing Exporters Association的名譽主席及泰國Chiang Mai University校董會的名譽董事。彼在泰國獲若干大學頒發榮譽博士學位包括Maejo University、Mae Fah Luang University、Rajamangala University of Technology Suvarnabhumi、Chiang Mai University、Rajamangala University of Technology Isan和Kasetsart University。

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

Mr. Soopakij Chearavanont, aged 54, has been an Executive Director of the Company since 2005 and a Vice Chairman since February 2010. 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. He also holds directorships in several subsidiaries of the Company. Mr. Chearavanont is the Chairman of Charoen Pokphand Group and True Visions Public Company Limited ("True Visions"), a non-executive director and chairman of Chia Tai Enterprises International Limited ("CTEI", a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) and an executive director and chairman of C.P. Lotus Corporation ("C.P. Lotus", a company listed on the Main Board of the Stock Exchange). He is also a director of True Corporation and CP ALL 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.

謝吉人先生，54歲，自二零零五年出任本公司之執行董事，並自二零一零年二月出任副董事長。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。彼亦擔任本公司若干附屬公司之董事職位。謝先生為Charoen Pokphand Group和True Visions Public Company Limited(「True Visions」)之董事長、正大企業國際有限公司(「CTEI」，於香港聯合交易所有限公司(「聯交所」)主板上市之公司)之非執行董事及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及CP ALL之董事和中國平安保險(集團)股份有限公司(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擔任董事。

Mr. Suphachai Chearavanont, aged 51, has been an Executive Director of the Company since 2008. Mr. Chearavanont obtained a Bachelor of Science degree in Business Administration from Boston University in USA, majored in Financial Management. He has extensive experience in the telecommunication and broadcasting industries. Mr. Chearavanont is the Chief Executive Officer of Charoen Pokphand Group and an executive director of C.P. Lotus. He is also a director and Chairman of the Executive Committee of True Corporation and a director and chief executive officer of True Visions and True Move Company Limited. Mr. Chearavanont was previously a director of Siam Makro.

謝鎔仁先生，51歲，自二零零八年出任本公司之執行董事。謝先生持有美國波士頓大學工商管理系之理學士學位，主修金融管理。彼擁有電訊及廣播業務之資深經驗。謝先生為Charoen Pokphand Group之首席執行長及卜蜂蓮花之執行董事。彼亦為True Corporation之董事及行政委員會主席和True Visions及True Move Company Limited之董事及首席執行長。謝先生曾於Siam Makro擔任董事。

Mr. Bai Shanlin, aged 59, has been an Executive Director and Chief Executive Officer (Feed Division) of the Company since February 2010. His title was changed to Chief Executive Officer (China Area) with effect from April 2012. Mr. Bai obtained a Professional Diploma in Animal Science from Gansu College of Animal Husbandry, the Governmental Exchange Specialist Certificate in Agricultural Management from the Australian Ministry of Foreign Affairs and a Specialist Certificate in Livestock Management in the PRC. He joined Charoen Pokphand Group in 1991. He is currently a senior executive of the Group, responsible for the operation of our agri-food business in Xinjiang, Ningxia, Gansu, Shaanxi, Shanxi, Neimenggu, Heilongjiang, Jilin and Liaoning. Mr. Bai has extensive experience in the management of agri-business operations. He is also a part time professor honored by Gansu Agricultural University and Renmin University of China. Mr. Bai also holds directorships in several companies within the Group.

白善霖先生，59歲，自二零一零年二月出任本公司之執行董事及行政總裁(飼料業務)。由二零一二年四月，彼之職銜更改為行政總裁(中國區)。白先生持有甘肅畜牧學院農牧科學之專業文憑、澳洲外交部之Governmental Exchange Specialist Certificate in Agricultural Management及中國畜牧專家證書。彼於一九九一年加入Charoen Pokphand Group，現為本集團資深行政人員，負責我們於新疆、寧夏、甘肅、陝西、山西、內蒙古、黑龍江、吉林及遼寧地區的農牧食品業務運作。白先生擁有農牧業務管理方面之資深經驗。彼亦獲甘肅農業大學及中國人民大學聘為兼職教授。白先生亦擔任本集團若干公司之董事職位。

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

Mr. Sooksunt Jiumjaiswanglerg, aged 66, has been an Executive Director of the Company since October 2011 and Chief Executive Officer (Vietnam Area) of the Company since April 2012. Mr. Jiumjaiswanglerg is also a director, Chief Executive Officer (Agro Industrial Business), Co-President and member of the Executive Committee of CPF. Mr. Jiumjaiswanglerg has over 30 years of experience in animal feed sales and breeding, having been with Charoen Pokphand Group since 1980. Mr. Jiumjaiswanglerg also holds directorships in several companies within the Group. He graduated from the University of the Thai Chamber of Commerce with a bachelor's degree in Economics.

Sooksunt Jiumjaiswanglerg先生，66歲，自二零一一年十月出任本公司之執行董事並自二零一二年四月出任行政總裁(越南區)。Jiumjaiswanglerg先生亦為CPF之董事、首席執行長(農業工業業務)、聯席總裁及行政委員會成員。Jiumjaiswanglerg先生具備逾30年的銷售動物飼料及飼養經驗，彼自一九八零年在Charoen Pokphand Group任職。Jiumjaiswanglerg先生亦擔任本集團若干公司之董事職位。彼畢業於University of the Thai Chamber of Commerce，獲頒經濟學學士學位。

Mrs. Arunee Watcharananan, aged 70, has been an Executive Director of the Company since April 2012. Mrs. Watcharananan has been an Executive Director of CPF since 2002. She is also a director of several subsidiaries of CPF. She graduated from Thammasat University, Thailand with a bachelor's degree in Economics.

Arunee Watcharananan女士，70歲，自二零一二年四月出任本公司之執行董事。Watcharananan女士自二零零二年為CPF之執行董事。彼亦是CPF若干附屬公司之董事。彼畢業於泰國Thammasat University，獲頒經濟學士學位。

Mr. Yu Jianping, aged 58, has been an Executive Director of the Company since January 2017. Mr. Yu is currently a senior executive of the Group, primarily responsible for research and development, manufacture and sale of food products in China. He also holds directorship in several companies within the Group. Mr. Yu has been working for the Group since 1995. Mr. Yu received a Bachelor of Science degree from the Faculty of Mathematics, Jilin University in China in 1982 and a Master of Economics degree from the Graduate School of Chinese Academy of Social Sciences in China in 1989.

于建平先生，58歲，自二零一七年一月出任本公司執行董事。于先生現時為本集團的資深行政人員，主要於中國負責食品研發、生產及銷售。彼亦擔任本集團若干公司之董事職位。于先生自一九九五年在本集團工作。于先生於一九八二年獲中國吉林大學頒授數學系理學士學位及於一九八九年獲中國社會科學院研究生院頒授經濟學碩士學位。

Mr. Meth Jiaravanont, aged 60, has been an Executive Vice Chairman of the Company since 2005, and was re-designated as a Non-executive Director of the Company and appointed as a member of the Audit Committee of the Company in August 2010 and appointed as a member of the Corporate Governance Committee in August 2017. Mr. Jiaravanont obtained a Bachelor of Arts degree in Economics from Occidental College, California, USA and a master's degree in Business Administration from New York University, USA. He has extensive experience in investment, finance, banking and strategic business development in Asia and USA. Mr. Jiaravanont is also an executive director of C.P. Lotus. He is currently the senior executive assistant to the chairman-finance of Charoen Pokphand Group and a director of CPPC Public Company Limited.

謝克俊先生，60歲，自二零零五年出任本公司之執行副董事長及於二零一零年八月調任為本公司非執行董事及獲委任為本公司審核委員會成員及於二零一七年八月獲委任為企業管治委員會成員。謝先生持有美國加州Occidental College之經濟學文學士學位及美國紐約大學之工商管理碩士學位。彼擁有在亞洲及美國之投資、金融、銀行及策略性業務發展方面的資深經驗。謝先生亦為卜蜂蓮花之執行董事。彼現為Charoen Pokphand Group之董事長(財務)資深執行助理及CPPC Public Company Limited之董事。

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

Mr. Yoichi Ikezoe, aged 59, has been a Non-executive Director of the Company since October 2015. Mr. Ikezoe is also a non-executive director of CTEI. Mr. Ikezoe is currently Senior Officer of 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，59歲，自二零一五年十月出任本公司非執行董事。池添先生亦為CTEI之非執行董事。池添先生現為伊藤忠商事株式會社(於東京證券交易所上市之公司)亞洲和大洋洲地區副總裁、CP和CITIC海外擔當並為伊藤忠香港公司會長。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. Ma Andrew Chiu Cheung, aged 77, has been an Independent Non-executive Director and Chairman of the Audit Committee of the Company and a member of the Remuneration Committee of the Company since 2005. Mr. Ma was also appointed as Chairman of the Remuneration Committee and a member of the Nomination Committee in April 2012 and appointed as Chairman of the Corporate Governance Committee in August 2016. Mr. Ma is a founder and former director of AMA CPA Limited (formerly known as Andrew Ma DFK (CPA) Limited) and is presently a director of Mayee Management Limited. He has more than 40 years' experience in the fields of accounting, auditing and finance. Mr. Ma received his bachelor's degree in Economics from the London School of Economics and Political Science (University of London) in the United Kingdom. He is a fellow member of the Institute of Chartered Accountants in England & Wales, the Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Taxation Institute of Hong Kong. In addition to his directorship in the Company, Mr. Ma is also an independent non-executive director of Asia Financial Holdings Limited, China Resources Power Holdings Company Limited, Chong Hing Bank Limited, Asiaray Media Group Limited and C-MER Eye Care Holdings Limited (each a company listed on the Main Board of the Stock Exchange).

馬照祥先生，77歲，自二零零五年出任本公司之獨立非執行董事和審核委員會主席和薪酬委員會成員。馬先生於二零一二年四月亦獲委任為薪酬委員會主席和提名委員會成員及於二零一六年八月獲委任為企業管治委員會主席。馬先生為安馬會計師事務所有限公司(前稱馬照祥會計師樓有限公司)之創辦人及前董事，現為美義商理有限公司董事。彼於會計、審核及財務方面累積40多年經驗。馬先生取得英國London School of Economics and Political Science (University of London)經濟學學士學位。彼為Institute of Chartered Accountants in England & Wales、香港會計師公會、香港董事學會及香港稅務學會資深會員。馬先生除擔任本公司董事外，亦為亞洲金融集團(控股)有限公司、華潤電力控股有限公司、創興銀行有限公司、雅仕維傳媒集團有限公司及希瑪眼科醫療控股有限公司(各於聯交所主板上市之公司)之獨立非執行董事。

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

Mr. Sombat Deo-isres, aged 77, has been an Independent Non-executive Director of the Company since 2005. He has been a member of the Audit Committee and the Remuneration Committee of the Company since September 2005 and was subsequently appointed as a member of the Nomination Committee in April 2012 and appointed as a member of the Corporate Governance Committee in August 2016. Mr. Deo-isres obtained a bachelor's degree in Laws from Thammasat University and a master's degree in Laws from Chulalongkorn University, Thailand. He held various senior positions with the Thai judiciary. He was a former Senior Judge of the Supreme Court of Thailand and is currently a member of the academic justice committee of the President of Supreme Court.

Sombat Deo-isres先生，77歲，自二零零五年出任本公司之獨立非執行董事。彼自二零零五年九月為本公司審核委員會及薪酬委員會成員並隨後於二零一二年四月獲委任為提名委員會成員及於二零一六年八月獲委任為企業管治委員會成員。Deo-isres先生持有泰國Thammasat University法律系學士學位及Chulalongkorn University法律系碩士學位。彼曾於泰國司法部擔任多個高級職位。彼為前泰國最高法院高級法官及現時為最高法院院長教育司法委員會委員。

Mr. Sakda Thanitcul, aged 60, has been an Independent Non-executive Director and a member of the Audit Committee and Remuneration Committee of the Company since 2008. Mr. Thanitcul was also appointed as a member of the Nomination Committee in April 2012 and appointed as a member of the Corporate Governance Committee in August 2016. Mr. Thanitcul holds a Bachelor of Law degree from Chulalongkorn University, Thailand, a Master of Law degree from Kyoto University, Japan and University of Washington, USA and a Doctor of Law degree from Kyoto University, Japan and University of Washington, USA. He has extensive experience in the legal field and specialises in competition law and the World Trade Organization Agreements. Mr. Thanitcul was a former Dean and is presently a Professor of Law at the Faculty of Law, Chulalongkorn University, Bangkok, Thailand.

Sakda Thanitcul先生，60歲，自二零零八年出任本公司獨立非執行董事，以及審核委員會及薪酬委員會成員。於二零一二年四月彼獲委任為提名委員會成員及於二零一六年八月獲委任為企業管治委員會成員。Thanitcul先生持有泰國Chulalongkorn University之法律學士學位、日本京都大學及美國University of Washington之法律碩士學位和日本京都大學及美國University of Washington之法律博士學位。彼於法律範疇有豐富經驗，並專注於競爭法及世界貿易組織協議。Thanitcul先生於泰國曼谷Chulalongkorn University法律系曾擔任院長，現為法律教授。

Mr. Vinai Vittavasgarnvej, aged 68 has been an Independent Non-executive Director of the Company since December 2012. Mr. Vittavasgarnvej obtained a bachelor's degree in Accountancy and a master's degree in Political Science from Thammasat University, Thailand. Currently, Mr. Vittavasgarnvej is the chairman and independent director of Sahamitr Pressure Container Public Co., Ltd. and independent director and the chairman of the audit committee of Ekarat Engineering Public Company Limited, independent director of Syn Mun Kong Insurance Public Company Limited and vice chairman, independent director and chairman of the audit committee of Srisawad Corporation Public Company Limited (each a company listed on the Stock Exchange of Thailand). He was the Director General of The Treasury Department, Ministry of Finance, Thailand from 2010 to 2011 and the Director General of The Revenue Department, Ministry of Finance, and Thailand from 2008 to 2010.

Vinai Vittavasgarnvej先生，68歲，自二零一二年十二月出任本公司獨立非執行董事。Vittavasgarnvej先生持有泰國Thammasat University會計學士學位和政治科學碩士學位。Vittavasgarnvej先生現時為Sahamitr Pressure Container Public Co., Ltd.之主席及獨立董事、Ekarat Engineering Public Company Limited之獨立董事及審核委員會主席、Syn Mun Kong Insurance Public Company Limited之獨立董事及Srisawad Corporation Public Company Limited之副主席、獨立董事及審核委員會主席(各於泰國證券交易所上市之公司)。彼於二零一零年至二零一一年為泰國財政部庫務廳廳長及於二零零八年至二零一零年為泰國財政部稅務廳廳長。

Mrs. Vatchari Vimooktayon, aged 66, has been an Independent Non-executive Director of the Company since September 2013. Mrs. Vimooktayon had held various government positions in Thailand since 1997 and retired from the position of Permanent Secretary of the Ministry of Commerce in September 2013. Mrs. Vimooktayon obtained a bachelor's degree in Business Administration (Accounting) from Thammasat University, Thailand, a bachelor's degree in Laws from Sukhothai Thammathirat University, Thailand and a master's degree in Business Administration from National Institute of Development Administration, Thailand. Mrs. Vimooktayon was appointed as an independent director and member of the audit committee of CPF on 18 February 2019.

Vatchari Vimooktayon女士，66歲，自二零一三年九月出任本公司獨立非執行董事。Vimooktayon女士自一九九七年在泰國擔任不同的政府職位並於二零一三年九月退任商務局常任秘書長之職位。Vimooktayon女士持有泰國Thammasat University工商管理（會計）學士學位、泰國Sukhothai Thammathirat University法律學士學位和泰國National Institute of Development Administration工商管理碩士學位。Vimooktayon女士於二零一九年二月十八日獲委任為CPF之獨立董事及審核委員會成員。

Mr. Bobby Chang Bo Wai, aged 49, has been the Chief Financial Officer of the Company since 2011. Mr. Chang obtained a Bachelor of Science degree in Engineering from Princeton University and a Master of Science degree from Stanford University in the USA. He has extensive international experience in management consulting, investment as well as business and financial management.

張波煒先生，49歲，自二零一一年出任本公司之首席財會長。彼於美國普林斯頓大學獲工程學理學士學位及於美國史丹福大學獲理碩士學位。彼擁有管理顧問、投資以及業務及財務管理方面之廣泛國際經驗。

Mr. Lau Wing Yuen, aged 53, is the Financial Controller of the Company. Mr. Lau joined the Company in 2011. He holds a bachelor's degree of Social Sciences from University of Hong Kong. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Prior to joining the Company, he worked for an international accounting firm and several listed companies in Hong Kong.

劉永源先生，53歲，本公司之財務總監，劉先生於二零一一年加入本公司。彼畢業於香港大學，獲頒社會科學學士學位，並為英國特許會計師公會及香港會計師公會之資深會員。彼於加入本公司前曾於一家國際會計師行及數家香港上市公司工作。

Ms. Wong Pui Shan, aged 48, has been the Company Secretary of the Company since August 2018. Ms. Wong holds a bachelor degree in accountancy from the Hong Kong Polytechnic University and a master degree in corporate governance and directorship from the Hong Kong Baptist University. She is a member of the Hong Kong Institute of Certified Public Accountants. Ms. Wong has extensive experience in auditing, accounting and finance, internal control and compliance.

黃佩珊女士，48歲，自二零一八年八月出任本公司之公司秘書。黃女士持有香港理工大學會計學學士學位及香港浸會大學公司管治及董事學碩士學位。彼為香港會計師公會會員。黃女士於審計、會計及財務、內部監控及合規方面擁有豐富經驗。

RELATIONSHIPS AMONG DIRECTORS AND SENIOR MANAGEMENT

Mr. Dhanin Chearavanont is the father of Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont and uncle of Mr. Meth Jiaravanont. Mr. Soopakij Chearavanont and Mr. Suphachai Chearavanont are brothers and they are cousins of Mr. Meth Jiaravanont. Mr. Adirek Sripratak is the elder brother of Mrs. Arunee Watcharananan. Save as disclosed above, there is no other material relationship among members of the Board and senior management.

董事和高級管理人員之間的關係

謝國民先生為謝吉人先生及謝鎔仁先生之父親，並為謝克俊先生之叔父。謝吉人先生及謝鎔仁先生乃兄弟關係，及彼等與謝克俊先生乃堂兄弟關係。蔡益光先生是Arunee Watcharananan女士的兄長。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 2018.

董事謹提呈董事報告書及本集團截至二零一八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. The subsidiaries of the Company are principally engaged, in the PRC, in (i) manufacture and sale of animal feed, (ii) breeding, farming and sale of livestock, and (iii) manufacture and sale of value-added, processed food products; and in Vietnam, in (i) manufacture and sale of animal feed, breeding, farming and sale of livestock and aquatic animals, and (ii) manufacture and sale of value-added, processed food products.

本公司是一家投資控股公司。本公司之附屬公司主要於中國從事(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜，及(iii)產銷增值加工食品；及於越南從事(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜及水產，及(iii)產銷增值加工食品。

BUSINESS REVIEW

業務審視

A business review with financial key performance indicators analysis and future development of the Group is set out in the Chairman's Statement section on pages 2 to 3, Financial Highlights section on page 12 and Management Discussion and Analysis section on pages 13 to 20 of the annual report.

本集團的業務審視(包括財務關鍵表現指標分析)及未來發展載於本年報第2至3頁「董事長報告書」、第12頁「財務概要」和第13至20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, compliance with laws and regulations and the key relationships with stakeholders are set out below.

本集團面對的主要風險及不明朗因素、對環境政策及表現和遵守法律和法規的討論，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 2018 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，請參閱將刊登的二零一八年環境、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

主要風險及不明朗因素

Principal risks and uncertainties faced by the Group are discussed below. Details about the Group's financial risk management are set out in note 45 to the financial statements of the annual report.

本集團面對的主要風險及不明朗因素討論如下。本集團的財務風險管理詳情載於年報內財務報表附註45。

Volatility of Commodity Prices

商品價格波動

Price of farm products is dependent on the demand and supply as well as the economic condition and consumer purchasing power and confidence. When supply exceeds demand, there is a negative impact on the selling price of the farm products which in turn affects the performance of the Group.

農產品的價格取決於需求和供應以及經濟狀況和消費者的購買力和信心。當供應大過需求，將會對本集團農產品的銷售價格及本集團的業績有負面影響。

BUSINESS REVIEW (continued)

Volatility of Commodity Prices (continued)

On the other hand, the Group's results may also be affected by price volatility of main ingredients used in the production of animal feed, including corn, soybean meal, wheat and fish meal. These raw materials are basic agricultural commodities and their prices are affected by global commodity prices as well as domestic demand and supply. Management will set a safety stock level and continuously collect and analyse the commodity price information when purchasing these raw materials.

Product Quality and Safety

Product quality and safety are the most important issues in agri-food business. Failure to maintain quality control during the manufacturing process may lead to poor quality products and result in complaints, claims for compensation or product recalls, penalties and damage to the Group's reputation. The Group is committed to producing high quality and safe products from its manufacturing process and has traceability systems for raw materials used and quality assurance systems throughout its supply chains.

Customer Demand and Preference

Customer demand for a particular kind of meat may change due to loss of consumer confidence as a result of epidemic outbreak or a change in consumer preference and taste. Also, as consumer's purchasing power increases, preference may also shift from low cost protein sources to higher cost protein sources. A decline in demand for any particular kind of meat will directly affect the sales of such meat, indirectly affect the demand for the associated feed products as well as the demand for the food products made from such meat. In order to keep alert to customers' demands and determine appropriate marketing strategies, management continuously follows the behavioral change and satisfaction of consumers.

Animal Disease Outbreaks

Any epidemic outbreaks in livestock, poultry or aquatic animals would affect the selling prices of our products and the results of the Group. The Group will continue to provide regular training to its employees to keep up with the knowledge and understanding on diseases and outbreaks, as well as continuously conduct surveillance, follow-up, data analysis and communication of information on diseases and their outbreaks.

業務審視(續)

商品價格波動(續)

此外，本集團的業績亦可能受用於動物飼料生產中的主要成分(包括玉米、豆粕、小麥、魚粉)的價格波動所影響。這些原材料是基本農產品，其價格受全球商品價格及本地需求和供應所影響。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的價格資訊。

產品質素及安全

產品質素及安全是農牧食品業務最重要的問題。未能在生產過程中維持質量控制可能會生產出低質素產品，導致投訴、索償或產品回收、罰款及損害本集團的商譽。本集團致力於從其生產過程中製造高品質及安全的產品及於整個供應鏈中有就已使用原材料的追溯系統和質量保證系統。

客戶需求和偏好

客戶對個別肉類的需求可能會由於瘟疫爆發或消費者偏好和口味改變以致失去消費者信心而改變。此外偏好也可能因消費者的購買能力增加從低成本蛋白源轉移至較高成本蛋白源。任何個別肉類需求的下降將直接影響該肉類的銷售，間接影響其關連的飼料產品的需求，以及該肉類所製成的食品產品的需求。為了保持對客戶的需求的警覺並決定合適的市場策略，管理層將持續跟進消費者的行為變化和滿意度。

動物疫病爆發

任何有關禽畜、家禽和水產動物的瘟疫爆發都會影響我們產品的銷售價格及本集團的業績。本集團會持續向員工提供定期培訓，以確保對疾病爆發的認識。並持續監視、跟進、分析數據和溝通有關疫病爆發的消息。

BUSINESS REVIEW (continued)

Foreign Exchange Rate Fluctuation

The Group's businesses are principally located in mainland China and Vietnam. All domestic sales in mainland China and Vietnam are conducted in RMB and VND respectively, whereas export sales and import of raw materials, machinery and equipment are conducted in foreign currencies. Also, certain subsidiaries in mainland China and Vietnam have borrowings denominated in foreign currencies. Depreciation of RMB/VND against foreign currencies would result in loss on translation of these foreign currencies denominated borrowings and increase the costs of imported raw materials, machinery and equipment. Furthermore, depreciation of RMB/VND against US$ would also adversely affect results of the Group, as the results of the subsidiaries in mainland China and Vietnam would be reduced on translation from RMB/VND to US$, which is the Group's presentation currency. The Group will continue to monitor foreign exchange movements and consider hedging when necessary. Please refer to note 45(c) to the financial statements of the annual report for the foreign currency risk exposures of the Group as at the end of the reporting period.

Interest Rate Fluctuation

The Group had total bank borrowings and corporate bond of US$1,811.4 million as at 31 December 2018, 81% of which were at floating rate which subjects the Group to interest rate risk. In the decision making for the selection of sources of capital, the Group will consider various factors such as rate of return expected by shareholders, current and expected interest rates in the market and debt-to-equity ratio of the Group. Please refer to note 45(a) to the financial statements of the annual report for the interest rate risk exposures as at the end of the reporting period.

Compliance Risks

The Group's businesses are principally operated in mainland China and Vietnam and are subject to different industry standards and government regulations in different jurisdictions. These standards and regulations include food hygiene and safety related laws and regulations, environmental protection regulations, employment regulations and relevant tax laws, etc. The Group's internal legal department will ensure compliance with the laws, rules and regulations applicable to the Group.

業務審視(續)

外匯匯率波動

本集團的業務主要經營於中國大陸和越南。所有中國大陸和越南的本地銷售均分別以人民幣和越南盾進行交易，而出口銷售、原料和機器設備的進口則以外幣進行交易。此外若干附屬公司在中國大陸和越南有以外幣兌換的借款。人民幣／越南盾對外幣的貶值可能會令這些以外幣兌換的借款帶來換算損失，並增加了進口原料、機器和設備的成本。此外人民幣／越南盾對美元的貶值也會對本集團的業績帶來不利的影響，在中國大陸和越南的附屬公司會減少從人民幣／越南盾對美元(其為本集團的列報貨幣)的換算。本集團將持續監測外匯走勢並在有需要時考慮對沖。有關於報告期末本集團的外匯風險，請參閱年報內財務報表附註45(c)。

利率波動

本集團於二零一八年十二月三十一日的銀行借款及企業債券總額為18億1,140萬美元，而其中81%為浮動利率，使本集團受利率風險所限制。在選擇資金來源的決策中，本集團會考慮各方面因素，例如股東預期收益率、目前及預期市場利率和本集團的負債比率。有關於報告期末息率風險，請參閱年報內財務報表附註45(a)。

合規風險

本集團的業務主要經營於中國大陸和越南並受不同行業標準及不同司法管轄區的政府條例所限制。這些標準和條例包括食物衛生和安全相關的法律和條例、環保條例、就業條例和相關稅法等。本集團的內部法律部門會確保本集團遵守適用的法律、條例和法規。

BUSINESS REVIEW (continued)

Environmental Policies and Performance

We are committed to building an environmentally-friendly corporation and minimizing our impact on the environment. As a testament of our commitment to environmental protection, some of our operations in China and Vietnam are certified with ISO 14001 Environmental Management System, which reflects our stringent environmental policies and objectives. We have adopted strict measures to control the discharge of wastes and pollutants. We have also implemented an array of energy saving measures to reduce costs and energy consumption in our production processes. In 2018, there was no incidence of non-compliance with the relevant environmental laws and regulations that have a significant impact on the Group.

We also require our suppliers to operate in compliance with relevant environmental regulations and rules. Their environmental performances are evaluated on a regular basis.

Compliance with Laws and Regulations

The Group strives to comply in all material aspects with the relevant laws and regulations which are regarded as having a significant impact on the Group, and has not come across incidence of material breach or non-compliance during 2018.

Key Relationships with Stakeholders

Employees

The Group regards its employees as one of its most important assets. We strive to provide motivation and awards to employees who demonstrate outstanding performance. Our employee benefits include medical insurance, annual leaves, training, and discretionary performance bonus. We also ensure our recruitment policies are in compliance with the national regulations on equal opportunity and anti-discrimination.

We place great importance in establishing a safe and healthy work environment for our employees. In our operations, safety trainings are offered to production staff. We have obtained OHSAS 18001 Occupational Health and Safety Management Systems certification in some of our food operations, which serves to demonstrate our capability in managing the potential occupational hazard in workplaces.

業務審視(續)

環境政策及表現

我們致力建設為環保型企業，並盡量減少我們對環境的影響。為了履行我們對環保的承諾，我們在中國和越南部份的經營地點均獲得ISO 14001環境管理體系的認證，反映了我們嚴謹的環保政策及目標。我們採取嚴格的措施控制廢物和污染物的排放。我們還實施一系列的節能措施，以減少我們的生產成本和能源消耗。於二零一八年內，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。

我們亦要求我們的供應商遵守相關的環保條例和規則，並定期評估彼等的環保表現。

遵守法律和規例

本集團致力遵守在各主要方面被視為對本集團有顯著影響之相關法律及規例，並於二零一八年內概無重大違反或未能遵守之情況。

與持份者的重要關係

僱員

本集團視員工為其最重要的資產之一。我們致力提供鼓勵和獎勵予表現卓越的員工。我們的員工福利包括醫療保險、年假、培訓及酌情表現花紅。我們亦確保我們的招聘政策是符合平等機會和反歧視的國家條例。

我們著重為我們的員工建立一個安全及健康的工作環境。我們在經營地點向在生產線工作的員工提供安全培訓及年度體檢。我們的部份食品營運設施已獲得OHSAS 18001職業健康安全管理體系的認證，體現我們管理潛在職業性危害的能力。

BUSINESS REVIEW (continued)

Customers

The Group has a diversified customer base and we perceive customers' satisfaction with products and services are being key to our success. The Group has set out rigorous procedures to ensure that safe, nutritious, environmentally friendly products are produced and delivered to our customers. To monitor our customers' satisfaction, the Group's sales teams listen to customers' needs and opinions. With continuous feedback of our customers, we will continue to improve our product and service qualities.

Suppliers

We carefully choose suppliers that share the same commitment to product quality and work ethics with us. In our procurement process, we select our suppliers based on a number of assessment criteria, including their service quality, environmental and social performance, and ability to supply high-quality products and services on a consistent basis. We also perform on-site inspections of our suppliers as and when necessary to ensure our requirements are met.

RESULTS AND DIVIDENDS

The Group's financial performance for the year ended 31 December 2018 and the financial position of the Group at that date are set out in the financial statements on pages 80 to 234 of the annual report.

An interim dividend of HK$0.017 per share was declared and paid during the year under review (2017: nil).

The Board has recommended the payment of a final dividend for 2018 of HK$0.026 (equivalent to approximately US 0.333 cents) (2017: HK$0.007 (equivalent to approximately US 0.090 cents)) per share, totaling approximately US$84,443,000 (2017: US$22,881,000) (based on the total number of issued ordinary shares and convertible preference shares as at the date of this report). Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 16 May 2019, the final dividend will be paid on 27 June 2019 to the ordinary share holders and convertible preference share holders whose names appear on the registers of members of the Company on 23 May 2019.

業務審視(續)

客戶

本集團擁有多元化的客戶群並認為客戶對產品及服務的滿意度是我們成功的關鍵。本集團已制訂嚴謹的程序，以確保為我們的客戶提供安全、有營養和環保的產品。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。隨著客戶的不斷反饋，我們將繼續改善我們的產品和服務質素。

供應商

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。在我們的採購過程中，我們選擇我們的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和服務的能力。我們於有需要時對供應商進行現場檢查，以確保符合我們所有的標準。

業績及股息

本集團截至二零一八年十二月三十一日止年度的財務表現及本集團於該日的財務狀況載於年報第80至234頁的財務報表內。

於回顧年內，宣派和派發中期股息每股0.017港元(二零一七年：無)。

董事會建議派發二零一八年末期股息每股0.026港元(相等於約0.333美仙)(二零一七年：0.007港元(相等於約0.090美仙))，合計約8,444.3萬美元(二零一七年：2,288.1萬美元)(按於本報告日期已發行普通股及可換股優先股數量計算)。待股東於二零一九年五月十六日舉行的本公司應屆股東周年大會上批准後，末期股息將於二零一九年六月二十七日派發予於二零一九年五月二十三日名列於本公司股東名冊的普通股股東及可換股優先股股東。

RESULTS AND DIVIDENDS (continued)

The register of members holding ordinary shares of the Company will be closed from 10 May 2019 to 16 May 2019, both days inclusive, during which period no transfer of ordinary 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 16 May 2019, all transfer forms for ordinary shares 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 9 May 2019.

In addition, the registers of members holding ordinary shares and convertible preference shares of the Company respectively will be closed from 22 May 2019 to 23 May 2019, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the 2018 final dividend, 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 21 May 2019.

業績及股息(續)

本公司將於二零一九年五月十日至二零一九年五月十六日期間(首尾兩天包括在內)暫停辦理本公司普通股股份過戶登記手續，為確定股東有權出席於二零一九年五月十六日舉行的本公司應屆股東周年大會並於會上投票的資格，務請將所有普通股股份過戶文件連同有關股票，於二零一九年五月九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。

此外，本公司將於二零一九年五月二十二日至二零一九年五月二十三日期間(首尾兩天包括在內)分別暫停辦理本公司普通股股份及可換股優先股股份過戶登記手續，為確定股東合資格獲派二零一八年末期股息，務請將所有過戶文件連同有關股票，於二零一九年五月二十一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

The consolidated assets, liabilities and results of the Group for the five years ended 31 December 2018, as extracted from the published audited financial statements, are as follows:

財務資料概要

本集團截至二零一八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表)如下：

		2018 **二零一八年** ***US$'000*** ***美元千元***	2017 二零一七年 *US$'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*
Total assets	總資產	**4,611,362**	4,232,929	3,633,425	3,127,863	3,154,018
Total liabilities	總負債	**2,909,138**	2,717,565	2,214,677	1,811,981	1,767,610
Non-controlling interests	非控制性權益	**346,721**	277,654	295,182	229,970	207,780
Equity attributable to shareholders of the Company	本公司股東應佔權益	**1,355,503**	1,237,710	1,123,566	1,085,912	1,178,628
		4,611,362	4,232,929	3,633,425	3,127,863	3,154,018
Profit for the year attributable to shareholders of the Company	本公司股東應佔溢利	**281,659**	41,867	260,278	267,575	251,425

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2018 are set out in note 15 to the financial statements of the annual report.

物業、廠房及設備

於截至二零一八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15。

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year ended 31 December 2018 are set out in note 16 to the financial statements of the annual report.

投資物業

於截至二零一八年十二月三十一日止年度內，本集團的投資物業變動的詳情載於年報內財務報表附註16。

SHARE CAPITAL

Details of the movements in issued shares of the Company during the year ended 31 December 2018 are set out in note 35 to the financial statements of the annual report.

股本

於截至二零一八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35。

PRE-EMPTIVE RIGHTS

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.

優先購股權

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 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

購買、出售或贖回本公司的上市證券

於二零一八年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in notes 46 and 37 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46和37及綜合權益變動表內。

DISTRIBUTABLE RESERVES

At 31 December 2018, the Company's reserves available for distribution amounted to US$1,423,207,000 (2017: US$1,360,336,000) which included the proposed final dividend for the year 2018 of US$84,443,000 (2017: US$22,881,000). Details of the proposed final dividend are set out in note 13 to the financial statements of the annual report.

可供分配儲備

於二零一八年十二月三十一日，本公司可供分派的儲備為14億2,320.7萬美元(二零一七年：13億6,033.6萬美元)，當中包括建議派發的二零一八年末期股息8,444.3萬美元(二零一七年：2,288.1萬美元)，建議末期股息的詳情載於年報內財務報表附註13。

DIVIDEND POLICY

The dividend policy adopted by the Company on 12 December 2018 is set out below:

1. This Policy sets out the approach of the Company on the declaration and payment of dividends to Shareholders.

2. The Board is responsible for considering and, if appropriate, declaring any interim dividend or recommending any final dividend to the Shareholders for approval every year. Any approved dividends must not exceed the amount recommended by the Board.

3. The declaration or recommendation of any dividend will take into consideration the Company's results of operations and financial conditions, business strategy and future development and any other factors that the Board may deem relevant. No dividend shall be declared or paid except out of the Company's profits and reserves lawfully available for distribution. The payment of dividend is also subject to applicable laws and regulations, including any applicable restrictions under the Company's Bye-laws.

4. The future declarations or recommendations of dividends may or may not reflect the Company's historical declarations or recommendations of dividends and will be at the absolute discretion of the Board. At the time when the Board makes the announcement as to its recommendation of final dividend, if any, in respect of the last completed financial year, it will also endeavour to indicate whether, and, if so, how much dividend is, in the absence of unforeseen circumstances, expected to be declared and/or recommended in respect of the current financial year.

5. This Policy is subject to review by the Board and may be amended by the Board.

For the financial year ending 31 December 2019, in the absence of unforeseen circumstances, the Board expects dividend pay-out to be around 30% of net profit attributable to Shareholders for that year.

股息政策

本公司於二零一八年十二月十二日採納的股息政策載列如下：

1. 本政策旨在載列本公司宣派及派付股息予股東的方針。

2. 董事會負責考慮及(如適用)每年宣派中期股息或建議股東批准派發末期股息。任何批准宣派的股息不得超過董事會所建議之款項。

3. 任何股息派付視乎本公司經營業績、財政狀況、業務策略和未來發展及任何其他董事會認為相關的因素而定。股息僅可從溢利及合法可供分派的儲備中撥款宣派或派付。派付股息亦受適用的法律法規限制，包括任何根據本公司細則適用的限制。

4. 我們日後的股息宣派或建議未必會反映我們過往的股息宣派或建議，且將由董事會全權酌情釐定。於董事會作出上一個完整財政年度建議末期股息(如有)的公告時，董事會亦會盡力於沒有不見預見的情況下，表示本財政年度預期將會宣派／建議多少股息(如有)。

5. 本政策須經董事會檢討，並可由董事會修訂。

截至二零一九年十二月三十一日止財政年度，在沒有未能預見特殊情況下，董事會預期派息將為該年度股東應佔淨利潤約30%。

DONATIONS

During the year, the Group made donations for charitable and other purposes amounting to US$2,903,000 (2017: US$2,224,000).

捐款

於年內，本集團的慈善及其他捐款總額為290.3萬美元(二零一七年：222.4萬美元)。

Report of the Directors
董事報告書

MAJOR CUSTOMERS AND SUPPLIERS

Revenue and purchases attributable to the five largest customers and the five largest suppliers accounted for less than 30% of the Group's revenue and purchases for the year ended 31 December 2018 respectively.

主要客戶及供應商

五大客戶及五大供應商的收入及購貨額分別佔本年度截至二零一八年十二月三十一日本集團收入及購貨額少於30%。

DIRECTORS

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

董事

於年度內及至本報告書日期，本公司董事名單如下：

EXECUTIVE DIRECTORS:

Mr. Dhanin Chearavanont
Mr. Adirek Sripratak
Mr. Soopakij Chearavanont
Mr. Suphachai Chearavanont
Mr. Bai Shanlin
Mr. Sooksunt Jiumjaiswanglerg
Mrs. Arunee Watcharananan
Mr. Yu Jianping

執行董事：

謝國民先生
蔡益光先生
謝吉人先生
謝鎔仁先生
白善霖先生
Sooksunt Jiumjaiswanglerg先生
Arunee Watcharananan女士
于建平先生

NON-EXECUTIVE DIRECTORS:

Mr. Meth Jiaravanont
Mr. Yoichi Ikezoe

非執行董事：

謝克俊先生
池添洋一先生

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Ma Andrew Chiu Cheung
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul
Mr. Vinai Vittavasgarnvej
Mrs. Vatchari Vimooktayon

獨立非執行董事：

馬照祥先生
Sombat Deo-isres先生
Sakda Thanitcul先生
Vinai Vittavasgarnvej先生
Vatchari Vimooktayon女士

All non-executive Directors and independent non-executive Directors are appointed for a successive term of one year 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.

所有非執行董事及獨立非執董事獲委任的指定任期為一年，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。

In accordance with the Company's bye-laws 82 and 84, Mr. Suphachai Chearavanont, Mr. Bai Shanlin, Mr. Meth Jiaravanont, Mr. Vinai Vittavasgarnvej and Mrs. Vatchari Vimooktayon will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company. Details of each of the above retiring Directors proposed for re-election at the forthcoming annual general meeting are set out in the circular to shareholders.

根據本公司細則第82及84條，謝鎔仁先生、白善霖先生、謝克俊先生、Vinai Vittavasgarnvej先生及Vatchari Vimooktayon女士將於應屆本公司股東周年大會上輪值退任，惟符合資格並願意膺選連任。建議於應屆股東周年大會上膺選連任的上述各退任董事詳情載於股東通函。

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

擬於應屆本公司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 10 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10。

董事酬金經參考董事之職責、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 sections headed "Connected Transactions" and "Continuing Connected Transactions" below and the related party disclosures as disclosed in note 42 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 2018.

董事在交易、安排或合約中的重大權益

除下文「關連交易」及「持續關連交易」兩節所披露之交易及年報內財務報表附註42披露之關連人士披露外，於截至二零一八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 "Connected Transactions" and "Continuing Connected Transactions" below and the related party disclosures as disclosed in note 42 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 2018.

重大合約

除下文「關連交易」及「持續關連交易」兩節所披露之交易及年報內財務報表附註42披露之關連人士披露外，於截至二零一八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 page 56 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56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

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

稅務減免

董事並不知悉任何因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

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

As at 31 December 2018, 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 Appendix 10 of the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") are set out below:

於二零一八年十二月三十一日，根據證券及期貨條例第352條規定由本公司備存之登記冊的記錄，又或根據《上市規則》附錄十之上市發行人董事證券交易的標準守則「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分比
Mr. Dhanin Chearavanont 謝國民先生	Beneficial owner 實益擁有人	37,600,000	0.16%
Mr. Meth Jiaravanont 謝克俊先生	Beneficial owner 實益擁有人	21,000,000	0.09%

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)

Chia Tai Enterprises International Limited

正大企業國際有限公司

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 of the associated corporation 佔相關法團已發行股本概約百分比
Mr. Dhanin Chearavanont 謝國民先生	Beneficial owner 實益擁有人	376,000	0.16%
Mr. Meth Jiaravanont 謝克俊先生	Beneficial owner 實益擁有人	210,000	0.09%

Save as disclosed above, as at 31 December 2018, 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，於二零一八年十二月三十一日，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 2018, 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:

於二零一八年十二月三十一日，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** **所持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分比** *(Note 1)* *(附註1)*
Charoen Pokphand Foods Public Company Limited	(2)	Beneficial owner, interest of controlled corporation and concert party 實益擁有人、控制法團權益及一致行動的人士	18,792,774,153 (L)	78.07 (L)
Charoen Pokphand Group Company Limited	(3)	Interest of controlled corporation 控制法團權益	18,792,774,153 (L)	78.07 (L)
ITOCHU Corporation 伊藤忠商事株式會社	(4)	Beneficial owner and concert party 實益擁有人及一致行動的人士	18,792,774,153 (L)	78.07 (L)

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

Notes:

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

(2) Charoen Pokphand Foods Public Company Limited ("CPF") had a long position in 18,792,774,153 shares and underlying shares of the Company which included (i) 1,261,077,748 preference shares beneficially owned by CPF; (ii) 11,513,737,097 ordinary shares beneficially owned by CPF Investment Limited ("CPFI"), which is a wholly-owned subsidiary of CPF; and (iii) as a result of certain provisions in an agreement entered into in July 2014 between CPF, CPFI and ITOCHU Corporation ("ITOCHU") and for the purpose of Sections 317(1)(a) and 318 of the SFO, CPF was taken to be interested in 6,017,959,308 ordinary shares beneficially owned by ITOCHU.

(3) Charoen Pokphand Group Company Limited ("Charoen Pokphand Group") had a long position of 18,792,774,153 shares and underlying shares of the Company through CPF, its controlled corporation.

(4) ITOCHU beneficially owned 6,017,959,308 ordinary shares of the Company. As a result of certain provisions in an agreement entered into in July 2014 between CPF, CPFI and ITOCHU in relation to the sale of an aggregate of 6,017,959,308 ordinary shares of the Company to ITOCHU, for the purpose of Sections 317(1)(a) and 318 of the SFO, ITOCHU was taken to be interested in the shares owned by CPF. As such, ITOCHU had a long position in 18,792,774,153 shares and underlying shares of the Company in aggregate.

Save as disclosed above, as at 31 December 2018, 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.

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)

附註：

(1) 「L」代表好倉。

(2) Charoen Pokphand Foods Public Company Limited(「CPF」)持有18,792,774,153股本公司股份及相關股份(好倉)，其中包括(i)CPF實益擁有的1,261,077,748股優先股股份；(ii)CPF全資擁有附屬公司CPF Investment Limited(「CPFI」)實益擁有的11,513,737,097股普通股股份；及(iii)由於CPF、CPFI 和伊藤忠商事株式會社(「伊藤忠」)於二零一四年七月所簽訂的協議中若干條款，就證券及期貨條例第317(1)(a)條及第318條而言，CPF被當作擁有伊藤忠實益擁有的6,017,959,308股普通股股份的權益。

(3) Charoen Pokphand Group Company Limited(「Charoen Pokphand Group」)透過CPF(其控制法團)持有18,792,774,153股本公司股份及相關股份(好倉)。

(4) 伊藤忠實益擁有6,017,959,308股本公司普通股股份。由於CPF、CPFI和伊藤忠於二零一四年七月就有關向伊藤忠出售合共6,017,959,308股本公司普通股股份所簽訂的協議中若干條款，就證券及期貨條例第317(1)(a)條及第318條而言，伊藤忠被當作擁有CPF所擁有股份的權益，據此，伊藤忠持有合共18,792,774,153股本公司股份及相關股份(好倉)。

除上述披露者外，於二零一八年十二月三十一日，根據證券及期貨條例第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(非本公司的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

The Company operates a share option scheme (the "Share Option Scheme") which was adopted by the shareholders of the Company in the annual general meeting held on 22 June 2012. The Share Option Scheme will remain in force for 10 years from that date unless otherwise cancelled or amended.

The total number of ordinary shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the ordinary shares of the Company in issue as at the date of adoption of the Share Option Scheme, being 1,698,783,571 ordinary shares of the Company, based on 16,987,835,710 issued ordinary shares of the Company as at the date of adoption of the Share Option Scheme in 2012. Such maximum number of ordinary shares issuable upon exercise of all the share options which may be granted under the Share Option Scheme now represents 7% of the issued ordinary shares of the Company as at the date of this report.

No share option was granted during 2018. As at 31 December 2018, the Company had no outstanding share options.

Other details of the Share Option Scheme are set out in note 36 to the financial statements of the annual report.

購股權計劃

本公司運作一個購股權計劃(「該購股權計劃」)，乃經本公司股東於二零一二年六月二十二日舉行的周年股東大會上採納。除另行取消或修訂外，該購股權計劃自該日起持續有效十年。

根據該購股權計劃將可授出之購股權在悉數行使時可予發行之本公司普通股股份總數，不得超過採納該購股權計劃當日本公司已發行普通股股份之10%，即1,698,783,571股本公司普通股股份，該股數乃根據於二零一二年採納該購股權計劃當日本公司已發行之16,987,835,710股普通股股份計算。於本報告書日期，根據該購股權計劃授出的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現時本公司已發行之普通股股份7%。

於二零一八年，沒有授出任何購股權。於二零一八年十二月三十一日，本公司沒有購股權尚未行使。

該購股權計劃的其他詳情載於年報內財務報表附註36。

CONNECTED TRANSACTIONS

During the year ended 31 December 2018, the Group had the following connected transactions that are subject to the Listing Rules' reporting requirement for disclosure in annual report.

SAP System License and Implementation

Prior to the reporting period, on 29 September 2017, CPF IT Center Company Limited ("CPF IT"), a direct wholly-owned subsidiary of Charoen Pokphand Foods Public Company Limited ("CPF"), entered into a group license agreement with SAP under which SAP granted a non-exclusive license for CPF IT and its affiliates to implement and use the SAP system in accordance with a group licensing arrangement at a discounted group rate.

Prior to the reporting period, in Vietnam, C.P. Vietnam Corporation ("CPVC"), a subsidiary of the Company, was granted a non-transferrable license to use the SAP system and had been receiving ongoing maintenance services, training and technical assistance services from CPF IT pursuant to the CPVC Software License Agreement entered into with CPF IT on 1 March 2010. The parties further agreed to extend the arrangement in 2018. CPVC and CPF IT further agreed in 2018 that an annual fee of US245,000 (or US$735,000 in aggregate for the years 2018, 2019 and 2020) be payable to CPF IT.

On 29 October 2018, Chia Tai (China) Investment Co., Ltd ("CTI"), a direct wholly-owned subsidiary of CP China Investment Limited ("CP China"), an investment holding company owned by the Company, entered into the Software License Agreement with CPF IT, pursuant to which CPF IT had (i) granted a non-transferable license to the CP China and its subsidiaries from time to time (the "CP China Group") for up to 2,800 users, and (ii) agreed to provide maintenance services to the CP China Group during 1 October 2018 to 30 September 2021 ("Agreed Period").

On 29 October 2018, CTI entered into the Implementation Service Agreement with Shanghai Zheng Yuan Company Technology Co., Ltd. ("Shanghai Zheng Yuan"), an indirect subsidiary of Charoen Pokphand Group Company Limited ("Charoen Pokphand Group"), pursuant to which Shanghai Zheng Yuan had agreed to assist the CP China Group to implement the SAP system and set up various SAP modules and provide ongoing training and technical assistance services to employees of the CP China group during the Agreed Period.

關連交易

於二零一八年十二月三十一日止年度內，本集團已進行下列關連交易並須根據《上市規則》的申報規定於年報內披露。

SAP系統許可使用及實施

報告期間前，於二零一七年九月二十九日，CPF IT Center Company Limited(「CPF IT」)(Charoen Pokphand Foods Public Company Limited(「CPF」)直接全資擁有附屬公司)，與SAP訂立集團軟件許可協議，以授予一項非獨家許可使用權以供CPF IT及其聯屬公司以折扣價格實施和使用SAP系統。

報告期間前，於越南，C.P. Vietnam Corporation(「CPVC」，本公司附屬公司)，根據與CPF IT於二零一零年三月一日簽訂之CPVC軟件許可協議，使用SAP系統之不可轉讓許可使用權及一直從CPF IT獲得持續維修保養服務、培訓及技術協助服務。訂約雙方再於二零一八年同意延長該安排。於二零一八年，CPVC及CPF IT進一步同意向CPF IT支付年費245,000美元(或二零一八年年費、二零一九年年費及二零二零年年費合共735,000美元)。

於二零一八年十月二十九日，正大(中國)投資有限公司(「CTI」)(CP China Investment Limited(「CP China」)，本公司擁有的投資控股公司)直接全資擁有附屬公司)與CPF IT簽訂軟件許可協議，據此，CPF IT(i)授予CP China及其不時之附屬公司(「CP China集團」)一項容納2,800名用戶之不可轉讓許可使用權，及(ii)同意在二零一八年十月一日至二零二一年九月三十日期間(「協議期間」)向CP China集團提供維修保養服務。

於二零一八年十月二十九日，CTI與上海正圓計算機科技有限公司(「上海正圓」，Charoen Pokphand Group Company Limited(「Charoen Pokphand Group」)間接附屬公司)簽訂實施服務協議，據此，上海正圓同意協助CP China集團實施SAP系統及建立不同的SAP模塊，以及在協議期間向CP China集團僱員提供持續培訓及技術協助服務。

CONNECTED TRANSACTIONS (continued)

SAP System License and Implementation (continued)

In addition, prior entering into the Implementation Services Agreement, certain companies in the CP China Group had engaged Shanghai Zheng Yuan to perform certain trial procedures relating to installation and implementation of the SAP System (the "SAP Pre-installation Trial Procedures").

CTI would pay to CPF IT (i) a one-off license fee of approximately US$3,978,851, and (ii) maintenance service fee of approximately US$218,183 in 2018 (for the three months between 1 October 2018 to 31 December 2018), US$872,370 in each of 2019 and 2020 and US$654,548 in 2021 (for the nine months between 1 January 2021 and September 2021) under the Software License Agreement.

CTI would pay to Shanghai Zheng Yuan (i) a one-off implementation service fee of RMB2,250,000 (equivalent to approximately US$326,087) and an annual technical service fee of RMB7,822,800 (equivalent to approximately US$1,133,739) for years 2018, 2019 and 2020, and (ii) a development fee at a rate of RMB1,500 per person per day in respect of its request for development services, provided that the aggregate development fee should not exceed 10% of the amount payable under the Implementation Service Agreement.

In addition, certain companies in the CP China Group had paid a total service of RMB6,278,000 (equivalent to approximately US$909,855) to Shanghai Zheng Yuan in respect of the SAP System Pre-installation Trial Procedures.

As at the date of the Company's announcement, being 29 October 2018, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and was the controlling shareholder of the Company. As a subsidiary of CPF, CPF IT was a connected person of the Company. The transactions contemplated under each of the Software License Agreement and the CPVC Software License Agreement constituted connected transactions of the Company under the Listing Rules. Charoen Pokphand Group held approximately 49.11% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding of CPF, the Company and Charoen Pokphand Group had agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company and accordingly, Charoen Pokphand Group, its subsidiaries and their respective associates were treated as connected persons of the Company. As Shanghai Zheng Yuan was a subsidiary of Charoen Pokphand Group, the transactions contemplated under the Implementation Service Agreement and the SAP System Pre-installation Trial Procedures were treated as connected transactions of the Company under the Listing Rules.

關連交易(續)

SAP系統許可使用及實施(續)

另外，於簽訂實施服務協議前，CP China集團內若干公司已委聘上海正圓執行若干有關SAP系統安裝及執行的試驗程序(「SAP系統預安裝試驗程序」)。

根據軟件許可協議，CTI將支付CPF IT(i)一次性許可使用權費為約3,978,851美元，及(ii)二零一八年維修保養費約218,183美元(二零一八年十月一日至二零一八年十二月三十一日之三個月)、二零一九年和二零二零年每年維修保養費約872,730美元及二零二一年維修保養費約654,548美元(二零二一年一月一日至二零二一年九月三十日之九個月)。

根據實施服務協議，CTI將支付上海正圓(i)一次性實施服務費2,250,000人民幣(相當於約326,087美元)及二零一八年、二零一九年及二零二零年每年技術服務費7,822,800人民幣(相當於約1,133,739美元)，及(ii)按其開發服務的要求支付每人每日1,500人民幣開發費，而總開發費不得超過實施服務協議的應付金額之10%。

另外，CP China集團內若干公司就SAP系統預安裝試驗程序已支付上海正圓服務費合共6,278,000人民幣(相當於約909,855美元)。

於本公司公告日期，即二零一八年十月二十九日，CPF持有本公司已發行普通股股份約47.8%及為本公司之控權股東。CPF IT(一家CPF附屬公司)為本公司之關連人士。根據軟件許可協議及CPVC軟件許可協議項下擬進行的交易構成根據《上市規則》本公司之關連交易。Charoen Pokphand Group持有CPF已發行股本約49.11%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此，Charoen Pokphand Group及其附屬公司和彼等的聯繫人被視為本公司之關連人士。由於上海正圓為Charoen Pokphand Group之附屬公司，根據實施服務協議及SAP系統預安裝試驗程序項下擬進行的交易被視為根據《上市規則》本公司之關連交易。

CONNECTED TRANSACTIONS (continued)

SAP System License and Implementation (continued)

Based on the applicable percentage ratios, the amount paid in the previous twelve months under the CPVC Software License Agreement when aggregated with the total amount paid for the SAP System Pre-installation Trial Procedures, on a standalone basis, was exempted from all disclosure requirements and shareholders' approval.

Since the Software License Agreement and the Implementation Service Agreement were related to the Group's license, implementation and use of the SAP system, the Company has aggregated the transactions contemplated under the Software License Agreement and Implementation Service Agreement (the "SAP Transactions") and treated them as if they were one transaction. Based on the applicable percentage ratios in respect of the amounts to be paid to CPF IT and Shanghai Zheng Yuan in relation to the SAP Transactions for the Agreed Period, when aggregated together with the amounts paid for the previous 12 months and payable for the Agreed Period under the CPVC Software License Agreement and the total amount paid in respect of the SAP System Pre-installation Trial Procedures, the SAP Transactions were subject to reporting and announcement requirements but were exempted from circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company announced the connected transactions on 29 October 2018 accordingly.

關連交易(續)

SAP系統許可使用及實施(續)

基於適用百分比率，根據CPVC軟件許可協議於過去十二個月已支付的金額與就SAP系統預安裝試驗程序已支付的總金額合併計算，於單獨情況下，全面豁免所有披露及股東批准要求。

由於軟件許可協議及實施服務協議與本集團之SAP系統許可使用權、實施及使用有關，本公司將根據軟件許可協議及實際服務協議項下擬進行的交易(「該等SAP交易」)合併計算並視為猶如一項交易。基於適用百分比率，有關該等SAP交易在協議期間向CPF IT及上海正圓應付的金額與根據該CPVC軟件許可協議於過去十二個月已支付及在協議期間應付的金額，以及就SAP系統預安裝試驗程序已支付的總金額合併計算，該等SAP交易須遵守《上市規則》第十四A章申報和公告規定，惟豁免遵守有關通函(包括獨立財務意見)及經股東批准的規定。本公司就關連交易於二零一八年十月二十九日作出相應公告。

CONNECTED TRANSACTIONS (continued)

Chuzhou Construction Contract

On 7 December 2018, Chuzhou Chia Tai Co., Ltd. ("Chuzhou Chia Tai"), a subsidiary of the Company, entered into the Chuzhou Construction Contract with Shanghai Zhengcheng Mechanical-Electrical Manufacturing Co., Ltd. ("Shanghai Zheng Cheng"), a subsidiary of Charoen Pokphand Group, pursuant to which Chuzhou Chia Tai had agreed to engage Shanghai Zheng Cheng as the contractor to carry out the construction works and to procure and install equipment with respect to a feed factory in Anhui province, the PRC, which was being developed by Chuzhou Chia Tai.

Chuzhou Chia Tai would pay a fixed price in the aggregate amount of RMB67,000,000 (equivalent to approximately US$9,626,000) for the construction works and the feed processing equipment procurement and installation.

As at the date of the Company's announcement, being 7 December 2018, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group was interested in approximately 49.11% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group had agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, and accordingly Charoen Pokphand Group, its subsidiaries and their respective associates were treated as connected persons of the Company. As Shanghai Zheng Cheng was a subsidiary of Charoen Pokphand Group, the transaction contemplated under the Chuzhou Construction Contract was treated as a connected transaction of the Company under the Listing Rules, and was subject to reporting and announcement requirements but was exempted from circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company announced the connected transaction on 7 December 2018 accordingly.

關連交易(續)

滁州建設合同

於二零一八年十二月七日，滁州正大有限公司(「滁州正大」，本公司之附屬公司)與上海正誠機電製造有限公司(「上海正誠」，Charoen Pokphand Group之附屬公司)簽訂滁州建設合同，據此滁州正大同意委聘上海正誠為承包商，為由滁州正大發展位於中國安徽省的飼料廠進行建設工程及採購和安裝設備。

滁州正大將支付建設工程及採購和安裝飼料加工設備合共6,700萬人民幣(相當於約962.6萬美元)的固定金額。

於本公司公告日期，即二零一八年十二月七日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF已發行股本約49.11%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此Charoen Pokphand Group及其附屬公司和彼等的聯繫人被視為本公司之關連人士。由於上海正誠為Charoen Pokphand Group之附屬公司，滁州建設合同項下擬進行之交易被視為根據《上市規則》本公司之關連交易，並須遵守《上市規則》第第十四A章申報和公告規定，惟豁免遵守有關通函(包括獨立財務意見)及股東批准的規定。本公司就關連交易於二零一八年十二月七日作出相應公告。

CONTINUING CONNECTED TRANSACTIONS

持續關連交易

During the year ended 31 December 2018, the Group had the following continuing connected transactions that are subject to the Listing Rules' reporting requirement for disclosure in annual report.

於二零一八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。

Supply

供應

Prior to the reporting period, on 31 October 2016, the Company had entered into a master supply agreement with High Orient Enterprises Limited ("HOEL") (the "2016 CPP Master Supply Agreement"), for the supply by the Group to HOEL and its associates (the "HOEL Group") of various feed-related, farm-related and food-related products produced or procured by the Group including animal feed, feed raw materials, livestock and aquatic products, and processed meats and food products. The 2016 CPP Master Supply Agreement took effect on 1 January 2017 and would continue until 31 December 2019. The 2016 CPP Master Supply Agreement and the annual caps were approved by the independent shareholders of the Company on 13 December 2016.

報告期間前，於二零一六年十月三十一日，本公司與High Orient Enterprises Limited（「HOEL」）簽訂一份供應總協議（「2016 CPP供應總協議」），由本集團向HOEL及其聯繫人士（「HOEL集團」）供應由本集團生產或採辦各飼料相關、養殖相關及食品相關之產品（包括動物飼料、飼料原材料、禽畜和水產、及加工肉類和食品產品）。2016 CPP供應總協議於二零一七年一月一日起生效直至二零一九年十二月三十一日。2016 CPP供應總協議及年度上限於二零一六年十二月十三日獲本公司獨立股東批准。

As at the date of the Company's announcement, being 31 October 2016, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group held approximately 45.4% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group have agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, accordingly Charoen Pokphand Group and its subsidiaries and their respective associates were treated as connected persons of the Company within the meaning of the Listing Rules. As HOEL was an indirect wholly-owned subsidiary of Charoen Pokphand Group, the transactions contemplated under the 2016 CPP Master Supply Agreement were treated as continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

於本公司公告日期，即二零一六年十月三十一日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF的已發行股本約45.4%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此Charoen Pokphand Group及其附屬公司和彼等的聯繫人就《上市規則》而言為本公司之關連人士。由於HOEL為Charoen Pokphand Group的間接全資擁有附屬公司，根據2016 CPP供應總協議項下的交易被視為根據《上市規則》第十四A章本公司之持續關連交易。

For the year ended 31 December 2018, the approved annual cap for the transactions contemplated under the 2016 CPP Master Supply Agreement was US$2,269,000,000 and the actual sales recorded amounted to US$1,024,160,000.

截至二零一八年十二月三十一日止年度，2016 CPP供應總協議項下交易批准的年度上限為22億6,900萬美元及實際銷售記錄總額為10億2,416萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

Purchase

High Orient Enterprises Limited

Prior to the reporting period, on 31 October 2016, the Company had entered into a master purchase agreement with HOEL (the "2016 CPP Master Purchase Agreement") for the purchase from the HOEL Group of feed raw materials, packing materials, livestock and aquatic products, meats and other items required by the Group in the production of feed-related, farm-related and food-related products. The 2016 CPP Master Purchase Agreement took effect on 1 January 2017 and would continue until 31 December 2019. The 2016 CPP Master Purchase Agreement and the annual caps were approved by the independent shareholders of the Company on 13 December 2016.

As at the date of the Company's announcement, being 31 October 2016, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group held approximately 45.4% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group have agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, accordingly Charoen Pokphand Group and its subsidiaries and their respective associates were treated as connected persons of the Company within the meaning of the Listing Rules. As HOEL was an indirect wholly-owned subsidiary of Charoen Pokphand Group, the transactions contemplated under the 2016 CPP Master Purchase Agreement were treated as continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

For the year ended 31 December 2018, the approved annual cap for the transactions contemplated under the 2016 CPP Master Purchase Agreement was US$1,839,000,000 and the actual purchases recorded amounted to US$1,003,719,000.

持續關連交易(續)

購買

High Orient Enterprises Limited

報告期間前，於二零一六年十月三十一日，本公司與HOEL簽訂一份購買總協議(「2016 CPP購買總協議」)，向HOEL集團購買本集團用於生產飼料相關、養殖相關及食品相關所需的產品的飼料原材料、包裝物料、禽畜及水產、肉類及其他產品。2016 CPP購買總協議於二零一七年一月一日起生效直至二零一九年十二月三十一日。2016 CPP購買總協議及年度上限於二零一六年十二月十三日獲本公司獨立股東批准。

於本公司公告日期，即二零一六年十月三十一日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF的已發行股本約45.4%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此Charoen Pokphand Group及其附屬公司和彼等的聯繫人就《上市規則》而言為本公司之關連人士。由於HOEL為Charoen Pokphand Group的間接全資擁有附屬公司，根據2016 CPP購買總協議項下的交易被視為根據《上市規則》第十四A章本公司之持續關連交易。

截止二零一八年十二月三十一日止年度，2016 CPP購買總協議項下交易的批准的年度上限為18億3,900萬美元及實際購買記錄總額為10億371.9萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易(續)

Purchase (continued)

購買(續)

Chia Tai Enterprises International Limited

正大企業國際有限公司

Prior to the reporting period, on 30 October 2017, the Company had entered into master purchase agreement with Chia Tai Enterprises International Limited ("CTEI") (the "2017 CTEI Master Purchase Agreement"), for the purchase of various chlortetracycline products and such animal drugs (including any antibiotics) required by the Group's feed and farming businesses from CTEI and its subsidiaries (the "CTEI Group"). The 2017 CTEI Master Purchase Agreement took effect on 1 January 2018 and continued until 31 December 2020.

報告期間前，於二零一七年十月三十日，本公司與正大企業國際有限公司(「CTEI」)簽訂一份購買總協議(「2017 CTEI購買總協議」)，由本集團向CTEI及其附屬公司(「CTEI集團」)購買本集團飼料及養殖業務所需要的各類金霉素產品和動物藥品(包括所有抗生素)。2017 CTEI購買總協議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。

As at the date of the Company's announcement, being 30 October 2017, 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 CTEI. Companies in the CTEI Group were therefore associates of CPF and connected persons of the Company under the Listing Rules. Transactions between the Group and the CTEI Group under the 2017 CTEI Master Purchase Agreement constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

於本公司公告日期，即二零一七年十月三十日，CPF持有本公司已發行普通股股份約47.8%，為本公司之控股股東。而CPF亦持有CTEI已發行股本總額約47.8%。因此CTEI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。本集團與CTEI集團根據2017 CTEI購買總協議項下的交易根據《上市規則》第十四A構成本公司之持續關連交易。

For the year ended 31 December 2018, the annual cap for the transactions contemplated under the 2017 CTEI Master Purchase Agreement was US$3,700,000 and the actual purchases recorded amounted to US$2,306,000.

截止二零一八年十二月三十一日止年度，2017 CTEI購買總協議項下交易的年度上限為370萬美元及實際購買記錄總額為230.6萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易(續)

CPG Trademark Licence

CPG商標使用許可證

Prior to the reporting period, on 28 December 2016, CPVC had entered into a trademark licence agreement with Charoen Pokphand Group (the "CPG Trademark Licence Agreement"), whereby Charoen Pokphand Group granted CPVC a non-exclusive right to use the trademarks in accordance with the terms and conditions of the CPG Trademark Licence Agreement. The royalty fee was equivalent to 1.5% of the net revenue of CPVC (and any subsidiary which has been granted a sub-licence to use the trademarks) from sale of goods and provision of services, exclusive of the valued added tax chargeable on the sale of such products under applicable Vietnam laws and regulations, commercial discounts, rebates and returned goods. The CPG Trademark Licence Agreement took effect on 1 January 2017 and would continue until 31 December 2019.

報告期間前，於二零一六年十二月二十八日，CPVC與Charoen Pokphand Group簽訂一份商標使用許可合同(「CPG商標使用許可合同」)，據此Charoen Pokphand Group根據CPG商標使用許可合同的條款和條件向CPVC授出使用商標的非獨家權利。該許可費相等於CPVC(及其任何獲授予使用商標次級許可證的附屬公司)從銷售產品或提供服務之淨收入的1.5%，惟不包括根據適用的越南法例及規例就銷售有關產品所徵收之增值稅、商業折扣、回贈及退貨。CPG商標使用許可合同於二零一七年一月一日起生效直至二零一九年十二月三十一日。

As at the date of the Company's announcement, being 28 December 2016, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group held approximately 44.75% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group have agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, accordingly Charoen Pokphand Group and its subsidiaries and their respective associates were treated as connected persons of the Company within the meaning of the Listing Rules. Accordingly, transaction contemplated under the CPG Trademark Licence Agreement was treated as a continuing connected transaction of the Company under the Listing Rules.

於本公司公告日期，即二零一六年十二月二十八日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF的已發行股本約44.75%，由於Charoen Pokphand Group持有CPF近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此Charoen Pokphand Group及其附屬公司和彼等的聯繫人就《上市規則》而言為本公司之關連人士。據此，根據CPG商標使用許可合同項下的交易被視為根據《上市規則》本公司之持續關連交易。

For the year ended 31 December 2018, the annual cap for the transactions contemplated under the CPG Trademark Licence Agreement was US$46,000,000 and the actual royalty fee incurred amounted to US$38,401,000.

截至二零一八年十二月三十一日止年度，CPG商標使用許可合同項下交易的年度上限為4,600萬美元及實際許可費總額為3,840.1萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

CP Trademark Sub-licence

Prior to the reporting period, on 28 February 2017, CP China entered into a master trademark sub-licence agreement with Chia Tai Animal Husbandry Investment (Beijing) Co., Ltd. ("CT Animal Husbandry"), an indirect wholly-owned subsidiary of Charoen Pokphand Group (the "2017 Master Trademark Sub-licence Agreement"), whereby CT Animal Husbandry would sub-licence subsidiaries of CP China in the PRC ("CP China Subsidiaries") a non- exclusive right to use the trademark in the PRC in connection with the production, distribution and sale of certain designated food products under Class 29 and the provision of ancillary retail, management and consultancy services under Class 35. The royalty fee in respect of the use of the trademark under Class 29 was equivalent to 0.2% of the net sale value of fresh-food products and 0.4% of the net sale value of cooked-food products of CP China Subsidiaries from sale of goods and no additional royalty fee is payable for the use of the trademark under Class 35. The 2017 Master Trademark Sub-licence Agreement took effect on 1 March 2017 and expired on 13 August 2018.

As at the date of the Company's announcement, being 28 February 2017, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group held approximately 44.75% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group have agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, accordingly Charoen Pokphand Group and its subsidiaries and their respective associates were treated as connected persons of the Company within the meaning of the Listing Rules. As CT Animal Husbandry was a subsidiary of Charoen Pokphand Group, the transaction contemplated under the 2017 Master Trademark Sub-licence Agreement was treated as a continuing connected transaction of the Company under the Listing Rules.

For the period from 1 January 2018 to 13 August 2018, the cap for the transactions contemplated under the 2017 Master Trademark Sub-licence Agreement was US$4,400,000 and the actual royalty fee incurred amounted to US$723,000.

持續關連交易(續)

CP商標再特許使用許可證

報告期間前，於二零一七年二月二十八日，CP China與正大畜牧投資(北京)有限公司(「正大畜牧」，一家Charoen Pokphand Group間接全資擁有附屬公司)簽訂一份商標再特許總協議(「2017商標再特許總協議」)，據此正大畜牧根據2017商標再特許總協議再特許CP China於中國的附屬公司(「CP China附屬公司」)有關第29類若干指定食品生產和分銷及第35類提供零售、管理和諮詢服務在中國使用商標的一項非獨家權利。使用第29類商標的許可費相等於CP China附屬公司從銷售新鮮食品銷售淨值之0.2%及加工食品銷售淨值之0.4%，而使用第35類商標則不須繳付額外許可費。2017商標再特許總協議於二零一七年三月一日起生效並於二零一八年八月十三日屆滿。

於本公司公告日期，即二零一七年二月二十八日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF的已發行股本約44.75%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東，據此Charoen Pokphand Group及其附屬公司和彼等的聯繫人就《上市規則》而言為本公司之關連人士。由於正大畜牧為Charoen Pokphand Group之附屬公司，根據2017商標再特許總協議項下的交易被視為根據《上市規則》本公司之持續關連交易。

由二零一八年一月一日至二零一八年八月十三日止期間，2017商標再特許總協議項下交易之上限為440萬美元及實際許可費總額為72.3萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

CP Trademark Sub-licence (continued)

On 10 August 2018, CP China entered into a new master agreement with CT Animal Husbandry to continue the trademark sub-licence arrangement (the "2018 Master Trademark Sub-licence Agreement"). Pursuant to the 2018 Master Trademark Sub-licence Agreement, CT Animal Husbandry had agreed to sub-license to CP China Subsidiaries a non-exclusive right to use the trademark in the PRC in connection with the production, distribution and sale of certain designated food products under Class 29 and the provision of ancillary retail, management and consultancy services under Class 35. The royalty rates and royalty fee for use of the trademark under Class 35 were the same as that of 2017. The 2018 Master Trademark Sub-licence Agreement took effect on 14 August 2018 and would continue until 31 December 2020.

As at the date of the Company's announcement, being 10 August 2018, CPF was interested in approximately 47.8% of the issued ordinary shares of the Company and Charoen Pokphand Group held approximately 48.99% of the issued share capital of CPF. Due to Charoen Pokphand Group's near majority shareholding in CPF, the Company and Charoen Pokphand Group had agreed to treat Charoen Pokphand Group as a substantial shareholder of the Company, accordingly Charoen Pokphand Group and its subsidiaries and their respective associates were treated as connected persons of the Company. As CT Animal Husbandry was a subsidiary of Charoen Pokphand Group, the transaction contemplated under the 2018 Master Trademark Sub-licence Agreement was treated as a continuing connected transaction of the Company under the Listing Rules.

For the period from 14 August 2018 to 31 December 2018, the cap for the transactions contemplated under the 2018 Master Trademark Sub-licence Agreement was US$700,000 and the actual royalty fee incurred amounted to US$583,000.

持續關連交易(續)

CP商標再特許使用許可證(續)

於二零一八年八月十日，CP China與正大畜牧簽訂一份新總協議以繼續該商標再特許安排(「2018商標再特許總協議」)。根據2018商標再特許總協議，正大畜牧同意再特許CP China附屬公司資第29類若干指定食品生產和分銷及第35類提供零售、管理和諮詢服務在中國使用該商標的非獨家權利。許可費率及使用第35類商標之許可費與二零一七年相同。2018商標再特許總協議於二零一八年八月十四日起生效直至二零二零年十二月三十一日。

於本公司公告日期，即二零一八年八月十日，CPF持有本公司已發行普通股股份約47.8%，而Charoen Pokphand Group持有CPF的已發行股份約48.99%。由於Charoen Pokphand Group持有CPF接近半數股權，本公司與Charoen Pokphand Group同意視Charoen Pokphand Group為本公司之主要股東。據此，Charoen Pokphand Group和其附屬公司和彼等的聯繫人為本公司之關連人士。由於正大畜牧是Charoen Pokphand Group之附屬公司，根據2018商標再特許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。

由二零一八年八月十四日至二零一八年十二月三十一日止期間，2018商標再特許總協議項下之交易之上限為70萬美元及實際許可費總額為58.3萬美元。

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易(續)

Listing Rules Compliance

《上市規則》的合規

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.

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。

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.

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，條款屬公平合理，並且符合本公司股東的整體利益。

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.

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。

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 its unqualified letter containing its 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.

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佈的《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《實務説明》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其無保留意見函件，當中載有其有關本集團根據《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。

Transactions with joint ventures, associates and ITOCHU Corporation, rental income and expenses and interest income with HOEL, which are disclosed as related party disclosures in note 42 to the financial statements of the annual report, do not fall under the definition of connected transaction or continuing connected transaction, or were fully exempt under Chapter 14A of the Listing Rules and thus are not disclosed above.

披露於年報內財務報表附註42的關連人士披露，其中與合營企業，聯營公司及伊藤忠商事株式會社進行的交易，與HOEL之租金收入和支出及利息收入，根據《上市規則》第十四A章並不符合關連交易，或持續關連交易之定義或符合全面豁免，故無須在上述文中作出披露。

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.

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。

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

On 17 June 2016, the Company entered into a 5-year syndicated term loan facility agreement with Coöperatieve Rabobank U.A., Hong Kong Branch and Kasikornbank Public Company Limited ("Kasikornbank") as mandated lead arrangers, other lenders (together the "Lenders") and Kasikornbank as agent, relating to a facility amount of US$600 million (the "Facility") made available to the Company by the Lenders (the "Facility Agreement"). The Facility was used to repay all amounts owed by the Company under the US$410 million term loan facility agreement dated 19 December 2012 and to finance the working capital and/or general corporate requirements of the Company and its subsidiaries.

Pursuant to the Facility Agreement, it would be an event of default if Charoen Pokphand Foods Public Company Limited and its subsidiaries cease to own the largest percentage of the legal and beneficial interest in the total issued ordinary share capital of the Company and cease to have control over the Company.

The occurrence of the aforesaid event of default would render all outstanding liabilities of the Company under the Facility Agreement to become immediately due and payable and any commitments under the Facility to be cancelled.

Save as disclosed above, the Directors are not aware of any circumstances which would give rise to a disclosure obligation pursuant to the requirements under Rules 13.18 of Chapter 13 of the Listing Rules as at 31 December 2018.

按《上市規則》第13.18條的披露

於二零一六年六月十七日，本公司與Coöperatieve Rabobank U.A., Hong Kong Branch和Kasikornbank Public Company Limited(「Kasikornbank」)(作為受託總協調銀行)、其他貸款方(統稱「貸款方」)及Kasikornbank(作為代理人)訂立有關貸款方向本公司提供貸款金額為6億美元(「該貸款」)的五年銀團貸款協議(「該貸款協議」)。該貸款將用於償還本公司於二零一二年十二月十九日所訂立的4.1億美元貸款協議項下之所有未償還金額和用於本公司及其附屬公司的營運資金及／或一般企業用途。

根據該貸款協議，倘Charoen Pokphand Foods Public Company Limited及其附屬公司於本公司的全部已發行普通股股本中不再擁有最大百份比的法定和實益權益，以及不再擁有本公司的控制權，將構成違約事項。

上述違約事項發生將導致本公司於該貸款協議項下之所有未償還債項即時到期並須償還及將導致於該貸款項下之任何承諾被取消。

除上述披露者外，於二零一八年十二月三十一日董事概不知悉有任何情況導致本公司須根據《上市規則》第十三章第13.18條的規定作出披露。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

In 2016, the Group acquired a 70% equity interest in a company which is principally engaged in the manufacturing and trading of animal feed, poultry farming and trading as well as the processing and trading of chicken meat products in the PRC. As a result of the acquisition, poultry farming and trading and meat products trading have been added to the range of the Group's business in the PRC (the "PRC Farming and Meat Products Business").

董事在競爭業務的權益

於二零一六年，本集團收購一家公司的70%權益，該公司主要從事製造及買賣飼料、家畜飼養及買賣，以及在中國加工及買賣雞肉製品。據此，本集團在中國業務範圍增加了家禽養殖和買賣及肉類產品交易(「中國養殖和肉類製品業務」)。

DIRECTORS' INTERESTS IN COMPETING BUSINESS (continued)

During the year ended 31 December 2018, Mr. Dhanin Chearavanont, Mr. Adirek Sripratak, Mr. Soopakij Chearavanont, Mr. Bai Shanlin and Mr. Yu Jianping were also directors (but not substantial shareholders) of Charoen Pokphand Group and/or a number of Charoen Pokphand Group subsidiaries (the "Excluded Companies") which, including through their subsidiaries, engaged in businesses including the PRC Farming and Meat Products Business. Accordingly, these Directors have disclosed that they are considered to have an interest in businesses which may compete or are likely to compete, either directly or indirectly, with the PRC Farming and Meat Products Business of the Group, pursuant to Rule 8.10 of the Listing Rules.

As the board of directors of the Company functions independently from the boards of the Excluded Companies, the Directors believe that the Group is capable of carrying on its PRC Farming and Meat Products Business independently of, and at arm's length from, the PRC Farming and Meat Products Business carried on by the Excluded Companies.

The Directors, including those who are considered to have an interest in the PRC Farming and Meat Products Business of the Excluded Companies, will, as and when required under the bye-laws of the Company, abstain from voting on any resolution of the Board in respect of any contract, arrangement or proposal in which he or any of his associates has a material interest.

Save as disclosed above, 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(續)

於二零一八年十二月三十一日止年度內，謝國民先生、蔡益光先生、謝吉人先生、白善霖先生及于建平先生亦為Charoen Pokphand Group及／或若干Charoen Pokphand Group附屬公司(「除外公司」)的董事(但非主要股東)，其中包括透過其從事包括中國養殖和肉類製品業務的附屬公司。因此，根據《上市規則》第8.10條，有關董事已披露彼等可能被視為擁有與本集團中國養殖和肉類製品業務有直接或間接競爭；或可能構成競爭之業務權益。

由於本公司董事會的運作獨立於除外公司董事會，董事相信本集團有能力獨立經營中國養殖和肉類製品業務，以及與除外公司所經營的中國養殖和肉類製品業務取得平衡。

董事(包括被視為於除外公司的中國養殖和肉類製品業務擁有權益的董事)將根據本公司細則之規定，就任何有可能與董事或其關連人士有重大利益之合約、安排或建議的董事會決議放棄投票。

除上述披露者外，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 145, every Directors shall be indemnified out of the funds of the Company against all liabilities incurred by him/her as such Directors.

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145條，每位董事將獲以本公司資金作為彌償保證，使其不會因作為董事履行其責任而蒙受損害。

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。

Report of the Directors
董事報告書

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

Throughout the year 2018, the Company applied the principles and complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rules.

企業管治守則

於二零一八年內，本公司已應用《上市規則》附錄十四《企業管治守則》所載的原則及遵守守則條文。

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors and one non-executive Director. 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 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及一名非執行董事所組成，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。審核委員會於刊載年度業績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 maintained the amount of public float as required under the Listing Rules during the year ended 31 December 2018 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二零一八年十二月三十一日止年度內及直至本報告日期為止，已維持《上市規則》規定的公眾持股量。

AUDITOR

KPMG will retire and a resolution for its 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，一項有關其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

承董事會命

Arunee Watcharananan
Director

董事
Arunee Watcharananan

Hong Kong
18 February 2019

香港
二零一九年二月十八日

Independent Auditor's Report
獨立核數師報告

Independent auditor's report to the shareholders of
C.P. Pokphand Co. Ltd.
(Incorporated in Bermuda with limited liability)

獨立核數師報告
致卜蜂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 C.P. Pokphand Co. Ltd. ("the Company") and its subsidiaries (together the "Group") set out on pages 80 to 234, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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80頁至第234頁的卜蜂國際有限公司(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二零一八年十二月三十一日的綜合財務狀況表與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 貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

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頒布的《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計意見提供基礎。

Independent Auditor's Report
獨立核數師報告

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. 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，認為對本年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提出的。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.	
The key audit matter	**How the matter was addressed in our audit**
The Group's revenue is mainly derived from the sale of animal feed products, livestock and aquatic animals and value-added processed food products. The terms of sales contracts relating to goods acceptance by customers are similar and revenue is generally recognised when the products are collected by the customers from the Group's premises or when the products are delivered to the location designated by the customers. 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 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 and in accordance with the terms of the sales contracts by comparing a sample of sales transactions recorded around the year end with relevant underlying documents, which included goods dispatch notes or documentation indicating the customers' acknowledgement of delivery of the goods sold; 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 reporting period.

收入確認	
請參閱綜合財務報表附註5及附註2.4的會計政策。	
關鍵審計事項	**我們的審計如何處理該事項**
貴集團的收入主要來源於銷售動物飼料產品、禽畜及水產和增值加工食品產品。 銷售合同中有關客戶接收貨品的條款相類似，收入一般在客戶於 貴集團廠房領取產品時或在產品運送達客戶指定地點時確認。 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。	我們評估收入確認的審核程式包括： • 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瞭解交易的交付條款，並參照現行會計準則的要求，評價 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，檢查相關基礎檔(包括發貨單或客戶確認已收貨的檔)的樣本，以評估收入是否已根據銷售合同的條款在適當的會計期間內確認；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。

Independent Auditor's Report
獨立核數師報告

Valuation of current livestock – swine	
Refer to note 18 to the consolidated financial statements and the accounting policies in note 2.4.	
The key audit matter	**How the matter was addressed in our audit**
The Group's biological assets mainly represent piglets and fattening swine which are presented as "current livestock – swine" in the consolidated financial statements and are measured at their fair value less costs of disposal. Management determined the fair value based on market prices and, where market prices were not available for certain age groups, based on market prices of other age groups, with adjustments to take into account differences in weight. The Group's current livestock – swine had an aggregate value of US$405 million as at 31 December 2018. We identified the valuation of the Group's current livestock – swine as a key audit matter because of its significance to the Group's total assets and the significance of the changes in fair value of biological assets to the Group's profit before taxation and because the valuation of swine requires significant management judgement and estimation, in particular in determining the market prices for swine of different age groups and in making adjustments for weight differences.	Our audit procedures to assess the valuation of the Group's current livestock – swine included the following: • evaluating the design, implementation and operating effectiveness of key internal controls relating to swine management, in particular, the classification of swine into different age groups and the assessment of swine quantity; • observing, on a sample basis, the physical count of swine performed by the Group and comparing the Group's swine management records with the quantity of swine for each different age group as set out in management's fair value calculation table; • assessing the experience and knowledge of the relevant personnel from the Group who were involved in assessing the value of swine at the reporting date; • discussing with management the methodology adopted in estimating the fair value of swine and challenging key estimates and assumptions adopted in the valuations by comparing market prices for swine of different age groups with available market data and by utilising our industry knowledge; • assessing whether the fair value of swine was calculated in a manner consistent with the Group's fair value model by recalculating the fair value of swine based on the inputs, in particular the market prices for swine and weight difference adjustments, adopted by the Group; and • assessing the disclosures in the consolidated financial statements in respect of the valuation of swine with reference to the requirements of the prevailing accounting standards.

當期禽畜－豬隻的估值	
請參閱綜合財務報表附註18及附註2.4的會計政策。	
關鍵審計事項	**我們的審計如何處理該事項**
貴集團的生物資產主要包括小豬及育肥豬，於綜合財務報表以「當期禽畜－豬隻」呈列並按公允值減處置成本列賬。 管理層按市場報價釐定公允值，倘若若干年齡組別並無交易價格，則根據其他相近年齡組別的市場報價並考慮重量的差別後釐定。於二零一八年十二月三十一日， 貴集團的當期禽畜–豬隻的賬面值為4.05億美元。 我們把當期禽畜－豬隻的估值列為關鍵審計事項，因為其對於 貴集團總資產具重要性及生物資產公允值之變動對於 貴集團除稅前溢利具重要性，亦因為在估算當期禽畜－豬隻涉及管理層的重大判斷和估計，尤其是在釐定不同年齡組別的豬隻的市場報價及重量差別的調整。	我們評估 貴集團當期禽畜－豬隻的估值的審核程式包括： • 評估對豬隻管理的主要內部控制的設計，實施和操作有效性，尤其是對豬隻於不同年齡組別的區分及豬隻數量的評估； • 以抽樣方式觀察 貴集團進行豬隻盤點，及將 貴集團的豬隻管理記錄與載於管理層的公允值計算表中各不同年齡組別的豬隻數量作對比； • 評估 貴集團於參與豬隻於報告日估值計算的相關人員是否有經驗和知識； • 與管理層討論於估算豬隻公允值時所採用的方法，通過將不同年齡組別豬隻的市場報價與可比較的市場數據作比較及基於我們的行業知識，評價管理層於估值時所作的主要估算及假設； • 根據 貴集團所採用的輸入數據，特別是 貴集團所採用豬隻的市場報價及重量差異調整，重新計算豬隻的公允值，以評估豬隻的公允值計算是否與貴集團公允值的計算模式一致；及 • 評價綜合財務報表對豬隻估值相關的披露，是否符合相關會計準則的披露要求。

Independent Auditor's Report
獨立核數師報告

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資訊

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

董事需對其他資訊負責。其他資訊包括刊載於年報內的全部資訊，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資訊，我們亦不對該等其他資訊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資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭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，如果我們認為其他資訊存在重大錯誤陳述，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。

合理保證是高水準的保證，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，設計及執行審計程式以應對這些風險，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，或淩駕於內部控制之上，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為高。

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

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report
獨立核數師報告

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's 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告中的相關披露。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　貴集團不能續持續經營。

- 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資訊獲取充足、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，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

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 year 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年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

18 February 2019

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

二零一九年二月十八日

Consolidated Statement of Comprehensive Income
綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note (a)) (附註(a))
REVENUE	**收入**	5	**6,709,420**	5,638,036
Cost of sales	銷售成本		**(5,667,468)**	(5,027,687)
Gross profit	毛利		**1,041,952**	610,349
Net changes in fair value of biological assets	生物資產公允值之變動淨額	6	**95,870**	7,389
			1,137,822	617,738
Other income, net	其他收入淨額	7	**48,796**	36,279
Selling and distribution costs	銷售及分銷成本		**(283,405)**	(258,421)
General and administrative expenses	行政及管理費用		**(312,892)**	(270,264)
Finance costs	財務成本	8	**(80,238)**	(58,664)
Share of profits and losses of:	應佔溢利及虧損：			
Joint ventures	合營企業	21(a)	**3,226**	4,709
Associates	聯營公司	22(a)	**19,069**	15,351
PROFIT BEFORE TAX	**除稅前溢利**	9	**532,378**	86,728
Income tax	所得稅	12	**(139,361)**	(45,891)
PROFIT FOR THE YEAR	**本年溢利**		**393,017**	40,837

Consolidated Statement of Comprehensive Income
綜合全面收益表
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note (a)) (附註(a))
OTHER COMPREHENSIVE INCOME	**其他全面收益**			
Items that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益之項目：			
Equity investments at fair value through other comprehensive income (non-recycling)	權益投資按公允值透過其他全面收益計量（不可循環至損益）		(9,790)	–
Income tax effect	所得稅影響		3,348	–
Surplus on revaluation of office premises, net	商業樓宇重估淨盈餘	15	8,238	19,470
Income tax effect	所得稅影響	34	(1,239)	(4,402)
			557	15,068
Items that may be reclassified subsequently to profit or loss, including the reclassification adjustments:	其後可能會重新分類至損益之項目，包括重分類調整：			
Exchange differences related to translation of foreign operations	與外地業務於換算時之相關匯兑差額		(87,392)	79,834
Release of reserves upon step acquisition of a subsidiary	分階段收購一家附屬公司之儲備回撥		(394)	–
Share of other comprehensive income of:	應佔其他全面收益：			
Joint ventures	合營企業	21(a)	(856)	1,334
Associates	聯營公司	22(a)	(7,314)	7,616
Surplus on revaluation of available-for-sale investment (recycling) *(Note (b))*	可供出售之投資重估盈餘（可循環至損益）*(附註(b))*	23	–	32,096
Income tax effect *(Note (b))*	所得稅影響*(附註(b))*	34	–	(8,024)
			(95,956)	112,856
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	**除所得稅後本年其他全面收益**		(95,399)	127,924
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**本年全面收益總額**		297,618	168,761

Consolidated Statement of Comprehensive Income
綜合全面收益表
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note (a)) (附註(a))
Profit/(loss) attributable to:	**溢利／(虧損)歸屬予：**			
Shareholders of the Company	本公司股東		**281,659**	41,867
Non-controlling interest	非控制性權益		**111,358**	(1,030)
			393,017	40,837
Total comprehensive income attributable to:	**全面收益總額歸屬予：**			
Shareholders of the Company	本公司股東		**198,113**	166,836
Non-controlling interest	非控制性權益		**99,505**	1,925
			297,618	168,761
			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**	14		
Basic and diluted	基本及攤薄		**1.112**	0.165

Details of dividend for the year are disclosed in note 13 to the financial statements.

本年度之股息詳情於財務報表附註13內披露。

Notes:

(a) The Group initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the transition method chosen, comparative information in the consolidated statement of comprehensive income is not restated. Details of changes in accounting policies are disclosed in note 2 to the financial statements.

(b) These amounts arose under the accounting policies applicable prior to 1 January 2018. As an opening balance adjustment as at 1 January 2018, the balance of available-for-sale investment revaluation reserve (recycling) has been reclassified to other financial assets fair value reserve (non-recycling) and will not be reclassified to profit or loss in any future periods. Details of changes in accounting policies are disclosed in note 2 to the financial statements.

附註：

(a) 本集團於二零一八年一月一日首次採納國際財務報告準則第9號及國際財務報告準則第15號。根據本集團採用的過渡法，綜合全面收益表之比較數字並無重列。會計政策之更改詳情於財務報表附註2內披露。

(b) 此等金額乃根據二零一八年一月一日前適用之會計政策產生。而作為於二零一八年一月一日的期初金額調整，可供出售之投資重估儲備(可循環至損益)金額已重分類至其他金融資產公允值儲備(不可循環至損益)，且不會在未來重新分類至損益。會計政策之更改詳情於財務報表附註2內披露。

Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note (c)) (附註(c))
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	15	**1,781,312**	1,754,648
Investment properties	投資物業	16	**19,047**	23,897
Land lease prepayments	預付土地租賃費	17	**174,168**	152,496
Non-current biological assets	非當期生物資產	18	**71,460**	65,687
Intangible assets	無形資產	19	**26,297**	28,798
Investments in joint ventures	於合營企業的投資	21	**17,114**	22,977
Investments in associates	於聯營公司的投資	22	**128,714**	126,105
Other financial assets	其他金融資產	23	**15,042**	–
Available-for-sale investments	可供出售之投資	23	**–**	41,751
Goodwill	商譽	24	**35,461**	37,488
Other non-current assets	其他非流動資產		**29,494**	43,581
Deferred tax assets	遞延稅項資產	34	**11,553**	24,397
Total non-current assets	**總非流動資產**		**2,309,662**	2,321,825
CURRENT ASSETS	**流動資產**			
Inventories	存貨	25	**629,057**	612,670
Current biological assets	當期生物資產	18	**484,632**	351,340
Trade and bills receivables	應收貿易賬款及票據	26	**353,515**	287,900
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	27	**391,538**	332,320
Pledged deposits	已抵押存款	28	**34,835**	24,762
Time deposits with maturity over three months	到期日超過三個月之定期存款	28	**15,233**	15,305
Cash and cash equivalents	現金及現金等價物	28	**392,890**	286,807
Total current assets	**總流動資產**		**2,301,700**	1,911,104
CURRENT LIABILITIES	**流動負債**			
Trade and bills payables	應付貿易賬款及票據	29	**476,807**	462,834
Other payables and accruals	其他應付賬款及預提費用	30	**463,896**	452,016
Bank borrowings	銀行借款	31	**842,230**	697,749
Corporate bond	企業債券	32	**145,041**	–
Income tax payables	應付所得稅		**25,324**	20,945
Total current liabilities	**總流動負債**		**1,953,298**	1,633,544
NET CURRENT ASSETS	**淨流動資產**		**348,402**	277,560
TOTAL ASSETS LESS CURRENT LIABILITIES	**總資產減流動負債**		**2,658,064**	2,599,385

Consolidated Statement of Financial Position
綜合財務狀況表
At 31 December 2018 於二零一八年十二月三十一日

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note (c)) (附註(c))
NON-CURRENT LIABILITIES	**非流動負債**			
Bank borrowings	銀行借款	31	**824,096**	836,465
Corporate bond	企業債券	32	**–**	152,818
Other non-current liabilities	其他非流動負債	33	**49,748**	25,271
Deferred tax liabilities	遞延稅項負債	34	**81,996**	69,467
Total non-current liabilities	**總非流動負債**		**955,840**	1,084,021
NET ASSETS	**資產淨值**		**1,702,224**	1,515,364
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	35	**253,329**	253,329
Reserves	儲備	37	**1,017,731**	961,500
Proposed final dividend	建議末期股息	13	**84,443**	22,881
			1,355,503	1,237,710
Non-controlling interest	非控制性權益		**346,721**	277,654
TOTAL EQUITY	**權益總額**		**1,702,224**	1,515,364

Note:

(c) The Group has initially applied IFRS 9 and IFRS 15 at 1 January 2018. Under the transition method chosen, comparative information in the consolidated statement of financial position is not restated. Details of changes in accounting policies are disclosed in note 2 to the financial statements.

附註：

(c) 本集團於二零一八年一月一日首次採納國際財務報告準則第9號及國際財務報告準則第15號。根據本集團採用的過渡法，綜合財務狀況表之比較數字並無重列。會計政策之更改詳情於財務報表附註2內披露。

Approved and authorised for issue by the board of directors of the Company on 18 February 2019.

於二零一九年二月十八日經本公司董事會批准及授權予以刊發。

Adirek Sripratak 蔡益光
Director 董事

Arunee Watcharananan
Director 董事

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

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			Attributable to shareholders of the Company 本公司股東應佔														
		Note 附註	Issued capital 已發行股本 US$'000 美元千元	Share premium account 股份溢價賬 US$'000 美元千元	Contributed Surplus 實繳盈餘賬 US$'000 美元千元	Capital reserve 資本儲備 US$'000 美元千元	Merger reserve 合併儲備 US$'000 美元千元 (note 37(a)) (附註37(a))	Available-for-sale investment revaluation reserve (recycling) 可供出售之投資重估儲備（可循環至損益） US$'000 美元千元 (note 37(b)) (附註37(b))	Other financial assets fair value reserve (non-recycling) 其他金融資產公允值儲備（不可循環至損益） US$'000 美元千元 (note 37(b)) (附註37(b))	Property revaluation reserve 物業重估儲備 US$'000 美元千元 (note 37(c)) (附註37(c))	PRC reserve funds 中國儲備基金 US$'000 美元千元 (note 37(d)) (附註37(d))	Exchange fluctuation reserve 外匯波動儲備 US$'000 美元千元 (note 37(e)) (附註37(e))	Retained profits 未分配利潤 US$'000 美元千元	Proposed final dividend 建議末期股息 US$'000 美元千元	Total 總額 US$'000 美元千元	Non-controlling interest 非控制性權益 US$'000 美元千元	Total equity 權益總額 US$'000 美元千元
At 1 January 2018	**於二零一八年一月一日**		253,329	10,740	1,119,038	12,620	(1,612,918)	24,072	–	61,925	160,823	(53,151)	1,238,351	22,881	1,237,710	277,654	1,515,364
Impact on initial application of IFRS 15	首次採納國際財務報告準則第15號之影響	2.2			–	–	–	–	–	–	–	–	(2,226)	–	(2,226)	(422)	(2,648)
Impact on initial application of IFRS 9	首次採納國際財務報告準則第9號之影響	2.2	–	–	–	–	–	(24,072)	24,072	–	–	–	–	–	–	–	–
Adjusted balance at 1 January 2018	**於二零一八年一月一日調整後**		253,329	10,740	1,119,038	12,620	(1,612,918)	–	24,072	61,925	160,823	(53,151)	1,236,125	22,881	1,235,484	277,232	1,512,716
Profit for the year	本年溢利		–	–	–	–	–	–	–	–	–	–	281,659	–	281,659	111,358	393,017
Other comprehensive income for the year:	**年內其他全面收益：**																
Exchange differences on translation of foreign operations	外地業務於換算時之匯兌差額		–	–	–	–	–	–	–	–	–	(75,539)	–	–	(75,539)	(11,853)	(87,392)
Equity investments at fair value through other comprehensive income	權益投資按公允值透過其他全面收益計量		–	–	–	–	–	–	(9,790)	–	–	–	–	–	(9,790)	–	(9,790)
Income tax effect	所得稅影響	34	–	–	–	–	–	–	3,348	–	–	–	–	–	3,348	–	3,348
Release of reserves upon step acquisition	分階段收購之儲備回撥		–	–	–	–	(982)	–	–	–	(847)	588	847	–	(394)	–	(394)
Surplus on revaluation of office premises, net	商業樓宇重估淨盈餘	15	–	–	–	–	–	–	–	8,238	–	–	–	–	8,238	–	8,238
Income tax effect	所得稅影響	34	–	–	–	–	–	–	–	(1,239)	–	–	–	–	(1,239)	–	(1,239)
Share of other comprehensive income of:	應佔其他全面收益：																
Joint ventures	合營企業	21(a)	–	–	–	–	–	–	59	–	–	(915)	–	–	(856)	–	(856)
Associates	聯營公司	22(a)	–	–	–	–	–	–	–	–	–	(7,314)	–	–	(7,314)	–	(7,314)
Total comprehensive income for the year	**年內全面收益總額**		–	–	–	–	(982)	–	(6,383)	6,999	(847)	(83,180)	282,506	–	198,113	99,505	297,618
Capital injection by a non-controlling equity holder	非控制性權益股東注入資本		–	–	–	–	–	–	–	–	–	–	–	–	–	2,952	2,952
Disposal of other financial assets	出售其他金融資產		–	–	–	–	–	–	(13,835)	–	–	–	13,835	–	–	–	–
Income tax effect	所得稅影響		–	–	–	–	–	–	3,459	–	–	–	(3,459)	–	–	–	–
Dividend paid to non-controlling equity holders	支付予非控制性權益股東股息		–	–	–	–	–	–	–	–	–	–	–	–	–	(32,968)	(32,968)
2017 final dividend declared	宣派二零一七年末期股息		–	–	–	–	–	–	–	–	–	–	–	(22,881)	(22,881)	–	(22,881)
2018 interim dividend	二零一八年中期股息	13	–	–	(55,213)	–	–	–	–	–	–	–	–	–	(55,213)	–	(55,213)
2018 final dividend proposed	建議二零一八年末期股息	13	–	–	(84,443)	–	–	–	–	–	–	–	–	84,443	–	–	–
Transfer in/(out)	轉入／(出)		–	–	–	–	–	–	–	–	6,148	–	(6,148)	–	–	–	–
At 31 December 2018	**於二零一八年十二月三十一日**		253,329	10,740*	979,382*	12,620*	(1,613,900)*	–	7,313*	68,924*	166,124*	(136,331)*	1,522,859*	84,443	1,355,503	346,721	1,702,224

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			Attributable to shareholders of the Company 本公司股東應佔												
		Note 附註	Issued capital 已發行股本 US$'000 美元千元	Share premium account 股份溢價賬 US$'000 美元千元	Contributed Surplus 實繳盈餘賬 US$'000 美元千元	Capital reserve 資本儲備 US$'000 美元千元	Merger reserve 合併儲備 US$'000 美元千元 (note 37(a)) (附註37(a))	Available-for-sale investment revaluation reserve 可供出售之投資重估儲備 US$'000 美元千元 (note 37(b)) (附註37(b))	Property revaluation reserve 物業重估儲備 US$'000 美元千元 (note 37(c)) (附註37(c))	PRC reserve funds 中國儲備基金 US$'000 美元千元 (note 37(d)) (附註37(d))	Exchange fluctuation reserve 外匯波動儲備 US$'000 美元千元 (note 37(e)) (附註37(e))	Retained profits 未分配利潤 US$'000 美元千元	Proposed final dividend 建議末期股息 US$'000 美元千元	Total 總額 US$'000 美元千元	Non-controlling interest 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**		253,329	10,740	1,141,919	13,012	(1,612,918)	–	46,857	142,410	(138,980)	1,214,897	52,300	1,123,566	295,182	1,418,748
Profit for the year	本年溢利			–	–	–	–	–	–	–	–	41,867	–	41,867	(1,030)	40,837
Other comprehensive income for the year:	**年內其他全面收益：**															
Exchange differences on translation of foreign operations	外地業務於換算時之匯兌差額		–	–	–	–	–	–	–	–	76,879	–	–	76,879	2,955	79,834
Surplus on revaluation of office premises, net	商業樓宇重估淨盈餘	15	–	–	–	–	–	–	19,470	–	–	–	–	19,470	–	19,470
Income tax effect	所得稅影響	34	–	–	–	–	–	–	(4,402)	–	–	–	–	(4,402)	–	(4,402)
Surplus on revaluation of available-for-sale investment	可供出售之投資重估盈餘	23	–	–	–	–	–	32,096	–	–	–	–	–	32,096	–	32,096
Income tax effect	所得稅影響	34	–	–	–	–	–	(8,024)	–	–	–	–	–	(8,024)	–	(8,024)
Share of other comprehensive income of:	應佔其他全面收益：															
Joint ventures	合營企業	21(a)	–	–	–	–	–	–	–	–	1,334	–	–	1,334	–	1,334
Associates	聯營公司	22(a)	–	–	–	–	–	–	–	–	7,616	–	–	7,616	–	7,616
Total comprehensive income for the year	**年內全面收益總額**		–	–	–	–	–	24,072	15,068	–	85,829	41,867	–	166,836	1,925	168,761
Acquisition of non-controlling interest	收購非控制性權益		–	–	–	(392)	–	–	–	–	–	–	–	(392)	(3,036)	(3,428)
Capital injection by a non-controlling equity holder	非控制性權益股東注入資本		–	–	–	–	–	–	–	–	–	–	–	–	793	793
Dividend paid to non-controlling equity holders	支付予非控制性權益股東股息		–	–	–	–	–	–	–	–	–	–	–	–	(17,210)	(17,210)
2016 final dividend declared	宣派二零一六年末期股息		–	–	–	–	–	–	–	–	–	–	(52,300)	(52,300)	–	(52,300)
2017 final dividend proposed	建議二零一七年末期股息	13	–	–	(22,881)	–	–	–	–	–	–	–	22,881	–	–	–
Transfer in/(out)	轉入／(出)		–	–	–	–	–	–	–	18,413	–	(18,413)	–	–	–	–
At 31 December 2017	於二零一七年十二月三十一日		253,329	10,740*	1,119,038*	12,620*	(1,612,918)*	24,072*	61,925*	160,823*	(53,151)*	1,238,351*	22,881	1,237,710	277,654	1,515,364

* These reserve accounts comprise the consolidated reserves of US$1,017,731,000 (2017: US$961,500,000) in the consolidated statement of financial position.

* 該等儲備賬組成綜合財務狀況表內之綜合儲備10億1,773.1萬美元(二零一七年：9億6,150.0萬美元)。

Consolidated Statement of Cash Flows
綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'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		532,378	86,728
Adjustments for:	經調整：			
Bank and other interest income	銀行及其他利息收入	7	(15,560)	(14,218)
Net changes in fair value of investment properties	投資物業公允值變動淨額	7	1,918	2,091
Net changes in fair value of derivative financial instruments	衍生金融工具公允值變動淨額	7	(11,157)	13,025
Finance costs	財務成本	8	80,238	58,664
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	9	122,829	105,430
Amortisation of intangible assets	無形資產之攤銷	9	2,645	2,553
Amortisation of land lease prepayments	預付土地租賃費之攤銷	9	4,396	3,840
Depreciation of biological assets stated at cost less accumulated depreciation and impairment	按成本減累計折舊及減值損失後列賬之生物資產之折舊	9	39,018	35,991
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損淨額	9	736	961
Impairment of trade receivables, net	應收貿易賬款減值淨額	9	3,436	1,754
Impairment of prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款減值淨額	9	–	2,419
Net changes in fair value of biological assets	生物資產公允值之變動淨額	6	(95,870)	(7,389)
Gain on step acquisition of a subsidiary	分階段收購一家附屬公司之收益	7	(2,095)	–
Gain on dilution of interest in an associate	攤薄一家聯營公司的權益之收益		(80)	–
Gain on relocation of factories	工廠搬遷收益	7	(20,473)	–
Share of profits and losses of:	應佔溢利及虧損：			
Joint ventures	合營企業	21(a)	(3,226)	(4,709)
Associates	聯營公司	22(a)	(19,069)	(15,351)
			620,064	271,789
Increase in inventories	存貨增加		(35,686)	(55,667)
Increase in biological assets	生物資產增加		(96,385)	(58,851)
Increase in trade and bills receivables	應收貿易賬款及票據增加		(85,714)	(70,435)
Increase in prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款增加		(93,972)	(57,406)
Increase in trade payables	應付貿易賬款增加		40,273	100,840
Increase/(decrease) in other payables and accruals	其他應付賬款及預提費用增加／(減少)		90,980	(29,372)
Cash generated from operations	**經營產生之現金**		439,560	100,898
Interest paid	已付利息		(89,203)	(70,966)
Income tax paid	已付所得稅		(107,168)	(62,896)
Net cash flows generated from/(used in) operating activities	**經營活動所得／(用)之現金流量淨額**		243,189	(32,964)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'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		(210,011)	(286,040)
Decrease in other non-current liabilities	其他非流動負債減少		(3,138)	(663)
Increase in land lease prepayments	預付土地租賃費增加	17	(30,534)	(15,197)
Decrease in other non-current assets	其他非流動資產減少		14,931	2,634
Step acquisition of a subsidiary	分階段收購一家附屬公司	38	(4,348)	–
Investments in subsidiaries	投資附屬公司		–	1,778
Investments in associates	投資聯營公司		–	(146)
Acquisition of non-controlling interest	收購非控制性權益		–	(3,428)
Dividend received from joint ventures	收取合營企業股息		2,714	2,355
Dividend received from associates	收取聯營公司股息		9,226	2,287
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		6,035	1,719
Proceeds from disposal of other financial assets	出售其他金融資產所得款項	23	15,841	–
Receipt from PRC government on factories relocation	廠房搬遷而從中國政府取得款項		19,427	5,848
Interest received	已收利息		15,560	14,218
Net cash flows used in investing activities	**投資活動所用之現金流量淨額**		(164,297)	(274,635)
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動之現金流量**			
Proceeds from new bank borrowings	新增銀行借款	28(c)	1,655,223	1,168,983
Repayment of bank borrowings	償還銀行借款	28(c)	(1,491,743)	(949,920)
Capital injection from a non-controlling equity holder	非控制性權益股東注入資本		2,952	793
(Increase)/decrease in pledged deposits	已抵押存款(增加)／減少		(11,378)	17,935
Decrease in time deposits with maturity over three months	到期日超過三個月之定期存款減少		(2,851)	140,422
Dividend paid to shareholders of the Company	已付股息予本公司股東		(78,094)	(52,300)
Dividend paid to non-controlling equity holders	已付予非控制性權益股東股息		(32,968)	(17,210)
Net cash flows from financing activities	**融資活動所得之現金流量淨額**		41,141	308,703
NET INCREASE IN CASH AND CASH EQUIVALENTS	**現金及現金等價物增加淨額**		120,033	1,104
Cash and cash equivalents at beginning of year	**年初之現金及現金等價物**		286,807	268,904
Effect of foreign exchange rate changes, net	**外匯率變動之影響淨額**		(13,950)	16,799
CASH AND CASH EQUIVALENTS AT END OF YEAR	**年末之現金及現金等價物**	28	392,890	286,807

Notes to Financial Statements
財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

1 CORPORATE INFORMATION

C. P. Pokphand Co. Ltd. (the "Company" or "CPP") is a limited liability company incorporated in Bermuda and ordinary shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office and the principal place of business of the Company are located at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and 21st Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, respectively.

During the year, the Company and its subsidiaries (together, the "Group"), joint ventures and associates of the Group were involved in the following activities:

- (i) manufacture and sale of animal feed, (ii) breeding, farming, and sale of livestock, and (iii) manufacture and sale of value-added, processed food products in the People's Republic of China (the "PRC")
- (i) manufacture and sale of animal feed, (ii) breeding, farming and sale of livestock and aquatic animals, and (iii) manufacture and sale of value-added, processed food products in the Socialist Republic of Vietnam ("Vietnam")
- investment and property holding

At 31 December 2018, 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 公司資料

卜蜂國際有限公司(「本公司」或「卜蜂國際」)乃一家於百慕達註冊成立之有限責任公司，其普通股於香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處及主要營業地點分別位於Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda及香港夏慤道16號遠東金融中心21樓。

於年內，本公司及其附屬公司(統稱「本集團」)、本集團的合營企業及聯營公司，乃從事下列業務：

- 於中華人民共和國(「中國」)(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜，以及(iii)產銷增值加工食品
- 於越南社會主義共和國(「越南」)(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜及水產，以及(iii)產銷增值加工食品
- 投資及物業控股

於二零一八年十二月三十一日，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，並於截至本財務報表獲批當日仍然為本公司的直接控股公司。CPF為一家由於泰國註冊成立的Charoen Pokphand Group Company Limited(「CPG」)重大持有之公司。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

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 (the "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 (the "Listing Rules") on the Stock Exchange. These financial statements have been prepared under the historical cost convention, except for office premises, investment properties, certain biological assets, other financial assets and derivative financial instruments, which have been measured at fair value or at fair value less costs of disposal, where appropriate. 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.

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(亦包括所有國際財務報告準則、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。此等財務報表按歷史成本基準編製，惟商業樓宇、投資物業、若干生物資產、其他金融資產及衍生金融工具則採用公允值或公允值減處置成本(如適用)計算。本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。

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2018. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full, except for the unrealised loss which are eliminated only to the extent that there is no evidence of impairment.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

綜合基準

本綜合財務報表由本公司及其附屬公司截至二零一八年十二月三十一日止年度之財務報表所組成。附屬公司之財務報表採用與本公司一致的會計期間及統一的會計政策編制。附屬公司之業績由收購日(即本集團取得控制權當日)起綜合計算直至失去該控制權之日為止。集團內公司間之所有結餘、交易、因集團內公司間交易所產生的未變現盈虧及股利均已在綜合過程中全數抵銷，除未變現虧損抵銷額以沒有證據顯示已減值為限。

於附屬公司的綜合全面收益總額即使產生虧損結餘仍會分配予非控制性權益。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

如果有事實及情況顯示下文附屬公司會計政策中所述的三項控制元素中的一項或以上出現變動，本集團將重新評估其是否控制被投資公司。在沒有失去控制權情況下，附屬公司擁有權權益的變動會於入賬時列作權益交易。

倘本集團失去附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控制性權益之賬面值；及(iii)計入權益的累計匯兑差額；並確認(i)已收代價的公允值；(ii)任何獲保留投資的公允值；及(iii)任何計入損益的盈餘或虧損。先前於其他全面收益已確認的本集團應佔成份重新分類至損益或未分配利潤(如適用)，並採用倘本集團已直接出售有關資產或負債所規定的相同基準。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

IFRS 9	*Financial Instruments*
IFRS 15	*Revenue from Contracts with Customers*
Amendments to IFRS 15	Clarifications to IFRS 15 *Revenue from Contracts with Customers*
Amendments to IAS 40	*Transfers of Investment Property*
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*
IFRS Interpretations Committee 22 – Interpretation 22	*Foreign Currency Transactions and Advance Consideration*

The Group has initially adopted IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* from 1 January 2018. Other new standards, amendments and interpretation that are effective from 1 January 2018 do not have significant financial impact on these financial statements.

2.2 會計政策及披露之更改

國際會計準則委員會已頒佈數項國際財務報告新準則、修訂及詮釋，並於本年度首次生效。下列為當中可能與本集團有關之新準則、修訂及詮釋：

國際財務報告準則第9號	*金融工具*
國際財務報告準則第15號	*來自客戶合約之收入*
修訂國際財務報告準則第15號	澄清國際財務報告準則第15號*來自客戶合約之收入*
修訂國際會計準則第40號	*投資物業轉移*
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*
國際財務報告詮釋委員會－詮釋22	*外匯交易及預付代價*

本集團於二零一八年一月一日首次採納國際財務報告準則第9號*金融工具*及國際財務報告準則第15號*來自客戶合約之收入*。其他於二零一八年一月一日起生效的新準則、修訂及詮釋不會對財務報表構成重大財務影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Under the transition method chosen, the Group recognised cumulative effect of the initial application of IFRS 9 and IFRS 15 as adjustments to the opening balance of equity at 1 January 2018, and the comparative information was not restated.

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 ("ECL") model that replaces the incurred loss impairment model used in IAS 39 Financial Instruments: Recognition and Measurement with the result that a loss event is no longer need to occur before an impairment allowance is recognised.

On 31 December 2017, investments in equity instruments were classified as available-for-sale investments under IAS 39 and changes in fair value was recognised in other comprehensive income, until investments were derecognised, the cumulative gain or loss previously recognised in other comprehensive income would be reclassified from equity to profit or loss as a reclassification adjustment.

Under IFRS 9, an investment in equity instruments is classified as fair value through profit or loss ("FVPL") unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at fair value through other comprehensive income ("FVOCI") (non-recycling), such that subsequent changes in fair value are recognised in other comprehensive income. At the time of disposal, the amount accumulated in the other financial assets fair value reserve (non-recycling) is transferred to retained profits and not recycled through profit or loss.

2.2 會計政策及披露之更改(續)

根據所選擇的過渡方法，本集團調整於二零一八年一月一日的權益期初金額以確認首次採納國際財務報告準則第9號和國際財務報告準則第15號的累計影響，並無須重列比較數字。

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，以及以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。

在二零一七年十二月三十一日，根據國際會計準則第39號權益投資分類為可供出售之投資，公允值變動則計入其他全面收益。直至終止確認投資時，以往於其他全面收益中確認的累計收益或虧損將從權益重新分類至損益。

根據國際財務報告準則第9號，權益投資分類為以公允值計量並透過損益列賬，除非該權益投資不是為交易目的而持有，並且在本集團首次確認投資時進行選擇以指定該投資為以公允值計量並透過其他全面收益列賬(不可循環至損益)，其公允值的後續變動則在其他全面收益中確認。在出售時，其他金融資產公允值儲備(不可循環至損益)中累計的金額轉入未分配利潤，而不循環至損益。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

IFRS 9 *Financial instruments* (continued)

The Group holds equity investments for long-term strategic purposes and are designated as equity investments measured at FVOCI under IFRS 9. Consequently, all fair value gains and losses in current year are reported in other comprehensive income and no gains or losses are reclassified to profit or loss on disposal.

The above changes in accounting policies have been applied retrospectively from 1 January 2018. Comparative information was not restated and continues to be reported under IAS 39. The equity investments that previously included in "available-for-sale investments" on 31 December 2017 were reclassified to "other financial assets" on 1 January 2018.

During the year ended 31 December 2018, certain equity investments measured at FVOCI under IFRS 9 has been disposed. Upon disposal of the equity investments, the amount accumulated in the other financial assets fair value reserve (non-recycling) was transferred to retained profits under IFRS 9, instead of recycling to profit or loss as a disposal gain in "Other income, net" included in the consolidated statement of comprehensive income under IAS 39.

The following tables summarise the estimated impact of the adoption of IFRS 9 on these financial statements, by comparing the amounts reported under IFRS 9 with the hypothetical amounts that would have been recognised under IAS 39 as if it has continued to be applied in 2018 instead of IFRS 9. These tables show only those line items impacted by the adoption of IFRS 9.

2.2 會計政策及披露之更改(續)

國際財務報告準則第9號*金融工具*(續)

本集團持有的權益投資是作為長期策略性投資，並根據國際財務報告準則第9號指定為按公允值計量並透過其他全面收益列賬的權益投資。因此，本期所有公允值收益及虧損均於其他全面收益中反映而出售收益或虧損均不會重新分類到損益。

上述會計政策變更自二零一八年一月一日起追溯調整。比較數字並無重列且繼續根據國際會計準則第39號報告。以往於二零一七年十二月三十一日確認為「可供出售之投資」之權益投資已於二零一八年一月一日重新分類為「其他金融資產」。

於截至二零一八年十二月三十一日止年度內，若干根據國際財務報告準則第9號按公允值計量並透過其他全面收益列賬的權益投資已被出售。根據國際財務報告準則第9號，出售權益投資時，其他金融資產公允值儲備(不可循環至損益)中累計的金額已回撥至未分配利潤，而非根據國際會計準則第39號作為綜合全面收益表之「其他收入淨額」中的出售收益循環至綜合全面收益表。

以下報表總結了採納國際財務報告準則第9號對本財務報表的估計影響，通過比較根據國際財務報告準則第9號報告的金額與假設根據國際會計準則第39號的估計金額(假設二零一八年繼續採納國際會計準則第39號而非國際財務報告準則第9號)。此報表僅顯示因採納國際財務報告準則第9號而受影響的項目。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 9 *Financial instruments* (continued)

國際財務報告準則第9*號金融工具*(續)

Consolidated statement of comprehensive income (Extract)

綜合全面收益表(摘錄)

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		As reported 如呈報 US$'000 *美元千元*	Adjustments 調整 US$'000 *美元千元*	Hypothetical amounts without adoption of IFRS 9 假設沒有採納國際財務報告準則第9號之估計金額 US$'000 *美元千元*
Other income, net	其他收入淨額	48,796	13,835	62,631
Profit before tax	除稅前溢利	532,378	13,835	546,213
Income tax	所得稅	(139,361)	(3,459)	(142,820)
Profit for the year	年內溢利	393,017	10,376	403,393
Profit attributable to:	溢利歸屬予:			
Shareholders of the Company	本公司股東	281,659	10,376	292,035
Other comprehensive income	其他全面收益			
Items that may be reclassified subsequently to profit or loss:	其後可能會重新分類至損益之項目:			
Disposal of available-for-sale investments	出售可供出售之投資	–	(13,835)	(13,835)
Income tax effect	所得稅影響	–	3,459	3,459

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 9 *Financial instruments* (continued)

國際財務報告準則第9號*金融工具*(續)

Consolidated statement of financial position (Extract)

綜合財務狀況表(摘錄)

At 31 December 2018

於二零一八年十二月三十一日

		As reported 如呈報 *US$'000* *美元千元*	Adjustments 調整 *US$'000* *美元千元*	Hypothetical amounts without adoption of IFRS 9 假設沒有採納國際財務報告準則第9號之估計金額 *US$'000* *美元千元*
Assets	資產			
Other financial assets	其他金融資產	15,042	(15,042)	–
Available-for-sale investments	可供出售之投資	–	15,042	15,042

The adoption of IFRS 9 has no impact to the consolidated statement of cash flows.

採納國際財務報告準則第9號對綜合現金流量表並無影響。

Besides, impairment based on the ECL model introduced by IFRS 9 on the Group's financial assets, including trade and bills receivables, has no significant financial impact on these financial statements.

此外，根據國際財務報告準則第9號引入新的預期信貸虧損模式，本集團的金融資產(包括應收貿易賬款及票據)的減值準備不會對財務報表構成重大財務影響。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 15 *Revenue from contracts with customers*

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations.

Under the requirements of IFRS 15, revenue from sale of goods and provision of services by the Group is recognised when the customer obtains control of the promised goods or services in the contract. Transfer of significant risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs. Based on the existing contracts signed with certain contract broiler farms, the Group considered the provision of raw materials (including feed products and day-old-chicks) of certain chicken food products to contract broiler farms would not be recognised as revenue under the transfer-of-control approach in the new standard. The Group has continued to recognise these raw materials transferred and the farming costs as assets until the related chicken food products are sold.

The Group has adopted IFRS 15 using the cumulative effect transition method, and recognised the cumulative effect of initial application as adjustments to the opening balance of equity as at 1 January 2018. Comparative information was not restated and continues to be reported under IAS 18. The adoption of cumulative effect transition method has resulted in a decrease of US$2,648,000 in both net assets and total equity (US$2,226,000 is included in retained profits attributable to shareholders of the Company) as at 1 January 2018.

國際財務報告準則第15號*來自客戶合約之收入*

國際財務報告準則第15號建立了一個綜合框架以確定收入金額及確認時間。它取代國際會計準則第18號*收入*，國際會計準則第11號*建造合同*及相關詮釋。

根據國際財務報告準則第15號的要求，產品銷售及服務收入會於客戶取得合約中所承諾商品或服務的控制權時確認。擁有權之重大風險和回報轉移只是決定控制權轉移時間的其中一個指標。根據現有與若干合約肉雞養殖農場簽署的合同，本集團向合約肉雞養殖農場提供若干雞肉食品產品所需的原料(包括飼料產品和日齡小雞)於新準則中的控制轉移方法下不會確認為收入。本集團把上述已轉讓的原料及養殖開支繼續確認為資產直至賣出相關雞肉食品產品。

本集團採用累計影響過渡法以首次採納國際財務報告準則第15號，並於二零一八年一月一日之權益的期初金額確認首次應用的累計影響。比較數字並無重列且繼續根據國際會計準則第18號報告。於二零一八年一月一日，採用累計影響過渡法導致淨資產和總權益減少264.8萬美元(其中222.6萬美元歸屬於本公司股東應佔未分配利潤)。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 15 *Revenue from contracts with customers* (continued)

國際財務報告準則第15號*來自客戶合約之收入*(續)

The following tables summarise the estimated impact of the adoption of IFRS 15 on these financial statements, by comparing the amounts reported under IAS 18 with the hypothetical amounts that would have been recognised under IAS 18 as if it has continued to be applied in 2018 instead of IFRS 15. These tables show only those line items impacted by the adoption of IFRS 15.

以下報表總結了採納國際財務報告準則第15號對財務報表的估計影響，通過比較根據國際財務報告準則第15號報告的金額與假設根據國際會計準則第18號的估計金額(假設二零一八年繼續採納國際會計準則第18號而非國際財務報告準則第15號)。此報表僅顯示因採納國際財務報告準則第15號而受影響的項目。

Consolidated statement of comprehensive income (Extract)

綜合全面收益表(摘錄)

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		As reported 如呈報 US$'000 *美元千元*	Adjustments 調整 US$'000 *美元千元*	Hypothetical amounts without adoption of IFRS 15 假設沒有採納國際財務報告準則第15號之估計金額 US$'000 *美元千元*
Revenue	收入	6,709,420	284,638	6,994,058
Cost of sales	銷售成本	(5,667,468)	(281,413)	(5,948,881)
Gross profit	毛利	1,041,952	3,225	1,045,177
Profit before tax	除稅前溢利	532,378	3,225	535,603
Income tax	所得稅	(139,361)	7	(139,354)
Profit for the year	年內溢利	393,017	3,232	396,249
Profit attributable to:	溢利歸屬予：			
Shareholders of the Company	本公司股東	281,659	3,435	285,094
Non-controlling interest	非控制性權益	111,358	(203)	111,155
		393,017	3,232	396,249

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 15 *Revenue from contracts with customers* (continued)

國際財務報告準則第15號*來自客戶合約之收入*(續)

Consolidated statement of comprehensive income (Extract) (continued)

綜合全面收益表(摘錄)(續)

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		As reported 如呈報 US$'000 美元千元	Adjustments 調整 US$'000 美元千元	Hypothetical amounts without adoption of IFRS 15 假設沒有採納國際財務報告準則第15號之估計金額 US$'000 美元千元
Other comprehensive income	其他全面收益			
Items that may be reclassified subsequently to profit or loss, including the reclassification adjustments:	其後可能會重新分類至損益之項目，包括重分類調整:			
Exchange differences related to translation of foreign operations	外地業務於換算時之相關匯兑差額	(87,392)	(224)	(87,616)
Total comprehensive income attributable to:	全面收益總額歸屬予：			
Shareholders of the Company	本公司股東	198,113	3,235	201,348
Non-controlling interest	非控制性權益	99,505	(227)	99,278
		297,618	3,008	300,626

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.2 會計政策及披露之更改(續)

IFRS 15 *Revenue from contracts with customers* (continued)

國際財務報告準則第15號*來自客戶合約之收入*(續)

Consolidated statement of financial position (Extract)

綜合財務狀況表(摘錄)

At 31 December 2018

於二零一八年十二月三十一日

		As reported 如呈報 US$'000 *美元千元*	Adjustments 調整 US$'000 *美元千元*	Hypothetical amounts without adoption of IFRS 15 假設沒有採納國際財務報告準則第15號之估計金額 US$'000 *美元千元*
Assets	資產			
Deferred tax assets	遞延稅項資產	11,553	(47)	11,506
Current biological assets	當期生物資產	484,632	(16,930)	467,702
Trade and bills receivables	應收貿易賬款及票據	353,515	36,545	390,060
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	391,538	(22,909)	368,629
Liabilities	負債			
Trade and bills payables	應付貿易賬款及票據	476,807	(413)	476,394
Other payables and accruals	其他應付賬款及預提費用	463,896	(8,584)	455,312
Equity	權益			
Reserves	儲備	1,017,731	5,461	1,023,192
Non-controlling interest	非控制性權益	346,721	195	346,916

The adoption of IFRS 15 has no impact to the consolidated statement of cash flows.

採納國際財務報告準則第15號對綜合現金流量表並無影響。

Besides, if a customer pays consideration or the Group has a right to receive a consideration before the goods is transferred to the customer, a contract liability shall be recognised when the payment is made or due (whichever is earlier). As at 31 December 2018, the Group has contract liabilities of US$94,889,000 (2017: US$86,929,000), which represents the obligation to transfer goods to customers for which the consideration has been received, and is included in "other payables and accruals" in the consolidated statement of financial position (note 30).

此外，若客戶支付代價或本集團有權在貨物轉移至客戶前收取代價，須在收款或應收款項到期時(以較早者為準)確認合同責任。於二零一八年十二月三十一日，本集團的合約負債為9,488.9萬美元(二零一七年：8,692.9萬美元)，即代表向已收取代價的客戶轉移貨品的責任，並包含於綜合財務狀況表之「其他應付賬款及預提費用」內(附註30)。

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 new standards, amendments and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

Amendments to IFRS 3	*Definition of a Business* [2]
Amendments to IFRS 10 and IAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [3]
IFRS 16	*Leases*[1]
Amendments to IAS 28	*Long-term Interest in Associates and Joint Ventures*[1]
Annual Improvements 2015-2017 Cycle	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23[1]
IFRIC 23	*Uncertainty over Income Tax Treatments*[1]

1 Effective for annual periods beginning on or after 1 January 2019

2 Effective for annual periods beginning on or after 1 January 2020

3 No mandatory effective date yet determined but available for adoption

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 that the impact of adopting the amendment and new standards will have on the consolidated financial statements are unlikely to be significant, except for IFRS 16 *Leases*.

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新準則、修訂本及詮釋，於截至二零一八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。下列包括與本集團可能有關的新準則、修訂本及詮釋：

國際財務報告準則第3號的修訂	*業務的定義*[2]
國際財務報告準則第10號及國際會計準則第28號的修訂(2011)	*投資者及聯營公司或合營企業間之資產出售或貢獻*[3]
國際財務報告準則第16號	*租賃*[1]
國際會計準則第28號的修訂	*於聯營公司及合營企業之長期股權*[1]
二零一五年至二零一七年週期之年度改進	修訂國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號[1]
國際財務報告解釋委員會－詮釋23	*稅項處理不確定性*[1]

1 於二零一九年一月一日或之後開始之年度期間生效

2 於二零二零年一月一日或之後開始之年度期間生效

3 未有強制性生效日期但可供採納

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，除了國際財務報告準則第16號*租賃*的採納外，本集團認為採納其他修訂和新準則不會對本集團綜合財務報表構成重大的影響。

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

2.3 已頒佈但尚未生效的國際財務報告準則(續)

IFRS 16 *Leases*

IFRS 16 replaces IAS 17 *Leases* and introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The Group has non-cancellable operating leases commitments of US$619,613,000 (2017: US$545,011,000) as at 31 December 2018 (note 40). Some of these amounts may need to be recognised as lease liabilities, with corresponding right-of-use assets, once IFRS 16 is adopted.

Currently, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Under IFRS 16, the Group will recognise new assets and liabilities for its operating leases of assets. The nature of expenses related to those leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

The Group plans to apply IFRS 16 initially on 1 January 2019, using the modified retrospective approach and will not restate comparative information. Right-of-use assets will be measured on transition as if the new rules had always been applied. Lease liability will be measured at the present value of the remaining lease payments, discounted using the related subsidiaries' incremental borrowing rate at the date of initial application. The cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 January 2019.

There are recognition exemptions for short-term leases and leases of low-value items. The Group plans to elect not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or assets with value of less than US$5,000. The Group will continue to recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

國際財務報告準則第16號*租賃*

國際財務報告準則第16號取代國際會計準則第17號*租賃*及為承租者引入一個資產負債表內的租賃會計模式。承租者確認代表其使用相關資產的權利為使用權資產和代表其履行租賃付款義務為租賃負債。本集團於二零一八年十二月三十一日擁有不可撤銷之經營租賃承擔為6億1,961.3萬美元(二零一七年：5億4,501.1萬美元)(附註40)。一旦採納國際財務報告準則第16號，其中部分金額可能需要被確認為租賃負債以及相應的使用權資產。

目前，本集團在租賃期內以直線法確認經營租賃費用，並且僅於實際租賃付款與已確認費用之間有時間差異的情況下確認為資產和負債。

根據國際財務報告準則第16號，本集團將就其資產的經營租賃確認新的資產及負債。因為本集團將確認使用權資產的折舊費用和租賃負債的利息費用，所以與這些租賃相關的費用性質將會有所不同。

本集團計劃於二零一九年一月一日採用經修訂的追溯法首次應用國際財務報告準則第16號並不會重列比較數字。使用權資產將於過渡時計量並假設一直應用該新準則。租賃負債將按剩餘租賃付款的現值計量，並使用相關附屬公司於首次應用日的新增借款利率貼現。採納國際財務報告準則第16號的累計影響將於二零一九年一月一日之未分配利潤期初餘額調整確認。

對短期租賃和低價值物品的租賃有認可豁免。本集團計劃選擇不確認租賃期少於12個月的短期租賃或資產價值低於5,000美元為使用權資產和租賃負債。本集團將繼續在租賃期內以直線法確認與該等租賃相關的租賃付款為費用。

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

2.3 已頒佈但尚未生效的國際財務報告準則(續)

IFRS 16 *Leases* (continued)

國際財務報告準則第16號*租賃*(續)

The following table summarises the estimated impact of the adoption of IFRS 16 on the consolidated statement of financial position as at 31 December 2018, by comparing the amounts reported under IAS 17. The table shows only those line items impacted by the adoption of IFRS 16.

以下報表總結了採納國際財務報告準則第16號對於二零一八年十二月三十一日的綜合財務狀況表的估計影響，通過比較根據國際會計準則第17號的報告的金額。此報表僅顯示因採納用國際財務報告準則第16號而受影響的項目。

Consolidated statement of financial position (Extract)

綜合財務狀況表(摘錄)

At 31 December 2018

於二零一八年十二月三十一日

		As reported 如呈報 US$'000 *美元千元*	Adjustments 調整 US$'000 *美元千元*	Hypothetical amounts with adoption of IFRS 16 假設採納國際財務報告準則第16號之估計金額 US$'000 *美元千元*
Non-current assets	非流動資產			
Right-of-use assets	租賃資產	–	343,306	343,306
Deferred tax assets	遞延稅項資產	11,553	266	11,819
Current Liabilities	流動負債			
Lease liabilities	租賃負債	–	29,207	29,207
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	–	359,203	359,203
Deferred tax liabilities	遞延稅項負債	81,996	(7,900)	74,096
Equity	權益			
Reserves	儲備	1,017,731	(26,298)	991,433
Non-controlling interest	非控制性權益	346,721	(10,640)	336,081

Further impacts may be identified before the standard is initially applied in the Group's unaudited financial statements for the three months ending 31 March 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial statements.

進一步的影響可能會於初步應用該準則(即本集團截至二零一九年三月三十一日止三個月的未經審核財務報告)前確定。本集團亦可能會改變有關會計政策選擇，包括過渡方案，直至於該財務報告最初應用該準則。

The Group does not expect the adoption of IFRS 16 to impact its ability to comply with the covenant of bank borrowings.

本集團預期採納國際財務報告準則第16號不會影響其遵守銀行借貸契約的能力。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.4 主要會計政策概要

Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement in the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances, in assessing whether it has power over an investee, including:

(i) the contractual arrangement with the other vote holders of the investee;

(ii) rights arising from other contractual arrangements; and

(iii) the Group's voting rights and potential voting rights.

附屬公司

附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團於參與被投資公司中的業務中分享或有權享有可變回報，並可使用其權力影響被投資公司之回報(即給予本集團現時能力直接參與被投資公司之相關業務之現有權利)時，本集團即屬擁有控制權。

當本公司直接或間接持有少於一間被投資公司的大多數表決權或類似權利時，本集團在評估其是否有權控制投資公司時會考慮所有相關事實和情況，包括：

(i) 與被投資公司投票權持有人之合約協議；

(ii) 來自其他合約協議之權利；及

(iii) 貴集團之投票權及潛在投票權。

Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method, as for associates (note 2.4).

合營企業

合營企業為一項聯合安排，對安排擁有共同控制權的訂約方據此對合營企業的淨資產擁有權利。共同控制權指按照合同協定對一項安排所共有的控制權，僅在相關活動必須獲得共同享有控制權的各方一致同意方能決定時存在。於合營企業的投資以權益法列賬，與聯營公司一致(附註2.4)。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policies decisions.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment including any long-term interest that forms part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

聯營公司

聯營公司乃指本集團對於其管理層擁有重大影響力之實體，包括參與對於其財務及營運政策的決定，但並非控制權或共同控制權。

於聯營公司的投資以權益法列賬並於最初以成本確認。投資成本包括交易成本。

綜合財務報表由重大影響力起始日開始，併入本集團以權益法列賬的投資對象之應佔溢利及虧損和其他全面收益(於列入為使其與本集團會計政策一致的調整後)，直至失去該重大影響力為止。

當本集團應佔虧損超過其對於以權益法列賬的投資對象的權益，該投資的賬面值(包括任何長期權益)減至零，並除本集團有義務或已代投資對象付款為限外，停止確認進一步虧損。

Related parties

A party is considered to be related to the Group if:

(i) the party is a person or a close member of that person's family and that person

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

(b) has significant influence over the Group; or

(c) is a member of the key management personnel of the Group or of a parent of the Group; or

關連人士

任何一方如屬以下情況，即視為本集團的關連人士：

(i) 個人或個人之近親若有下列情形

(a) 控制或共同控制本集團；

(b) 對本集團有重大影響力；或

(c) 為本集團或其母公司的重要管理人員的成員；或

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

(ii) the party is an entity where any of the following conditions applies:

(a) the entity and the Group are members of the same group;

(b) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(c) the entity and the Group 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); and

(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 parent of the Group.

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)

關連人士(續)

(ii) 如相關實體符合任何下列條件之一：

(a) 該實體與本集團屬同一集團；

(b) 一實體為另一實體之聯營公司或合營企業(或另一實體之母公司、附屬公司，或同系附屬公司)；

(c) 該實體與本集團屬同一第三方合營企業；

(d) 一實體屬第三方合營企業且另一實體為該第三方之聯營公司；

(e) 該實體為本集團僱員或任何為本集團關連人士的實體的僱員而設立之退職福利計劃；

(f) 實體受(i)項中提述的人士控制或共同控制；

(g) 該實體為受(i)(a)項中提述的任何人士施加重大影響力的實體或為該實體(或該實體的母公司)的重要管理層人員的成員；及

(h) 實體，或其中有一部分的任何成員，向本集團或本集團的母公司提供重要管理人員服務。

個人的家庭近親乃指該等家庭成員與實體來往時可能預期影響該個人或被該個人影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Goodwill

Goodwill represents the excess of (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the group's previously held equity interest in the acquiree; over (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment.

On disposal of a cash generating unit, any attributable amount of purchased goodwill is included in the calculation of the gain or loss on disposal.

商譽

商譽乃(i)轉讓代價之公允值，被收購方之任何非控制性權益金額及本集團之前持有的股本權益之公允值之合計，超出(ii)於收購日被收購方可識別資產及負債淨額之公允值。

當(ii)大於(i)，該金額將即時於損益確為議價收購收益。

商譽乃按成本減累計減值損失列賬。業務合併產生的商譽乃分配到預期可從合併的協同效應中獲益的每個現金生產單位，或現金生產單位組合，並每年進行減值測試。

於出售現金生產單位時，任何該現金生產單位應佔之商譽將包括於出售收益或虧損之計算中。

Business combinations under common control

Business combinations of entities under common control are accounted for using the pooling-of-interests method. Under the pooling-of-interests method, the assets and liabilities of the acquiree are stated at their historical carrying values at the date of acquisition and the difference between the consideration transferred for a business combination under common control and the total of (i) the acquisition date historical net asset values of the acquiree attributable to the Group and (ii) the pre-acquisition reserves of the acquiree combined by the Group is accounted for as a contribution from or a distribution to, as appropriate, holding companies in the consolidated statement of changes in equity. Accordingly, there is no goodwill or a gain on bargain purchase as a result of a business combination under common control. The results of the acquiree under a business combination under common control are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

共同控制下的業務合併

共同控制下的實體業務合併採用權益結合法。在權益結合法下，被收購方的資產及負債按收購日被收購企業之歷史賬面值合併，而於共同控制下的業務合併的轉讓價格及(i)本集團於收購日應佔被收購方之淨資產歷史賬面值和(ii)被集團合併的被收購方於被收購前的儲備的差異，將於控股公司的綜合權益變動表中計量為貢獻或分配(如適用)。故此，在共同控制下的業務合併時不會產生商譽或特惠購買收益。於共同控制下的業務合併，被收購企業的業績，將於收購日(集團擁有控制權當日)合併入賬，並持續合併直至控制權終止。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Property, plant and equipment and depreciation

物業、廠房及設備及折舊

Office premises

商業樓宇

Office premises are stated at their open market values on the basis of annual professional valuations performed at each financial year end. Changes arising on the revaluation of office premises are dealt with as movements in the property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual premise basis, the excess of the deficit is charged to profit or loss. Any subsequent revaluation surplus is credited to profit or loss to the extent of the deficit previously charged.

商業樓宇乃於各財務年度末按年度專業估值所定之公開市值入賬。該商業樓宇物業價值之重估將於物業重估儲備中作為變動處理。於個別物業基礎下，若該全數儲備之總額不足以抵銷其虧損，多出的虧損將於損益內扣除。其後任何重估盈餘將計入損益內，惟以從前計入之虧損額為限。

Depreciation is calculated on the straight-line basis to write off the valuation of the office premises over their estimated useful lives of 30 years to 50 years.

折舊乃按商業樓宇30年至50年之估計可使用年期以直線法撇銷其價值而計算。

On disposal of an office premise, the relevant portion of the property revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

於出售單一商業樓宇時，於物業重估儲備中就以往估值變現之有關部份將獲回撥，並轉入未分配利潤作為儲備變動。

Other property, plant and equipment

其他物業、廠房及設備

Other property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of other property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after other property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of other property, plant and equipment are required to be replaced at intervals, the Group recognised such parts as individual assets with specific useful lives and depreciates them accordingly.

其他物業、廠房及設備(不包括在建工程)乃按其成本扣除累計折舊及任何累計減值虧損入賬。其他物業、廠房及設備之成本包括其買入價格及任何令該資產達到擬定用途之狀況及位置的直接費用。在開始使用該項其他物業、廠房及設備後所發生之費用(如維修及保養)一般會在產生期間於損益內扣除。在符合確認條件的情況下，主要檢修費用將予以資本化，作為一項置換列入資產的賬面值。當其他物業、廠房及設備的重要部份需要在期間更換，本集團會確認該部份為擁有特定使用年期及折舊的獨立資產。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Property, plant and equipment and depreciation (continued)

物業、廠房及設備及折舊(續)

Other property, plant and equipment (continued)

其他物業、廠房及設備(續)

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

其他物業、廠房及設備之折舊乃根據其個別估計可使用年期以直線法撇銷其成本至其剩餘價值計算。上述折舊所採用之主要年折舊率如下：

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%

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%

Where parts of other property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

如其他物業、廠房及設備之組成項目有不同的可使用年期，各項目應按合理的基礎上分配該項目的成本及每項分開計算其折舊。剩餘價值、可使用年期及折舊方法需最少於每個財政年度末進行複核及，如有需要，進行調整。

Other property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the period the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

其他物業、廠房及設備及經初步確認之任何重大部份應當於出售或通過使用及出售均預期不能產生經濟利益時終止確認。資產在終止確認的期間，任何經出售或退役的收益或虧損於損益內確認，而其金額為該有關資產的淨出售收入與賬面值之差額。

Construction in progress

在建工程

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.

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。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the period of the retirement or disposal.

When a property occupied by the Group as an owner occupied property becomes an investment property, any difference between the carrying amount and the fair value of the property at the date of change in use is accounted for as follows:

(i) any resulting decrease in the carrying amount of the property is recognised in profit or loss in the period the change in use took place.

(ii) any resulting increase in the carrying amount is credited to profit or loss, to the extent the increase reverses a previous impairment loss for that property, or restores the carrying amount of the property to an amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the property in prior years; and any remaining part of the increase in the carrying amount is credited directly to equity in the property revaluation reserve. On subsequent disposal of the property, the relevant portion of the property revaluation reserve realised is transferred to retained profits as a movement in reserves.

2.4 主要會計政策概要(續)

投資物業

投資物業乃土地及樓宇之權益(包括本應符合投資物業定義，於物業經營租賃中的租賃權益)用以賺取租賃收入及／或資本增值而非用作生產或提供貨物或服務或作行政用途。該等物業先以成本(包括交易成本)計量。隨初次確認後，投資物業於報告期末會以公允值入賬以反映市場狀況。投資物業公允值變更所帶來之收益或損失於產生期間計入損益內。

退役或出售投資物業之任何收益或虧損於退役或出售之期間於損益內確認。

當物業被集團佔用而被視為自用物業轉變為投資物業時，往後若物業的賬面值與更改用途日時的公允值有任何差異將入賬如下：

(i) 任何因轉變而導致該物業之賬面值減少，需於更改用途之期內於損益確認。

(ii) 任何導致該物業之賬面值增加需計入損益，惟以該物業回撥先前已減值虧損或回復該物業的賬面值至先前認為無減值虧損之賬面值為限(扣除任何折舊)；及任何剩餘部分之賬面值增加直接計入權益中的物業重估儲備。其後出售物業時，有關物業的變現物業重估儲備將轉入未分配利潤作為儲備之變動。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Intangible assets

Intangible assets represent customer relationship of the Group and are stated in the consolidated statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over the assets' estimated useful lives, from the date they are available for use. The estimated useful lives used for this purpose are 14-22 years. Both the period and method of amortisation are reviewed annually.

無形資產

無形資產乃本集團之客戶關係，按成本減累計攤銷(如估計可使用年期屬有限)及減值虧損於綜合財務狀況表內列賬。可使用年期有限的無形資產按該等資產之估計可使用年期從可使用日期開始以直線法攤銷。上述攤銷所使用之估計可使用年期為14-22年。攤銷年期及方式均於每年作複核。

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases, net of any incentives received from the lessor, are charged to profit or loss on the straight-line basis over the lease terms.

經營租賃

租賃是出租人保留絕大多部份隨擁有資產而得的風險及回報，此為經營租賃。倘若本集團是出租人，被本集團按經營租賃出租的資產需包括在非流動資產內，而根據經營租賃應收的租金應按租賃期限以直線法計入損益。倘若本集團為承租人，根據經營租賃應付的租金於扣除自出租人收取之任何獎勵後按租賃期限以直線法於損益中扣除。

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

預付土地租賃費乃付予中國及越南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。

Biological assets

Biological assets include swine, poultry and aquatic livestock and are measured at their fair value less costs of disposal, except where the fair value cannot be measured reliably or when the costs are not materially different from the fair value due to short production cycle, in those cases they are stated at cost less any accumulated impairment losses and where appropriate, less any accumulated depreciation.

生物資產

生物資產包括豬隻、家禽及水產並按公允值減預計處置成本計量，惟公允值未能可靠計量時或由於生產期短使其成本減任何累計減值虧損與其公允值無重大差別時除外，在此情況下則按成本減任何累計減值虧損，及當適用時減任何累計折舊列賬。

Gains or losses arising from initial recognition of biological assets at fair value less costs of disposal and from a change in fair value less costs of disposal of biological assets are included in profit or loss in the period in which it arises.

初次確認時按公允值減處置成本列賬的生物資產及生物資產公允值減處置成本變動時所產生的收益或虧損計入產生期間的損益內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Biological assets (continued)

The cost of biological assets comprises its purchase price and any costs attributable in raising the biological assets.

For biological assets stated at cost less accumulated depreciation and any accumulated impairment losses, the depreciation is calculated on the straight-line method to write off the cost of these biological assets over their estimated productive period of 12 months to 36 months. The expected productive period of these biological assets is reviewed regularly, and adjusted when appropriate. The carrying values of these biological assets are reviewed for impairment when events or changes in the circumstances indicate that the carrying values may not be fully recoverable.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets, office premises, investment properties, biological assets stated at fair value less costs of disposal and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash generating unit to which the asset belongs.

2.4 主要會計政策概要(續)

生物資產(續)

生物資產的成本包括其購入價及飼養生物資產產生的任何成本。

對於按成本減累計折舊及任何累計減值虧損列賬的生物資產，折舊乃按生物資產的預期可生育期由12個月至36個月以直線法撇銷其成本計算。該等生物資產的預期生育年期將定期複核，及當有需要時進行調整。該等生物資產的賬面值如遇情況改變而導致賬面值可能未能全面收回，將會進行減值複核。

非金融資產減值

當有減值跡象出現或須進行年度減值測試時(金融資產、商業樓宇、投資物業、按公允值減預計處置成本的生物資產及遞延稅項資產除外)，便需評估資產的可收回金額。資產之可收回金額為資產或現金來源單位之使用價值及公允值減處置成本兩者中之較高金額，及按個別資產釐定，除非該項資產不能產生獨立於其他單項或多項資產的現金流，在此情況下，可收回金額按資產所屬之現金來源單位釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Impairment of non-financial assets (continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

非金融資產減值(續)

當資產之賬面值超過其可收回金額便需確認減值虧損。當評估使用價值時，估計未來現金流量將以稅前貼現率折現至現值以反映現時市場評估現金的時間值及資產之特定風險。減值虧損於發生當期的損益內扣除，惟若該項資產以重估值計算，則減值虧損將根據重估資產之相關會計政策入賬。

於每個報告期末均需對先前已確認之減值虧損是否可能不再存在或需減少而作出評估。如出現這種跡象，需對可收回金額作出評估。回撥以往已確認之非商譽之資產減值虧損只可以因為用以釐定資產可收回金額之估計有所變動，但回撥後之金額不可高於假設在過往年度並無就該資產確認減值虧損而釐定的賬面值(扣除任何折舊／攤銷)。回撥之減值虧損將於發生當期計入損益內。除非該資產以重估值計算，在此情況下，則回撥之減值虧損將根據重估資產之相關會計政策入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost or fair value through other comprehensive income.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient in paragraph 63 of IFRS 15 of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient in paragraph 63 of IFRS 15 are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日起按國際財務報告準則9之應用政策)

首次確認及計量

金融資產於初次確認時釐定其分類，其後乃按已攤銷成本或按公允值透過其他全面收益計量。

金融資產於初次確認時的分類乃按金融資產的合約現金流特徵及本集團管理金融資產的業務模式。除若干應收貿易賬款並無包括重大融資成分或本集團採用國際財務報告準則第15號段落63的實用權宜之計沒有就重大融資成分進行調整，本集團初次確認金融資產時乃按公允值加上交易成本入賬。沒有包括重大融資成分之應收貿易賬款或本集團為其採用國際財務報告準則第15號段落63的實用權宜之計乃根據以下「收入確認(於二零一八年一月一日起應用)」所述的國際財務報告準則第15號會計政策釐定交易價格計量。

其後計量

金融資產之其後計量視乎其分類而定，分類如下：

(i) 按攤銷成本計量的金融資產(債務工具)

當金融資產同時符合以下條件，本集團會按攤銷成本計量該金融資產：

- 該金融資產由一個旨在通過持有金融資產收取合約現金流的業務模式所持有。
- 該金融資產的合約條款使於特定日期產生符合僅支付本金及利息準則的現金流量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

(i) Financial assets at amortised cost (debt instruments) (continued)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

(ii) Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日起按國際財務報告準則9之應用政策)(續)

其後計量(續)

(i) 按攤銷成本計量的金融資產(債務工具)(續)

按攤銷成本計量的金融資產期後採用實際利率法計量及減值確認。當該資產終止確認、修訂或減值，其收益及虧損均於損益內確認。

(ii) 金融資產按公允值透過其他全面收益計量(權益投資)

於首次確認時，當該權益投資符合國際會計準則第32號*金融工具：呈列*定義及並非持作買賣用途，本集團可作出不可撤回的選擇，指定該權益投資為以公允值計量並透過其他全面收益列賬。該分類乃按個別工具基準作出。

這些金融資產的收益及虧損永遠不會循環至損益內。股息在確定了支付權後在損益內確認為其他收入，與股息相關的經濟利益很可能會流向本集團及股息金額也可以可靠地計量，除非本集團從此類收益中作為金融資產部分成本的回收受益，在這種情況下，此類收益記錄在其他全面收益中。通過其他綜合收入以公允價值指定的股權投資不受減值評估。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

Impairment

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(i) General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日起按國際財務報告準則9之應用政策)(續)

減值

本集團為所有非透過公允值計入損益處理的債務工具確認預期信貸虧損作減值準備。預期信貸虧損乃基於根據合約應付的合約現金流量於本集團預期收取的所有現金流之間的差額，期後按資產原有實際利率相近的利率貼現。該預期現金流包括由出售所持擔保品或合同條款所固有的其他信貸增強的現金流量。

(i) 一般法

預期信貸虧損會在兩個階段被確認。對於自最初確認以來信用風險沒有顯著增加的信用風險，為未來12個月內可能發生的違約事件造成的信用損失撥備預期信貸虧損(12個月的預期信貸虧損)。對於自最初確認以來信貸風險大幅增加的信貸風險，不論違約時間如何，在餘下年限內的預計信貸損失都需要作損失撥備(年限內預期信貸虧損)。

於各報告日，本集團評估金融工具的信用風險自最初確認以來是否顯著增加。在進行評估時，本集團將報告日金融工具發生違約的風險與初始確認日金融工具發生違約的風險進行了比較，並會考慮合理且可支持的資料，而無需付出不必要的成本或努力，包括歷史和前瞻性資料。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

Impairment (continued)

(ii) Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient in paragraph 63 of IFRS 15 of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日起按國際財務報告準則9之應用政策)(續)

減值(續)

(ii) 簡易法

對於不包含重大融資成分的應收貿易賬款，或當本集團採用國際財務報告準則第15號段落63的實用權宜之計不調整重大融資部分的影響時，本集團採用簡易法計算預期信貸虧損。根據簡易法，本集團不跟蹤信用風險的變化，而是在每個報告日按年限內預期信貸虧損計算虧損撥備。本集團根據其過往信貸虧損經驗設立一個撥備模型，並根據債務人特定的前瞻性因素和經濟環境作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial assets within the scope of IAS 39, other than derivatives, are classified as loans and receivables and available-for-sale investments, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction cost.

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in "Other income, net" in profit or loss. The loss arising from impairment is recognised in "General and administrative expenses" in profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)

首次確認及計量

於國際會計準則第39號範圍內的金融資產需適當地分類為貸款及應收賬款及可供出售之投資，衍生工具除外。本集團在初次確認金融資產時釐定其分類。金融資產於初步確認時，乃按公允值加上交易成本入賬。

所有以常規方式購買或出售之金融資產於交易日(即於本集團承諾購買或出售資產日)確認。以常規方式購買或出售乃指須於一般市場釐定之規則或協定之期間內交割購買或出售之金融資產。

其後計量

金融資產之其後計量視乎其分類而定，分類如下：

(i) 貸款及應收賬款

貸款及應收賬款乃有固定或可釐定付款之非衍生金融資產，該等資產不會於交投活躍之市場報價。於首次計量後，該等資產其後採用有效利率法按已攤銷成本扣除任何減值撥備計算。攤銷成本包括於收購時所產生的折讓或溢價，也包括在有效利率中不可分割的費用或成本。有效利率攤銷列入損益中之「其他收入淨額」。減值所產生之虧損於損益中「行政及管理費用」中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

(ii) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets in equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to profit or loss.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)(續)

其後計量(續)

(ii) 可供出售之投資

可供出售之投資乃權益投資中之非衍生金融資產。列為可供出售之權益投資乃既無被列為持作買賣亦無被指定為透過公允值計入損益處理者。

自初始確認後，可供出售之投資其後以公允值計量，其未變現收益或虧損透過可供出售之投資重估儲備確認為其他全面收益，直至該投資被終止確認為止，屆時累計收益或虧損於損益中之其他收入確認，或直至該投資被確認為需作減值，屆時累計收益或虧損自可供出售之投資重估儲備中轉出至損益中確認。

當非上市權益投資之公允值不能可靠地計量因(a)該投資的估計合理公允值存在重大變數，或(b)在一定範圍內各種估計的可能性不能合理地評估及用於估算公允值，則該等投資須以成本扣除任何減值虧損列賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)(續)

減值

本集團於每個報告期完結時評估是否有任何客觀證據證明一項或一組金融資產已減值。一項或一組金融資產於初次確認資產後發生一項或多項事項(已發生「虧損事項」)導致出現客觀證據顯示減值，及該虧損事項對一項或一組金融資產估計之未來現金流的影響能可靠地估計時，方會被視為將予減值。減值證據可包括有跡象顯示債務人或一組債務人經歷重大財務困難、拖欠或逾期繳付利息或本金，債務人可能破產或進行其他財務重組，以及可見資料顯示估計未來現金流可予計量地減少，例如逾期債務或與違約有關之經濟情況出現變動。

(i) 以攤銷成本列賬之金融資產

就以攤銷成本列賬之金融資產，本集團首先分別評估個別重大資產，或是全部資產(非個別重大)是否存在減值的客觀證據。如果本集團確定個別評估金融資產不存在減值客觀證據(不論屬重大與否)，彼將該項資產列入一組信貸風險特徵相似之金融資產內，並共同評估減值。個別評估減值及被確認或持續確認減值虧損之資產不予共同評估減值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

Impairment (continued)

(i) Financial assets carried at amortised cost (continued)

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to "General and administrative expenses" in profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)(續)

減值(續)

(i) 以攤銷成本列賬之金融資產(續)

如有客觀證據顯示資產已出現減值損失，損失金額將以資產的賬面值與估計未來的現金流量(不包括未發生的未來信貸損失)以金融資產之原始有效利率(即在初始確認時計算的有效利率)折現的現值之差額計量。如果借貸以可變利率計息，計算任何減值虧損之折現率則將為當期有效利率。

有關資產的賬面值可直接沖減或通過使用備抵賬來抵減，虧損金額於損益中確認。利息收入持續根據削減的賬面值及使用以計算減值虧損的利率折現未來的現金流預提。倘實際上並無可能於日後收回款項，則貸款及應收款項和任何相關備抵賬金額將予撇銷。

如於往後年度，估計減值虧損的金額因為減值確認後發生之事項而增加或減少，則先前確認減值虧損的增加或減少可透過備抵賬來調整。如於撇銷後收回，收回款項將計入損益中之「行政及管理費用」。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

Impairment (continued)

(ii) Available-for-sale investments carried at fair value

For available-for-sale investments carried at fair value, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is removed from the available-for-sale investment revaluation reserve and recognised in profit or loss.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is "significant" or "prolonged" requires judgement. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss – is removed from the available-for-sale investment revaluation reserve and recognised in profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through profit or loss. Increases in their fair value after impairment are recognised directly in the available-for-sale investment revaluation reserve.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)(續)

減值(續)

(ii) 以公允值列賬之可供出售之投資

就以公允值列賬之可供出售之投資而言，本集團於各報告期末評估是否有客觀證據證明一項或一組投資已發生減值。

如可供出售之投資已出現減值，其成本(扣除任何所付本金及攤銷)及現有公允值之差額，扣除以往於損益確認之減值虧損後，將由可供出售之投資重估儲備轉出，並於損益中確認。

若權益投資被列為可供出售，客觀證據可包括投資之公允值較其成本顯著或持續下降。「顯著」及「持續」的定義需要判斷。「顯著」乃與投資之原成本相比，而「持續」則以公允值低於原成本之期間評價。當有減值之證據時，累計損失(按收購價及現有公允值之差額扣除此投資先前於損益確認之減值虧損計算)將由可供出售之投資重估儲備轉出，並於損益中確認。被歸類為可供出售之權益工具之減值虧損不可由損益中回撥。減值後增加之公允值將直接於可供出售之投資重估儲備中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

(i) the rights to receive cash flows from the asset have expired; or

(ii) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the assets. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日起按國際財務報告準則9之應用政策及於二零一八年一月一日前按國際會計準則39之應用政策)

終止確認

在下列情況下，金融資產(或如適用，則為金融資產的一部份或一組同類金融資產中的一部份)會被終止確認：

(i) 從資產收取現金流之權利屆滿；或

(ii) 本集團已轉讓從資產收取現金之權利或已承擔履行「轉付」安排下之責任支付整筆收到的現金流(不可延誤)給第三者；及(a)本集團已轉讓資產之絕大部份風險及回報，或(b)本集團既無轉讓亦無保留資產之絕大部份風險及回報，但已轉讓該資產之控制權。

當本集團已轉讓從資產收取現金流之權利或已訂立轉付安排，本集團評估是否已保留該資產的風險及回報的擁有權或其保留的程度，當本集團既無轉讓亦無保留資產之絕大部份風險及回報，亦無轉讓資產之控制權，該資產乃按本集團之持續參與程度予以確認。在此情況下，本集團亦確認一項關聯負債。所轉讓資產及其關聯負債乃按本集團保留之權利及責任為基準予以計量。

以擔保方式就所轉讓資產作持續參與，乃以資產原賬面值及本集團需償還代價最高金額兩者中之較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018)

金融負債(於二零一八年一月一日起按國際財務報告準則9之應用政策及於二零一八年一月一日前按國際會計準則39之應用政策)

Initial recognition and measurement

初次確認及計量

Financial liabilities within the scope of IAS 39, other than derivatives, are classified as loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

符合國際會計準則第39號的範圍內的金融負債分類為貸款及借款，衍生工具除外。本集團於初次確認時決定金融負債之分類。所有金融負債最初按公允值扣除直接應佔交易成本確認入賬。

Subsequent measurement

其後計量

After initial recognition, loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

初次確認後，貸款及借款其後利用有效利率法以攤銷成本計量，如果折現影響不大，將以成本計量。於通過有效利率法攤銷過程中及被終止確認時，收益及虧損將會於損益中確認。

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in "Finance costs" in profit or loss.

計算攤銷成本時，乃計入買入時之任何折扣或溢價以及屬有效利率不可缺少部份的費用或成本計算。有效利率攤銷額包括在損益中之「財務成本」。

Derecognition

終止確認

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

當金融負債之責任已履行、取消或屆滿時，金融負債會被終止確認。

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

當現存金融負債被另一項由同一貸款人借出，而條款有重大不同之金融負債所取代，或當現時的負債之條款被重大修訂時，該取代或修訂被視為對原有負債之終止確認及確認一項新負債，而相關之賬面值差額將於損益中確認。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Financial guarantee contracts (policies under IFRS 9 applicable from 1 January 2018)

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECLs allowance determined in accordance with the policy as set out in "Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018)"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

財務擔保合同(於二零一八年一月一日起按國際財務報告準則9之應用政策)

本集團發行之財務擔保合同乃規定於特定債務人未能按照債務工具條款依期還款時須支付款項以補償持有人所蒙受之損失。財務擔保合同初次以公允值確認為負債，並根據已發行擔保之直接交易成本進行調整。在首次確認後，本集團後續按以下兩者較高者計量財務擔保合同：(i)根據「金融資產減值(於二零一八年一月一日起按國際財務報告準則9之應用政策)」中規定的政策確定的撥備預期信貸虧損；及(ii)最初確認的金額減去在適當情況下確認的累計收入金額。

Financial guarantee contracts (policies under IAS 39 applicable before 1 January 2018)

A financial guarantee contract is recognised initially as deferred income at its fair value, and is amortised in profit or loss over the terms of the guarantee as income from guarantee issued. 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.

財務擔保合同(於二零一八年一月一日前按國際會計準則39之應用政策)

財務擔保合同初次以公允值確認為遞延收入，並按擔保年期攤銷，於損益內確認為已發行擔保之收入。已發行之財務擔保合同於發行時之公允值乃根據類似服務按公平原則收取的費用確定(如能取得該等資料)。

Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised to the category of asset in accordance with the Group's policies. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

倘在發行該擔保時已收取或可收取代價，則該代價根據本集團之政策確認為資產。倘並無收取或應收取有關代價，則於初步確認任何遞延收入時於損益內即時確認為支出。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial guarantee contracts (policies under IAS 39 applicable before 1 January 2018) (continued)

Provision are recognised 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 deferred income in respect of that guarantee, i.e. the amount initially recognised, less accumulated amortisation.

Derivative financial instruments (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018)

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

2.4 主要會計政策概要(續)

財務擔保合同(於二零一八年一月一日前按國際會計準則39之應用政策)(續)

倘及當(i)擔保持有人有可能根據本集團已作出之擔保向本集團提出索償，及(ii)對本集團提出之索償金額預期超過該擔保現時於其他應付款及預提費用內之賬面值(即初次確認之金額減累計攤銷)，則確認撥備。

衍生金融工具(於二零一八年一月一日起按國際財務報告準則9之應用政策及於二零一八年一月一日前按國際會計準則39之應用政策)

衍生金融工具於初次確認時按訂立合同當日之公允值入賬，其後以公允值再計量。衍生金融工具按公允值分類，正數分類為資產，負數則分類為負債。任何公允值變動產生的溢利或虧損均計入損益。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Inventories

Inventories are stated at the lower of cost, on the weighted average basis, and net realisable value after making due allowance for any obsolete or slow-moving items. Cost comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

存貨

存貨乃按成本(採用加權平均法)或經扣除廢品或流轉緩慢項目後之可變現淨值兩者中之較低者列賬。成本包括直接物料、直接勞工及適當分配之間接成本。可變現淨值乃按估計售價扣除完工及出售前任何預計成本計算。

Cash and cash equivalents

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

現金及現金等價物

現金及現金等價物乃指現金、活期存款及高度流通之短期投資(可隨時套現為已知金額之現金，而其價值變更風險不重大，且到期日不遠，一般而言為購入時之三個月內)。就綜合現金流量表而言，需應要求付還並佔本集團現金管理之主要部份之銀行透支亦包括在現金及現金等價物內。

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in "Finance costs" in profit or loss.

撥備

當由以往事項引至現時的責任(法定或推定)及很可能導致未來資源須予外流以清償責任，如該責任有可靠之評估金額，撥備方可被確認。

當折現的影響重大時，撥備之確認金額乃以未來預計清償責任所需支出，於報告期末以貼現值計算。隨時間過去而增加的貼現值會包括在損益中之「財務成本」內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Provisions (continued)

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general guidance for provisions above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the guidance for revenue recognition.

撥備(續)

業務合併之或有負債初次以其公允值確認。其後以下兩者之較高者計量:(i)根據上述撥備之一般原則所確認之金額;及(ii)以確認金額減依據收入確認原則確認之累計攤銷(如適用)。

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

所得稅

所得稅包括當期及遞延稅項。於損益以外入賬的項目相關之所得稅亦於損益以外(於其他全面收益或直接於權益)確認入賬。

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

當期稅項資產與負債於現在及先前時期以預期可收回或支付予稅務部門之金額計量,經考慮本集團經營的國家之主要詮釋及慣例,按於報告期末已頒佈或實質上已頒佈的稅率(及稅法)計算。

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

遞延稅項乃根據資產及負債的稅基及其就財務報告目的準備之賬面值於報告期末之所有暫時性差額以負債法撥備。

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

除下列各項外,所有應課稅之暫時性差額確認為遞延稅務負債內:

(i) 於業務合併以外交易初次確認之資產及負債所產生的遞延稅項負債,並於交易時不影響會計溢利及應課稅損益;及

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

(ii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

(i) when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 主要會計政策概要(續)

所得稅(續)

(ii) 於附屬公司、聯營公司及合營企業之投資有關的應課稅暫時性差額，其回撥時間可受控制，且暫時性差額可能在可見的將來不作回撥。

除下列各項外，所有可扣減的暫時性差額、前期未動用之稅項資產及任何稅項虧損將確認作遞延稅項資產，並以可能產生之應課稅溢利作抵扣為限：

(i) 於業務合併以外交易初次確認之資產及負債所產生的遞延稅項資產有關可扣減暫時性差額，並於交易時不影響會計溢利及應課稅溢利或虧損；及

(ii) 於附屬公司、聯營公司及合營企業之投資有關的可扣減暫時性差額，遞延稅項資產只確認至未來可能之應課稅溢利可用作抵扣的暫時性差額，而使該暫時性差額可於可見將來回撥。

在每個報告期末遞延稅項資產之賬面值將進行複核，並予以扣除不再可能獲得足夠的應課稅溢利而可使用的全部或部分遞延稅項資產。在每個報告期末之未確認遞延稅項資產需重新評估及確認至很有可能將有足夠的應課稅溢利以允許全部或部分遞延稅項資產被收回為限。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Income tax (continued)

所得稅(續)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

遞延稅項資產及負債乃按預期於資產變現或負債償還時期之稅率，並按報告期末時已頒佈或實質上已頒佈的稅率(及稅法)計量。

Deferred tax assets and liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

當及僅當本集團有合法可執行權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產及遞延稅項負債與同一稅務機關對同一應課稅實體或不同應課稅實體徵收的所得稅相關，而該等不同的應課稅實體於各未來期間預期有大額遞延稅項負債或資產將予結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債，則遞延稅項資產與遞延稅項負債可予抵銷。

Government grants

政府補助

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the costs, which it is intended to compensate, are expensed.

如能就收取政府補助及將可符合該補助所有附帶條件作出合理保證，該補助之公允值則予以確認。若補助關於某一開支項目，則應在有關期間(即能夠使該補助有系統地與被補償費用相匹配的期間)確認為收入。

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

若補助關於某一項資產，則將其公允值計入遞延收益賬，並於有關資產的預計可使用年期內，每年等額分期撥入損益。

Revenue recognition (applicable from 1 January 2018)

收入確認(於二零一八年一月一日起之應用政策)

Revenue from contracts with customers

來自客戶合約之收入

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

當貨品或服務的控制權轉移給客戶時，其金額反映本集團預期有權以換取該等貨品或服務的代價，與客戶簽訂合同的收入將被確認。

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

當合同中的代價包括可變金額時，則以本集團預期該貨品或服務轉讓至客戶時所得的代價金額估計。可變代價是在合同開始時估計的，並受到限制，直到當可變代價相關的不確定性隨後得到解決並極可能不會發生重大撥回已確認累計收入金額。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Revenue recognition (applicable from 1 January 2018) (continued)

收入確認(於二零一八年一月一日起之應用政策)(續)

Revenue from contracts with customers (continued)

來自客戶合約之收入(續)

For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in paragraph 63 of IFRS 15. Besides, the incremental costs of obtaining a contract as an expense is recognised when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less, using the practical expedient in paragraph 94 of IFRS 15.

對於客戶付款與承諾的商品或服務轉移之間的期限為一年或更短的合同，使用國際財務報告準則第15號段落63的實用權宜之計，不會對重大融資成分的影響調整交易價格。此外，倘若取得合約的增量成本的攤銷期間為一年或以下，本集團亦應用國際財務報告準則第15號段落94的實用權宜之計於成本產生時確認為開支。

Sale of agri-food products

農牧產品的銷售

Revenue from the sale of agri-food products is recognised at the point in time when control of the asset is transferred to the customer, i.e., when the products are collected by the customers from the Group's premises or when the products are delivered to the location designated by the customers. The Group's sales contracts do not permit sales returns except for where the products are damaged or defective.

銷售農牧產品的收入在資產控制權轉移予客戶時確認，即在客戶於本集團廠房領取產品時或在產品運送抵客戶指定地點時。除產品損壞或有缺陷外，本集團的銷售合同不允許退貨。

Some contracts for the sale of agri-food products provide customers with volume rebates. The volume rebates give rise to variable consideration.

一些農牧產品的銷售合同為客戶提供了批量折扣。批量折扣產生了可變代價。

(i) Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during a period exceeds the threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used.

(i) 批量折扣

在此期間購買的產品數量超過合同規定的門檻，可向某些客戶提供追溯批量折扣。折扣將從客戶應付金額中抵消。為了估計預期未來折扣的可變代價，使用最可能的金額方法。

Revenue from other sources

其他來源的收入

Rental income is recognised on a time proportion basis over the lease terms.

租金收入按與租賃條款的時間比例確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Revenue recognition (applicable before 1 January 2018)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the customers, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

(ii) rental income, on a time proportion basis over the lease terms;

(iii) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset; and

(iv) dividend income, when the equity holders' right to receive payment has been established.

2.4 主要會計政策概要(續)

收入確認(於二零一八年一月一日起之應用政策)(續)

其他收入

利息收入按應計基準以實際利率法利用金融工具的預計年期或較短時間(如適用)之估計未來現金收入準確貼現至金融資產帳面淨值的利率確認。

當股東擁有權利收取款項時，當經濟利益很可能會流入本集團及當股息金額能夠可靠地計量時，將可確認為股息收入。

收入確認(於二零一八年一月一日前之應用政策)

當經濟利益很可能會流入本集團及當收入能夠可靠地計量時，按下列基準，將可確認為收入：

(i) 於貨品出售時，擁有權之重大風險和回報已轉移予客戶(本集團並未有維持與擁有有關的管理，亦無對所出售之貨物擁有有效控制權)；

(ii) 根據租賃條款按時攤分之租賃收入；

(iii) 利息收入，按應計基準以有效利率法用以計算，並應用金融工具預期年期內之估計未來現金收入折現至該金融資產之賬面淨值之利率；及

(iv) 股息收入，當股東擁有權利收取款項時確認。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). The Group receives a certain percentage of the contract value as a deposit from certain customers, which is recognised as a contract liability. Contract liabilities are recognised as revenue when the Group performs under the contract.

合約負債(於二零一八年一月一日起之應用政策)

合約負債是指本集團因已從客戶收取代價(或代價到期)而須向客戶轉移貨品或服務的責任。若客戶在本集團向客戶轉移貨品或服務之前支付代價，則在付款或到期付款時確認合約負債(以較早者為准)。本集團從若干客戶收取合約價值之若干百分比作為訂金，並確認為合約負債。當本集團根據合同履行時，合約負債被確認為收入。

Share-based payments

The fair value of share options granted to employees (including directors) is recognised as an employee cost with a corresponding increase in a share option reserve within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

以股份為基礎支付方式

授予僱員的購股權公平值確認為僱員(包括董事)成本，並於權益內以購股權儲備作相應增加。公平值乃經考慮授出購股權的條款及條件後於授出日期計量。倘僱員於無條件取得購股權前須滿足歸屬條件，則購股權的總估計公平值經考慮購股權將歸屬的可能性於歸屬期內分攤。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Share-based payments (continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share, if any. As at 31 December 2018 and 2017, and up to the reporting date, the Company had no share options outstanding.

Other employee benefits

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. 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.

以股份為基礎支付方式(續)

預期歸屬的購股權數目於歸屬期內審閱。由此引致對過往年度已確認的累計公平值之調整於審閱年度於損益扣除／計入，並相應調整購股權儲備，惟原僱員開支符合資產確認的要求除外。於歸屬日期，確認為開支的金額將予以調整以反映已歸屬購股權的實際數目(並相應調整購股權儲備)，惟沒收僅因未達成與本公司股份市價有關的歸屬條件則作別論。權益金額於以購股權儲備確認，直至購股權獲行使(屆時有關金額將轉撥至股份溢價賬)或購股權屆滿(屆時有關金額直接撥入保留溢利)為止。

現時尚未行使的購股權所構成的攤薄影響已反映於計算每股溢利時之額外股份攤薄，如有。於二零一八年及二零一七年，和截至本財務報表刊登日，本公司沒有購股權尚未行使。

其他員工福利

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)

2.4 主要會計政策概要(續)

Other employee benefits (continued)

其他員工福利(續)

Retirement benefit schemes (continued)

退休福利計劃(續)

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.

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。

Severance allowance

遣散費撥備

The severance pay to employees in Vietnam is accrued at the end of each reporting period for Vietnamese employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance in Vietnam. Commencing from 1 January 2009, the average monthly salary used in this calculation is revised at the end of each reporting period using the average monthly salary of the 6-month period up to the reporting date. Any changes to the accrued amount is recognised in profit or loss.

根據越南勞動法、社會保險法及相關實施指引，對於截至二零零八年十二月三十一日服務年期超過12個月的越南僱員，僱員遣散費按截至二零零八年十二月三十一日之各個服務年度平均月薪的二分之一於每個報告期完結時預提。自二零零九年一月一日起，用於此項計算的平均月薪於每個報告期完結時予以修訂，採用截至報告日之6個月期間之平均月薪。預提款項的任何變動於損益中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Other employee benefits (continued)

其他員工福利(續)

Severance allowance (continued)

遣散費撥備(續)

Pursuant to Law on Social Insurance effective from 1 January 2009, a subsidiary of the Group in Vietnam and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of an employee's basic salary and 20 times the general minimum salary level as specified by the Vietnam government from time to time. With the implementation of the unemployment insurance scheme, the Group is no longer required to provide severance allowance for the service period after 1 January 2009.

根據自二零零九年一月一日生效的社會保險法，本集團的一家位於越南的附屬公司及其僱員需就越南社會保障局管理的失業保險基金作出供款。各方須按僱員基本月薪的1%及越南政府不時指定的一般最低薪金水準的20倍較低者繳付供款。隨著失業保險基金的成立，自二零零九年一月一日的服務年期本集團均不須就遣散費撥備。

Borrowing costs

借款成本

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use. The capitalisation rate for the year is based on the actual cost of the related borrowings. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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。當資產可作擬定用途時，該借款成本將停止被資本化。於年度內資本化比率乃按有關借款之實際成本計算。所有其他借款成本會於發生當期作費用處理。借款成本包括利息及其他由公司借款資金而產生之費用。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits or contributed surplus within the equity section of the consolidated statement of financial position, until they have been approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

股息

董事建議派發之末期股息在股東於股東周年大會上通過前乃於綜合財務狀況表權益部份內歸類為未分配利潤或實繳盈餘賬之獨立部份。建議末期股息於財務報表附註中披露。當獲股東通過及宣佈後，此股息將被確認為負債。

由於公司細則授予董事們權力以宣派中期股息，故中期股息同時建議及宣派。其後，中期股息於建議及宣派後立即於負債中確認。

Foreign currencies

These financial statements are presented in United States dollar, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period and differences are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

外幣

此等財務報表以美元呈列，即本公司之功能及列報貨幣。本集團內每間個別公司自行決定其功能貨幣而每間個別公司之財務報表內的項目是以其功能貨幣計量。本集團內每間個別公司之外幣交易首先以功能貨幣於交易日之兌換率入賬。以外幣結算之貨幣資產及負債須按報告期末之匯率換算成功能貨幣。所有匯兌差異均須納入損益。

以外幣歷史成本計量之非貨幣項目須按初始交易日之匯率換算。按公允值計算之外幣非貨幣項目需按決定公允值當日之匯率換算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Foreign currencies (continued)

外幣(續)

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the United States dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into United States dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of the exchange fluctuation reserve relating to that particular foreign operation is recognised in profit or loss.

若干海外附屬公司、合營企業及聯營公司之功能貨幣為美元以外之貨幣。該等公司之資產及負債均按報告期末當日之匯率換算為本公司之列報貨幣，而其損益則按年度內之加權平均匯率換算成美元。所有匯兑差異確認於其他全面收益及累計在外匯波動儲備內。當出售海外業務時，在外滙波動儲備中與該海外業務相關之部份需在損益內確認。

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

因收購外地業務而產生的商譽及因收購資產及負債而導致需對其賬面值所作的公允值調整，均視作外地業務之資產及負債處理及以結算日匯率換算。

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into United States dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries, which arise throughout the year are translated into United States dollars at the weighted average exchange rates for the year.

就綜合現金流量表而言，海外附屬公司之現金流應按現金流動日當時之匯率換算為美元。海外附屬公司於整個年度內頻繁發生之現金流按本年度之加權平均匯率換算為美元。

Segment reporting

分類報告

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.

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。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 主要會計政策概要(續)

Segment reporting (continued)

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic, operating and/or other characteristics. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

分類報告(續)

除非分類擁有相近的經濟、營運及／或其他特徵外，個別重大的經營分類在財務報告的用途下不會累計披露。如果各經營分類享有大部分以上條件，個別不重大的經營分類可累積計算。

Fair value measurement

The Group measures its investment properties, derivative financial instruments and other financial assets at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

公允值

本集團在每個報告期末，以公允價值計量其投資物業、衍生金融工具和其他金融資產。公允價值是指在計量日市場參與者之間有序交易中收到的出售資產或轉讓負債的價格。公允價值的計量是按出售資產或轉移負債的交易發生在資產或負債的主要市場，或發生在沒有主要市場的情況下，在對於資產或負債最有利的市場內發生。本集團必須能獲得該主要市場或最有利的市場的資訊。資產或負債的公允價值是根據市場參與者在為資產或負債定價時使用的假設來衡量的，前提是市場參與者的行為符合其經濟最佳利益。

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

非金融資產的公允價值計量考慮到市場參與者通過使用其資產來產生最高和最佳經濟效益的能力或將其出售給最能善用和最佳使用資產的另一個市場參與者來。

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

本集團採用適合當時情況並有足夠資料來釐定公允價值的估值技術，最大限度地利用相關可觀察參數，並儘量減少不可觀察參數的使用。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

Level 3: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要(續)

公允值(續)

在財務報表中計量或披露公允價值的所有資產和負債都在公允價值等級中分類如下，其依據是對整個公允價值計量具有重大意義的最低級別參數：

第一級別： 基於活躍市場上相同資產或負債的標價(不做任何調整)。

第二級別： 基於對公允價值計量有重要意義及可直接或間接地觀察的最低級別參數估值技術。

第三級別： 基於對公允價值計量有重要意義的最低級別參數不可觀察的估值技術。

對於在財務報表中按持續基準計量的資產和負債，於每個報告期末本集團通過重新評估分類(基於整體對公允價值計量有重要意義的最低級別參數)來確定是否發生了各級別之間的轉移。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

3 重大會計判斷及估算

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

編製本集團的財務報表時，管理層須作出判斷、估計及假設，而此等將影響收入、開支、資產及負債的呈報金額及相關披露以及或然負債的披露。該等假設及估計的不明朗因素可能導致需要對未來資產或負債的賬面值作出重大調整。

Notes 15(d), 16(b), 18(e) and 44 contain information about the assumptions relating to valuation of office premises, investment properties, biological assets and financial instruments. Other key sources of estimation uncertainties are as follows:

有關商業樓宇、投資物業、生物資產及金融工具之估值的假設載於附註15(d)，16(b)，18(e)及44。其他不確定性因素的主要來源載列如下：

(a) Provision for expected credit losses on trade receivables

(a) 應收貿易賬款之預期信貸虧損撥備

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type, etc.).

本集團根據一個撥備模型計量應收貿易賬款之預期信貸虧損。預期虧損率乃根據對於具有類似虧損模式的各種客戶群體(即按地理、產品類型、客戶類型等)過去逾期天數釐定。

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

撥備模型最初是根據本集團過往觀察到的違約率編制的。本集團將對模型進行校準，以前瞻性資訊調整過往信貸虧損經驗。比如，倘若預測的經濟狀況(即國內生產總值)預計在明年惡化，從而可能導致製造業違約數量增加，則調整過往違約率。於各報告日，更新過往觀察所得違約率，並分析前瞻性估計變動。

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(a) Provision for expected credit losses on trade receivables (continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 26 to the financial statements.

(b) Impairment of property, plant and equipment

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(續)

(a) 應收貿易賬款之預期信貸虧損撥備(續)

對過往觀察所得違約率、預測的經濟狀況和預期信貸虧損之間的相關性的評估是一個重要的估計。預期信貸虧損的金額對環境的變化和預測的經濟狀況較為敏感。本集團的過往信貸虧損經驗和對經濟狀況的預測也可能不能代表客戶未來的實際違約。關於本集團貿易應收賬款的預期信貸虧損資料在財務報表附註26中披露。

(b) 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。資產的可收回金額為資產或現金產生單位使用價值與其公允價值減處置成本兩者中的較高者。按公允價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，乃按公平原則處置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。

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(c) Allowances for inventories

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 identified that are no longer suitable for use in production. Management estimates the net realisable value for such inventories 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.

3 重大會計判斷及估算(續)

(c) 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，並就已証明為不再適合用於生產之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這類存貨之可變現價值。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。

4 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following three reportable operating segments based on their products and services:

- the China agri-food segment is engaged in (i) manufacture and sale of animal feed, (ii) breeding, farming and sale of livestock, and (iii) manufacture and sale of value-added, processed food products in the PRC;
- the Vietnam agri-food segment is engaged in (i) manufacture and sale of animal feed, (ii) breeding, farming and sale of livestock and aquatic animals, and (iii) manufacture and sale of value-added, processed food products in Vietnam; and
- the investment and property holding segment is engaged in leasing properties owned by the Group and investments in group companies.

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 results, 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 and finance costs are excluded from such measurement.

Segment assets exclude pledged deposits, time deposits, cash and cash equivalents, deferred tax assets and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude bank borrowings, corporate bond, income tax payables and deferred tax liabilities as these liabilities are managed on a group basis.

Revenue from contracts with customers is recognised at a point in time when our customer obtains control of promised goods, i.e. when the products are collected by the customers from our premises or when the products are delivered to the location designated by the customers. The remaining performance obligation is part of a contract that has an original expected duration of one year or less, therefore such information is not disclosed as a practical expedient in paragraph 121 of IFRS 15. Disaggregation of revenue from major product lines is disclosed in note 5. Disaggregation of revenue by geographical location of customers is disclosed in note 4(b)(i).

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三個可呈報經營分類：

- 中國農牧食品分類代表於中國(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜，以及(iii)產銷增值加工食品；
- 越南農牧食品分類代表於越南(i)產銷動物飼料，(ii)繁殖、養殖及銷售禽畜及水產，以及(iii)產銷增值加工食品；及
- 投資及物業控股份類代表租賃本集團擁有之物業及作為集團之控股公司。

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業績，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，除銀行利息收入及財務成本不包括在其計算當中。

分類資產不包括在集團層面管理之已抵押存款、定期存款、現金及現金等價物、遞延稅項資產及其他未分配企業資產。

分類負債不包括在集團層面管理之銀行借款、企業債券、應付所得稅及遞延稅項負債。

源自與客戶的合約收入均於客戶獲得承諾產品之控制權之時點確認，即在客戶於本集團廠房領取產品時或在產品送抵客戶指定地點時。剩餘的履約義務是合同的一部分，原預期期限為少於一年，因此根據國際財務報告準則第15號段落121的實用權宜之計，相關信息並未披露。收入按主要產品線的分類於附註5內披露。收入按客戶所在地的分類於附註4(b)(i)內披露。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八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

(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 2018 and 2017.

以下報表為本集團各可呈報經營分類於截至二零一八年及二零一七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 2018

截至二零一八年十二月三十一日止年度

		China agri-food operations 中國農牧食品業務 US$'000 美元千元	Vietnam agri-food operations 越南農牧食品業務 US$'000 美元千元	Investment and property holding operations 投資及物業控股業務 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	4,149,382	2,559,882	156	6,709,420
Segment results	**分類業績**				
The Group	本集團	194,011	399,459	(8,865)	584,605
Share of profits and losses of:	應佔溢利及虧損：				
Joint ventures	合營企業	3,228	(2)	–	3,226
Associates	聯營公司	19,069	–	–	19,069
		216,308	399,457	(8,865)	606,900
Reconciliation:	調節項目：				
Bank interest income	銀行利息收入				5,716
Finance costs	財務成本				(80,238)
Profit before tax	除稅前溢利				532,378
Other segment information	**其他分類資料**				
Depreciation and amortisation	折舊及攤銷	87,711	80,235	942	168,888
Capital expenditure*	資本開支*	162,050	90,281	121	252,452
Additions of other non-current assets**	新增其他非流動資產**	12,485	71,030	–	83,515

* Including additions to property, plant and equipment and land lease prepayments, but excluding assets from step acquisition of a subsidiary.

* 包括物業、廠房及設備及預付土地租賃費之新增，但不包括分階段收購一家附屬公司所得之資產。

** Including (i) non-current assets from step acquisition of a subsidiary, and (ii) additions to non-current biological assets and other non-current assets.

** 包括(i)分階段收購一家附屬公司所得之非流動資產，及(ii)非當期生物資產及其他非流動資產之新增。

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 2018

於二零一八年十二月三十一日

		China agri-food operations 中國農牧食品業務 US$'000 美元千元	Vietnam agri-food operations 越南農牧食品業務 US$'000 美元千元	Investment and property holding operations 投資及物業控股業務 US$'000 美元千元	Total 總額 US$'000 美元千元
Segment assets	分類資產	2,721,918	1,349,727	517,011	4,588,656
Reconciliation:	調節項目：				
Elimination of intersegment receivables	分類間之應收款抵銷				(450,457)
Unallocated assets	未分配資產				473,163
Total assets	總資產				4,611,362
Segment liabilities	分類負債	1,214,860	222,076	3,972	1,440,908
Reconciliation:	調節項目：				
Elimination of intersegment payables	分類間之應付款抵銷				(450,457)
Unallocated liabilities	未分配負債				1,918,687
Total liabilities	總負債				2,909,138
Other segment information	其他分類資料				
Investments in joint ventures	於合營企業的投資	16,875	239	–	17,114
Investments in associates	於聯營公司的投資	128,714	–	–	128,714

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八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 2017

截至二零一七年十二月三十一日止年度

		China agri-food operations 中國農牧食品業務 US$'000 美元千元	Vietnam agri-food operations 越南農牧食品業務 US$'000 美元千元	Investment and property holding operations 投資及物業控股業務 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	3,691,402	1,946,478	156	5,638,036
Segment results	**分類業績**				
The Group	本集團	208,826	(80,133)	(8,005)	120,688
Share of profits and losses of:	應佔溢利及虧損：				
Joint ventures	合營企業	4,709	–	–	4,709
Associates	聯營公司	15,351	–	–	15,351
		228,886	(80,133)	(8,005)	140,748
Reconciliation:	調節項目：				
Bank interest income	銀行利息收入				4,644
Finance costs	財務成本				(58,664)
Profit before tax	除稅前溢利				86,728
Other segment information	**其他分類資料**				
Depreciation and amortisation	折舊及攤銷	69,591	77,448	775	147,814
Capital expenditure*	資本開支*	263,708	52,044	95	315,847
Additions of other non-current assets**	新增其他非流動資產**	79,622	53,795	–	133,417

* Including additions to property, plant and equipment and land lease prepayments, but excluding assets from acquisition of a subsidiary.

* 包括物業、廠房及設備及預付土地租賃費之新增，但不包括收購一家附屬公司所得之資產。

** Including (i) non-current assets from acquisition of a subsidiary, and (ii) additions to non-current biological assets and other non-current assets.

** 包括(i)收購一家附屬公司所得之非流動資產，及(ii)非當期生物資產及其他非流動資產之新增。

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

		China agri-food operations 中國農牧食品業務 US$'000 美元千元	Vietnam agri-food operations 越南農牧食品業務 US$'000 美元千元	Investment and property holding operations 投資及物業控股業務 US$'000 美元千元	Total 總額 US$'000 美元千元
Segment assets	**分類資產**	2,690,323	1,105,266	446,780	4,242,369
Reconciliation:	調節項目：				
Elimination of intersegment receivables	分類間之應收款抵銷				(385,932)
Unallocated assets	未分配資產				376,492
Total assets	**總資產**				4,232,929
Segment liabilities	**分類負債**	1,103,245	219,944	2,864	1,326,053
Reconciliation:	調節項目：				
Elimination of intersegment payables	分類間之應付款抵銷				(385,932)
Unallocated liabilities	未分配負債				1,777,444
Total liabilities	**總負債**				2,717,565
Other segment information	**其他分類資料**				
Investments in joint ventures	於合營企業的投資	22,977	–	–	22,977
Investments in associates	於聯營公司的投資	126,105	–	–	126,105

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

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) 外來客戶之收入

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Mainland China	中國大陸	**4,149,122**	3,693,895
Vietnam	越南	**2,486,831**	1,878,164
Elsewhere	其他地方	**73,467**	65,977
		6,709,420	5,638,036

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

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Mainland China	中國大陸	**1,723,460**	1,750,727
Vietnam	越南	**499,374**	450,643
Elsewhere	其他地方	**60,233**	54,307
		2,283,067	2,255,677

The non-current assets information shown above is based on the location of assets and excludes other financial assets (2017: available-for-sale investments) and deferred tax assets.

上列之非流動資產資料乃按資產所在地分類，並不包括其他金融資產(二零一七年：可供出售之投資)及遞延稅項資產。

4 OPERATING SEGMENT INFORMATION (continued)

4 經營分類資料(續)

(c) Information about major customers

The Group had the following customer (including sales to entities which are known to the Group to be under common control with this customer) with whom transactions have exceeded 10% of the Group's revenue during the year:

(c) 有關主要客戶的資料

本集團與以下客戶(包括據本集團所知受該客戶共同控制的實體的銷售額)之交易額超過本集團於年內收入的10%：

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
CPG and its subsidiaries	CPG及其附屬公司	**969,625**	862,676

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

5 REVENUE

An analysis of revenue is as follows:

5 收入

收入分析如下：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元 (Note) (附註)
Revenue from contracts with customers (within the scope of IFRS 15)	*來自客戶合約之收入(在國際財務報告準則第15號的範圍內)*		
Sales of goods from:	銷售貨品來源自：		
China agri-food operations	中國農牧食品業務		
– Feed business	－飼料業務	**3,406,255**	3,244,037
– Farm business	－養殖業務	**81,711**	45,361
– Food business	－食品業務	**661,416**	402,004
Vietnam agri-food operations	越南農牧食品業務		
– Feed business	－飼料業務	**838,314**	817,163
– Farm business	－養殖業務	**1,562,250**	995,634
– Food business	－食品業務	**159,318**	133,681
		6,709,264	5,637,880
Revenue from other sources	*收入來自其他來源*		
Rental income from investment and property holding operations	投資及物業控股業務之租賃收入	**156**	156
		6,709,420	5,638,036

Note: The Group has initially applied IFRS 15 using cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with IAS 18.

附註： 本集團採用累計影響過渡法以採納國際財務報告準則第15號。採用此方法，比較數字並無重列且繼續根據國際會計準則第18號報告。

6 NET CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS

Net changes in fair value of biological assets represent the difference in fair value from 1 January 2018 to 31 December 2018. Net fair value changes consist of (i) negative realised fair value changes of US$59,633,000 (2017: US$52,416,000) in respect of biological assets held as at 1 January 2018 and (ii) positive unrealised fair value changes of US$155,503,000 (2017: US$59,805,000) in respect of biological assets stated at fair value as at 31 December 2018.

6 生物資產公允值之變動淨額

本集團之生物資產公允值之變動淨額代表自二零一八年一月一日至二零一八年十二月三十一日之公允值之差異。公允值之變動淨額包括(i)於二零一八年一月一日持有的生物資產之已變現公允值之負變動5,963.3萬美元(二零一七年：5,241.6萬美元)及(ii)於二零一八年十二月三十一日以公允值列帳的生物資產之未變現公允值之正變動1億5,550.3萬美元(二零一七年：5,980.5萬美元)。

7 OTHER INCOME, NET

7 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：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Bank interest income	銀行利息收入	5,716	4,644
Other interest income	其他利息收入	9,844	9,574
Rental income	租賃收入	4,360	4,473
Government grants	政府補助	7,476	7,978
Gain on relocation of factories	工廠搬遷收益	20,473	–
Income from sales of consumables and packaging materials	銷售耗材及包裝材料收入	5,564	3,638
Gain on step acquisition of a subsidiary	分階段收購一家附屬公司之收益	2,095	–
Net changes in fair value of derivative financial instruments	衍生金融工具公允值變動淨額	11,157	(13,025)
Net changes in fair value of investment properties *(note 16)*	投資物業公允值變動淨額 *(附註16)*	(1,918)	(2,091)
Foreign exchange differences, net	外幣折算差異淨額	(18,422)	17,300
Others	其他	2,451	3,788
		48,796	36,279

Government grants included above are subsidies or incentives from the government in respect of certain investments of the Group in the agricultural industry and areas promoted by the government in the PRC. There are no unfulfilled conditions or contingencies relating to these grants. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the consolidated statement of financial position (notes 30 and 33).

上述政府補助乃關於本集團於中國農業及政府推動項目的若干投資之補貼或獎勵。有關此等政府補助並無任何尚未履行的條件或或有事項。而已收政府補助相關支出尚未確認的，則包含於綜合財務狀況表之遞延收入內(附註30及33)。

8 FINANCE COSTS

8 財務成本

An analysis of finance costs is as follows:

財務成本分析如下：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Interest expense on bank borrowings	銀行借款之利息費用	85,588	67,186
Interest expense on corporate bond	企業債券之利息費用	6,082	6,083
Less: Interest expense capitalised*	減：利息費用資本化*	(11,432)	(14,605)
		80,238	58,664

* Interest expense was capitalised at a rate of 4.9% – 5.0% per annum (2017: 4.1% – 6.8%).

* 利息費用資本化乃按年利率4.9%至5.0%(二零一七年：4.1%至6.8%)計算。

9 PROFIT BEFORE TAX

9 除稅前溢利

The Group's profit before tax is arrived at after charging/(crediting):

本集團除稅前溢利經扣除／(計入)下列各項：

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Cost of inventories sold	已出售存貨成本		**5,667,468**	5,027,687
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	15	**122,829**	105,430
Amortisation of land lease prepayments	預付土地租賃費之攤銷	17	**4,396**	3,840
Depreciation of biological assets stated at cost less accumulated depreciation and impairment	按成本減累計折舊及減值損失後列賬之生物資產之折舊	18	**39,018**	35,991
Amortisation of intangible assets	無形資產攤銷	19	**2,645**	2,553
Impairment of trade receivables, net	應收貿易賬款減值淨額	26(a)	**3,436**	1,754
Impairment of prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款減值	27(a)	**–**	2,419
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備虧損淨額		**736**	961
Minimum lease payments of leasehold land and properties, plant and machinery under operating lease	租賃土地及物業、廠房及機器之經營租賃之最低租賃付款金額		**75,507**	62,789
Auditors' remuneration	核數師酬金		**2,431**	1,513
Rental income	租賃收入		**(4,516)**	(4,629)
Employee benefit expenses (including directors' emoluments – note 10):	僱員福利支出(包括董事酬金－附註10)			
– Wages, salaries and benefits in kind	－工資、薪金及非現金利益		**440,316**	391,238
– Pension scheme contributions	－退休金供款		**30,395**	24,086
			470,711	415,324

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

10 DIRECTORS' EMOLUMENTS

10 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 of Information about Benefits of Directors) Regulation, are 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：

Year ended 31 December 2018	截至二零一八年十二月三十一日止年度	Note 附註	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	Pension scheme contribution 退休金供款 US$'000 美元千元	Bonus 獎金 US$'000 美元千元	Total 總額 US$'000 美元千元
Executive directors:	**執行董事：**						
Mr. Dhanin Chearavanont	謝國民先生		–	1,174	–	–	1,174
Mr. Adirek Sripratak	蔡益光先生		–	–	–	–	–
Mr. Soopakij Chearavanont	謝吉人先生		–	–	–	–	–
Mr. Bai Shanlin	白善霖先生		–	916	12	377	1,305
Mr. Sooksunt Jiumjaiswanglerg	Sooksunt Jiumjaiswanglerg先生		–	–	–	–	–
Mr. Yu Jianping	于建平先生	(ii)	–	903	19	361	1,283
Mr. Suphachai Chearavanont	謝鎔仁先生		–	–	–	–	–
Mrs. Arunee Watcharananan	Arunee Watcharananan女士		–	–	–	–	–
			–	2,993	31	738	3,762
Non-executive directors:	**非執行董事：**						
Mr. Meth Jiaravanont	謝克俊先生		–	–	–	–	–
Mr. Yoichi Ikezoe	池添洋一先生		–	–	–	–	–
			–	–	–	–	–
Independent non-executive directors:	**獨立非執行董事：**						
Mr. Ma Andrew Chiu Cheung	馬照祥先生		31	–	–	–	31
Mr. Sombat Deo-isres	Sombat Deo-isres先生		31	–	–	–	31
Mr. Sakda Thanitcul	Sakda Thanitcul先生		31	–	–	–	31
Mr. Vinai Vittavasgarnvej	Vinai Vittavasgarnvej先生		31	–	–	–	31
Mrs. Vatchari Vimooktayon	Vatchari Vimooktayon女士		31	–	–	–	31
			155	–	–	–	155
Total directors' emoluments	董事酬金總額		155	2,993	31	738	3,917

10 DIRECTORS' EMOLUMENTS (continued) 10 董事酬金(續)

		Note 附註	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	Pension scheme contribution 退休金供款 US$'000 美元千元	Bonus 獎金 US$'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**						
Executive directors:	**執行董事:**						
Mr. Dhanin Chearavanont	謝國民先生		–	1,181	–	–	1,181
Mr. Adirek Sripratak	蔡益光先生		–	–	–	–	–
Mr. Soopakij Chearavanont	謝吉人先生		–	–	–	–	–
Mr. Bai Shanlin	白善霖先生		–	881	11	354	1,246
Mr. Sooksunt Jiumjaiswanglerg	Sooksunt Jiumjaiswanglerg先生		–	138	–	–	138
Mr. Anan Athigapanich	黃業夫先生	(i)	–	–	–	–	–
Mr. Yu Jianping	于建平先生	(ii)	–	868	17	339	1,224
Mr. Suphachai Chearavanont	謝鎔仁先生		–	–	–	–	–
Mrs. Arunee Watcharananan	Arunee Watcharananan女士		–	–	–	–	–
			–	3,068	28	693	3,789
Non-executive directors:	**非執行董事:**						
Mr. Meth Jiaravanont	謝克俊先生		–	–	–	–	–
Mr. Yoichi Ikezoe	池添洋一先生		–	–	–	–	–
			–	–	–	–	–
Independent non-executive directors:	**獨立非執行董事:**						
Mr. Andrew Ma Chiu Cheung	馬照祥先生		31	–	–	–	31
Mr. Sombat Deo-isres	Sombat Deo-isres先生		31	–	–	–	31
Mr. Sakda Thanitcul	Sakda Thanitcul先生		31	–	–	–	31
Mr. Vinai Vittavasgarnvej	Vinai Vittavasgarnvej先生		31	–	–	–	31
Mrs. Vatchari Vimooktayon	Vatchari Vimooktayon女士		31	–	–	–	31
			155	–	–	–	155
Total directors' emoluments	**董事酬金總額**		155	3,068	28	693	3,944

Notes:

(i) Resigned as executive director on 16 January 2017.

(ii) Appointed as executive director on 16 January 2017.

附註:

(i) 於二零一七年一月十六日辭任執行董事。

(ii) 於二零一七年一月十六獲委任為執行董事。

10 DIRECTORS' EMOLUMENTS (continued)

10 董事酬金(續)

During the year ended 31 December 2018, no emoluments was paid by the Group to the directors as an inducement to join or upon joining the Group as compensation for loss of office (2017: nil), and there was no arrangement under which a director waived or agreed to waive any emoluments (2017: nil).

於截至二零一八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(二零一七年：無)，亦並無董事放棄或同意放棄任何酬金之安排(二零一七年：無)。

11 FIVE HIGHEST PAID EMPLOYEES

11 五位最高薪酬僱員

The five highest paid employees during the year included three (2017: three) directors. Details of their emoluments are set out in note 10 above. The emoluments of the remaining two (2017: two) non-directors are as follows:

年內，五位最高薪酬僱員包括3位(二零一七年：3位)董事，其酬金之詳情已載列於上述附註10。餘下2位(二零一七年：2位)非董事之酬金如下：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Salaries, allowances and benefits in kind	薪酬、津貼及非現金利益	1,927	1,745
Bonus	獎金	770	708
		2,697	2,453

The number of non-director highest paid employees whose remuneration 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：

		2018 二零一八年 Number of individuals 僱員數目	2017 二零一七年 Number of individuals 僱員數目
US$1,154,001 to US$1,218,000 (equivalent to HK$9,000,001 to HK$9,500,000)	1,154,001美元至1,218,000美元(相當於9,000,001港元至9,500,000港元)	–	1
US$1,218,001 to US$1,282,000 (equivalent to HK$9,500,001 to HK$10,000,000)	1,218,001美元至1,282,000美元(相當於9,500,001港元至10,000,000港元)	–	1
US$1,282,001 to US$1,346,000 (equivalent to HK$10,000,001 to HK$10,500,000)	1,282,001美元至1,346,000美元(相當於10,000,001港元10,500,000港元)	1	–
US$1,346,001 to US$1,410,000 (equivalent to HK$10,500,001 to HK$11,000,000)	1,346,001美元至1,410,000美元(相當於10,500,001港元至11,000,000港元)	1	–

11 FIVE HIGHEST PAID EMPLOYEES (continued)

During the year ended 31 December 2018, no emoluments 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 (2017: nil).

11 五位最高薪酬僱員(續)

於截至二零一八年十二月三十一日止年度，本集團並無支付酬金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(二零一七年：無)。

12 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 (2017: nil).

The subsidiaries operating in the PRC and Vietnam are subject to income tax at the rate of 25% (2017: 25%) and 20% (2017: 20%) respectively on their taxable income according to the PRC and Vietnam corporate income tax laws. In accordance with the relevant tax rules and regulations in the PRC and Vietnam, certain subsidiaries of the Group in the PRC and Vietnam enjoy various income tax exemptions or reductions.

12 所得稅

本集團於本年度未有在香港賺取任何應課稅收入，所以未於本年度內作香港利得稅撥備(二零一七年：無)。

根據中國及越南企業所得稅稅例，於當地經營之附屬公司需就其應課稅收入分別按稅率25%(二零一七年：25%)及20%(二零一七年：20%)繳交所得稅。根據中國及越南之相關稅務守則及法例，本集團於中國及越南之若干附屬公司享有豁免或減收所得稅之優惠。

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Current – the PRC	本年－中國		
Charge for the year	本年度支出	**71,880**	67,926
Over-provision in prior years	以往年度多計提	**(5,604)**	(4,803)
Current – Vietnam	本年－越南		
Charge for the year	本年度支出	**31,204**	1,322
Under-provision in prior years	以往年度少計提	**14,659**	–
Deferred *(note 34)*	遞延*(附註34)*	**27,222**	(18,554)
Total tax expense for the year	本年度之稅項總支出	**139,361**	45,891

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

12 INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rates for the PRC and Vietnam in which the Group principally operates to the tax expense at the effective tax rates, and a reconciliation of the applicable tax rates (i.e. statutory tax rates) to the effective tax rates, are as follows:

12 所得稅(續)

按中國及越南(本集團主要營運地點)的法定稅率計算與以有效稅率計算的稅務支出調節表，及適用稅率(即法定稅率)至有效稅率之調節表呈列如下：

		2018 二零一八年		2017 二零一七年	
		US$'000 美元千元	%	US$'000 美元千元	%
Profit before tax	除稅前溢利	532,378		86,728	
Tax expense at statutory tax rate	按法定稅率計算的稅務支出	108,025	20.3	29,095	33.5
Lower tax rates for specific provinces or enacted by local tax authority	按特定省或地區稅務局頒佈之較低稅率	(7,430)	(1.4)	(4,769)	(5.5)
Effect of withholding tax at 10% on the distributable profit of the Group's subsidiaries in the PRC	按本集團於中國之附屬公司可分配利潤計算扣繳稅10%之影響	7,775	1.5	7,499	8.6
Adjustments in respect of current tax of prior years	本年有關以前年度的稅務調整	9,055	1.7	(4,803)	(5.5)
Profits and losses attributable to joint ventures and associates	應佔合營企業及聯營公司溢利及虧損	(4,531)	(0.9)	(4,177)	(4.8)
Income not subject to tax	無需課稅收入	(6,589)	(1.2)	(4,959)	(5.7)
Expenses not deductible for tax	不可扣稅支出	17,606	3.3	13,517	15.6
Tax losses not recognised	未獲確認稅務虧損	17,245	3.2	13,922	16.1
Tax losses from prior years utilised	動用以前年度稅務虧損	(2,039)	(0.3)	(1,760)	(2.0)
Others	其他	244	0.0	2,326	2.6
Tax expense at the Group' s effective tax rate	按本集團有效稅率計算的稅務支出	139,361	26.2	45,891	52.9

The share of income tax attributable to joint ventures and associates amounting to US$1,402,000 (2017: US$1,445,000) and US$6,841,000 (2017: US$6,690,000), respectively, are included in "Share of profits and losses of joint ventures and associates" on the face of the consolidated statement of comprehensive income.

本集團應佔合營企業及聯營公司之所得稅分別為140.2萬美元(二零一七年：144.5萬美元)及684.1萬美元(二零一七年：669.0萬美元)。此等稅項已包含在綜合全面收益表內「應佔合營企業及聯營公司的溢利及虧損」中。

13 DIVIDENDS

13 股息

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Interim – HK$0.017 (equivalent to approximately US 0.218 cents) (2017: nil) per ordinary share and convertible preference share	中期－每股普通股及可換股優先股0.017港元(相等於約0.218美仙)(二零一七年：無)	**55,213**	–
Proposed final – HK$0.026 (equivalent to approximately US 0.333 cents) (2017: HK$0.007 (equivalent to approximately US 0.090 cents)) per ordinary share and convertible preference share	建議末期－每股普通股及可換股優先股0.026港元(相等於約0.333美仙)(二零一七年：0.007港元(相等於約0.090美仙))	**84,443**	22,881
		139,656	22,881

The proposed final dividend in respect of the year ended 31 December 2018 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. The total amount of the proposed final dividend was calculated based on the number of shares in issue on the date of this annual report.

截至二零一八年十二月三十一日止年度之建議末期股息須於應屆周年大會上提呈本公司股東批准。建議末期股息之金額乃根據於本年報日已發行股份數量計算。

14 EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

14 本公司股東應佔之每股溢利

The calculation of basic and diluted 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.

每股基本及攤薄溢利之計算乃按本公司股東應佔年內溢利及年內已發行之普通股及可換股優先股加權平均數。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

14 EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (continued)

14 本公司股東應佔之每股溢利(續)

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

每股基本及攤薄溢利乃根據以下數據計算：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Earnings	**溢利**		
Profit for the year attributable to shareholders of the Company, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄溢利之本公司股東本年應佔溢利	**281,659**	**41,867**

		2018 二零一八年 '000	2017 二零一七年 '000
Shares	**股份**		
Weighted average number of ordinary shares and convertible preference shares in issue during the year, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄溢利之本年已發行普通股及可換股優先股加權平均數	**25,332,915**	**25,332,915**

15 PROPERTY, PLANT AND EQUIPMENT 15 物業、廠房及設備

		Note 附註	Office premises 商業樓宇 US$'000 美元千元 (notes (a) and (d)) (附註(a)及(d))	Industrial buildings 工業樓宇 US$'000 美元千元 (notes (b) and (c)) (附註(b)及(c))	Plant and machinery 廠房及機器 US$'000 美元千元 (note (b)) (附註(b))	Furniture, fixtures and office equipment 傢俱、裝置及辦公設備 US$'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 2018:	於二零一八年一月一日：								
Valuation	估值		77,020	–	–	–	–	–	77,020
Cost	成本		–	937,438	1,062,450	162,195	33,762	256,983	2,452,828
Accumulated depreciation and impairment	累計折舊及減值		–	(257,256)	(391,276)	(103,061)	(23,607)	–	(775,200)
Net carrying amount	賬面淨值		77,020	680,182	671,174	59,134	10,155	256,983	1,754,648
Net carrying amount:	**賬面淨值：**								
At 1 January 2018	於二零一八年一月一日		77,020	680,182	671,174	59,134	10,155	256,983	1,754,648
Additions	添置		–	11,050	18,618	13,117	1,351	177,307	221,443
Surplus on revaluation, net	重估淨盈餘		8,238	–	–	–	–	–	8,238
Acquisition of a subsidiary	收購一家附屬公司	38	–	5,237	2,162	143	53	332	7,927
Depreciation provided during the year	年內計提折舊	9	(1,529)	(40,090)	(61,327)	(17,418)	(2,465)	–	(122,829)
Transfer in/(out)	轉入／(出)		–	86,098	63,304	11,928	384	(161,714)	–
Transfer from investment properties	轉到投資物業	16	–	1,697	–	–	–	–	1,697
Disposals	出售		–	(1,620)	(4,552)	(410)	(188)	–	(6,770)
Exchange realignment	匯兌調整		(1,018)	(32,593)	(33,835)	(2,464)	(494)	(12,638)	(83,042)
At 31 December 2018	於二零一八年十二月三十一日		82,711	709,961	655,544	64,030	8,796	260,270	1,781,312
At 31 December 2018:	**於二零一八年十二月三十一日：**								
Valuation	估值		82,711	–	–	–	–	–	82,711
Cost	成本		–	989,802	1,075,550	170,158	32,807	260,270	2,528,587
Accumulated depreciation and impairment	累計折舊及減值		–	(279,841)	(420,006)	(106,128)	(24,011)	–	(829,986)
Net carrying amount	賬面淨值		82,711	709,961	655,544	64,030	8,796	260,270	1,781,312

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

15 PROPERTY, PLANT AND EQUIPMENT (continued)

15 物業、廠房及設備(續)

		Note 附註	Office premises 商業樓宇 US$'000 美元千元 (notes (a) and (d)) (附註(a)及(d))	Industrial buildings 工業樓宇 US$'000 美元千元 (notes (b) and (c)) (附註(b)及(c))	Plant and machinery 廠房及機器 US$'000 美元千元 (note (b)) (附註(b))	Furniture, fixtures and office equipment 傢俱、裝置及辦公設備 US$'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：								
Valuation	估值		58,115	–	–	–	–	–	58,115
Cost	成本		–	717,081	738,156	141,465	29,483	378,137	2,004,322
Accumulated depreciation and impairment	累計折舊及減值		–	(216,654)	(334,870)	(90,960)	(20,726)	–	(663,210)
Net carrying amount	賬面淨值		58,115	500,427	403,286	50,505	8,757	378,137	1,399,227
Net carrying amount:	賬面淨值：								
At 1 January 2017	於二零一七年一月一日		58,115	500,427	403,286	50,505	8,757	378,137	1,399,227
Additions	添置		–	2,630	9,623	8,933	2,553	276,906	300,645
Surplus on revaluation, net	重估淨盈餘		19,470	–	–	–	–	–	19,470
Acquisition of a subsidiary	收購一家附屬公司	38	–	41,842	32,377	1,011	293	–	75,523
Depreciation provided during the year	年內計提折舊	9	(1,199)	(35,635)	(49,481)	(16,348)	(2,767)	–	(105,430)
Transfer in/(out)	轉入／(出)		–	154,922	246,655	13,541	994	(416,112)	–
Transfer to investment properties	轉自投資物業	16	–	(11,169)	–	–	–	–	(11,169)
Disposals	出售		–	(175)	(2,043)	(218)	(244)	–	(2,680)
Exchange realignment	匯兌調整		634	27,340	30,757	1,710	569	18,052	79,062
At 31 December 2017	於二零一七年十二月三十一日		77,020	680,182	671,174	59,134	10,155	256,983	1,754,648
At 31 December 2017:	於二零一七年十二月三十一日：								
Valuation	估值		77,020	–	–	–	–	–	77,020
Cost	成本		–	937,438	1,062,450	162,195	33,762	256,983	2,452,828
Accumulated depreciation and impairment	累計折舊及減值		–	(257,256)	(391,276)	(103,061)	(23,607)	–	(775,200)
Net carrying amount	賬面淨值		77,020	680,182	671,174	59,134	10,155	256,983	1,754,648

15 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes:

(a) At the end of the reporting period, the Group's office premises were stated at open market values.

Had the Group's office premises been stated at cost less accumulated depreciation, the carrying amount of the premises at the end of the reporting period would have been US$3,965,000 (2017: US$4,502,000).

The revaluation surplus of US$6,999,000 (2017: US$15,068,000) has been recognised in other comprehensive income and accumulated in property revaluation reserve of the Group during the year, net of deferred tax (note 34).

(b) At 31 December 2018, certain of the Group's property, plant and equipment in mainland China with an aggregate net carrying amount of US$177,791,000 (2017: US$72,685,000) were pledged to secure certain bank borrowings of the Group (note 31(a)).

(c) At 31 December 2018, the Group's industrial buildings with an aggregate net carrying amount of US$153,973,000 (2017: US$152,556,000) have not yet obtained ownership certificates.

(d) Fair value measurements of property, plant and equipment

(i) Fair value hierarchy

The following table presents the fair value of the Group's property, plant and equipment measured at the end of the reporting period on a recurring basis.

15 物業、廠房及設備(續)

附註：

(a) 於報告期末，本集團之商業樓宇乃按公開市值入賬。

倘本集團商業樓宇按其成本扣除累計折舊入賬，樓宇於報告期末之賬面值應為396.5萬美元(二零一七年：450.2萬美元)。

金額為699.9萬美元之重估盈餘(二零一七年：1,506.8美元)已於其他全面收益確認及於年內累計於本集團的物業重估儲備(扣除遞延稅項)(附註34)。

(b) 於二零一八年十二月三十一日，本集團於中國大陸之若干物業、廠房及設備合計賬面淨值1億7,779.1萬美元(二零一七年：7,268.5萬美元)已作為本集團若干銀行借款之抵押品(附註31(a))。

(c) 於二零一八年十二月三十一日，本集團之工業樓宇合計賬面淨值1億5,397.3萬美元(二零一七年：1億5,255.6萬美元)尚未獲得房產証。

(d) 物業、廠房及設備的公允值計量

(i) 公允值之級別

下表分析於報告期末本集團之物業、廠房及設備按持續基準計量的公允值。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

15 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes: (continued)

(d) Fair value measurements of property, plant and equipment (continued)

(i) Fair value hierarchy (continued)

15 物業、廠房及設備(續)

附註：(續)

(d) 物業、廠房及設備的公允值計量(續)

(i) 公允值之級別(續)

		Fair value measurement as at 31 December categorised into 於十二月三十一日公允值計量之分類			
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	Total 總額
		US$'000 美元千元	*US$'000 美元千元*	*US$'000 美元千元*	*US$'000 美元千元*
2018	**二零一八年**				
Office premises	**商業樓宇**	**–**	**–**	**82,711**	**82,711**
2017	二零一七年				
Office premises	商業樓宇	–	–	77,020	77,020

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一八年及二零一七年十二月三十一日止年度內，並無第一及第二級別之間之轉移，或轉入或轉出第三級別。本集團之政策乃於報告期末確認當期發生的級別間之轉移。

The following table shows the valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as the key unobservable inputs at the end of the reporting period used in the valuation models.

下表顯示第三級別的公允值於報告期末所採用之估值方法及其估值模式中使用的不可觀察的參數。

15 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes: (continued)

(d) Fair value measurements of property, plant and equipment (continued)

(i) Fair value hierarchy (continued)

Type 種類	Valuation technique 估值方法	Key unobservable inputs 不可觀察的參數
Office premises in Hong Kong 位於香港的商業樓宇	Market comparison approach 市場比較法	Estimated price of US$58,925 (2017: US$54,006) per square metre 每平方米之估計價格58,925美元(2017: 54,006美元)
Office premises in mainland China 位於中國大陸的商業樓宇	Market comparison approach 市場比較法	Estimated price of US$7,470 – US$10,167 (2017: US$7,300 – US$9,144) per square metre 每平方米之估計價格美元7,470 – 10,167 美元 (2017: 7,300美元 – 9,144 美元)

(ii) Information about level 3 fair value measurements

Office premises of the Group were revalued based on valuations performed by RHL Appraisal Limited (2017: Castores Magi (Hong Kong) Limited), an external independent and qualified valuer. The Group's finance team discussed with the valuers on the valuation assumptions and results when the valuation was performed for annual financial reporting purpose.

The fair value of the office premises in Hong Kong and mainland China are determined using market comparison approach by reference to recent quotation or sale prices of comparable properties on a price per square metre basis.

A significant increase/decrease in the estimated price per square metre would result in a significant increase/decrease in the fair value of the office premises.

15 物業、廠房及設備(續)

附註：(續)

(d) 物業、廠房及設備的公允值計量(續)

(i) 公允值之級別(續)

(ii) 有關第三級別公允值計量之資料

本集團之商業樓宇的公允值乃根據由永利行評值顧問有限公司(二零一七年：嘉漫(香港)有限公司)(外部獨立及合資格評估師)所作之評估釐定。因年度財務報告而進行物業評估時，本集團之財務團隊均會與評估師討論其評估的假設及結果。

位於香港及中國大陸的商業樓宇之公允值乃按市場比較法釐定，參考類似物業的近期報價或售價(每平方米)。

每平方米之估計價格的重大上升／下跌會導致商業樓宇之公允值重大上升／下跌。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

16 INVESTMENT PROPERTIES 16 投資物業

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Carrying amount at 1 January	於一月一日之賬面值		**23,897**	13,513
Net changes in fair value	公允值變動淨額	7	**(1,918)**	(2,091)
Transfer (to)/from owner-occupied properties	(轉到)／轉自自用物業	15	**(1,697)**	11,169
Exchange realignment	匯兑調整		**(1,235)**	1,306
Carrying amount at 31 December	於十二月三十一日之賬面值		**19,047**	23,897

Notes:

(a) All investment properties of the Group are situated in mainland China.

(b) Fair value measurements of investment properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis.

附註：

(a) 所有投資物業皆位於中國大陸。

(b) 投資物業的公允值計量

(i) 公允值之級別

下表分析於報告期末本集團之投資物業按持續基準計量的公允值。

		Fair value measurement as at 31 December categorised into 於十二月三十一日公允值計量之分類			
		Level 1 第一級別 US$'000 美元千元	Level 2 第二級別 US$'000 美元千元	Level 3 第三級別 US$'000 美元千元	Total 總額 US$'000 美元千元
2018	**二零一八年**				
Investment properties	**投資物業**	**–**	**–**	**19,047**	**19,047**
2017	二零一七年				
Investment properties	投資物業	–	–	23,897	23,897

16 INVESTMENT PROPERTIES (continued)

Notes: (continued)

(b) Fair value measurements of investment properties (continued)

(i) Fair value hierarchy (continued)

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The following table shows the valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as the key unobservable inputs at the end of reporting period used in the valuation models.

16 投資物業(續)

附註：(續)

(b) 投資物業的公允值計量(續)

(i) 公允值之級別(續)

截至二零一八年及二零一七年十二月三十一日止年度內，並無第一及第二級別之間之轉移，或轉入或轉出第三級別。本集團之政策乃於報告期末確認當期發生的級別間之轉移。

下表顯示第三級別的公允值於報告期末所採用之估值方法及其估值模式中使用的不可觀察的參數。

Type 種類	Valuation technique 估值方法	Key unobservable inputs 不可觀察的參數
Factories and farms in mainland China 位於中國大陸的廠房及農場	Replacement cost approach (2017: Market comparison approach) 重置成本法 (2017: 市場比較法)	Estimated cost of US$9 – US$301 (2017: US$4 – US$420) per square metre 每平方米之估計價格9美元 – 301美元 (二零一七年：4美元 – 420美元)

(ii) Information about level 3 fair value measurements

Investment properties of the Group were revalued based on valuations performed by Beijing Huadeheng Assets Evaluation Co., Ltd., an external independent and qualified valuer. The Group's finance team discussed with the valuers on the valuation assumptions and results when the valuation is performed for annual financial reporting purpose.

As at 31 December 2018, replacement cost approach was used for the valuation of the factories and farms in mainland China (2017: market comparison approach) by reference to the cost to replace the assets at present time and their length of period used, as the result from this method is considered a more accurate reflection of their fair values.

A significant increase/decrease in the estimated costs of transportation, installation and start-up would result in a significant increase/decrease in the fair value of the investment properties.

(ii) 有關第三級別公允值計量之資料

本集團之投資物業的公允值乃根據由北京華德恆資產評估有限公司(外部獨立及合資格評估師)所作之評估釐定。因年度財務報告而進行物業評估時，本集團之財務團隊均會與評估師討論其評估的假設及結果。

於二零一八年十二月三十一日，位於中國大陸的廠房及農場之估值乃使用重置成本法(二零一七年：市場比較法)，參考近期重置該資產成本及已使用年期，使用此評估法可提供更準確之公允值。

運輸、安裝及啟動之成本估計價格的重大上升／下跌會導致投資物業之公允值重大上升／下跌。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

17 LAND LEASE PREPAYMENTS 17 預付土地租賃費

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Carrying amount at 1 January	於一月一日賬面值		**156,479**	131,996
Acquisition of subsidiaries	收購附屬公司	38	**4,545**	4,099
Additions	添置		**30,534**	15,197
Amortisation provided during the year	年內計提攤銷	9	**(4,396)**	(3,840)
Exchange realignment	匯兌調整		**(8,763)**	9,027
Carrying amount at 31 December	於十二月三十一日賬面值		**178,399**	156,479
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		**(4,231)**	(3,983)
Non-current portion	非流動部分		**174,168**	152,496
Analysis of leasehold land by location:	**依據租賃土地所在位置分析如下：**			
Mainland China	中國大陸		**150,955**	147,981
Vietnam	越南		**27,444**	8,498
			178,399	156,479

Note:

At 31 December 2018, certain of the Group's leasehold land with an aggregate carrying amount of approximately US$47,678,000 (2017: US$45,111,000) were pledged to secure certain bank borrowings of the Group (note 31(b)).

附註：

於二零一八年十二月三十一日，本集團之若干租賃土地合計賬面值約4,767.8萬美元(二零一七年：4,511.1萬美元)，已作為本集團若干銀行借款之抵押品(附註31(b))。

18 BIOLOGICAL ASSETS 18 生物資產

		Note 附註	Breeders and layers 育種禽畜及蛋雞 US$'000 美元千元 (note (a)) (附註 (a))	Current livestock – swine 當期禽畜–豬隻 US$'000 美元千元 (note (b)) (附註 (b))	Other biological assets 其他生物資產 US$'000 美元千元 (note (c)) (附註 (c))	Total 總計 US$'000 美元千元
At 1 January 2018:	於二零一八年一月一日：					
At cost less accumulated depreciation and impairment:	成本減累計折舊及減值：					
Cost	成本		116,837	–	32,837	149,674
Accumulated depreciation and impairment	累計折舊及減值		(28,873)	–	–	(28,873)
			87,964	–	32,837	120,801
At fair value	公允值		–	296,226	–	296,226
			87,964	296,226	32,837	417,027
Effect of adoption of IFRS 15	採納國際財務報告準則第15號之影響					
Cost	成本		–	–	10,825	10,825
At 1 January 2018(restated)	於二零一八年一月一日(重列)		87,964	296,226	43,662	427,852
Net carrying amount:	賬面淨值：					
At 1 January 2018	於二零一八年一月一日		87,964	296,226	43,662	427,852
Increase due to purchases/raising	因購買／養殖而增加		185,525	974,905	537,043	1,697,473
Net changes in fair value	公允值變動淨額		–	95,870	–	95,870
Depreciation provided during the year	年內計提折舊	9	(39,018)	–	–	(39,018)
Decrease due to sales	因銷售而減少		(95,890)	(939,763)	(526,098)	(1,561,751)
Decrease due to culling	因屠宰而減少		(37,931)	(14,666)	–	(52,597)
Exchange realignment	匯兌調整		(2,428)	(7,742)	(1,567)	(11,737)
At 31 December 2018	於二零一八年十二月三十一日		98,222	404,830	53,040	556,092
At 31 December 2018:	於二零一八年十二月三十一日：					
At cost less accumulated depreciation and impairment:	成本減累計折舊及減值：					
Cost	成本		129,718	–	53,040	182,758
Accumulated depreciation and impairment	累計折舊及減值		(31,496)	–	–	(31,496)
			98,222	–	53,040	151,262
At fair value	公允值		–	404,830	–	404,830
			98,222	404,830	53,040	556,092
Analysed into:	分析如下：					
Current biological assets	當期生物資產		26,762	404,830	53,040	484,632
Non-current biological assets	非當期生物資產		71,460	–	–	71,460
			98,222	404,830	53,040	556,092

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

18 BIOLOGICAL ASSETS (continued) 18 生物資產(續)

		Note 附註	Breeders and layers 育種禽畜及蛋雞 US$'000 美元千元 (note (a)) (附註 (a))	Current livestock – swine 當期禽畜－豬隻 US$'000 美元千元 (note (b)) (附註 (b))	Other biological assets 其他生物資產 US$'000 美元千元 (note (c)) (附註 (c))	Total 總計 US$'000 美元千元
At 1 January 2017:	於二零一七年一月一日：					
At cost less accumulated depreciation and impairment:	成本減累計折舊及減值：					
Cost	成本		98,115	–	25,078	123,193
Accumulated depreciation and impairment	累計折舊及減值		(21,474)	–	–	(21,474)
			76,641	–	25,078	101,719
At fair value	公允值		–	282,079	–	282,079
			76,641	282,079	25,078	383,798
Net carrying amount:	賬面淨值：					
At 1 January 2017	於二零一七年一月一日		76,641	282,079	25,078	383,798
Acquisition of a subsidiary	收購一家附屬公司	38	1,306	–	–	1,306
Increase due to purchases/raising	因購買／養殖而增加		170,058	873,363	163,321	1,206,742
Net changes in fair value	公允值變動淨額		–	7,389	–	7,389
Depreciation provided during the year	年內計提折舊	9	(35,991)	–	–	(35,991)
Decrease due to sales	因銷售而減少		(90,760)	(856,163)	(155,632)	(1,102,555)
Decrease due to culling	因屠宰而減少		(34,122)	(11,225)	–	(45,347)
Exchange realignment	匯兌調整		832	783	70	1,685
At 31 December 2017	於二零一七年十二月三十一日		87,964	296,226	32,837	417,027
At 31 December 2017:	於二零一七年十二月三十一日：					
At cost less accumulated depreciation and impairment:	成本減累計折舊及減值：					
Cost	成本		116,837	–	32,837	149,674
Accumulated depreciation and impairment	累計折舊及減值		(28,873)	–	–	(28,873)
			87,964	–	32,837	120,801
At fair value	公允值		–	296,226	–	296,226
			87,964	296,226	32,837	417,027
Analysed into:	分析如下：					
Current biological assets	當期生物資產		22,277	296,226	32,837	351,340
Non-current biological assets	非當期生物資產		65,687	–	–	65,687
			87,964	296,226	32,837	417,027

18 BIOLOGICAL ASSETS (continued)

Notes:

(a) Breeders and layers

Breeders and layers of the Group are (i) sows and boars (collectively "swine breeders") held for the production of piglets for sales and/or further raising to become swine parent stock or fattening swine, (ii) chicken breeders held for production of hatching eggs in order to produce day-old chicks, and (iii) layers held for the production of consumable eggs.

Breeders and layers are stated at cost less accumulated depreciation and any accumulated impairment losses as (i) they are not sold by the Group and no active market exists; (ii) other references to market prices such as market prices for similar assets are not available; and (iii) valuation based on a discounted cash flow method is considered unreliable given the uncertainty with respect to external factors, such as climate and mortality rates, etc.

Cost includes all costs incurred during the growth cycle (e.g. cost of new born animals, feed costs and farmer fees). Swine breeders are depreciated using the straight-line method over their productive period of 24 to 36 months starting from the reproduction phase, while chicken breeders and layers are depreciated using the straight-line method over their productive period of 12 months, both taking into account a residual value.

(b) Current livestock – swine

Current livestock – swine are piglets and fattening swines and are stated at fair value less costs of disposal. Fair values are determined based on market prices, and where transaction prices are not available for certain age groups, based on prevailing market prices of other age groups, with adjustments taking into account difference in weight.

18 生物資產(續)

附註：

(a) 育種禽畜及蛋雞

本集團的育種禽畜及蛋雞包括(i)持作生產小豬作銷售及／或進一步養殖成生產用豬或育肥豬的母豬及公豬(統稱「育種豬隻」)；(ii)持作生產種蛋以生產日齡小雞的育種雞隻；及(iii)持作生產食用蛋的蛋雞。

育種禽畜及蛋雞按成本減累計折舊及任何累計減值虧損列賬，原因為(i)本集團並不出售育種禽畜及蛋雞，而育種禽畜及蛋雞亦無活躍市場；(ii)並無類似資產的市場報價作為市場報價的其他參考；及(iii)由於外在因素，例如氣候、存活率等存在不明朗因素，因此按貼現現金流量法作出的估值並不可靠。

成本包括生長週期產生的所有成本(例如新生動物的成本、飼料成本及農戶的費用)。育種豬隻自繁殖期起計二十四至三十六個月的生產期內，而育種雞隻及蛋雞自繁殖期起計十二個月的生產期內，兩者於扣除剩餘價值後皆以直線法計提折舊。

(b) 當期禽畜－豬隻

當期禽畜－豬隻包括小豬及育肥豬，並按公允值減處置成本列賬。公允值按市場報價釐定，倘若若干年齡組別並無交易價格，則根據其他相近年齡組別的當前市場報價並考慮重量的差別後釐定。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

18 BIOLOGICAL ASSETS (continued)

Notes: (continued)

(c) Other biological assets

Other biological assets comprise poultry and aquatic livestock other than breeders and layers.

Poultry livestock are pullets, broilers and hatching eggs, while aquatic livestock comprise shrimp and fish. Poultry and aquatic livestock are stated at cost less any impairment losses, which are not materially different from their fair value due to short production cycle.

(d) An analysis of the estimates of physical quantities of the Group's biological assets as at the end of the reporting period is as follows:

18 生物資產(續)

附註：(續)

(c) 其他生物資產

其他生物資產包括除育種禽畜及蛋雞以外的家禽及水產。

家禽包括小母雞、肉雞及種蛋，而水產則包括蝦及魚。家禽及水產按成本減任何減值虧損列賬，並且由於生產期短使其成本減任何累計減值虧損與其公允值無重大差別。

(d) 本集團於報告末期之生物資產的實際數量估計如下：

		2018 二零一八年 *Tons* *噸*	2017 二零一七年 *Tons* *噸*
Livestock	禽畜	**332,000**	272,000
Aquatic	水產	**12,700**	11,500

The estimates of physical quantities of biological assets were based on experience and historical data. The Group conducts full physical count in swine farms by rotation to ascertain the quantity and physical condition of swine and project the overall weight. For poultry livestock, the Group performs real time update on stock movement to project the overall weight. For aquatic livestock, the Group uses sampling method to project the overall weight.

本集團的生物資產實際數量之估計乃基於經驗及歷史數據。本集團於豬場交替進行全面的點算，以確定豬隻的數量及狀況，及估算整體重量。本集團對禽畜的變動進行實時更新以估算其總重量。本集團對水產生物資產採用抽樣方法來估算其總重量。

18 BIOLOGICAL ASSETS (continued)

Notes: (continued)

(e) Fair value measurement of biological assets

(i) Fair value hierarchy

The following table presents the fair value of the Group's biological assets measured at the end of the reporting period on a recurring basis.

18 生物資產(續)

附註：(續)

(e) 生物資產的公允值計量

(i) 公允值之級別

下表分析於報告期末本集團之生物資產按持續基準計量的公允值。

		Fair value measurement as at 31 December categorised into 於十二月三十一日公允值計量之分類			
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	Total 總額
		US$'000 美元千元	*US$'000 美元千元*	*US$'000 美元千元*	*US$'000 美元千元*
2018	**二零一八年**				
Current livestock – Swine	**當期禽畜－豬隻**	**–**	**–**	**404,830**	**404,830**
2017	二零一七年				
Current livestock – Swine	當期禽畜－豬隻	–	–	296,226	296,226

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一八年及二零一七年十二月三十一日止年度內，並無第一及第二級別之間之轉移，或轉入或轉出第三級別。本集團之政策乃於報告期末確認當期發生的級別間之轉移。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

18 BIOLOGICAL ASSETS (continued)

Notes: (continued)

(e) Fair value measurement of biological assets (continued)

(i) Fair value hierarchy (continued)

The following table shows the valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as the key unobservable inputs at the end of the reporting period used in the valuation models.

Type 種類	Valuation technique 估值方法	Key unobservable inputs 不可觀察的參數
Current livestock – swine 當期禽畜 – 豬隻	Market comparison approach 市場比較法	Transaction prices of: – Suckling swine US$43.1 to US$44.3 (2017: US$52.8 to US$62.4) per head – Weanling swine US$46.8 to US$92.9 (2017: US$56.8 to US$85.9) per head – Fattening swine US$2.0 to US$2.3 (2017: US$1.4 to US$1.5) per kg 交易價格： – 乳豬每頭43.1美元至44.3美元（二零一七年：52.8美元至62.4美元） – 小豬每頭46.8美元至92.9美元（二零一七年：56.8美元至85.9美元） – 育肥豬每公斤2.0美元至2.3美元（二零一七年：1.4美元至1.5美元）

(ii) Information about level 3 fair value measurements

The calculation of fair value of current livestock – swine is performed by the Group's relevant finance department and operations team on a quarterly basis using a series of systematic procedures.

There is an active market for live swine in Vietnam. The fair value of suckling swine, weanling swine and fattening swine are determined based on transaction price per head and their weight.

The estimated fair value of swine increases/decreases as a result of an increase/decrease in the transaction price. As at 31 December 2018, if transaction price increases/decreases by 10%, the estimated fair value of swine would have increased/decreased by US$38,617,000 (2017: US$28,135,000).

18 生物資產（續）

附註：（續）

(e) 生物資產的公允值計量（續）

(i) 公允值之級別（續）

下表顯示第三級別的公允值於報告期末所採用之估值方法及其估值模式中使用的不可觀察的參數。

(ii) 有關第三級別公允值計量之資料

當期禽畜－豬隻之公允值乃於每季由本集團相關財務部門及營運團隊按一系列有系統的程式計算。

越南存在活豬的活躍市場。乳豬、小豬及育肥豬之公允值乃根據每頭交易價格及重量而釐定。

豬隻的公允值估計隨著交易價格的上升／下跌而上升／下跌。於二零一八年十二月三十一日，假設交易價格上升／下跌10%，豬隻的公允值估計將上升／下跌3,861.7萬美元（二零一七年：2,813.5萬美元）。

19 INTANGIBLE ASSETS 19 無形資產

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
At 1 January:	於一月一日：			
Cost	成本		38,384	35,960
Accumulated amortisation	累計攤銷		(9,586)	(6,496)
Net carrying amount	賬面淨值		28,798	29,464
Net carrying amount:	賬面淨值：			
At 1 January	於一月一日		28,798	29,464
Acquisition of a subsidiary	收購一家附屬公司	38	1,661	–
Amortisation provided during the year	年內計提攤銷	9	(2,645)	(2,553)
Exchange realignment	匯兑調整		(1,517)	1,887
At 31 December	於十二月三十一日		26,297	28,798
At 31 December:	於十二月三十一日：			
Cost	成本		37,908	38,384
Accumulated amortisation	累計攤銷		(11,611)	(9,586)
Net carrying amount	賬面淨值		26,297	28,798

Note:

The Group's intangible asset represents customer relationship of the Group arising from business combination, which is stated at cost less accumulated amortisation and impairment losses.

The amortisation charge for the year is included in "selling and distribution costs" in profit or loss.

附註：

本集團之無形資產乃本集團於業務合併時產生之客戶關係，按成本減去累計攤銷及減值虧損後列賬。

本年計提之攤銷包含於損益中的「銷售及分銷成本」。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

20 INTERESTS IN SUBSIDIARIES

20 於附屬公司的權益

Particulars of the Company's principal subsidiaries are as follows:

各主要附屬公司之詳情如下：

Company name 公司名稱	Place of incorporation/ operations 成立／營運地點	Issued ordinary/ registered capital 已發行普通股／注冊資本	Percentage of attributable equity interest held by Company 應佔持有股權百分比 本公司	Percentage of attributable equity interest held by Group 應佔持有股權百分比 本集團	Principal activities 主要業務
CP China Investment Limited ("CP China")	Cayman Islands/Hong Kong 開曼群島／香港	US$79,228,000 79,228,000美元	100.0%	100.0%	Investment holding 投資控股
Chia Tai (China) Investment Co., Ltd. ("CTI") (iv) 正大(中國)投資有限公司(「正大中國」) (iv)	PRC/PRC 中國／中國	US$196,695,333 196,695,333美元	–	100.0%	Investment holding and trading of raw materials 投資控股及原材料貿易
C. P. Premix (Tianjin) Co., Ltd. (iv) 正大預混料（天津）有限公司 (iv)	PRC/PRC 中國／中國	US$23,812,500 23,812,500美元	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Changsha Chia Tai Co., Ltd. (iv) 長沙正大有限公司 (iv)	PRC/PRC 中國／中國	RMB134,000,000 134,000,000人民幣	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Chengdu Chia Tai Company Limited (ii) 成都正大有限公司 (ii)	PRC/PRC 中國／中國	US$6,300,000 6,300,000美元	–	70.0%	Manufacture and sale of animal feed 產銷動物飼料
Fuzhou Da Fu Company Limited (iv) 福州大福有限公司 (iv)	PRC/PRC 中國／中國	US$9,139,297 9,139,297美元	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Huai Hua Chia Tai Co., Ltd. (iii) 懷化正大有限公司 (iii)	PRC/PRC 中國／中國	US$3,900,000 3,900,000美元	–	100.0% (i)	Manufacture and sale of animal feed 產銷動物飼料
Inner Mongolia Chia Tai Co., Ltd. (iii) 內蒙古正大有限公司 (iii)	PRC/PRC 中國／中國	US$8,190,700 8,190,700美元	–	90.4% (i)	Manufacture and sale of animal feed 產銷動物飼料

20 INTERESTS IN SUBSIDIARIES (continued) 20 於附屬公司的權益(續)

Company name 公司名稱	Place of incorporation/ operations 成立／營運地點	Issued ordinary/ registered capital 已發行普通股／注冊資本	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
Lanzhou Chia Tai Co., Ltd. (iii) 蘭州正大有限公司 (iii)	PRC/PRC 中國／中國	US$14,953,000 14,953,000美元	–	90.6% (i)	Manufacture and sale of animal feed 產銷動物飼料
Qingdao Chiatai Agricultural Development Co., Ltd. (iv) 青島正大農業發展有限公司 (iv)	PRC/PRC 中國／中國	US$12,025,800 12,025,800美元	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Wuhan Chia Tai Co., Ltd. (iii) 武漢正大有限公司 (iii)	PRC/PRC 中國／中國	US$3,750,000 3,750,000美元	–	100.0% (i)	Manufacture and sale of animal feed 產銷動物飼料
Xiangyang Chia Tai Co., Ltd. (iv) 襄陽正大有限公司 (iv)	PRC/PRC 中國／中國	RMB97,900,000 97,900,000人民幣	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Yichang Chia Tai Co., Ltd. (iv) 宜昌正大有限公司 (iv)	PRC/PRC 中國／中國	US$18,090,000 18,090,000美元	–	100.0%	Manufacture and sale of animal feed 產銷動物飼料
Chia Tai Food Enterprise (Qinhuangdao) Co., Ltd. (iv) 正大食品企業(秦皇島)有限公司 (iv)	PRC/PRC 中國／中國	US$117,460,000 117,460,000美元	–	100.0%	Manufacture and sale of value-added, processed food products 產銷增值加工食品
Chia Tai Food Enterprise (Qingdao) Co., Ltd. (iv) 正大食品企業(青島)有限公司 (iv)	PRC/PRC 中國／中國	US$85,700,000 85,700,000美元	–	100.0%	Manufacture and sale of value-added, processed food products 產銷增值加工食品
C. P. Food (Xiangyang) Co., Ltd. (iv) 正大食品(襄陽)有限公司 (iv)	PRC/PRC 中國／中國	RMB380,000,000 380,000,000人民幣	–	100.0%	Slaughter and sale of pork meat products 屠宰及銷售豬肉產品
Jilin Chia Tai Food Co., Ltd. (iv) 吉林正大食品有限公司 (iv)	PRC/PRC 中國／中國	RMB240,000,000 240,000,000人民幣	–	100.0%	Slaughter and sale of chicken meat products 屠宰及銷售雞肉產品

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

20 INTERESTS IN SUBSIDIARIES (continued) 20 於附屬公司的權益(續)

Company name 公司名稱	Place of incorporation/ operations 成立／營運地點	Issued ordinary/ registered capital 已發行普通股／注冊資本	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
Chia Tai Food (Suqian) Co., Ltd. ("Suqian Chia Tai") [iv] 正大食品(宿遷)有限公司(「宿遷正大」) [iv]	PRC/PRC 中國／中國	RMB596,298,060 596,298,060人民幣	–	100.0%	Manufacture and sale of chicken meat products 產銷雞肉產品
Fujian Chia Tai Food Co., Ltd. and its subsidiaries [ii] 福建正大食品有限公司及其子公司 [ii]	PRC/PRC 中國／中國	RMB218,000,000 218,000,000人民幣	–	70.0%	Manufacture and sale of chicken meat products 產銷雞肉產品
Hubei Chia Tai Co., Ltd. [iv] 湖北正大有限公司 [iv]	PRC/PRC 中國／中國	RMB280,000,000 280,000,000人民幣	–	100.0%	Manufacture and sale of animal feed and chicken meat products 產銷動物飼料及雞肉產品
Modern State Investments Limited	British Virgin Islands/Hong Kong 英屬維爾京群島／香港	US$106,984,000 106,984,000美元	100.0%	100.0%	Investment holding 投資控股
C. P. Vietnam Corporation ("CPVC")	Vietnam/Vietnam 越南／越南	VND 1,741,792,500,000 1,741,792,500,000 越南盾	–	70.8%	Integrated agri-food business 綜合農牧食品業務
Hannick Limited	Hong Kong/Hong Kong 香港／香港	2 shares 2股股份	–	100.0%	Property investment 物業投資

20 INTERESTS IN SUBSIDIARIES (continued)

Notes:

(i) The Group is only entitled to 85% of the subsidiary's earnings. The remaining 15% is attributable to the PRC joint venture partner.

(ii) Established as a contractual joint venture under PRC law.

(iii) Established as a cooperative joint venture under PRC law.

(iv) Established as a wholly-foreign-owned enterprise under PRC law.

The above table lists out the subsidiaries of the Company which, in the opinion of the directors, principally affected the Group's profits 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.

20 於附屬公司的權益(續)

附註：

(i) 本集團僅有權享有其盈利之85%，其餘之15%歸中國合夥人所有。

(ii) 按中國法律成立為合資經營企業。

(iii) 按中國法律成立為合作經營企業。

(iv) 按中國法律成立為外資全資擁有企業。

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。

21 INTERESTS IN JOINT VENTURES

21 於合營企業的權益

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Investments in joint ventures, included in non-current assets: Share of net assets	於合營企業的投資，包含於非流動資產內：應佔淨資產	(a)	**17,114**	22,977
Due from joint ventures, included in prepayments, deposits and other receivables	應收合營企業款項，包含於預付賬款、按金及其他應收賬款	27(a)	**2,940**	17,321
Due to joint ventures, included in other payables and accruals	應付合營企業款項，包含於其他應付賬款及預提費用	30(a)	**(20,529)**	(13,256)
Interests in joint ventures	於合營企業的權益		**(475)**	27,042

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

21 INTERESTS IN JOINT VENTURES (continued)

Notes:

(a) The Group has interests in a number of joint ventures, none of which is regarded as individually material. The following table summarises, in aggregate, the financial information of all joint ventures that are accounted for using the equity method:

21 於合營企業的權益(續)

附註：

(a) 本集團於數家合營企業擁有權益，惟無任何獨立一家被視為重大。下表概述以權益法列賬之合營企業之財務資料總計：

		Carrying amount 賬面值 *US$'000 美元千元*	Profit for the year 本年溢利 *US$'000 美元千元*	Other comprehensive income 其他全面收益 *US$'000 美元千元*	Total comprehensive income 全面收益總額 *US$'000 美元千元*
2018	**二零一八年**				
Group effective interest	**本集團有效權益**	**17,114**	**3,226**	**(856)**	**2,370**
2017	二零一七年				
Group effective interest	本集團有效權益	22,977	4,709	1,334	6,043

(b) The Group's trade receivable and trade payable with joint ventures are disclosed in notes 26(c) and 29 to the financial statements, respectively.

(b) 本集團源自合營企業之應收貿易賬款及應付貿易賬款，已分別披露於財務報表之附註26(c)及29。

21 INTERESTS IN JOINT VENTURES (continued)

Notes: (continued)

(c) Particulars of the principal joint ventures, which are indirectly held by the Company, are as follows:

21 於合營企業的權益(續)

附註：(續)

(c) 由本公司間接持有之主要合營企業詳情如下：

Company name 公司名稱	Place of incorporation/ operations 成立／營運地點	Registered capital 註冊資本	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
Beijing Chia Tai Feedmill Limited 北京正大飼料有限公司	PRC/PRC 中國／中國	US$5,000,000 5,000,000美元	50.0%	50.0%	Manufacture and sale of animal feed 產銷動物飼料
Handan Chia Tai Feed Co., Ltd. 邯鄲正大飼料有限公司	PRC/PRC 中國／中國	RMB11,200,000 11,200,000人民幣	50.0%	50.0%	Manufacture and sale of animal feed 產銷動物飼料
Henan East Chia Tai Co., Ltd. 河南東方正大有限公司	PRC/PRC 中國／中國	US$5,400,000 5,400,000美元	50.0%	50.0%	Manufacture and sale of animal feed 產銷動物飼料
Jilin Chia Tai Enterprise Co., Ltd. ("Jilin CT") (up to June 2018)* 吉林正大實業有限公司(「吉林正大」)(二零一八年六月之前)*	PRC/PRC 中國／中國	RMB70,000,000 70,000,000人民幣	50.0%	50.0%	Manufacture and sale of animal feed 產銷動物飼料

* The Group acquired the remaining 50% equity interest of Jilin CT from the original joint venture partner in June 2018 at cash consideration of RMB47,600,000 (equivalent to approximately US$7,189,000). The attributable equity interest held by the Group has increased from 50% to 100% (note 38).

* 於二零一八年六月，本集團以現金代價為人民幣4,760萬(相等於約718.9萬美元)向其前合營夥伴收購吉林正大之餘下50%股權。本集團應佔股權由50%增加至100%(附註38)。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

22 INTERESTS IN ASSOCIATES 22 於聯營公司的權益

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Share of net assets	應佔淨資產	(a)	100,515	97,237
Goodwill on acquisition	收購產生的商譽		28,199	28,868
			128,714	126,105
Due to associates, included in other payables and accruals	應付聯營公司款項，包含於其他應付賬款及預提費用	30(a)	(114)	(101)
Interests in associates	於聯營公司的權益		128,600	126,004

Notes:

(a) The Group has interests in a number of associates, none of which is regarded as individually material. The following table summarises, in aggregate, the financial information of all associates that are accounted for using the equity method:

附註：

(a) 本集團於數家聯營公司擁有權益，惟無任何獨立一家被視為個別重大。下表概述以權益法列賬之聯營公司之財務資料總計：

		Carrying amount 賬面值 US$'000 美元千元	Profit for the year 本期溢利 US$'000 美元千元	Other comprehensive income 其他全面收益 US$'000 美元千元	Total comprehensive income 全面收益總額 US$'000 美元千元
2018	二零一八年				
Group effective interest	本集團有效權益	128,714	19,069	(7,314)	11,755
2017	二零一七年				
Group effective interest	本集團有效權益	126,105	15,351	7,616	22,967

22 INTERESTS IN ASSOCIATES (continued)

Notes: (continued)

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

22 於聯營公司的權益(續)

附註：(續)

(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/ operations 成立／營運地點	Issued ordinary/ registered capital 已發行普通股／注冊資本	Percentage of 持有百分比 Interest attributable to the Group 本集團應佔權益	Profit sharing 應佔溢利	Principal activities 主要業務
Conti Chia Tai International Limited* 康地正大國際有限公司*	Hong Kong/ PRC 香港／中國	HK$3,122,000 3,122,000港元	50.0%	50.0%	Investment holding, and manufacture and sale of animal feed 投資控股及產銷動物飼料
Qingdao Yi Bang Bio-Engineering Co., Ltd. ("Qingdao Yi Bang")# 青島易邦生物工程有限公司(「青島易邦」)#	PRC/PRC 中國／中國	RMB28,409,090 28,409,090人民幣	12.0%#	12.0%#	Manufacture and sale of animal vaccine 產銷動物疫苗

* Since the Group is not in a position to exercise joint control over the economic activity of the entities but has significant influence over the entities, the Group's interests therein are classified as interests in associates.

* 由於本集團未能對該等公司之商業活動行使共同控制，但對該等公司有重大影響力，本集團持有之權益遂歸類為於聯營公司的權益。

\# The Group has a board seat at Qingdao Yi Bang and has significant influence over the entity.

\# 本集團於青島易邦有一個董事會席位，並對於其有重大影響。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

23 OTHER FINANCIAL ASSETS/AVAILABLE-FOR-SALE INVESTMENTS

23 其他金融資產／可供出售之投資

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Equity investments measured at FVOCI (non-recycling):	權益投資按公允值計量並透過其他全面收益列賬(不可循環至損益)：			
Listed equity investment, at fair value	上市之權益投資，按公允值	(b)	**13,966**	–
Unlisted equity investment, at fair value	非上市之權益投資，按公允值		**1,076**	–
Available-for-sale investments:	可供出售之投資：			
Listed equity investment, at fair value	上市之權益投資，按公允值	(b)	**–**	40,695
Unlisted equity investment, at cost	非上市之權益投資，按成本		**–**	1,056
			15,042	41,751

Notes:

(a) The Group holds the above equity investments for long-term strategic purposes and designates them as equity investments measured at FVOCI (non-recycling). Available-for-sale assets were reclassified to equity investments measured at FVOCI (non-recycling) and included in "other financial assets" in the consolidated statement of financial position upon the initial application of IFRS 9 at 1 January 2018 (note 2.4).

(b) During the year ended 31 December 2018, the Group has disposed listed equity investments of US$15,841,000 (2017: unlisted equity investments of US$3,950,000). The movement of the Group's equity investment is as follows:

附註：

(a) 本集團持有的權益投資是作為長期策略性，按公允值計量並透過其他全面收益列賬(不可循環至損益)。於二零一八年一月一日初次應用國際財務報告準則第9號，可供出售之投資重分類至按公允值計量並透過其他全面收益列賬(不可循環至損益)的權益投資並包含於綜合財務狀況表之「其他金融資產」內(附註2.4)。

(b) 於截至二零一八年十二月三十一日止年度內，本集團出售1,584.1萬美元之上市之權益投資(二零一七年：非上市之權益投資395.0萬美元)。本集團權益投資變動如下：

23 OTHER FINANCIAL ASSETS/AVAILABLE-FOR-SALE INVESTMENTS (continued)

23 其他金融資產／可供出售之投資（續）

Notes: (continued)

附註：(續)

(b) (continued)

(b) （續）

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Carrying amount at 1 January	於一月一日之賬面值	**41,751**	11,730
Net change in fair value	公允值變動淨額	**(9,790)**	32,096
Disposals	出售	**(15,841)**	(3,950)
Exchange realignment	匯兑調整	**(1,078)**	1,875
Carrying amount at 31 December	於十二月三十一日之賬面值	**15,042**	41,751

24 GOODWILL

24 商譽

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
At 1 January	於一月一日	**37,488**	35,121
Exchange realignment	匯兑調整	**(2,027)**	2,367
At 31 December	於十二月三十一日	**35,461**	37,488

Goodwill represented the assets that do not meet the criteria for recognition in the financial statements including workforce and synergies that the Group expected to achieve through the business combinations.

商譽乃不符合確認為財務報表任何類別之資產，包括本集團預期通過業務合併可達到的人力及協同效應。

Goodwill is allocated to the Group's cash-generating units (CGU) identified according to the country of operation and the operating segment.

商譽按業務及經營分類的所屬國家分配到可識別的現金生產單位。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

24 GOODWILL (continued)

Goodwill is allocated to the China agri-food segment. The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3% (2017: 3%). The cash flows are discounted using a discount rate of 13% (2017: 10%). The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

24 商譽(續)

商譽乃分配到中國農牧食品業務分類。現金生產單位的可收回金額乃按使用價值計算得出。該等計算乃按根據管理層核准涵蓋5年期的財務預算進行的現金流量預測。超過5年期的現金流量乃按3%(二零一七年：3%)的估計加權平均增長率進行推算。現金流量預測按現率13%(二零一七年：10%)進行折現。採用之折現率乃稅前，並反映與該相關現金生產單位有關之特別風險。

25 INVENTORIES

25 存貨

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Raw materials	原料	**513,243**	508,883
Work in progress	在製品	**12,357**	3,639
Finished goods	產成品	**103,457**	100,148
		629,057	612,670

26 TRADE AND BILLS RECEIVABLES 26 應收貿易賬款及票據

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Trade receivables	應收貿易賬款	**341,388**	277,547
Bills receivable	應收票據	**12,127**	10,353
		353,515	287,900

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，本集團或延長客戶信貸期。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計息。按董事意見，本集團沒有重大集中信貸風險。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：

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
60 days or below	60日或以下	**240,375**	257,220
61 to 180 days	61至180日	**108,117**	27,387
Over 180 days	多於180日	**5,023**	3,293
		353,515	287,900

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

26 TRADE AND BILLS RECEIVABLES (continued)

26 應收貿易賬款及票據(續)

Notes:

(a) The movements in the loss allowance for impairment of trade and bills receivables are as follows:

附註：

(a) 應收貿易賬款及票據減值撥備變動如下：

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
At 1 January	於一月一日		10,739	9,167
Impairment losses, net	減值淨額	9	3,436	1,754
Uncollectible amounts written off	無法收回之撤銷金額		(2,579)	(182)
At 31 December	於十二月三十一日		11,596	10,739

(b) (i) Impairment under IFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type, etc). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

(b) (i) 截至二零一八年十二月三十一日止年度的國際財務報告準則第9號下之減值

每個報告日期使用撥備模型進行減值分析，以計量預期信貸虧損。撥備率基於具有類似損失模式的各個客戶群的分組的過期天數(即按地理區域、產品類型、客戶類型等)。該計算反映了概率加權結果、貨幣時間價值以及報告日已知悉的過去事件、當前狀況和未來經濟狀況預測的合理和可支持信息。

以下載列有關本集團應收貿易款項使用撥備模型的信貸風險的資料：

As at 31 December 2018 於二零一八年十二月三十一日

		Nether past due nor impaired 未到期或未減值	Less than 180 days past due 過期少於180日	Over 180 days past due 過期多於180日	Total 總計
Weighted average expected loss rate	加權平均預期虧損率	0.01%	0.09%	78.73%	3.29%
Gross carrying amount (US$'000)	總賬面值 *(美元千元)*	243,723	94,674	14,587	352,984
Expected credit loss (US$'000)	預期信貸虧損 *(美元千元)*	24	87	11,485	11,596

26 TRADE AND BILLS RECEIVABLES (continued)

Notes: (continued)

(b) (continued)

(ii) Impairment under IAS 39 for the year ended 31 December 2017

The aging analysis of trade and bills receivables as at 31 December 2017 that were neither individually nor collectively considered to be impaired is as follows:

		2017 二零一七年 *US$'000* *美元千元*
Neither past due nor impaired	未到期或未減值	265,384
180 days or below past due	過期少於180日	19,975
Over 180 days past due	過期多於180日	1,791
		287,150

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

Receivables that were past due but not impaired related to independent customers that have a good track record with the Group. Based on past experience, the directors of the Company were of the opinion that no provision for impairment under IAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

(c) Included in the Group's trade receivables as at 31 December 2018 are aggregate amounts of US$4,166,000 (2017: US$3,815,000) and US$266,477,000 (2017: US$219,169,000) due from joint ventures and related companies, respectively, 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 independent third party customers.

26 應收貿易賬款及票據(續)

附註：(續)

(b) (續)

(ii) 截至二零一七年十二月三十一日止年度根據國際會計準則第39號之減值

於二零一七年十二月三十一日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：

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。

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根據國際會計準則第39號的減值撥備。

(c) 本集團於二零一八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416.6萬美元(二零一七年：381.5萬美元)及2億6,647.7萬美元(二零一七年：2億1,916.9萬美元)分別為應收合營企業及關連公司之款項。該等餘額乃無抵押，於過期後按本集團所定之利率計息，及須於信貸期內償還(與本集團向主要獨立第三方客戶提供之利率及信貸期相若)。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

27 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

27 預付賬款、按金及其他應收賬款

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Prepayments	預付賬款	282,279	215,466
Deposits	按金	8,996	5,771
Other receivables	其他應收賬款	97,441	111,083
Derivative financial instruments	衍生金融工具	2,822	–
		391,538	332,320

Notes:

(a) Included in the Group's prepayments, deposits and other receivables as at 31 December 2018 were aggregate amounts of US$2,940,000 (2017: US$17,321,000) and US$213,243,000 (2017: US$140,156,000) due from joint ventures and related companies, respectively.

The balances with joint ventures are unsecured, interest-free and have no fixed terms of repayment, except for an aggregate amount of US$514,000 (2017: US$17,216,000) due from certain joint ventures which bear interests at 4.9% (2017: 4.9%) per annum and are repayable on demand.

The balances with related companies are unsecured, interest-free and have no fixed terms of repayment.

(b) As at 31 December 2018, the balance of impairment allowance of deposits and other receivables was US$2,326,000 that resulting from default events that are possible within the next 12 months (12-month ECLs).

During the year ended 31 December 2017, an aggregate impairment loss of US$2,419,000 (note 9) was recognised for deposits and other receivables with an aggregate carrying amount of US$4,790,000 as only a portion of the respective balance is expected to be recovered.

附註：

(a) 本集團於二零一八年十二月三十一日之預付賬款、按金及其他應收賬款中，包含合計294.0萬美元(二零一七年：1,732.1萬美元)及2億1,324.3萬美元(二零一七年：1億4,015.6萬美元)分別為應收合營企業及關連公司之款項。

與合營企業之餘額，除了合計51.4萬美元(二零一七年：1,721.6萬美元)應收若干合營企業需按年利率4.9%(二零一七年：4.9%)計息及按要求償還外，其餘餘額均無抵押、免息及無固定還款期。

與關連公司之餘額乃無抵押、免息及無固定還款期。

(b) 於二零一八年十二月三十一日，由於未來12個月內可能發生的違約事件(12個月的預期信貸虧損)導致按金及其他應收款項的減值準備為232.6萬美元。

於二零一七年十二月三十一日止年度，本集團確認按金及其他應收賬款減值虧損合計241.9萬美元(附註9)，其賬面總值479.0萬美元，由於預計有關賬款僅有一部份可收回。

28 CASH AND BANK BALANCES AND OTHER CASH FLOW INFORMATION

28 現金及銀行存款及其他現金流量資料

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'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）	391,435	265,512
Time deposits	定期存款	51,523	61,362
Total cash and bank balances	現金及銀行存款總額	442,958	326,874
Less: Pledged deposits	減：已抵押存款	(34,835)	(24,762)
Less: Time deposits with maturity over three months	減：到期日超過三個月之定期存款	(15,233)	(15,305)
Cash and cash equivalents	現金及現金等價物	392,890	286,807

Notes:

(a) At 31 December 2018, the cash and bank balances of the Group denominated in Renminbi ("RMB") and Vietnamese Dong ("VND") amounted to US$394,849,000 (2017: US$283,739,000) and US$35,120,000 (2017: US$25,790,000), respectively. RMB and VND are not freely convertible into other currencies. Under Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations in China and the Law on Foreign Investment in Vietnam, the Group is permitted to exchange RMB and VND into other currencies through banks authorised to conduct foreign exchange business for our foreign currency businesses such as imports of raw materials and equipment, distribution of dividends, etc.

(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 and pledged deposits are deposited with creditworthy banks with no recent history of default.

附註：

(a) 於二零一八年十二月三十一日，本集團之以人民幣及越南盾計值的現金及銀行結存分別為3億9,484.9萬美元（二零一七年：2億8,373.9萬美元）及3,512.0萬美元（二零一七年：2,579.0萬美元）。人民幣及越南盾並不能自由兑換成其他貨幣。根據中國大陸外匯管制規定及結匯、售匯及付匯管理規定及越南外資投資法規，本集團獲准透過獲授權進行外幣兑換業務之銀行把人民幣及越南盾兑換成其他貨幣，以進行外幣業務交易例如進口原材料及設備，分派股息等。

(b) 存放於銀行之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。銀行結存及已抵押存款存放於近期無拖欠記錄及信譽良好之銀行。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

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

28 現金及銀行存款及其他現金流量資料(續)

Notes: (continued)

附註：(續)

(c) Reconciliation of liabilities arising from financing activities:

The table below sets out the 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 cash flow statement as cash flows from financing activities.

(c) 融資活動所產生的負債之調節表：

下表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。

		Bank borrowings 銀行借款 *US$'000* *美元千元*	Corporate bond 企業債券 *US$'000* *美元千元*	Total 總額 *US$'000* *美元千元*
At 1 January 2018	**於二零一八年一月一日**	1,534,214	152,818	1,687,032
Changes from financial cash flow:	**融資現金流變動：**			
Proceeds from new bank borrowings	新增銀行借款	1,655,223	–	1,655,223
Repayment of bank borrowings	償還銀行借款	(1,491,743)	–	(1,491,743)
Total changes from financing cash flows	融資現金流總變動	163,480	–	163,480
Exchange realignment	**匯兌調整**	(33,332)	(8,281)	(41,613)
Other changes:	**其他變動：**			
Amortisation of upfront fee	前端初始費攤銷	1,964	504	2,468
At 31 December 2018	**於二零一八年十二月三十一日**	1,666,326	145,041	1,811,367

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

28 現金及銀行存款及其他現金流量資料(續)

Notes: (continued)

附註：(續)

(c) Reconciliation of liabilities arising from financing activities (continued):

(c) 融資活動所產生的負債之調節表(續)：

		Bank borrowings 銀行借款 *US$'000* *美元千元*	Corporate bond 企業債券 *US$'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**	1,280,226	143,386	1,423,612
Changes from financial cash flow:	**融資現金流變動：**			
Proceeds from new bank borrowings	新增銀行借款	1,168,983	–	1,168,983
Repayment of bank borrowings	償還銀行借款	(949,920)	–	(949,920)
Acquisition of a subsidiary *(note 38)*	收購一間附屬公司 *(附註38)*	9,445	–	9,445
Total changes from financing cash flows	融資現金流總變動	228,508	–	228,508
Exchange realignment	**匯兌調整**	23,177	8,939	32,116
Other changes:	**其他變動：**			
Amortisation of upfront fee	前端初始費攤銷	2,303	493	2,796
At 31 December 2017	**於二零一七年十二月三十一日**	1,534,214	152,818	1,687,032

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

29 TRADE AND BILLS PAYABLES

29 應付貿易賬款及票據

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：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
60 days or below	60日或以下	290,466	337,173
61 to 180 days	61至180日	40,170	25,733
Over 180 days	多於180日	9,098	3,872
		339,734	366,778
Bills payable	應付票據	137,073	96,056
		476,807	462,834

Included in the Group's trade payables as at 31 December 2018 is an aggregate amount of US$518,000 (2017: US$1,234,000), US$578,000 (2017: nil) and US$46,436,000 (2017: US$19,864,000) due to joint ventures, associates and related companies respectively, arising from transactions carried out in the ordinary course of business of the Group. The balances are unsecured, interest-free and are repayable within credit periods similar to those offered by its major independent third party suppliers.

本集團於二零一八年十二月三十一日之應付貿易賬款包括經營日常業務交易時所產生的應付合營企業、聯營公司及關連公司之款項分別合計51.8萬美元(二零一七年：123.4萬美元)、57.8萬美元(二零一七年：無)及4,643.6萬美元(二零一七年：1,986.4萬美元)。該等餘額乃無抵押、免息及須於信貸期內償還(與本集團主要獨立第三方供應商所提供之信貸期相若)。

30 OTHER PAYABLES AND ACCRUALS

30 其他應付賬款及預提費用

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Receipts in advance	預收貨款	(a)	–	86,929
Contract liabilities	合約負債	(a)	94,889	–
Deferred income	遞延收入		69,803	42,749
Accruals	預提費用		226,492	188,985
Other payables	其他應付賬款		72,712	125,262
Derivative financial instruments	衍生金融工具		–	8,091
			463,896	452,016

30 OTHER PAYABLES AND ACCRUALS (continued)

Notes:

(a) As at 31 December 2018, the Group has contract liabilities of US$94,889,000 (31 December 2017: received in advance of US$86,929,000), which represents the obligation to transfer goods to customers for which the consideration has been received. All contract liabilities at the beginning of the reporting period is recognised as revenue in the current reporting period from performance obligations satisfied upon delivery of goods.

(b) Included in the Group's other payables and accruals as at 31 December 2018 were aggregate amounts of US$20,529,000 (2017: US$13,256,000), US$114,000 (2017: US$101,000) and US$39,192,000 (2017: US$22,970,000) due to joint ventures, associates and related companies, respectively.

The balances with joint ventures, associates and related companies are unsecured, interest-free and have no fixed terms of repayment, except for (i) an aggregate amount of US$20,430,000 (2017: US$12,853,000) due to certain joint ventures which bear interests at 2% (2017: 2%) per annum, and are repayable on demand, and (ii) an aggregate amount of US$20,887,000 (2017: US$14,886,000) due to a related company which is repayable within one month.

30 其他應付賬款及預提費用(續)

附註：

(a) 於二零一八年十二月三十一日，本集團的合約負債為9,488.9萬美元(二零一七年十二月三十一日：預收貨款8,692.9萬美元)，即代表向已收取代價的客戶轉移貨品的責任。於報告期初的所有合約負債，已於本報告期間按履約交付貨品時確認為收入。

(b) 本集團於二零一八年十二月三十一日之其他應付賬款及預提費用包括合計2,052.9萬美元(二零一七年：1,325.6萬美元)、11.4萬美元(二零一七年：10.1萬美元)及3,919.2萬美元(二零一七年：2,297.0萬美元)分別為應付合營企業、聯營公司及關連公司之款項。

與合營企業、聯營公司及關連公司之餘額，除了(i)合計2,043.0萬美元(二零一七年：1,285.3萬美元)應付若干合營企業需按年利率2%(二零一七年：2%)計息及按要求償還，以及(ii)合計2,088.7萬美元(二零一七年：1,488.6萬美元)應付一家關連公司款項需於一個月內償還外，其餘餘額均無抵押、免息及無固定還款期。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

31 BANK BORROWINGS 31 銀行借款

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Bank borrowings, secured	有抵押銀行借款	(a),(b)	**169,818**	162,936
Bank borrowings, unsecured	無抵押銀行借款		**1,496,508**	1,371,278
Total bank borrowings	銀行借款總額		**1,666,326**	1,534,214
Analysed into amounts repayable:	償還金額分析為：			
Within one year or on demand	一年內或按要求		**842,230**	697,749
In the second year	於第二年		**329,785**	211,802
In the third to fifth year	於第三至五年		**488,859**	614,481
Beyond five years	超過五年		**5,452**	10,182
Total bank borrowings	銀行借款總額		**1,666,326**	1,534,214
Portion classified as current liabilities	分類為流動負債部份	(c)	**(842,230)**	(697,749)
Non-current portion	非流動部份		**824,096**	836,465

Notes:

(a) At 31 December 2018, certain of the Group's property, plant and equipment with carrying amounts of US$177,791,000 (2017: US$72,685,000) (note 15(b)) were pledged as security for bank borrowings of the Group.

(b) At 31 December 2018, certain of the Group's land lease prepayments with carrying amounts of US$47,678,000 (2017: US$45,111,000) (note 17) were pledged as security for bank borrowings of the Group.

附註：

(a) 於二零一八年十二月三十一日，本集團之若干樓宇及機器合計賬面淨值1億7,779.1萬美元(二零一七年：7,268.5萬美元)(附註15(b))已作為本集團銀行借款之抵押品。

(b) 於二零一八年十二月三十一日，本集團之若干預付土地租賃費賬面值合計4,767.8萬美元(二零一七年：4,511.1萬美元)(附註17)已作為本集團銀行借款之抵押品。

31 BANK BORROWINGS (continued)

Notes: (continued)

(c) The carrying amounts of the bank borrowings of the Group are denominated in the following currencies:

31 銀行借款(續)

附註：(續)

(c) 本集團之銀行借款賬面值按以下貨幣為單位：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
US$	美元	792,898	761,717
VND	越南盾	348,842	381,474
RMB	人民幣	524,586	391,023
		1,666,326	1,534,214

As at 31 December 2018, none of the covenants relating to bank borrowings had been breached (2017: nil).

於二零一八年十二月三十一日，概無違反任何有關銀行借款的契諾(二零一七年：無)。

(d) As at 31 December 2018, the Group's current portion of long-term bank borrowings amounted to US$190,383,000 (2017: US$115,464,000).

(d) 於二零一八年十二月三十一日，本集團長期銀行借款之流動部份為1億9,038.3萬美元(二零一七年：1億1,546.4萬美元)。

32 CORPORATE BOND

32 企業債券

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Carrying amount at 1 January	於一月一日之賬面值	152,818	143,386
Amortisation of upfront fee	前端初始費攤銷	504	493
Exchange realignment	滙兑調整	(8,281)	8,939
Carrying amount at 31 December	於十二月三十一日之賬面值	145,041	152,818
Less：Current corporate bond	減：流動企業債券	(145,041)	–
Non-current corporate bond	非流動企業債券	–	152,818

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32 CORPORATE BOND (continued)

On 11 November 2016, the book-building exercise for the issuance of the corporate bond with a principal amount of RMB1,000,000,000 (equivalent to US$146,305,000) was completed; and on 29 November 2016, the corporate bond was issued and listed on the Shanghai Stock Exchange. After deducting the issuance costs, the Group received a net proceed of RMB990,000,000 (equivalent to US$144,842,000) from the issuance. CTI used the proceeds from the issuance of the corporate bond for repayment of loans from financial institutions and replenishment of working capital.

The coupon rate of the corporate bond was fixed at 3.69% per annum. The maturity of the corporate bond shall be 5 years, with CTI's right to adjust the coupon rate and a right of redemption exercisable by the holders at the end of the first three-year period. Since the bond holders have a redemption right to redeem the bond within one year, the entire balance was classified as a current liability as at 31 December 2018.

32 企業債券(續)

於二零一六年十一月十一日，發行企業債券本金金額為人民幣10億元(相等於1億4,630.5萬美元)之簿記建檔工作已完成；及於二零一六年十一月二十九日，該企業債券已發行並在上海證券交易所上市。扣除發行費用後，本集團收到的發行淨所得款為人民幣9.9億元(相等於1億4,484.2萬美元)。正大中國將發行企業債券的所得款項用於償還銀行貸款及補充流動資金。

該企業債券之票面利率已釐定為每年3.69%。該企業債券之期限為五年，而於第三年末正大中國擁有調整票面利率之選擇權及投資者擁有回售之選擇權。於二零一八年十二月三十一日，由於債券持有者有權在一年內贖回債券，全部餘額被分類為流動負債。

33 OTHER NON-CURRENT LIABILITIES

33 其他非流動負債

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Provision for severance allowance	遣散津貼撥備	**1,522**	1,481
Non-current portion of deferred income	非流動部份的遞延收入	**48,226**	23,790
		49,748	25,271

34 DEFERRED TAX

34 遞延稅項

Net deferred tax assets/(liabilities) recognised in the consolidated statement of financial position are as follows:

本集團於綜合財務狀況表中確認之淨遞延稅項資產／(負債)如下：

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Deferred tax assets	遞延稅項資產	11,553	24,397
Deferred tax liabilities	遞延稅項負債	(81,996)	(69,467)
		(70,443)	(45,070)

The components of the Group's deferred tax assets and liabilities and their movements during the year are as follows:

於年內，本集團之遞延稅項資產及負債之變動如下：

		Revaluation of properties, plant and machinery and intangible assets 物業、廠房及機器及無形資產重估 US$'000 美元千元	Revaluation of other financial assets 其他金融資產重估 US$'000 美元千元	Revaluation of biological assets 生物資產重估 US$'000 美元千元	Depreciation in excess of related depreciation allowance 折舊費用超出相關折舊扣稅額 US$'000 美元千元	Losses available for offsetting future taxable profits 用於沖減將來應課稅利潤之可彌補虧損 US$'000 美元千元	Dividend withholding tax 股息扣繳稅額 US$'000 美元千元	Others 其他 US$'000 美元千元	Net deferred tax assets/(liabilities) 淨遞延稅項資產／(負債) US$'000 美元千元
At 1 January 2018	於二零一八年一月一日	(23,926)	(8,333)	(9,571)	1,849	30,898	(29,311)	(6,676)	(45,070)
Effect of adoption of IFRS 15	採納國際財務報告準則第15號之影響	–	–	–	–	–	–	66	66
At 1 January 2018 (restated)	於二零一八年一月一日(重列)	(23,926)	(8,333)	(9,571)	1,849	30,898	(29,311)	(6,610)	(45,004)
Deferred tax credited/(charged) to profit or loss during the year (*note 12*)	年內於損益內增加／(扣除)之遞延稅項 *(附註12)*	940	–	(15,036)	118	(16,202)	9,744	(6,786)	(27,222)
Deferred tax credited/(charged) to equity during the year	年內於權益內增加／(扣除)之遞延稅項	(1,239)	3,348	–	–	–	–	–	2,109
Disposal of other financial assets	出售其他金融資產	–	3,459	–	–	(3,459)	–	–	–
Step acquisition of a subsidiary (*note 38*)	分階段收購一家附屬公司 *(附註38)*	(1,113)	–	–	–	–	–	–	(1,113)
Exchange realignment	匯兌調整	851	195	425	(40)	(645)	–	1	787
At 31 December 2018	於二零一八年十二月三十一日	(24,487)	(1,331)	(24,182)	1,927	10,592	(19,567)	(13,395)	(70,443)

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

34 DEFERRED TAX (continued) 34 遞延稅項(續)

The components of the Group's deferred tax assets and liabilities and their movements during the year are as follows:

於年內，本集團之遞延稅項資產及負債之變動如下：

		Revaluation of properties, plant and machinery and intangible assets 物業、廠房及機器及無形資產重估 US$'000 *美元千元*	Revaluation of available-for-sale investments 可供出售之投資重估 US$'000 *美元千元*	Revaluation of biological assets 生物資產重估 US$'000 *美元千元*	Depreciation in excess of related depreciation allowance 折舊費用超出相關折舊扣稅額 US$'000 *美元千元*	Losses available for offsetting future taxable profits 用於沖減將來應課稅利潤之可彌補虧損 US$'000 *美元千元*	Dividend withholding tax 股息扣繳稅額 US$'000 *美元千元*	Others 其他 US$'000 *美元千元*	Net deferred tax assets/(liabilities) 淨遞延稅項資產／(負債) US$'000 *美元千元*
At 1 January 2017	於二零一七年一月一日	(18,665)	–	(8,669)	1,828	3,332	(29,102)	(6,443)	(57,719)
Deferred tax credited/(charged) to profit or loss during the year (*note 12*)	年內於損益內增加／(扣除)之遞延稅項 *(附註12)*	926	–	(874)	16	18,884	(209)	(189)	18,554
Deferred tax charged to equity during the year	年內於權益內扣除之遞延稅項	(4,402)	(8,024)	–	–	–	–	–	(12,426)
Acquisition of a subsidiary (*note 38*)	收購一家附屬公司 *(附註38)*	(890)	–	–	–	8,021	–	–	7,131
Exchange realignment	匯兌調整	(895)	(309)	(28)	5	661	–	(44)	(610)
At 31 December 2017	於二零一七年十二月三十一日	(23,926)	(8,333)	(9,571)	1,849	30,898	(29,311)	(6,676)	(45,070)

34 DEFERRED TAX (continued)

Notes:

(a) The Group has tax losses arising in mainland China that will expire within five years for offsetting against future taxable profits.

At 31 December 2018, deferred tax assets have not been recognised in respect of unused tax losses of US$159,194,000 (2017: US$118,257,000) as it is not considered probable that taxable profits will be available against which the tax losses can be utilised. The unrecognised tax losses arose in mainland China, and will expire within five years from the end of the reporting period.

(b) 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. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. 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.

(c) At 31 December 2018, temporary differences unrecognised for deferred tax liabilities relating to the undistributed profits of subsidiaries amounted to US$620,273,000 (2017: US$602,319,000). Deferred tax liabilities of US$66,636,000 (2017: US$60,166,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as it is probable that profits will not be distributed in the foreseeable future.

(d) There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

34 遞延稅項(續)

附註：

(a) 集團於中國大陸用作抵銷未來應課稅溢利之稅務虧損將於五年內到期。

於二零一八年十二月三十一日，因不認為有望出現應課稅溢利以使用而未確認為遞延稅項資產的稅務虧損為1億5,919.4萬美元(二零一七年：1億1,825.7萬美元)。該等未確認之稅務虧損於中國大陸產生，並將於本報告期末起五年內到期。

(b) 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。如中國與海外投資者隸屬之司法管轄範圍簽定稅務條約，或可享有較低的扣繳稅率。本集團之應用稅率為10%。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。

(c) 於二零一八年十二月三十一日，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6億2,027.3萬美元(二零一七年：6億231.9萬美元)。6,663.6萬美元(二零一七年：6,016.6萬美元)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，因為該等溢利於可見將來很可能不被分派。

(d) 本公司向股東派發股息並無附帶任何利得稅後果。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

35 SHARE CAPITAL 35 股本

Shares 股份

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Authorised	**法定**		
Ordinary shares:	*普通股：*		
36,000,000,000 shares (2017: 36,000,000,000 shares) of US$0.01 each	36,000,000,000股（二零一七年：36,000,000,000股）每股面值0.01美元	**360,000**	360,000
Convertible preference shares:	*可換股優先股：*		
Series A – 20,000,000,000 shares (2017: 20,000,000,000 shares) of US$0.01 each	A系列－20,000,000,000股（二零一七年：20,000,000,000股）每股面值0.01美元	**200,000**	200,000
Series B – 4,000,000,000 shares (2017: 4,000,000,000 shares) of US$0.01 each	B系列－4,000,000,000股（二零一七年：4,000,000,000股）每股面值0.01美元	**40,000**	40,000
		240,000	240,000
		600,000	600,000
Issued and fully paid	**已發行及繳足**		
Ordinary shares:	*普通股：*		
24,071,837,232 shares (2017: 24,071,837,232 shares) of US$0.01 each	24,071,837,232股（二零一七年：24,071,837,232股）每股面值0.01美元	**240,718**	240,718
Convertible preference shares:	*可換股優先股：*		
Series B – 1,261,077,748 shares (2017: 1,261,077,748 shares) of US$0.01 each	B系列－1,261,077,748股（二零一七年：1,261,077,748股）每股面值0.01美元	**12,611**	12,611
		253,329	253,329

35 SHARE CAPITAL (continued)

Shares (continued)

There is no movement in the Company's issued ordinary shares and convertible preference shares during the years ended 31 December 2018 and 2017.

Convertible preference shares

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 issue price 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.

35 股本(續)

股份(續)

於截至二零一八年及二零一七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並無變動。

可換股優先股

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並無投票權。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發行價總額之金額；

(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。

35 SHARE CAPITAL (continued)

Convertible preference shares (continued)

The convertible preference shares shall be non-redeemable by the Company or the holders thereof.

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 36 to the financial statements.

35 股本(續)

可換股優先股(續)

本公司或持有人均不能對可換股優先股作出回購。

購股權

關於公司購股權計劃及授出購股權之細項說明，已包含於財務報表之附註36。

36 SHARE OPTION SCHEME

The Company operates a share option scheme ("2002 Share Option Scheme") which became effective on 26 November 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. On 22 June 2012, the board of directors of the Company approved the Company to terminate the 2002 Share Option Scheme and adopt a new share option scheme ("Share Option Scheme") in place of the 2002 Share Option Scheme, which will remain in force for a period of ten years from that date.

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

The maximum number of unexercised share options currently permitted to be granted under the Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the ordinary shares of the Company in issue. The maximum number of ordinary shares issuable upon exercise of share options granted to each eligible participant in 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.

36 購股權計劃

本公司運作一個自二零零二年十一月二十六日起生效之購股權計劃(「2002購股權計劃」)，除非另行取消或修訂外，自該日起持續有效十年。於二零一二年六月二十二日，本公司董事會批准本公司終止2002購股權計劃，並採納一個新的購股權計劃(「購股權計劃」)以代替2002購股權計劃。

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。可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。

根據購股權計劃，現時批准最多可授出之未行使購股權為當購股權被行使時相等於本公司已發行普通股股本之10%。在任何十二個月內就每名購股權計劃的合資格參與人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。

36 SHARE OPTION SCHEME (continued)

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 offer of a grant of share options may be accepted within 21 days from the date of offer (including the date of offer granted), upon payment of a nominal consideration of HK$10 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after the grant and ends on a date which is not later than 10 years from the date of offer of the share options.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's ordinary shares on the date of the offer 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 offer 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 shareholders' meeting.

At 31 December 2018 and 2017, the Company had no share options outstanding.

There was no grant of share options during the years ended 31 December 2018 and 2017.

36 購股權計劃(續)

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，如任何十二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5百萬港元，則須預先取得股東於股東大會上之批准。

授出購股權之要約可於提出該要約日起二十一日(包括作出要約當日)內獲接納，而購股權承授人須支付10港元作代價。授出之購股權行使期由董事決定，並以授出購股權日起至授出日後之十年內。

購股權之行使價由董事釐定，惟不可低於(i)本公司股份於購股權要約當日於聯交所之普通股收市價；及(ii)本公司股份於要約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，以三者之較高者為準。購股權持有人並不享有股息或於股東大會上投票之權利。

於二零一八年及二零一七年十二月三十一日，本公司沒有購股權尚未行使。

於截至二零一八年及二零一七年十二月三十一日止年度內，並沒有授出任何購股權。

37 RESERVES

The amounts of the Group's reserves and the movements therein for the years ended 31 December 2018 and 2017 are presented in the consolidated statement of changes in equity.

(a) The merger reserve represents the excess of the total of the consideration transferred for the acquisition of subsidiaries through business combinations under common control and the amount recognised for non-controlling interest over the carrying amount of the assets acquired, liabilities assumed and pre-acquisition reserves combined by the Group.

(b) The other financial assets fair value reserve (2017: available-for-sale investment revaluation reserve) is dealt with in accordance with the accounting policies adopted for available-for-sales investments in note 2.4 – Investments and other financial assets.

(c) The property revaluation reserve is dealt with in accordance with the accounting policies adopted for office premises held for own use set out in note 2.4 – Property, plant and equipment and depreciation.

(d) The PRC reserve funds are reserves set aside in accordance with the 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 ventures and associates. None of the Group's PRC reserve funds as at 31 December 2018 and 2017 were distributable in the form of cash dividends.

(e) The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries, joint ventures and associates. The reserve is dealt with in accordance with the accounting policies set out in note 2.4 – Foreign currencies.

37 儲備

本集團之儲備於截至二零一八年及二零一七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。

(a) 合併儲備乃通過共同控制下的業務合併下用作收購附屬公司而轉出之代價及確認為非控制性權益之金額，超過本集團收購所得資產，承擔負債及收購前的儲備賬面值之差額。

(b) 其他金融資產公允值儲備(2017：可供出售之投資重估儲備)乃按照於附註2.4－投資及其他金融資產所述之可供出售之投資所採納的會計政策處理。

(c) 物業重估儲備乃按照於附註2.4－物業、廠房及設備及折舊所述之自用商業樓宇所採納的會計政策處理。

(d) 中國儲備金為根據本集團之中國附屬公司、合營企業及聯營公司適用之中國公司法或中國中外合資經營企業法撥出之儲備。本集團於二零一八年及二零一七年十二月三十一日之中國儲備金概不能以現金股息之方式分派。

(e) 外匯波動儲備包含所有因換算外地附屬公司、合營企業及聯營公司之財務報表所產生的外幣折算差異。該儲備根據於附註2.4－外幣所述的會計政策處理。

38 BUSINESS COMBINATION

Acquisition of Jilin CT (2018)

In June 2018, the Group acquired the remaining 50% interest in a former 50%-owned joint venture, Jilin CT, from the joint venture partner, at a cash consideration of RMB47,600,000 (equivalent to approximately US$7,189,000)(note 21). Jilin CT is principally engaged in the manufacture and sale of animal feed in the PRC.

As at the acquisition date, the estimated fair value of the existing 50% shareholdings was US$7,189,000 ("Existing Shareholdings"). Compared with the respective carrying amount before valuation of US$5,488,000, a fair value change of US$1,701,000 was recognised in the profit and loss. Together with the gain from release of exchange and other reserves of US$394,000, the estimated gain from this acquisition of US$2,095,000 was recognised in "Other income, net" in the consolidated statement of comprehensive income (note 7).

The cash consideration of RMB47,600,000 (equivalent to approximately US$7,189,000) was fully settled as at 31 December 2018. Upon the completion of the transaction, Jilin CT became a wholly-owned subsidiary of the Group.

The recognised fair values of the identifiable assets and liabilities of Jilin CT as at the date of acquisition were set out as follows:

38 業務合併

收購吉林正大 (2018)

於二零一八年六月，本集團以現金代價為人民幣4,760萬(相等於約718.9萬美元)向其合營夥伴收購一家先前持有50%權益的合營企業吉林正大之餘下50%股權(附註21)。吉林正大主要於中國產銷動物飼料。

於收購日，現有50%股權的估計公允值(「現有股權」)為718.9萬美元。與該估值前賬面值548.8萬美元相比，公允價值變動為170.1萬美元，已於損益確認。連同外匯及其他儲備之回撥溢利39.4萬美元，209.5萬美元的收購收益已於綜合全面收益表中之其他收入淨額確認(附註7)。

於二零一八年十二月三十一日，現金代價人民幣4,760萬(相等於約718.9萬美元)已悉數結算。完成上述交易後，吉林正大成為本集團之全資附屬公司。

吉林正大於收購日之可識別資產及負債之公允值如下：

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

38 BUSINESS COMBINATION (continued) 38 業務合併(續)

Acquisition of Jilin CT (2018) (continued) *收購吉林正大 (2018) (續)*

		Jilin CT 吉林正大 *US$'000* *美元千元*
Property, plant and equipment	物業、廠房及設備	7,927
Land lease prepayments	預付土地租賃費	4,545
Customer relationship	客戶關係	1,661
Other non-current assets	其他非流動資產	13
Inventories	存貨	2,445
Trade receivables	應收貿易賬款	654
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	1,790
Cash and cash equivalents	現金及現金等價物	2,841
Trade payables	應付貿易賬款	(1,231)
Other payables and accruals	其他應付賬款及預提費用	(1,936)
Other non-current liabilities	其他非流動負債	(3,218)
Deferred tax liabilities	遞延稅項負債	(1,113)
Total identifiable net assets at fair value	可識別淨資產公允值之總值	14,378
Satisfied by:	支付形式:	
Cash	現金	7,189
Fair value of the existing shareholdings	現有持股的公允值	7,189
Total consideration	總代價	14,378

The cash flows in respect of the acquisition of Jilin CT is as follows:

有關收購吉林正大的現金流量如下：

		US$'000 *美元千元*
Cash consideration	現金代價	7,189
Cash and cash equivalents acquired	收購的現金及現金等價物	(2,841)
		4,348

38 BUSINESS COMBINATION (continued)

Acquisition of Jilin CT (2018) (continued)

Since the acquisition, Jilin CT contributed US$14,477,000 to the Group's revenue and a loss of US$48,000 to the consolidated net profit for year ended 31 December 2018.

Had the business combination taken place at the beginning of the year, the revenue of the Group and the net profit of the Group for the year ended 31 December 2018 would have been US$6,725,177,000 and US$392,427,000, respectively.

The Group is still in the process of assessing the final fair value of the identifiable net assets acquired and the fair value of the 50% equity interest in Jilin CT previously held by the Group, the fair values to be assigned to the identifiable assets and liabilities of Jilin CT and the 50% equity interest could only be determined provisionally. Any adjustments to the provisional values of the acquired identifiable assets and liabilities and 50% equity interest previously held by the Group will be adjusted on a retrospective basis from the acquisition date. Therefore, the gain or loss on the step acquisition or any goodwill to be recognised may vary.

Acquisition of Suqian Chia Tai (2017)

In January 2017, the Group completed the acquisition of a subsidiary, namely Suqian Chia Tai (previous name: COFCO Meat (Suqian) Co., Ltd.), with details shown below:

In December 2016, a subsidiary of the Group signed an equity transaction agreement with COFCO Poultry Industry Co. Ltd. (the "Seller") to:

(i) acquire the entire interest in Suqian Chia Tai from the Seller at a consideration of RMB187,000,000 (equivalent to approximately US$26,926,000); and

(ii) take over the shareholder's loan, due from Suqian Chia Tai to the Seller, of RMB384,000,000 (equivalent to approximately US$55,801,000) by paying the same amount to the Seller.

Suqian Chia Tai is principally engaged in the manufacture and sale of chicken meat products in the PRC. The total consideration of RMB571,000,000 (equivalent to approximately US$82,217,000) was fully settled and included in "Other non-current assets" in the consolidated statement of financial position of the Group as at 31 December 2016.

38 業務合併(續)

收購吉林正大 (2018) (續)

於收購日起，截至二零一八年十二月三十一日止年度本集團收入中之1,447.7萬美元及綜合淨溢利中之4.8萬美元虧損由吉林正大貢獻。

假如該業務合併於年初發生，截至二零一八年十二月三十一日止年度本集團收入及淨溢利將分別為67億2,517.7萬美元及3億9,242.7萬美元。

本集團仍在評估所收購可識別資產淨值的最終公允值，而本集團先前持有吉林正大50%股權的公允值，分配給吉林正大可識別資產和負債的公允價值及50%的股權只能暫時確定。對所收購可識別資產及負債的臨時價值以及本集團先前持有的50%股權的任何調整將自收購日起追溯調整。因此，分階段收購的收益或損失或任何將可能確認的商譽可能會有變動。

收購宿遷正大(2017)

於二零一七年一月，本集團完成收購一家附屬公司，名為宿遷正大(前名：中糧肉食(宿遷)有限公司)，詳情詳見如下：

於二零一六年十二月，本集團一家附屬公司與中糧禽業有限公司(「賣方」)簽訂股權交易協議，以：

(i) 代價為人民幣1.87億元(相等於約2,692.6萬美元)向賣方收購宿遷正大之全部權益；及

(ii) 向賣方支付等額以接管宿遷正大應付賣方的人民幣3.84億元股東貸款(相等於約5,580.1萬美元)。

宿遷正大主要於中國產銷雞肉產品。於二零一六年十二月三十一日，總代價人民幣5.71億元(相等於約8,221.7萬美元)已悉數結清並載列於本集團綜合財務狀況表之「其他非流動資產」內。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

38 BUSINESS COMBINATION (continued) 38 業務合併(續)

Acquisition of Suqian Chia Tai (2017) (continued)

收購宿遷正大(2017)(續)

The fair values of the identifiable assets and liabilities of Suqian Chia Tai as at the date of acquisition are set out as follows:

宿遷正大於收購日的可識別資產及負債之公允值如下：

		Note 附註	Suqian Chia Tai 宿遷正大 US$'000 美元千元
Property, plant and equipment	物業、廠房及設備	15	75,523
Land lease prepayments	預付土地租賃費	17	4,099
Deferred tax assets	遞延稅項資產	34	7,131
Inventories	存貨		4,466
Current biological assets	當期生物資產	18	1,306
Trade receivables	應收貿易賬款		2,130
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款		8,096
Cash and cash equivalents	現金及現金等價物		1,778
Trade payables	應付貿易賬款		(6,968)
Other payables and accruals	其他應付賬款及預提費用		(60,943)
Bank borrowings	銀行借款	28	(9,445)
Total identifiable net assets at fair value	可識別淨資產公允值之總值		27,173
Shareholder's loan took over	接管股東貸款		55,801
Exchange realignment	匯兌調整		(757)
Satisfied by cash	以現金支付		82,217

The cash flows in respect of the acquisition of Suqian Chia Tai is as follows:

有關收購宿遷正大的現金流量如下：

		US$'000 美元千元
Cash consideration paid in 2016	於二零一六年支付之現金代價	82,217
Cash and cash equivalents acquired in 2017	於二零一七年收購的現金及現金等價物	(1,778)

38 BUSINESS COMBINATION (continued)

Acquisition of Suqian Chia Tai (2017) (continued)

Since the acquisition, Suqian Chia Tai contributed US$58,181,000 to the Group's revenue and a loss of US$10,353,000 to the consolidated net profit for the year ended 31 December 2017.

Had the business combination taken place on 1 January 2017, the revenue of the Group and the net profit of the Group for the year ended 31 December 2017 would have been US$5,640,785,000 and US$40,147,000, respectively.

38 業務合併(續)

收購宿遷正大(2017)(續)

於收購日起，截至二零一七年十二月三十一日止年度本集團收入中之5,818.1萬美元及綜合淨溢利中之1,035.3萬美元虧損由宿遷正大貢獻。

假如該業務合併於二零一七年一月一日發生，截至二零一七年十二月三十一日止年度本集團收入及淨溢利將分別為56億4,078.5萬美元及4,014.7萬美元。

39 CONTINGENT LIABILITIES

Guarantees were given by certain subsidiaries in the Group to financial institutions in the PRC for certain indebtedness of independent third party customers of the Group. In the case of financial guarantees provided which exceed the net asset value of the relevant subsidiaries, our maximum contingent liabilities are limited to the net asset value of these subsidiaries. The net asset value of the relevant subsidiaries as at 31 December 2018 was US$54,476,000 (2017: US$91,158,000). The contingent liabilities of the Group in respect of such guarantees as at 31 December 2018 were US$14,902,000 (2017: US$23,537,000).

39 或有負債

本集團若干附屬公司在中國為獨立第三方客戶之若干債務向財務機構提供擔保。假若提供的財務擔保超過相關附屬公司之淨資產，本集團最高之或有負債則限於該等附屬公司之淨資產。相關附屬公司於二零一八年十二月三十一日之淨資產約為5,447.6萬美元(二零一七年：9,115.8萬美元)。本集團於二零一八年十二月三十一日有關該等擔保之或有負債為1,490.2萬美元(二零一七年：2,353.7萬美元)。

40 OPERATING LEASE ARRANGEMENTS

As lessor

The Group leases its investment properties under operating lease arrangements, with the leases negotiated with original terms ranging from 1 to 20 years.

At 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

40 經營租賃安排

作為出租人

本集團根據經營租賃安排出租其投資物業，所議定之原租期為1至20年不等。

於二零一八年十二月三十一日，不可撤銷之經營租賃下，本集團於未來最少總應收租賃如下：

		2018 **二零一八年** ***US$'000*** ***美元千元***	2017 二零一七年 *US$'000* *美元千元*
Within one year	一年內	**2,047**	2,721
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	**810**	2,859
After five years	五年以後	**1**	1
		2,858	5,581

40 OPERATING LEASE ARRANGEMENTS (continued)

40 經營租賃安排(續)

As lessee

作為承租者

The Group leases certain of its properties, plant and equipment and land under operating lease arrangements, with the leases negotiated with original terms ranging from 1 to 62 years.

本集團根據經營租賃安排租用若干物業、廠房及設備及土地，所議定之原租期為1至62年不等。

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

於二零一八年十二月三十一日，不可撤銷之經營租賃下，本集團於未來最少總租賃開支如下：

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Within one year	一年內	**72,301**	57,849
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	**231,245**	195,244
After five years	五年以後	**316,067**	291,918
		619,613	545,011

41 CAPITAL COMMITMENTS

41 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：

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Contracted, but not provided for:	**已簽約，但尚未作出撥備：**		
Buildings	樓宇	**37,039**	38,723
Plant and machinery	廠房及機器	**51,617**	50,759
		88,656	89,482

41 CAPITAL COMMITMENTS (continued)

(a) (continued)

Note:

Included in the Group's capital commitment of plant and machinery and buildings as at 31 December 2018 are amounts of US$16,948,000 (2017: US$2,821,000) and US$5,602,000 (2017: US$449,000), respectively, contracted but not provided for, to related companies.

(b) As at 31 December 2018, the Group has no share of capital commitments, contacted but not provided for, of joint ventures (2017: US$74,000).

(c) As at 31 December 2018, the Group's share of capital commitments, contracted but not provided for, of associates amounted to US$7,524,000 (2017: US$4,853,000).

41 資本承擔(續)

(a) (續)

附註：

本集團於二零一八年十二月三十一日有關廠房及機器及樓宇之資本承擔包括金額為1,694.8萬美元(二零一七年：282.1萬美元)及560.2萬美元(二零一七年：44.9萬美元)與關連公司已簽約，但尚未作出撥備之資本承擔。

(b) 於二零一八年十二月三十一日，本集團並無應佔合營企業的已簽約但尚未作出撥備之資本承擔(二零一七年：7.4萬美元)。

(c) 於二零一八年十二月三十一日，本集團應佔聯營公司之已簽約但尚未作出撥備之資本承擔為752.4萬美元(二零一七年：485.3萬美元)。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

42 RELATED PARTY DISCLOSURES 42 關連人士披露

(a) The Group had the following transactions with related parties during the year:

(a) 本集團於年內還與關連人士有以下的交易：

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Sales of goods to:	銷售產品予：	(i)		
High Orient Enterprises Limited ("HOEL") and its related entities#	High Orient Enterprises Limited (「HOEL」) 及其關連企業#		1,024,160	947,357
Joint ventures	合營企業		36,736	28,233
Associates	聯營公司		3,921	2,924
Other related entities with same shareholders as CPG	其他關連企業與CPG有相同股東		11,192	11,196
Purchases of goods from:	採購產品自：	(ii)		
HOEL and its related entities#	HOEL及其關連企業#		1,003,719	872,598
Chia Tai Enterprises International Limited ("CTEI") and its subsidiaries#	正大企業國際有限公司(「CTEI」)及其附屬公司#		2,306	2,432
ITOCHU Corporation ("ITOCHU") and its subsidiaries^	伊藤忠商事株式會社(「伊藤忠」)及其附屬公司^		1,426	1,235
Joint ventures	合營企業		20,851	17,912
Associate	聯營公司		282	6
Other related entities with same shareholders as CPG	其他關連企業與CPG有相同股東		36,548	75,194
Rental income received and receivable from HOEL and its related entities^	從HOEL及其關連企業應收及已收之租金收入^	(iii)	1,739	2,033
Rental expenses paid and payable to:	應付及已付租金支出予：	(iv)		
HOEL and its related entities^	HOEL及其關連企業^		1,418	872
Other related entities with same shareholders as CPG	其他關連企業與CPG有相同股東		1,069	773
Royalty fee to CPG#	許可費予CPG#	(v)	38,401	29,190
Royalty fee to Chia Tai Animal Husbandry Investment (Beijing) Co., Ltd. ("CT Animal Husbandry")#	許可費予正大畜牧投資(北京)有限公司(「正大畜牧」)#	(vi)	1,306	692
SAP system license and maintenance service fee paid to CPF IT Center Co., Ltd. ("CPF IT")*	SAP系統許可證及維修保養服務費予CPF IT Center Co., Ltd.(「CPF IT」)*	(vii)	4,442	–
SAP system service fees paid to Shanghai Zheng Yuan Computer Technology Co., Ltd. ("Shanghai Zheng Yuan")*	SAP系統服務費予上海正圓計算機科技有限公司(「上海正圓」)*	(viii)	806	430

42 RELATED PARTY DISCLOSURES (continued)

42 關連人士披露(續)

(a) (continued)

(a) (續)

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Project management fee to:	項目管理費予：	(ix)		
Chia Tai Land Co., Ltd.*	正大置地有限公司*		775	412
Chia Tai Handing Modern Agricultural Technology Co., Ltd.*	正大漢鼎現代農業科技有限公司*		189	2,072
Di Peng Construction Consulting (Shanghai) Co., Ltd.*	帝鵬工程諮詢(上海)有限公司*		–	145
Interest income on trade receivables from HOEL and its related entities	源自HOEL及其關連企業之應收貿易賬款之利息收入	(x)	8,330	8,626

Notes:

(i) Prices of goods sold to related parties were determined with reference to the prevailing market prices of the goods in respective local markets. The procedures to determine the prices of products sold to related parties are the same as those used to determine the prices of products supplied to independent third parties customers. The selling prices to related parties shall be no more favourable than those made available to the Group's customers which are independent third parties.

(ii) Price of goods purchased from related parties were determined on the basis of arm's length negotiations taking into account the prevailing market prices in respective local markets. The methods and procedures to determine the prices of goods purchased from related parties are the same as those used to determine the prices of goods purchased from independent third party suppliers. The purchase prices from related parties shall be no less favourable than those made available to the Group from suppliers which are independent third parties.

附註：

(i) 向關連人士銷售的產品售價乃按有關當地市場的當前市價而釐定。釐定向關連人士銷售的產品售價的程式與釐定向獨立第三方客戶供應的產品售價所用者一致。向關連人士銷售的產品售價並不遜於本集團給予獨立第三方客戶之價格。

(ii) 從關連人士採購的產品價格乃按公平原則磋商經考慮採購於有關當地市場的當前市價而釐定。用於釐定向關連人士採購和從獨立第三方供應商採購的實際方法和程式相同。從關連人士採購的產品價格將不遜於本集團可從獨立第三方供應商採購之價格。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

42 RELATED PARTY DISCLOSURES (continued)

(a) (continued)

Notes: (continued)

(iii) The rental income comprises of (i) US$1,583,000 (2017: US$1,877,000) related to the lease and/or use of relevant non-feed related fixed assets located in the PRC by HOEL and its related entities, which was determined by reference to the depreciation charge of the relevant assets and applicable tax costs incurred by the Group, and (ii) US$156,000 (2017: US$156,000) related to the lease of certain properties of the Group in Hong Kong to other related companies at rates determined by the Group with reference to market rates.

(iv) The rental expense was determined by reference to the depreciation charge of the relevant assets and applicable tax costs incurred by the related companies.

(v) The royalty fee was charged at 1.5% of the net revenue from sale of goods by CPVC.

(vi) The royalty fee was charged at 0.2% of the net sale value of fresh-food products and 0.4% of the net sale value of cooked-food products sold by the subsidiaries of CP China Investment, a subsidiary of the Group.

(vii) SAP system license and maintenance service fee paid to CPF IT comprises of (i) one-off license fee of US$3,979,000 (2017: nil) by CP China and its subsidiaries in granting a non-transferable license to users to use the SAP system, (ii) maintenance service fee of US$218,000 (2017: nil) by CP China and its subsidiaries in providing maintenance services (including regular updates) of the SAP system, and (iii) maintenance, implementation and technical assistance fee of US$245,000 (2017: nil) by CPVC.

42 關連人士披露(續)

(a) (續)

附註：(續)

(iii) 租金收入包括(i)總額為158.3萬美元(二零一七年：187.7萬美元)之有關由HOEL及其關連企業租賃及／或使用位於中國有關的非飼料相關之固定資產，乃根據本集團對該有關資產所扣除之折舊額及產生的稅務成本而定，及(ii)總額為15.6萬美元(二零一七年：15.6萬美元)之有關本集團出租若干位於香港的物業予其他關連公司之租金，按本集團參考市場租金釐定。

(iv) 租金支出乃根據關連公司有關資產的折舊額及相關稅務成本而定。

(v) 許可費乃源自CPVC從銷售產品之淨收入的1.5%計算。

(vi) 許可費乃源自CP China(本集團的一家附屬公司)的附屬公司從銷售新鮮食品之銷售淨值的0.2%及加工食品之銷售淨值的0.4%計算。

(vii) 向CPF IT交付的SAP系統許可證及維修保養服務費包括(i)由CP China及其附屬公司交付的一次性許可費397.9萬美元(二零一七年：無)，為其向使用者授予使用SAP系統的不可轉讓許可使用權；(ii)由CP China及其附屬公司交付的SAP系統維修保養費21.8萬美元(二零一七年：無)(包括定期更新)；及(iii)由CPVC交付的維修保養、實施及技術協助費24.5萬美元(二零一七年：無)。

42 RELATED PARTY DISCLOSURES (continued)

(a) (continued)

Notes: (continued)

(viii) SAP technical service fee of US$327,000 (2017: nil) for providing ongoing training and technical assistance services, and SAP service fee of pre-installation trial procedures of US$479,000 (2017: US$430,000) for certain trial procedures designed to ensure that the SAP system can be installed and implemented and efficiently utilized, were paid to Shanghai Zheng Yuan by CP China and its subsidiaries.

(ix) The project management fee was charged at 3.0% of the incurred construction cost of production facilities of the Group's food processing plants located in the PRC.

(x) The interest income was charged on trade receivable balances due from related companies at rates determined by the Group with reference to market practice.

These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

^ These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules, but their size is such that the transactions were exempt from the disclosure and shareholders' approval requirements for continuing connected transactions.

* These related party transactions also constitute connected transactions as defined in Chapter 14A of the Listing Rules.

42 關連人士披露(續)

(a) (續)

附註：(續)

(viii) CP China及其附屬公司向上海正圓交付SAP技術服務費32.7萬美元(二零一七年：無)為其提供持續培訓及技術協助服務，以及預安裝試驗程序服務費47.9萬美元(二零一七年：43.0萬美元)為其若干確保SAP系統能安裝、實施及有效利用的試驗程序。

(ix) 項目管理費乃按本集團位於中國之食品處理廠的生產設施已發生的建築成本之3.0%計算。

(x) 利息收入乃源自關連公司之應收貿易賬款按本集團參考市場利率慣例釐定之利率計息。

該等關連人士交易也構成上市規則第十四A章內定義之持續關連交易。

^ 該等關連人士交易也構成上市規則第十四A章內定義之持續關連交易，但該等交易因其規模，屬於豁免於披露和股東批准規定的持續關連交易。

* 該等關連人士交易也構成上市規則第十四A章內定義之關連交易。

42 RELATED PARTY DISCLOSURES (continued)

(b) Balances with related parties

Details of the Group's balances with joint ventures, associates and related companies included in trade and bills receivables, prepayments, deposits and other receivables, trade payables and other payables and accruals are disclosed in note 26(c), 27(a), 29 and 30(a) to the financial statements, respectively.

(c) Compensation of key management personnel who are also directors of the Group:

42 關連人士披露(續)

(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票據、預付賬款、按金及其他應收賬款、應付貿易賬款及其他應付賬款及預提費用已分別披露於財務報表附註26(c)，27(a)，29及30(a)內。

(c) 本集團主要管理人員(亦為董事)之報酬：

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
Short term employee benefits	短期僱員福利	**3,917**	3,944

43 FINANCIAL INSTRUMENTS BY CATEGORY

Other than the unlisted and listed equity investments being classified as equity investments at fair value through other comprehensive income (2017: available-for-sale investments) as disclosed in note 23 to the financial statements and the forward exchange contracts being classified as derivative financial instruments as disclosed in notes 27 and 30, all financial assets and liabilities of the Group as at 31 December 2018 and 2017 were financial assets and liabilities stated at amortised cost.

43 金融工具分類

除載列於本財務報表附註23內被分類為權益投資按公允值透過其他全面收益計量(二零一七年：可供出售之投資)的非上市及上市權益投資及載列於本財務報表附註27及30內被分類為衍生金融工具的遠期外匯合同外，於二零一八年及二零一七年十二月三十一日，本集團之所有金融資產及負債以攤銷成本列賬之金融資產及負債。

44 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

44 金融工具的公允值計量

Fair value hierarchy

公允值之級別

		Fair value measurement categorised into 公允值計量之分類			
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	Total 總額
		US$'000 美元千元	*US$'000 美元千元*	*US$'000 美元千元*	*US$'000 美元千元*
As at 31 December 2018	**於二零一八年十二月三十一日**				
Recurring fair value measurement	**週期性公允值計量**				
Financial assets:	金融資產：				
Equity investments measured at FVOCI (non-recycling):	權益投資按公允值計量並透過其他全面收益列賬(不可循環至損益)：				
– Listed	－上市	13,966	–	–	13,966
– Unlisted	－非上市	–	–	1,076	1,076
Derivative financial instruments:	衍生金融工具：				
– Forward exchange contracts, included in prepayments, deposits and other receivables	－遠期外匯合同，包含於預付賬款、按金及其他應收款	–	2,822	–	2,822
As at 31 December 2017	**於二零一七年十二月三十一日**				
Recurring fair value measurement	**週期性公允值計量**				
Financial assets:	金融資產：				
Available-for-sale investments:	可供出售之投資				
– Listed	－上市	40,695	–	–	40,695
Financial liabilities:	金融負債：				
Derivative financial instruments:	衍生金融工具：				
– Forward exchange contracts, included in other payables and accruals	－遠期外匯合同，包含於其他應付賬款及預提費用	–	8,091	–	8,091

44 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

44 金融工具的公允值計量(續)

During the year ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2.

截至二零一八年及二零一七年十二月三十一日止年度，並無第一及第二級別之間之轉移。

The movement during the year in the balance of these Level 3 fair value measurements is as follows:

年內第三級別公允值計量的餘額變動如下：

		31 December 2018 二零一八年十二月三十一日 US$'000 美元千元	31 December 2017 二零一七年十二月三十一日 US$'000 美元千元
Financial assets:	金融資產：		
Other financial assets – unlisted:	其他金融資產－非上市：		
At 1 January	於一月一日	–	–
Impact on initial application of IFRS 9	首次採納國際財務告準則第9號之影響	1,056	–
Surplus on revaluation	重估盈餘	20	–
At 31 December	於十二月三十一日	1,076	–

On and before 31 December 2017, unlisted equity investment was measured at cost according to the exception to the fair value measurement requirements for investments in unlisted equity instruments that do not have a quoted market price in an active market under IAS 39. Upon the adoption of IFRS 9 as at 1 January 2018 that removes this exception, such financial asset was then measured at fair value.

於二零一七年十二月三十一日及之前，根據國際會計準則第39號下活躍市場中沒有市場標價的非上市權益工具投資公允值計量要求的例外情況，非上市之權益投資按成本計量。於二零一八年一月一日，採用國際財務報告準則第9號(取消該例外情況)後，該金融資產按公允價值計量。

The fair value of unlisted other financial assets in level 3 is determined using the price-to-earnings ratios of comparable listed companies and adjusted for lack of marketability discount. As at 31 December 2018, it is estimated that with all other variables held constant, a decrease/increase in discount for lack of marketability by 10% would have increased/decreased the Group's other comprehensive income by US$153,000.

非上市之其他金融資產於第三級別之公允值乃根據因缺乏可銷售性折扣而調整的類似上市公司之市盈率釐定。於二零一八年十二月三十一日，在其他變數維持不變的情況下，因缺乏可銷售性而導致的折扣減少／增加10%將使本集團的其他全面收益增加／減少15.3萬美元。

The fair value of the forward exchange contracts in Level 2 is determined by the forward rates quoted by the same banks for the same delivery dates of the forward exchange contracts at the end of the reporting period.

遠期外匯合同於第二級別之公允值乃按同一家銀行於報告期末的同期遠期外滙合同所報的遠期匯率釐定。

The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

本集團之政策乃於報告期末確認當期發生的級別間之轉移。

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

45 財務風險管理方針及政策

The Group has exposure to the following risks:

本集團面對以下風險：

(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 monitors interest rate movements and determines appropriate hedging activities when necessary. 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。本集團監控息率變動，必要時考慮適當的對沖活動。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 and corporate bond 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，銀行借款及企業債券在面對利息風險時的賬面值，表列如下：

		2018 二零一八年		2017 二零一七年	
		Carrying amount 賬面值	**Effective interest rate 有效利率**	Carrying amount 賬面值	Effective interest rate 有效利率
		US$'000 美元千元	%	*US$'000 美元千元*	%
Fixed rate denominated in:	固定利率按以下貨幣為單位：				
RMB	人民幣	**306,776**	**4.33**	314,095	4.08
US$	美元	**36,000**	**3.38**	–	–
		342,776		314,095	
Floating rate denominated in:	浮動利率按以下貨幣為單位：				
US$	美元	**756,897**	**5.44**	761,717	4.59
VND	越南盾	**348,842**	**5.93**	381,474	4.73
RMB	人民幣	**362,852**	**5.18**	229,746	4.75
		1,468,591		1,372,937	

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(a) Interest rate risk (continued)

(a) 息率風險(續)

The following table demonstrates the sensitivity to a reasonably 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):

下表說明浮動利率銀行借款在合理利率變動下，本集團的稅後利潤及權益的敏感性(其他變數不變)：

		Increase/ (decrease) in basis points 基點增加／(減少) *US$'000* *美元千元*	**2018** **二零一八年** **Increase/ (decrease) in profit after tax and equity** **除稅後溢利及權益增加／(減少)** ***US$'000*** ***美元千元***	2017 二零一七年 Increase/ (decrease) in profit after tax and equity 除稅後溢利及權益增加／(減少) *US$'000* *美元千元*
US$	美元	100	**(7,056)**	(7,200)
US$	美元	(100)	**7,056**	7,200
RMB	人民幣	100	**(2,721)**	(1,723)
RMB	人民幣	(100)	**2,721**	1,723
VND	越南盾	100	**(2,791)**	(3,052)
VND	越南盾	(100)	**2,791**	3,052

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(b) Credit risk

The Group places its cash deposits with a number of major banks and financial institutions. This cash management policy limits the Group's exposure to concentration of credit risk. Impairment on cash and deposits has been measured on a 12-month expected loss basis. The Group considers that its cash and deposits have minimal credit risk based on the external credit ratings of the counterparties (i.e. banks and financial institutions where cash and deposits are placed).

A significant portion of the Group's sales are made to customers in the agricultural industry and, as such, the Group is directly affected by the well-being of that industry. However, the credit risk associated with trade receivables is considered relatively low due to the Group's large customer base and its geographical dispersion. The Group performs ongoing credit evaluations of its customers' financial conditions. Trade receivables of US$8,790,000 (2017: US$6,781,000) were supported by guarantee issued by bank provided by customers as at 31 December 2018. The Group applies the simplified approach in calculating ECLs for trade receivables, using a provision matrix that based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For details of the Group's credit risk exposure on trade receivables, please refer to note 26(b) to the financial statements. Before 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 2.4 – Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018). 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及金融機構存放其現金存款。此項現金管理政策減低了本集團信貸集中之風險。現金及存款的減值按12個月的預期虧損計量。基於存放現金及存款的銀行和金融機構的外部信貸評級，本集團認為其現金及存款的信用風險較低。

本集團之銷售大部份售予農業客戶，因此本集團亦直接受該行業之狀況影響。然而，由於本集團擁有龐大客戶群及其業務遍佈於不同地區，有關應收賬項之信貸風險也相對地低。本集團持續地評估其客戶之財務狀況。於二零一八年十二月三十一日，價值879.0萬美元(二零一七年：678.1萬美元)之應收貿易賬款被客戶提供之銀行擔保所支援。本集團採用簡易法計量應收貿易賬款的預期信貸虧損，使用基於其歷史信用損失經驗的撥備模型，根據債務人特定的前瞻性因素和經濟環境進行調整。有關本集團應收貿易賬款的信貸風險詳情，請參閱財務報表附註26(b)。在二零一八年一月一日之前，只有在有客觀證據表明存在減值跡象時才確認減值損失(參見附註2.4 - 投資及其他金融資產(於二零一八年一月一日前按國際會計準則39之應用政策)。確認之撥備乃資產之賬面值與以最初確認之有效利率折現估計未來現金流之差額。

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

Except for the financial guarantees given by the Group as set out in note 39, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 39. The Group held assets of US$1,715,000 as at 31 December 2018 (2017: US$1,323,000) as pledge for the guarantees granted to independent third party customers. The Group measures the financial guarantee contracts at the ECLs allowance determined for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default. Before 1 January 2018, an impairment loss was recognised only when it becomes probable that the holder of the guarantee will call upon the Group (see note 2.4 – Financial guarantee contracts (policies under IAS 39 applicable before 1 January 2018).

(c) Foreign currency risk

RMB and VND are 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 and banks in Vietnam, respectively. Payments for imported materials and remittance of earnings out of mainland China and Vietnam are subject to the availability of foreign currencies.

The products of the Company's subsidiaries, joint ventures and associates operating in mainland China and Vietnam are sold primarily in RMB and VND, respectively. Revenues and profits are thus predominantly denominated in RMB and VND. For certain subsidiaries, joint ventures and associates, funds denominated in RMB and VND 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.

45 財務風險管理方針及政策(續)

(b) 信貸風險(續)

除載於本財務報表附註39內集團所提供之財務擔保外，本集團並沒有提供其他擔保能使本集團面對信貸風險。於報告期末，有關財務擔保之最高可面對信貸風險已在附註39披露。本集團於二零一八年十二月三十一日為獨立第三方客戶擔保而取得之抵押資產為171.5萬美元(二零一七年：132.3萬美元)。本集團按照預期在信貸虧損的剩餘年限內(不論何時違約)的信貸虧損計量財務擔保合同的信貸虧損準備。在二零一八年一月一日之前，減值損失僅在擔保持有人有可能向本集團提出索償時確認(見附註2.4 – 財務擔保合同(於二零一八年一月一日前按國際會計準則39之應用政策)。

(c) 外匯風險

人民幣和越南盾均不能自由兑換成外幣。所有外匯交易都分別參考中國人民銀行和位於越南的銀行所報的匯率進行。中國及越南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。

本公司營運於中國大陸及越南的附屬公司、合營企業及聯營公司的產品分別主要以人民幣和越南盾銷售。因此，收入和溢利以人民幣和越南盾為主。若干附屬公司、合營企業和聯營公司，需不時以人民幣及越南盾兑換為美元或其他外幣以購買進口材料及設備。

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(c) Foreign currency risk (continued)

Should RMB and VND appreciate/depreciate against the US$, it may increase/reduce the foreign currency equivalent of such earnings available for distribution by these subsidiaries, joint ventures and associates of the Company.

The Group's businesses are principally operated in mainland China and Vietnam and most transactions are conducted in RMB and VND. The Group has entered into forward exchange contracts to manage its foreign exchange risk.

The following table demonstrates the sensitivity at the end of the reporting period to a possible change in RMB and VND 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)

倘若人民幣和越南盾較美元升值／貶值，它可能會增加／減少本公司的附屬公司、合營企業和聯營公司的外幣等值收益。

本集團之業務主要於中國大陸和越南境內營運，大部份交易以人民幣及越南盾為單位。本集團已訂立遠期外匯合同以管理其外匯風險。

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及越南盾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 or VND 人民幣或越南盾升值／(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 2018	截至二零一八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%	(709)	(762)
If US$ strengthens against RMB	倘美元較人民幣升值	(3%)	709	762
If US$ weakens against VND	倘美元較越南盾貶值	3%	446	357
If US$ strengthens against VND	倘美元較越南盾升值	(3%)	(446)	(357)

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(c) Foreign currency risk (continued)

(c) 外匯風險(續)

		Appreciation/ (depreciation) in RMB or VND 人民幣或越南盾升值/(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%	4,952	3,706
If US$ strengthens against RMB	倘美元較人民幣升值	(3%)	(4,952)	(3,706)
If US$ weakens against VND	倘美元較越南盾貶值	3%	1,558	1,215
If US$ strengthens against VND	倘美元較越南盾升值	(3%)	(1,558)	(1,215)

(d) Liquidity risk

The Group's objective is to maintain a balance between funding continuity and flexibility through the use of various types of borrowings.

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.

(d) 流動資金風險

本集團的目的乃透過利用各種類型的借款，維持資金延續性與靈活性之間的平衡。

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。

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(d) Liquidity risk (continued)

(d) 流動資金風險(續)

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 2018

於二零一八年十二月三十一日

		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	Over 5 years 超過五年 US$'000 美元千元	Total 總額 US$'000 美元千元
Trade and bills payables	應付貿易賬款及票據	476,807	–	–	476,807
Other payables and accruals	其他應付賬款及預提費用	299,204	–	–	299,204
Bank borrowings	銀行借款	842,230	818,644	5,452	1,666,326
Corporate bond	企業債券	145,381	–	–	145,381
Estimated interests on bank borrowings	估計銀行借款利息	68,088	85,630	4,069	157,787
Estimated interests on corporate bond	估計企業債券利息	15,840	–	–	15,840
Guarantee issued in respect of certain indebtedness of independent third party customers *(note 39)*	為獨立第三方客戶之若干債務提供之擔保*(附註39)*	14,902	–	–	14,902
		1,862,452	904,274	9,521	2,776,247

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 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 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	Over 5 years 超過五年 US$'000 美元千元	Total 總額 US$'000 美元千元
Trade and bills payables	應付貿易賬款及票據	462,834	–	–	462,834
Other payables and accruals	其他應付賬款及預提費用	314,246	–	–	314,246
Bank borrowings	銀行借款	697,749	826,283	10,182	1,534,214
Corporate bond	企業債券	–	153,689	–	153,689
Estimated interests on bank borrowings	估計銀行借款利息	51,089	97,709	4,018	152,816
Estimated interests on corporate bond	估計企業債券利息	5,671	16,746	–	22,417
Guarantee issued in respect of certain indebtedness of independent third party customers *(note 39)*	為獨立第三方客戶之若干債務提供之擔保*(附註39)*	23,537	–	–	23,537
		1,555,126	1,094,427	14,200	2,663,753

(e) Capital management

(e) 資本管理

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.

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。

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.

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。

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

45 財務風險管理方針及政策(續)

(e) Capital management (continued)

The Group monitors its capital structure using a number of financial ratios. A key ratio is the net debt to equity ratio, which is total bank borrowings and corporate bond less cash and deposits divided by total equity. The Group's policy is to maintain the net debt to equity ratio at reasonable level. Capital represents the equity attributable to owners of the Company. The net debt to equity ratios as at the end of the reporting periods were as follows:

(e) 資本管理(續)

本集團利用數項財務比率監察其資本架構。其中一項主要指標為淨債務權益比率，即銀行借款及企業債券總額減現金及存款後除以權益總額。本集團之政策乃維持淨債務權益比率於合理水準。資本乃可分配給本公司擁有人之權益。於報告期末之淨債務權益比率如下：

		Note 附註	2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
Total bank borrowings and corporate bond	銀行借款及企業債券總額	31, 32	**1,811,367**	1,687,032
Less: Pledged deposits	減：已抵押存款	28	**(34,835)**	(24,762)
Time deposits with maturity over three months	到期日超過三個之定期存款	28	**(15,233)**	(15,305)
Cash and cash equivalents	現金及現金等價物	28	**(392,890)**	(286,807)
Net debt	淨負債		**1,368,409**	1,360,158
Total equity	權益總額		**1,702,224**	1,515,364
Net debt to equity ratio	淨債務權益比率		**0.80**	0.90

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

46 STATEMENT OF FINANCIAL POSITION OF THE COMPANY 46 本公司的財務狀況表

		2018 二零一八年 US$'000 美元千元	2017 二零一七年 US$'000 美元千元
NON-CURRENT ASSETS	**非流動資產**		
Property, plant and equipment	物業、廠房及設備	**161**	121
Investments in subsidiaries	於附屬公司的投資	**1,822,334**	1,822,334
Due from subsidiaries	應收附屬公司款項	**3,627**	3,657
Total non-current assets	**總非流動資產**	**1,826,122**	1,826,112
CURRENT ASSETS	**流動資產**		
Due from subsidiaries	應收附屬公司款項	**450,493**	385,970
Prepayments, deposits and other receivables	預付賬款、按金及其他應收賬款	**477**	425
Cash and cash equivalents	現金及現金等價物	**1,917**	9,746
Total current assets	**總流動資產**	**452,887**	396,141
CURRENT LIABILITIES	**流動負債**		
Other payables and accruals	其他應付賬項及預提費用	**3,174**	2,141
Bank borrowings	銀行借款	**140,397**	44,627
Total current liabilities	**總流動負債**	**143,571**	46,768
NET CURRENT ASSETS	**淨流動資產**	**309,316**	349,373
TOTAL ASSETS LESS CURRENT LIABILITIES	**總資產減流動負債**	**2,135,438**	2,175,485

46 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

46 本公司的財務狀況表(續)

		2018 二零一八年 *US$'000* *美元千元*	2017 二零一七年 *US$'000* *美元千元*
NON-CURRENT LIABILITIES	非流動負債		
Bank borrowings	銀行借款	**447,416**	550,395
Other non-current liabilities	其他非流動資產	**746**	685
Total non-current liabilities	**總非流動負債**	**448,162**	551,080
NET ASSETS	資產淨值	**1,687,276**	1,624,405
EQUITY	權益		
Issued capital	已發行股本	**253,329**	253,329
Reserves (note)	儲備(附註)	**1,349,504**	1,348,195
Proposed final dividend	建議末期股息	**84,443**	22,881
TOTAL EQUITY	權益總額	**1,687,276**	1,624,405

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

46 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

46 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：

		Note 附註	Share premium account 股份溢價賬 US$'000 美元千元	Contributed surplus 實繳盈餘賬 US$'000 美元千元	Retained profits 未分配利潤 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		10,740	1,141,919	236,826	1,389,485
Loss and total comprehensive income for the year	本年虧損及全面收益總額		–	–	(18,409)	(18,409)
2017 final dividend proposed	二零一七年建議末期股息	13	–	(22,881)	–	(22,881)
At 31 December 2017 and 1 January 2018	**於二零一七年十二月三十一日及二零一八年一月一日**		**10,740**	**1,119,038**	**218,417**	**1,348,195**
Profit and total comprehensive income for the year	**本年溢利及全面收益總額**		**–**	**–**	**140,965**	**140,965**
2018 interim dividend	**二零一八年中期股息**	**13**	**–**	**(55,213)**	**–**	**(55,213)**
2018 final dividend proposed	**二零一八年建議末期股息**	**13**	**–**	**(84,443)**	**–**	**(84,443)**
At 31 December 2018	**於二零一八年十二月三十一日**		**10,740**	**979,382**	**359,382**	**1,349,504**

47 EVENTS AFTER THE REPORTING PERIOD

On 18 February 2019, the Group entered into the following agreements:

(a) CTI entered into the following equity transaction agreements with:

(i) CPF, to acquire its entire interest in C.P. Aquaculture (Beihai) Co., Ltd. ("CP Beihai") for a consideration of RMB35,000,000 (equivalent to approximately US$5,100,000);

(ii) Chia Tai Lianyungang Co. Ltd. (an indirect subsidiary of Charoen Pokphand Enterprise (Taiwan) Co. Ltd., a company listed in Taiwan Stock Exchange), to acquire its 70% interest of Lianyungang Chia Tai Agro-Industry Development Co., Ltd. ("Lianyungang CTAI") for a consideration of RMB66,500,000 (equivalent to approximately US$9,700,000);

(iii) CT Animal Husbandry, to acquire its entire interest in Hainan Chia Tai Animal Husbandry Co., Ltd. ("Hainan CT") for a consideration of RMB69,470,000 (equivalent to approximately US$10,100,000); and

(iv) Chia Tai (China) Agro-Industrial Ltd., Chia Tai Song Liao Co., Ltd. and Mass Success Enterprises Ltd. to acquire 49.33%, 48.14% and 2.53% interest in Jilin Deda Feed Co., Ltd. ("Jilin Deda") respectively for a total consideration of RMB133,950,000 (equivalent to approximately US$19,600,000).

CP Beihai, Lianyungang CTAI, Hainan CT and Jilin Deda are principally engaged in the manufacture and sale of animal feed products in the PRC.

47 報告期後事項

於二零一九年二月十八日，本集團訂立以下協議：

(a) CTI簽訂了以下股權交易協議：

(i) 與CPF，以代價人民幣3,500萬(相當於約510萬美元)收購其於卜蜂(北海)水產飼料有限公司(「卜蜂北海」)之全部股權；

(ii) 與正大連雲港有限公司(台灣卜蜂企業股份有限公司(一家於臺灣證券交易所上市之公司)間接附屬公司)，以代價人民幣6,650萬(相當於約970萬美元)收購其於連雲港正大農牧發展有限公司(「連雲港正大農牧發展」)之70%股權；

(iii) 與正大畜牧，以代價人民幣6,947萬(相當於約1,010萬美元收購其於海南正大畜牧有限公司(「海南正大」)之全部股權；及

(iv) 與正大(中國)農牧有限公司、正大松遼有限公司及大成功企業有限公司，以總代價人民幣1億3,395萬(相當於約1,960萬美元)分別收購吉林德大有限公司(「吉林德大」)之49.33%、48.14%及2.53%股權。

卜蜂北海、連雲港正大農牧發展、海南正大及吉林德大主要業務為於中國產銷動物飼料。

Notes to Financial Statements
財務報表附註
For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

47 EVENTS AFTER THE REPORTING PERIOD (continued)

(b) CP China entered into the following equity transaction agreements with CPF to acquire the entire interests in:

(i) C.P. Aquaculture (Dongfang) Co., Ltd. ("CP Dongfang"), for a consideration of RMB230,800,000 (equivalent to approximately US$33,700,000);

(ii) Zhangzhou C.P. Chia Tai Aquaculture Co., Ltd. ("CP Zhangzhou"), for a consideration of RMB128,900,000 (equivalent to approximately US$18,800,000); and

(iii) C.P. Aquaculture (Zhangjiang) Co., Ltd. ("CP Zhanjiang"), for a consideration of RMB65,350,000 (equivalent to approximately US$9,500,000).

CP Dongfang, CP Zhangzhou and (upon commencement of production) CP Zhanjiang are principally engaged in the production and sale of shrimp fry in the PRC.

The above acquisitions have not been completed as at the date of this annual report.

47 報告期後事項(續)

(b) CP China與CPF簽訂了以下股權交易協議以收購以下公司之全部股權：

(i) 卜蜂水產(東方)有限公司(「卜蜂東方」)，代價為人民幣2億3,080萬(相當於約3,370萬美元)；

(ii) 漳州卜蜂正大水產有限公司(「卜蜂漳州」)，代價為人民幣1億2,890萬(相當於約1,880萬美元)；及

(iii) 卜蜂水產(湛江)有限公司(「卜蜂湛江」)，代價為人民幣6,535萬(相當於約950萬美元)。

卜蜂東方、卜蜂漳州及卜蜂湛江(於投入生產日起)主要業務為於中國從事產銷蝦苗。

截至本年報日，以上收購尚未完成。

Corporate Information
公司資料

Executive Directors

Mr. Dhanin Chearavanont (Chairman)
Mr. Adirek Sripratak (Vice Chairman)
Mr. Soopakij Chearavanont (Vice Chairman)
Mr. Suphachai Chearavanont
Mr. Bai Shanlin (Chief Executive Officer (China Area))
Mr. Sooksunt Jiumjaiswanglerg
(Chief Executive Officer (Vietnam Area))
Mrs. Arunee Watcharananan
Mr. Yu Jianping

執行董事

謝國民先生(董事長)
蔡益光先生(副董事長)
謝吉人先生(副董事長)
謝鎔仁先生
白善霖先生(行政總裁(中國區))
Sooksunt Jiumjaiswanglerg先生
(行政總裁(越南區))
Arunee Watcharananan女士
于建平先生

Non-executive Directors

Mr. Meth Jiaravanont
Mr. Yoichi Ikezoe

非執行董事

謝克俊先生
池添洋一先生

Independent Non-executive Directors

Mr. Ma Andrew Chiu Cheung
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul
Mr. Vinai Vittavasgarnvej
Mrs. Vatchari Vimooktayon

獨立非執行董事

馬照祥先生
Sombat Deo-isres先生
Sakda Thanitcul先生
Vinai Vittavasgarnvej先生
Vatchari Vimooktayon女士

Audit Committee

Mr. Ma Andrew Chiu Cheung (Chairman)
Mr. Meth Jiaravanont
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul

審核委員會

馬照祥先生(主席)
謝克俊先生
Sombat Deo-isres先生
Sakda Thanitcul先生

Remuneration Committee

Mr. Ma Andrew Chiu Cheung (Chairman)
Mr. Adirek Sripratak
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul

薪酬委員會

馬照祥先生(主席)
蔡益光先生
Sombat Deo-isres先生
Sakda Thanitcul先生

Nomination Committee

Mr. Dhanin Chearavanont (Chairman)
Mr. Adirek Sripratak
Mr. Ma Andrew Chiu Cheung
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul

提名委員會

謝國民先生(主席)
蔡益光先生
馬照祥先生
Sombat Deo-isres先生
Sakda Thanitcul先生

Corporate Governance Committee

Mr. Ma Andrew Chiu Cheung (Chairman)
Mr. Meth Jiaravanont
Mr. Sombat Deo-isres
Mr. Sakda Thanitcul

企業管治委員會

馬照祥先生(主席)
謝克俊先生
Sombat Deo-isres先生
Sakda Thanitcul先生

Company Secretary

Ms. Wong Pui Shan

公司秘書

黃佩珊女士

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

Principal Bankers

Citibank, N.A.
The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank

主要往來銀行

花旗銀行
滙豐銀行
渣打銀行

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
MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08 Bermuda

股份過戶登記處

香港
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
MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08 Bermuda

Share Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 43

股份上市地點

香港聯合交易所有限公司
股份代號：43

American Depository Receipt ("ADR")

Sponsored Level 1
Ratio: 1 ADR = 25 Ordinary Shares
Exchange: OTC
Symbol: CPKPY
CUSIP: 125918201
Depository: The Bank of New York

美國預託證券(「ADR」)

Sponsored Level 1
比率：1 ADR = 25股普通股
交易所：場外交易
代號：CPKPY
CUSIP：125918201
保管人：紐約銀行

Website

http://www.cpp.hk

公司網站

http://www.cpp.hk

C.P. Pokphand Co. Ltd.
21/F., Far East Finance Centre,
16 Harcourt Road, Hong Kong
Tel.: 2520 1601
www.cpp.hk

Incorporated in Bermuda with limited liability
於百慕達註冊成立之有限公司