



YIHAI  
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# 頤海國際控股有限公司

YIHAI INTERNATIONAL HOLDING LTD.

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股票代號 Stock Code:1579



# 2017 年度報告

## ANNUAL REPORT

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## Definitions

### 釋義

“AGM”	the annual general meeting of the Company to be held in Beijing on Friday, 27 April 2018 at 2:00 p.m. or any adjournment thereof	「股東週年大會」	指	將於2018年4月27日(星期五)下午二時正於北京舉行的本公司股東週年大會或其任何續會
“Articles of Association”	the articles of association of the Company, as amended from time to time	「組織章程細則」	指	本公司的組織章程細則(經不時修訂)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules	「聯繫人」	指	具有上市規則所賦予的涵義
“Audit Committee”	the audit committee of the Board	「審計委員會」	指	董事會轄下的審計委員會
“Board”	the board of Directors of the Company	「董事會」	指	本公司董事會
“Chengdu Yueyihai”	Chengdu Yueyihai Co., Ltd.* (成都悅頤海商貿有限公司), a limited liability company incorporated in the PRC on 28 April 2014 and an indirectly wholly-owned subsidiary of the Company	「成都悅頤海」	指	成都悅頤海商貿有限公司，一家於2014年4月28日在中國註冊成立的有限公司，為本公司的間接全資附屬公司
“Chengdu Lease Agreement”	the lease agreement dated 1 December 2015, as supplemented by a supplemental agreement dated 5 January 2016, which was entered into between Chengdu Yueyihai and Sichuan Haidilao in connection with the lease of a parcel of land together with the properties and fixtures thereon by Sichuan Haidilao to Chengdu Yueyihai	「成都租賃協議」	指	日期為2015年12月1日的租賃協議（經日期為2016年1月5日的補充協議補充），由成都悅頤海與四川海底撈訂立，內容有關四川海底撈出租予成都悅頤海一幅土地加上其上物業及裝置
“China” or “PRC”	the People’s Republic of China and, except where the context requires, references in this annual report to the PRC or China excluding Hong Kong, Macau and Taiwan	「中國」	指	中華人民共和國，除非文義另有所指外，否則本年報對中國的提述不包括香港、澳門及台灣
“Company”	YIHAI INTERNATIONAL HOLDING LTD. (頤海國際控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 18 October 2013	「本公司」	指	頤海國際控股有限公司，一家於2013年10月18日在開曼群島註冊成立的獲豁免有限公司
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「公司條例」	指	香港法例第622章《公司條例》，經不時修訂、補充或以其他方式修改



“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refers to Mr. Zhang Yong, the non-executive Director, Ms. Shu Ping, (the spouse of Mr. Zhang Yong) and ZYSP YIHAI Ltd	「控股股東」	指	具有上市規則所賦予的涵義，除非文義另有所指外，否則指張勇先生(非執行董事)、舒萍女士(張勇先生的配偶)及ZYSP YIHAI Ltd
“Corporate Governance Code”	Corporate Governance Code as set out in Appendix 14 to the Listing Rules	「企業管治守則」	指	上市規則附錄十四所載《企業管治守則》
“Director(s)”	director(s) of the Company	「董事」	指	本公司董事
“Financial Statements”	the consolidated financial statements of the Group for the year ended 31 December 2017 as audited by PricewaterhouseCoopers	「財務報表」	指	經羅兵咸永道會計師事務所審核，本集團截至2017年12月31日止年度的綜合財務報表
“Framework Sales and Purchase Agreements”	collectively, the hotpot soup flavouring products sales agreement dated 18 September 2017 entered into between Yihai Shanghai and the Joint Venture in relation to the sales of hotpot soup flavouring products from Yihai Shanghai and its subsidiaries to the Joint Venture and the the self-serving small hotpot products sales agreement dated 18 September 2017 entered into between the Joint Venture and Yihai Shanghai in relation to the sales of Small Hotpot Products by the Joint Venture to Yihai Shanghai and its subsidiaries	「產品互供框架協議」	指	統稱頤海上海與合資公司就頤海上海及其附屬公司向合資公司銷售火鍋底料產品訂立的日期為2017年9月18日的火鍋底料產品銷售協議及合資公司與頤海上海就合資公司向頤海上海及其附屬公司銷售小火鍋產品訂立的日期為2017年9月18日的自加熱小火鍋產品銷售協議
“Group”	the Company and its subsidiaries	「本集團」	指	本公司及其附屬公司
“Haidilao Customized Products”	the hot pot soup flavoring and Chinese-style compound condiment products manufactured using formulas owned by Haidilao Group for use in its hot pot restaurants	「海底撈定製產品」	指	使用海底撈集團擁有的配方製成並在其火鍋餐廳使用的火鍋底料及中式複合調味品
“Haidilao Group”	comprises (i) as of the date of this annual report, Singapore Haidilao and its subsidiaries, the principal business of which is to operate hot pot restaurant chain in the PRC and overseas countries; and (ii) for the year ended 31 December 2017, Singapore Haidilao, Sichuan Haidilao and their respective subsidiaries	「海底撈集團」	包括指	(i)於本年報日期，新加坡海底撈及其附屬公司，主要業務為在中國及海外國家經營連鎖火鍋餐廳；及(ii)截至2017年12月31日止年度，新加坡海底撈、四川海底撈及彼等各自附屬公司



## Definitions

### 釋義

“Haidilao Retail Products”	the retail hot pot soup flavoring, hot pot dipping sauce and Chinese-style compound condiment products manufactured by the Group using formulas the Group owns for display and sale to consumers in Haidilao Group hot pot restaurants, which are the same products as those sold by the Group through independent third-party distributors	「海底撈零售產品」	指	本集團使用本集團擁有的配方製成的零售火鍋底料，火鍋蘸料及中式複合調味品，在海底撈集團火鍋餐廳向消費者展示及銷售，與本集團通過獨立第三方經銷商銷售的產品相同
“Haidilao Warehouse Storage Service Agreement”	warehouse storage service agreement dated 24 June 2016, entered into between Sichuan Haidilao and Yihai Shanghai, each for itself and on behalf of its subsidiaries, Sichuan Haidilao Group agreed to provide warehousing facilities and related services, including sorting process management, stock-taking and other logistics services, to the Group for products we sell to Haidilao Group	「海底撈倉儲服務協議」	指	四川海底撈與頤海上海(各自為其本身及代表其附屬公司)於2016年6月24日訂立的倉儲服務協議，四川海底撈集團同意向本集團提供倉儲設施及相關服務，包括分類程序管理、庫存盤點及其他物流服務，以供我們售予海底撈集團的產品之用。
“HK\$” or “HK dollars” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong	「港元」及「港仙」	分別指	香港法定貨幣港元及港仙
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC	「香港」	指	中國香港特別行政區
“Investment Cooperation Agreement”	the investment cooperation agreement dated 11 July 2017 entered into between Yihai Shanghai and Xinpai Shanghai in relation to the formation of the Joint Venture	「投資合作協議」	指	頤海上海與新派上海於2017年7月11日就成立合資公司訂立的投資合作協議
“Jingyuan Investment”	Jiayang City Jingyuan Investment Co., Ltd.* (簡陽市靜遠投資有限公司), a limited liability company incorporated in the PRC on 13 March 2009, which is held as to 68% by Mr. Zhang and Ms. Shu (the Controlling Shareholders), 32% by Mr. Shi Yonghong (the non-executive Director) and his wife	「靜遠投資」	指	簡陽市靜遠投資有限公司，一家於2009年3月13日在中國成立的有限責任公司，由張勇先生及舒洋女士(控股股東)持有68%，由施永宏先生(非執行董事)及其妻子持有32%
“Joint Venture”	Fuhai (Shanghai) Food Technology Co., Ltd.* (馥海(上海)食品科技有限公司), a company incorporated in the PRC and a 60% owned subsidiary of the Company	「合資公司」	指	馥海(上海)食品科技有限公司，一家在中國成立的公司，為本公司擁有60%股權的附屬公司

“Latest Practicable Date”	27 March 2018, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining the information contained herein	「最後實際可行日期」	指	2018年3月27日，即本年報付印前確定其中所載若干資料的最後實際可行日期
“Listing Date”	13 July 2016, the date on which the Shares were listed on the main board of the Stock Exchange	「上市日期」	指	2016年7月13日，股份於聯交所主板上市日期
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited	「上市規則」	指	香港聯合交易所有限公司證券上市規則
“Macau”	the Macau Special Administrative Region of the PRC	「澳門」	指	中國澳門特別行政區
“Master Sales Agreement”	the master sales agreement dated 24 June 2016, entered into among Yihai Shanghai, Sichuan Haidilao and Singapore Haidilao, each for itself and on behalf of its subsidiaries, in relation to the supply of Haidilao Customized Products and Haidilao Retail Products by the Group to the Haidilao Group	「總銷售協議」	指	日期為2016年6月24日的總銷售協議，由頤海上海、四川海底撈及新加坡海底撈（各自為其本身及代表其附屬公司）就本集團向海底撈集團供應海底撈定製產品及海底撈零售產品而訂立
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules	「標準守則」	指	上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》
“Nomination Committee”	the nomination committee of the Board	「提名委員會」	指	董事會轄下的提名委員會
“Non-competition Undertaking”	the non-competition undertaking entered into between the Company and the Controlling Shareholders on 25 June 2016	「不競爭承諾」	指	本公司與控股股東於2016年6月25日訂立的不競爭承諾
“Prospectus”	the prospectus issued by the Company on 30 June 2016	「招股章程」	指	本公司於2016年6月30日刊發的招股章程
“Remuneration Committee”	the remuneration committee of the Board	「薪酬委員會」	指	董事會轄下的薪酬委員會
“Renminbi” or “RMB”	Renminbi yuan, the lawful currency of the PRC	「人民幣」	指	中國法定貨幣人民幣元
“RSU”	the restricted share units granted to RSU participants pursuant to the RSU Scheme	「受限制股份單位」	指	根據受限制股份單位計劃向受限制股份單位參與者授出的受限制股份單位

## Definitions

### 釋義

“RSU Scheme”	the RSU scheme approved and adopted by the Company on 24 February 2016 for the grant of RSUs to RSU participants, a summary of the principal terms of which is set forth in the section headed “Appendix IV — Statutory and General Information — D. RSU Scheme” of the Prospectus	「受限制股份單位計劃」	指	本公司就向受限制股份單位參與者授出受限制股份單位而於2016年2月24日批准及採納的受限制股份單位計劃，其主要條款概要載於招股章程「附錄四—法定及一般資料—D.受限制股份單位計劃」一節
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「證券及期貨條例」	指	香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of US\$0.00001 each	「股份」	指	本公司股本中每股面值0.00001美元的普通股
“Shareholder(s)”	shareholder(s) of the Company	「股東」	指	本公司股東
“Shuhai Sales Agreement”	the sales agreement dated 24 June 2016, which was entered into among Yihai Shanghai and Shuhai Supply Chain, each for itself and on behalf of its subsidiaries, in relation to the sale of hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products by the Group to Shuhai Supply Chain Group	「蜀海銷售協議」	指	日期為2016年6月24日的銷售協議，由頤海上海及蜀海供應鏈（各自為其本身及代表其附屬公司）就本集團向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品而訂立
“Shuhai Supply Chain”	Shuhai (Beijing) Supply Chain Management Co., Ltd.* (蜀海(北京)供應鏈管理有限責任公司), a limited liability company incorporated in the PRC on 3 June 2014 and is indirectly held as to approximately 52.17% by Mr. Zhang Yong and his associates, 24.652% by Mr. Shi Yonghong and his wife, and 10.95% by Mr. Gou Yiqun <sup>(Note)</sup>	「蜀海供應鏈」	指	蜀海(北京)供應鏈管理有限責任公司，一家於2014年6月3日在中國成立的有限責任公司，並間接由張勇先生和其聯繫人持有約52.17%，施永宏先生及其妻子持有約24.652%及苟軼群先生 <sup>(註)</sup> 持有約10.95%



“Shuhai Warehouse Storage Service Agreement”	the Shuhai Warehouse Storages Service Agreement dated 24 June 2016 and entered into between Shuhai Supply Chain and Yihai Shanghai, each for itself and on behalf of its subsidiaries, pursuant to which Shuhai Supply Chain and its subsidiaries agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products	「蜀海倉儲服務協議」	指	蜀海供應鏈及頤海上海各自為本身及代表其附屬公司之間訂立的日期為2016年6月24日的蜀海倉儲服務協議，據此，蜀海供應鏈及其附屬公司同意就我們產品的儲存向本集團提供倉儲設施及相關服務，包括倉庫存儲、分類加工管理、盤點及其他物流服務
“Sichuan Haidilao”	Sichuan Haidilao Catering Corporation Ltd.* (四川海底撈餐飲股份有限公司), a joint stock limited liability company incorporated in the PRC on 25 June 2009, or its predecessor, Sichuan Jianyang Haidilao Catering Co., Ltd.* (四川省簡陽市海底撈餐飲有限責任公司), which was incorporated in the PRC on 16 April 2001. Sichuan Haidilao is directly held as to approximately 33.5% by Mr. Zhang Yong and Ms. Shu Ping(the controlling shareholders), 50% by Jingyuan Investment and 16% by Mr. Shi Yonghong (the non-executive Director) and his wife	「四川海底撈」	指	四川海底撈餐飲股份有限公司，為於2009年6月25日在中國成立的股份有限責任公司，或其前身四川省簡陽市海底撈餐飲有限責任公司(於2001年4月16日在中國成立)。四川海底撈直接由張勇先生及舒萍女士(控股股東)持有約33.5%、由靜遠投資持有約50%及由施永宏先生(非執行董事)及其妻子持有16%
“Sichuan Haidilao Group”	Sichuan Haidilao and its subsidiaries	「四川海底撈集團」	指	四川海底撈及其附屬公司
“Singapore Haidilao”	HAI DI LAO HOLDINGS PTE. LTD., a limited liability company incorporated in Singapore on 1 March 2013 and is indirectly held as to approximately 62.7% by Mr. Zhang Yong and Ms. Shu Ping (the controlling shareholders) and 29.7% by Mr. Shi Yonghong (the non-executive Director) and his wife	「新加坡海底撈」	指	HAI DI LAO HOLDINGS PTE. LTD.(於2013年3月1日在新加坡註冊成立的有限責任公司)，由張勇先生及舒萍女士(控股股東)間接持有約62.7%以及由施永宏先生(非執行董事)及其妻子持有約29.7%
“Small Hotpot Products”	the self-serving small hotpot products manufactured and sold by the Joint Venture	「小火鍋產品」	指	合資公司將予生產及銷售的自加熱小火鍋產品
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司

## Definitions

### 釋義

“subsidiary” or “subsidiaries”	has the meaning ascribed thereto under the Listing Rules	「附屬公司」指	具有上市規則所賦予的涵義
“Supplemental Master Sales Agreement”	the supplemental master sales agreement dated 18 September 2017 entered into between Sichuan Haidilao, Singapore Haidilao and Yihai Shanghai, to regulate the sale of Small Hotpot Products by the Group to the Haidilao Group	「補充總銷售協議」指	四川海底撈、新加坡海底撈及頤海上海之間訂立的日期為2017年9月18日的補充總銷售協議，乃為規管本集團向海底撈集團銷售小火鍋產品
“Xinpai Shanghai”	Xinpai (Shanghai) Catering Management Co., Ltd.* (新派(上海)餐飲管理有限公司), a company incorporated in the PRC with limited liability and is controlled as to approximately 62.70% by the Controlling Shareholders of the Company, Mr. Zhang Yong and Ms. Shu Ping, 29.7% by Mr. Shi Yonghong (the non-executive Director) and his wife, and 2% by Mr. Gou Yiqun <sup>(Note)</sup> (the non-executive Director)	「新派上海」指	新派(上海)餐飲管理有限公司，一家於中國成立的有限公司，並由本公司控股股東張勇先生及舒萍女士控制約62.70%股權、施永宏先生(非執行董事)及其妻子控制約29.7%股權及苟軼群先生 <sup>(註)</sup> (非執行董事)控制約2%股權
“Yihai (China)”	Yihai (China) Food Co., Limited (頤海(中國)食品有限公司), a company with limited liability incorporated in Hong Kong on 6 December 2013 and an indirectly wholly-owned subsidiary of the Company	「頤海(中國)」指	頤海(中國)食品有限公司，一家於2013年12月6日在香港註冊成立的有限公司，為本公司的間接全資附屬公司
“Yihai Shanghai”	Yihai (Shanghai) Food Co., Ltd. (頤海(上海)食品有限公司), a foreign investment enterprise incorporated in the PRC on 1 December 2014 and an indirectly wholly-owned subsidiary of the Company	「頤海上海」指	頤海(上海)食品有限公司，一家於2014年12月1日在中國註冊成立的外資企業，為本公司的間接全資附屬公司
“Youdingyou”	Beijing Youdingyou Catering Co., Ltd.* (北京優鼎優餐飲股份有限公司), (formerly known as Beijing Youdingyou Catering Management Co., Ltd.*). a company with limited liability incorporated in the PRC on 30 July 2012, which is indirectly held as to approximately 31.76% by Mr. Zheng Yong and Ms. Shu Ping, 15.71% by Mr. Shi Yonghong and his wife and 0.86% by Mr. Gou Yiqun <sup>(Note)</sup>	「優鼎優」指	北京優鼎優餐飲股份有限公司(前稱為北京優鼎優餐飲管理有限公司)，一家於2012年7月30日在中國成立的有限責任公司，由張勇先生及舒萍女士間接控制約31.76%股權、施永宏先生及其妻子間接控制約15.71%股權及苟軼群先生 <sup>(註)</sup> 間接控制約0.86%股權

“Youdingyou Sales Agreement”	the sales agreement dated 24 June 2016 and entered into between Youdingyou and Yihai Shanghai, each for itself and on behalf of its subsidiaries, pursuant to which we agreed to sell hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products to Youdingyou for use at spicy mixed stew restaurants it operates	「優鼎優銷售 協議」	指 優鼎優及頤海上海各自為本身及代表其附屬公司訂立的日期為2016年6月24日的銷售協議，據此，我們同意向優鼎優出售火鍋底料產品、火鍋蘸料產品及其他複合調味品，在其營運的辣味混合燉菜餐廳使用
“ZYSP YIHAI Ltd”	a business company with limited liability incorporated in the British Virgin Islands on 10 October 2013, one of the Controlling Shareholders	「ZYSP YIHAI 指 Ltd」	指 一家於2013年10月10日在英屬處女群島註冊成立的商業有限公司，為控股股東之一
%	percentage	「%」	指 百分比
Note: Mr. Gou Yiqun has resigned from the post of non-executive Director with effect from 21 March 2018.		註：苟軼群先生已辭任非執行董事，自2018年3月21日生效。	



## Corporate Information

### 公司資料

#### BOARD OF DIRECTORS

##### Executive Directors

Ms. Dang Chunxiang  
Mr. Sun Shengfeng

##### Non-executive Directors

Mr. Shi Yonghong (*Chairman*)  
Mr. Zhang Yong  
Mr. Gou Yiqun <sup>(Note 1)</sup>  
Mr. Pan Di

##### Independent Non-executive Directors

Mr. Yau Ka Chi  
Mr. Qian Mingxing  
Ms. Ye Shujun

#### AUDIT COMMITTEE

Mr. Yau Ka Chi (*Chairman*)  
Mr. Shi Yonghong  
Ms. Ye Shujun

#### REMUNERATION COMMITTEE

Ms. Ye Shujun (*Chairman*)  
Mr. Gou Yiqun <sup>(Note 1)</sup>  
Mr. Qian Mingxing

Note 1: Mr. Guo Yiqun has resigned from the post of non-executive Director and a member of the remuneration committee with effect from 21 March 2018. Ms. Shu Ping has been appointed as an executive Director and a member of the remuneration committee with effect from 21 March 2018.

#### 董事會

##### 執行董事

黨春香女士  
孫勝峰先生

##### 非執行董事

施永宏先生(主席)  
張勇先生  
苟軼群先生<sup>(註1)</sup>  
潘迪先生

##### 獨立非執行董事

邱家賜先生  
錢明星先生  
葉蜀君女士

#### 審計委員會

邱家賜先生(主席)  
施永宏先生  
葉蜀君女士

#### 薪酬委員會

葉蜀君女士(主席)  
苟軼群先生<sup>(註1)</sup>  
錢明星先生

註1: 苟軼群先生已辭任非執行董事及薪酬委員會成員，自2018年3月21日生效。舒萍女士獲委任為執行董事及薪酬委員會成員，自2018年3月21日生效。

**NOMINATION COMMITTEE**

Mr. Shi Yonghong (*Chairman*)  
Mr. Qian Mingxing  
Ms. Ye Shujun

**JOINT COMPANY SECRETARIES**

Mr. Sun Shengfeng  
Mr. Wong Yat Tung

**AUTHORIZED REPRESENTATIVES**

Mr. Sun Shengfeng  
Mr. Gou Yiqun <sup>(Note 2)</sup>

**AUDITOR**

PricewaterhouseCoopers

**LEGAL ADVISER**

Davis Polk & Wardwell

**COMPLIANCE ADVISER**

Somerley Capital Limited

**REGISTERED OFFICE**

P. O. Box 31119 Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1 - 1205 Cayman Islands

**CORPORATE HEADQUARTERS**

1st and 2nd, Building 6  
Songlei Office Building, Heng Song Yuan  
Middle Road of South 3rd Ring Road  
Fengtai District  
Beijing, PRC

Note 2: Mr. Wong Yat Tung became an authorised representative of the Company with effect from 21 March 2018.

**提名委員會**

施永宏先生(主席)  
錢明星先生  
葉蜀君女士

**聯席公司秘書**

孫勝峰先生  
黃日東先生

**授權代表**

孫勝峰先生  
苟軼群先生 <sup>(註2)</sup>

**核數師**

羅兵咸永道會計師事務所

**法律顧問**

Davis Polk & Wardwell

**合規顧問**

新百利融資有限公司

**註冊辦事處**

P. O. Box 31119 Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1 - 1205 Cayman Islands

**公司總部**

中國  
北京市  
豐台區南三環中路  
恒松園松雷寫字樓  
6號樓1樓及2樓

註2: 黃日東先生自2018年3月21日成為本公司的授權代表。

## Corporate Information

### 公司資料

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

18/F, Tesbury Centre  
28 Queen's Road East  
Wanchai, Hong Kong

#### HONG KONG SHARE REGISTRAR

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

#### INVESTOR RELATIONS

T: +86-10-57423508  
E: tzzgx@yihchina.com

#### WEBSITE

[www.yihchina.com](http://www.yihchina.com)

#### STOCK CODE

The Stock Exchange of Hong Kong Limited: 1579

#### 香港主要營業地點

香港灣仔  
皇后大道東28號  
金鐘匯中心18樓

#### 香港證券登記處

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

#### 投資者關係

電話：+86-10-57423508  
電郵：tzzgx@yihchina.com

#### 網站

[www.yihchina.com](http://www.yihchina.com)

#### 股份代號

香港聯合交易所有限公司：1579



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
(RMB' 000)

簡明綜合全面收益表

(人民幣千元)

Twelve months ended 31 December  
截止12月31日止12個月

		2017 2017年	2016 2016年	2015 2015年	2014 2014年	2013 2013年
Revenue	收入	1,646,221	1,088,014	847,339	498,231	315,863
Gross Profit	毛利	611,806	416,942	294,233	119,478	69,416
Profit before income tax	除所得稅前溢利	369,080	255,089	166,920	57,156	29,519
Profit for the period	期內溢利	261,090	186,720	124,547	42,510	22,064
Profit attributable to: – Owners of the Company	以下人士應佔全面收入總額： – 本公司擁有人	260,670	186,720	124,547	42,510	22,064

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(RMB' 000)

簡明綜合財務狀況表

(人民幣千元)

As at 31 December  
截止12月31日

		2017 2017年	2016 2016年	2015 2015年	2014 2014年	2013 2013年
Non-current assets	非流動資產總額	288,071	165,874	136,089	153,384	134,523
Current assets	流動資產總額	1,518,620	1,257,792	453,275	132,253	90,218
Total Asset	資產總額	1,806,691	1,423,666	589,364	285,637	224,741
Equity attributable to owners of the company	本公司擁有人應佔權益	1,501,389	1,266,205	141,924	45,738	37,686
Total Equity	權益總額	1,505,809	1,266,205	141,924	45,738	37,686
Non-current liabilities	非流動負債總額	—	—	186,667	—	—
Current liabilities	流動負債總額	300,882	157,461	260,773	239,899	187,055
Total liabilities	負債總額	300,882	157,461	447,440	239,899	187,055
Total equity and liabilities	權益及負債總額	1,806,691	1,423,666	589,364	285,637	224,741

## MR. SHI YONGHONG

施永宏先生

Chairman  
董事長



Throughout the year of 2017, the trend of the national economy shifted from stable to uplifting and performed better than expected, owing to fast growth in the income of residents, a clear trend of consumption upgrade, as well as expansion in the consumer goods market. The catering market maintained steady growth with overall recovery of the condiment industry. An increasing demand for consumption, a trend of consumption upgrade and a distinct brand edge, as well as product innovation and expanding channels and capacity, allowed the Group to continuously lead the hot pot soup flavoring and Chinese-style compound condiment industry in terms of rapid growth of its sales revenue.

### BUSINESS REVIEW

In 2017, the Group upgraded its brand and partial packaging image, developed more featured products, expanded its sales channels. Additionally, the Group increased productivity, management and operation efficiency through a series of targeted promotional activities.

2017年，國民經濟穩中向好、好於預期。居民收入增長加快，消費轉型升級態勢明顯，消費品市場規模進一步擴大。餐飲市場增長平穩，調味品行業總體趨勢向好。得益於消費需求增長、消費升級趨勢與顯著的品牌優勢，以及我們的產品創新、渠道深化與產能擴大，本集團銷售收入增速迅猛，繼續領跑火鍋底料及中式複合調味料行業。

### 業務回顧

2017年，本集團升級了品牌和部分包裝形象，研發了更多特色化產品，拓寬了銷售網絡，推出了一系列有針對性的推廣活動，擴大了生產能力，提高了管理及運營效率。

In 2017, the Group continued to position its product strategy at medium to high compound condiment market while diversifying product lines. By staying market-oriented, the Group focused on the optimization of research and development and innovation. For instance, to satisfy the demand in different regional markets, the Group introduced new products such as spicy fish and enhanced spicy beef tallow. To adapt to the development and change of diverse channels, the Group launched the new product series of “self-serving hot pot” with the joint venture. While ensuring product optimization, upgrading and innovation, the Group still firmly grasped the development of the major categories of core products. In 2017, the Group's hot pot soup flavoring products accounted for 79.0% of its total revenue.

In 2017, the Group continued to its sales channels. We have distributors covering 31 provincial regions in China, the Hong Kong, Macau and Taiwan regions, and 23 overseas countries and regions. During the year, our management of and interactive communication with distributors was enhanced. We held a partner summit with the theme “soul of pot upgraded Chinese-style taste (鍋之魂升級中國味)”, a communication meeting with the theme “from distributors to golden-medal distributors” for the national top 100 distributor brand managers, and a seminar with the theme “stirring up marketing with content” for the national top 15 online distributors, to build collaborative and win-win relationships with the distributors. Through such cooperation with the distributors, we further extended and expanded the sales terminal network, which in turn increased our sales efficiency. We continued to develop our e-commerce sales network, enhance our online marketing and expand our portfolio of online products. Total online sales revenue to exceed RMB100 million during the year. Upturn in the catering industry has enabled us to continually develop third-party catering channels, and has allowed us to research and provide customized and specialty products and services for more catering enterprises. As of 31 December 2017, our third-party catering custom-tailored customers reached a number of 82.

In 2017, the Group enhanced its marketing campaign by organizing various major promotional activities throughout the year, including “January Year Start Dinner”, “May Foodie Season” and “October Hot Pot Festival”, and initiated multi-faceted interactions with consumers through themed displays, lottery drawing and gift-giving promotions, etc.

2017年，本集團的產品戰略仍是定位中高端火鍋底料及複合調味品市場，多元化佈局產品線。本集團以市場為導向，重視研發的優化與創新。例如，為滿足不同區域市場的需求，本集團推出麻辣魚以及加麻加辣牛油等新產品；為契合多樣渠道的發展變化，本集團與合資公司推出「自加熱火鍋」新產品系列。在保證產品優化、升級和創新的同時，本集團仍緊緊抓住核心產品大品類的發展。2017年度，本集團火鍋底料產品佔整體收入的79.0%。

2017年，本集團繼續深耕銷售網絡。我們的現有經銷商覆蓋了中國境內31個省級地區與港澳台地區，以及23個海外國家和地區。本年度，我們加強了對經銷商的管理及互動交流，例如我們舉辦了以「鍋之魂升級中國味」為主題的合作夥伴高峰會，以「從經銷商到金銷商」為主題的全國前100名經銷商品牌經理的交流會，以「內容引爆營銷」為主題的全國前15名線上分銷商的討論會，與經銷商共謀合作共贏。通過與經銷商的合作，我們進一步深化並擴大了銷售終端網絡，提高了銷售效率。我們繼續大力發展電商銷售網絡，提高線上營銷推廣力度，擴充線上產品組合。本年度，線上銷售總額突破人民幣1億元。隨著餐飲行業回暖，我們也在持續開發第三方餐飲渠道，並為更多餐飲企業研發及提供定制化及特色化的產品及服務，截至2017年12月31日，我們的第三方餐飲定制客戶達到了82家。

2017年，本集團加大了市場推廣力度，推出1月開年檔、5月吃貨季、10月火鍋節等多場次貫穿全年的大型推廣活動並通過主題陳列與抽獎、買贈促銷等方式與消費者產生多元化互動。



## Chairman's Statement

### 董事長報告書

#### SUPPLY CHAIN MANAGEMENT

In 2017, we built a new factory in Maanshan to effectively relieve the growing pressure of consumer demand on supply capacity while reducing logistics costs. The factory is based in eastern China and extends to southern China.

#### FINANCIAL REVIEW

In 2017, the Group maintained rapid momentum in its results. The Group recorded a sales revenue of RMB1,646.2 million, representing a year-on-year increase of 51.3%; and a net profit of RMB261.1 million, representing a year-on-year increase of 39.9%. The Group's gross profit increased by 46.7% from RMB416.9 million in 2016 to RMB611.8 million in 2017, and the gross profit margin decreased from 38.3% in 2016 to 37.2% in 2017.

#### OUTLOOK

The catering industry is stabilizing and consumption upgrade is accelerating. Against such a backdrop, the Group will continue to focus on the mid/high-end condiment products and relevant markets. The Group will further increase its market share in the compound condiment industry by means of innovation in products, broadening of product types and extending of channels, which would also consolidate our leadership in the mid/high-end hot pot condiment and Chinese-style compound condiment products markets. We will continue to study the condiment products market and keep abreast of consumer trends, and develop and launch more premium products to enlarge product portfolio to seek a single hot selling product. We will continue to build up our sales force with incentives to the sales personnel. To promote cooperation with distributors for mutual benefits, we will improve our sales network and sales revenue from third parties. We will further our online sales efforts by capitalizing on online marketing platforms and interacting with consumers more actively to increase online sales revenue. We will continue to expand our third-party catering channels in which specialized products and services will be provided. While actively pursuing external expansion, internally, we will continue to build our in-house quality pool of talents, thus establishing a solid basis for the Group's long-term and stable development.

The Group will join hands with all of our colleagues to continue the pace of innovation, so as to provide higher-quality products to consumers and customers, thereby creating more value for shareholders.

#### 供應鏈管理

2017年，本集團新佈局建設了馬鞍山工廠，此工廠立足華東，輻射華南，在降低物流成本的同時，更能有效緩解日益增加的消費需求對於供應能力的壓力。

#### 財務回顧

2017年，本集團業績仍保持快速增長趨勢。本集團的銷售收入達到人民幣1,646.2百萬元，同比增長51.3%；淨利潤達到人民幣261.1百萬元，同比增長39.9%。本集團的毛利潤亦由2016年人民幣416.9百萬元增長46.7%至2017年的人民幣611.8百萬元，毛利率則由2016年38.3%下降至2017年的37.2%。

#### 未來展望

在餐飲行業企穩、消費升級加快的背景下，本集團將繼續專注於中高端調味品及相關市場，通過產品創新、品類拓展及渠道深耕，進一步提升我們在複合調味料行業的市場份額，鞏固我們在中高端火鍋調味料及中式複合調味料行業的市場領導者地位。我們將繼續研究調味品市場及消費趨勢，重點研發並推出更多優質產品，豐富產品組合，打造爆款單品。我們將不斷加強銷售隊伍的建設，優化銷售人員的激勵，並通過推動與經銷商的合作共贏，完善銷售網絡，提高第三方銷售收入。我們將持續加大線上銷售力度，充分利用網絡營銷平台，與消費者展開更積極的交流互動，提高線上銷售收入。我們將繼續拓展第三方餐飲渠道，並為其提供特色化產品及服務。在積極對外擴展的同時，於內部，我們會繼續搭建我們的優質人才梯隊，為本集團的長期穩定發展打下堅實基礎。

本集團全體員工將繼續堅持創新，為消費者及客戶提供更優質的產品，為股東創造更大的價值。

## 2017 PERFORMANCE REVIEW

In 2017, the national economy was stable with growth that outperformed expectations. Income of residents increased rapidly with further transformation and upgrading in consumption, and market size of consumer products further expanded. The catering market recorded stable growth, and the overall trend in the condiment industry was upward and optimistic.

In 2017, the Group's business mainly focused on product upgrading and innovation, elaborative marketing, further development of channels, expansion and optimization of production capabilities. For the year ended 31 December 2017, the Group's revenue amounted to RMB1,646.2 million, representing a year-on-year increase of 51.3%. Net profit amounted to RMB261.1 million, representing a year-on-year increase of 39.9%.

In 2017, the Group continued to enhance the efficiency of terminal points of sales, diversify the marketing activities, develop low-tier distribution network and launch new products.

For retail sales to third parties, benefiting from the optimization and improvement of sales channels in 2016, the extensive and lower tier of sales channels brought a wider sales terminal network to the Group, and further facilitated the effective management and refined establishment of the terminal points of sales. As at 31 December 2017, the distributors of the Group covered 31 provincial regions and the Hong Kong, Macau and Taiwan regions in China, and 23 overseas countries and regions.

For sales through e-commerce, the Group continued to reinforce the development and optimization of e-commerce channels. By launching new products online, increasing marketing and promotional efforts, streamlining and regulating the channels, the Group carried out multi-perspective and comprehensive analysis and reform on its e-commerce channels to keep up with the latest developments. As at 31 December 2017, the Group owned 5 flagship stores on e-commerce platforms including Tmall.com and JD.com. The Group's sales revenue from e-commerce channels in 2017 amounted to RMB105.9 million, representing a year-on-year increase of 265.2%.

## 2017年業績回顧

2017年，國民經濟穩中向好、好於預期。居民收入增長加快，消費轉型升級持續深入，消費品市場規模進一步擴大。餐飲市場增長平穩，調味品行業總體趨勢向好。

產品升級創新、營銷全面鋪陳、渠道深入拓展、產能擴大優化，是本集團在2017年的業務重點。截至2017年12月31日止年度，本集團的收入達到人民幣1,646.2百萬元，同比增長51.3%；淨利潤達到人民幣261.1百萬元，同比增長39.9%。

2017年，本集團持續保持終端售點效率提高、營銷活動多樣、經銷網絡下沉、新品持續發佈。

第三方零售方面，得益於2016年對銷售渠道的優化及改良，龐大且持續下沉的銷售渠道為本集團帶來較為廣泛的銷售終端網絡，並進一步推動了終端售點的有效管理和細化建設。截止2017年12月31日，本集團的經銷商共覆蓋了中國31個省級地區與港澳台地區，以及海外23個國家與地區。

電商銷售方面，本集團持續加強電商渠道的發展及優化。通過對線上新產品的推出，營銷推廣力度的增強，渠道的梳理及規範，本集團的電商渠道進行多角度全方位的剖析及整頓，並保持與時俱進的發展。截至2017年12月31日止，本集團在天貓、京東等電商平台擁有5家旗艦店。本集團2017年電商渠道的銷售收入為人民幣105.9百萬元，同比增長265.2%。

## Management Discussion and Analysis

### 管理層討論與分析

The Group focused on sales to third-party catering enterprises in 2017 as strategic deployment. Benefiting from the experience of serving the Haidilao Group over the years, the Group had accumulated ample experience in the PRC catering service industry. Through continuously reinforcing the provision of diversified and customized products and services to third-party catering enterprises, the customized customers of the Group's third-party catering enterprises participated in various types of catering services and amounted to 82 as at 31 December 2017, representing a year-on-year increase of 86.4% as compared to 2016. The sales revenue for 2017 amounted to RMB23.43 million, representing a year-on-year increase of 304.0% as compared to 2016.

In terms of product portfolio, the Group continued to devote its efforts on improving and upgrading the existing products, as well as on the research and development and launching of new products, including optimizing the packaging and formulae of some core products and the launching of brand new products. During the past year, products launched successively in the market included spicy red swamp crawfish (catering pack), clear soup hot pot (catering pack) and five different flavors of self-serving small hot pot new products. By optimizing and refreshing existing products together with the launching of new products, the Group's products were undoubtedly better in meeting market demand, and could effectively ease the problems of insufficient products during the low season. In 2017, the Company introduced a total of 3 new hot pot soup flavoring products, 5 Chinese-style compound condiment products and 5 Self-serving small hotpot products. As at 31 December 2017, the Company had a total of 44 flavoring products, 6 dipping sauce products, 20 Chinese-style compound condiment products and 5 Self-serving small hotpot products.

#### BUSINESS REVIEW

Throughout the year of 2017, against the macro backdrop of an overall stable development trend of the national economy and an overall optimistic trend in the condiment industry of the PRC, the revenue of the Group amounted to RMB1,646.2 million, representing a year-on-year increase of 51.3%. Net profit amounted to RMB261.1 million, representing a year-on-year increase of 39.9%.

2017年，作為一項戰略部署，本集團專注於第三方餐飲企業銷售方面。受益於多年服務海底撈集團的經驗，本集團積累了對中國餐飲服務行業的豐富經驗；通過繼續加強向第三方餐飲企業提供多元化及定制化產品與服務，本集團的第三方餐飲企業定制客戶涉及多類型的餐飲業態，在2017年12月31日達到了82家，較2016年同比增長86.4%；而2017年的銷售收入達人民幣23.43百萬元，較2016年同比增長304.0%。

產品組合方面，本集團繼續致力於原有產品的改良及升級，以及新品的研發及推出。其中包括對部分核心產品包裝及配方的優化及全新產品的推出。在過去的一年裡，陸續推向市場的產品包括麻辣小龍蝦(餐飲裝)、清湯火鍋(餐飲裝)及五種不同口味的自加熱小火鍋等新品。舊品的優化更新以及新品的推出，無疑使得本集團產品更契合市場需求，且有效的舒緩了淡季產品不足問題。2017年，本公司共新增了3款火鍋底料產品，5款中式複合調味料產品及5款自加熱小火鍋產品。截至2017年12月31日，本公司共擁有44款底料產品，6款蘸料產品，20款中式複合調味料產品及5款自加熱小火鍋產品。

#### 業務回顧

2017年全年，在國民經濟總體保持平穩發展態勢、中國調味品行業總體趨勢向好的大背景下，本集團的收入達到人民幣1,646.2百萬元，同比增長51.3%；淨利潤達到人民幣261.1百萬元，同比增長39.9%。

## Sales Channels

In 2017, in respect of establishing third-party retail channels, the Group's focus of operation was on continuous penetration in channels of lower tiers, reinforcing the efficiency of terminal sales, developing the methods of terminal sales and expanding the portfolio of third-party retail products. Benefiting from improvement and optimization of distribution channels in 2016, as at 31 December 2017, the Group's distributors covered 31 provincial regions in China, including all first-tier cities, the Hong Kong, Macau and Taiwan regions, and 23 overseas countries and regions. Meanwhile, through the selection and screening of existing distributors, reinforcing the product launching capability and efficiency of terminal points of sales, timely capturing the data of market terminals, manipulating the shelf arrangement of product display and providing guidance on the methods of terminal sales, the Group had further improved the refined and in-depth development of the distributor channels, reinforced the marketing measures and efforts, enhanced the optimized management of product shelves and boosted the selling capability of the terminal points of sales.

The Group had further reinforced the management over e-commerce channels, including mainly the development of multiple consumption scenarios which could enhance consumers' loyalty, increase in promotional activities, expansion on online portfolio of new products, improvement in the arrangement of product shelves and the management of order price on network system. While the Group had mastered the sales and marketing of traditional products, the launching of a number of brand new self-serving small hot pots in the second-half of 2017 was the highlight in sales over e-commerce channels. As at 31 December 2017, the Group owned 5 flagship stores on e-commerce platforms including Tmall.com and JD.com. The Group's sales revenue from e-commerce channels in 2017 amounted to RMB105.9 million, representing a year-on-year increase of 265.2%.

Active development of business for third-party catering enterprises was one of the Group's key strategic developments, and significant mental and physical efforts were contributed in 2017 to provide comprehensive support. Benefiting from the experience of serving the Haidilao Group over the years, the Group had accumulated ample experience in the PRC catering service industry. Through continuously reinforcing the provision of diversified and customized products and services to third-party catering enterprises, the customized customers of the Group's third-party catering enterprises participated in various types of catering services and amounted to 82 as at 31 December 2017, representing a year-on-year increase of 86.4% as compared to 2016. The sales revenue for 2017 amounted to RMB23.43 million, representing a year-on-year increase of 304.0% as compared to 2016.

## 銷售渠道

2017年，在第三方零售渠道建設方面，本集團的經營重點為繼續深化渠道下沉、加強終端銷售效率、拓展終端銷售方法、擴充第三方零售的產品組合。得益於2016年的經銷渠道改良及優化，截止2017年12月31日，本集團的經銷商覆蓋中國31個省級地區與港澳台地區，23個海外國家及地區。與此同時，通過對現有經銷商的擇優及篩選、拓展終端售點的產品鋪設能力及效率、及時抓取市場終端數據、把控貨架陳列形式、指導終端銷售方法，本集團進一步完善了經銷商渠道精耕深化工作，加強了市場營銷的手段及力度，提升了貨架的優化管理，提振了終端售點的銷售能力。

本集團進一步加強了電商渠道的管理，其中主要包括拓展可帶動消費者粘性的多重消費情景、增加促銷活動、擴充線上新產品組合、完善進貨渠道的梳理及網絡體系價盤的管理等。在把握本集團傳統產品的銷售及推廣同時，在2017年下半年，多款新穎的自加熱小火鍋的推出是電商渠道銷售的亮點。截至2017年12月31日止，本集團在天貓、京東等電商平台擁有5家旗艦店。本集團2017年電商渠道的銷售收入為人民幣105.9百萬元，同比增長265.2%。

積極拓展第三方餐飲企業業務是本集團的戰略發展重點之一，亦在2017年付諸大量心血和力量予以全方位支持。受益於多年服務海底撈的經驗，本集團積累了對中國餐飲服務行業的豐富經驗；通過繼續加強向第三方餐飲企業提供多元化及定制化產品與服務，本集團的第三方餐飲企業定制客戶涉及多類型的餐飲業態，在2017年12月31日達到了82家，較2016年同比增長86.4%，銷售收入人民幣23.43百萬元，較2016年同比增長304.0%。



## Management Discussion and Analysis

### 管理層討論與分析

In terms of sales to related parties (referring to the Haidilao Group and associated companies), benefiting from the growth of the catering industry and the hot pot catering consumption market in the PRC, the Haidilao Group achieved not only stable growth in same store revenue but also rapid expansion in the number of stores. In 2017, the Group's revenue from sales to related parties amounted to RMB915.9 million, representing a year-on-year increase of 51.2% as compared to of 2016.

#### Products

As urbanization in China became more generalized, the consumption level of residents continued to rise enabling the continuous upgrading in product structure, and the consumers' awareness of the importance of food safety also strengthened over time. Selecting quality products with reputable brand recognition and with guaranteed food quality and safety will be a general development trend in future. As the largest producer of mid- to high-end hot pot soup flavoring condiments in China, the Company took the lead in capturing the industry trend, further strengthened the research and development and structure upgrading of products, and continued to supply condiment products which would better meet the needs of consumers.

In 2017, the Group launched new products successively, including spicy red swamp crawfish (catering pack), clear soup hot pot (catering pack) and five different flavors of self-serving small hot pot new products. The development of new products in general was still surrounding the two key conceptual lines of improving and upgrading existing products, and developing emerging products to meet market needs. These would not only enable products to better satisfy market demand but would also ease the problems of insufficient products during the low season. Through methods such as the launching of tasting events and creating thematic promotional activities, terminal sales were effectively boosted. The Group also communicated with consumers and promoted its promotional materials by using new social media (such as WeChat).

在關聯方銷售方面(指向海底撈集團及關聯公司)，得益於中國餐飲行業及火鍋餐飲消費市場的增長，海底撈集團不僅同店收入增速穩定，更在門店數量擴張上取得了迅速拓展，2017年，本集團向關聯方的銷售收入為人民幣915.9百萬元，較2016年同比增長51.2%。

#### 產品

隨著中國城鎮化的普及，居民消費水平不斷提升，產品結構升級得以持續，消費者對食品安全重要性的認識亦日趨加深。選擇較高品牌知名度、及對食品質量安全有保證的優質產品，成為未來發展的大趨勢。作為中國最大的中高端火鍋底料調味料生產商，本公司先行抓住行業趨勢，進一步加強產品研發及結構升級，持續推出更加滿足消費者需求的調味料產品。

2017年，本集團陸續推出麻辣小龍蝦(餐飲裝)、清湯火鍋(餐飲裝)及五種不同口味的自加熱小火鍋等新品。整體新品的開發依然圍繞改良升級現有產品，及開發迎合市場新興產品的兩大思路。不僅使得產品更契合市場需求，更且有效的舒緩了淡季產品不足問題。通過舉辦的試吃活動、打造主題推廣活動等方式，有效拉動了終端銷售。本集團亦利用新社交媒體(例如微信)與消費者溝通並宣傳我們的推廣信息。



## Management Discussion and Analysis

### 管理層討論與分析

The table below sets forth the revenue, sales volume and average selling price (“ASP”) of the Group by product categories and distribution channels for the periods as indicated:

下表載列於所示期間本集團按產品類別及經銷渠道劃分的收入、銷量及平均售價數據：

		Twelve months ended 31 December 截至12月31日止12個月			2016 2016年		
		2017 2017年	Average Selling Price per Kg 每公斤 平均售價 (RMB) (人民幣元)		2016 2016年	Average Selling Price per Kg 每公斤 平均售價 (RMB) (人民幣元)	
		Revenue 收入 (RMB' 000) (人民幣千元)	Sales Volume 銷量 (Tons) (噸)		Revenue 收入 (RMB' 000) (人民幣千元)	Sales Volume 銷量 (Tons) (噸)	
<b>Hot pot soup flavoring</b>	<b>火鍋底料</b>						
Third parties	第三方	429,921	14,896	28.9	288,745	9,323	31.0
Related parties	關聯方	871,282	31,093	27.3	583,778	21,573	27.1
Subtotal	小計	1,301,203	46,799	27.8	872,523	30,896	28.2
<b>Hot pot dipping sauce</b>	<b>火鍋蘸料</b>						
Third parties	第三方	93,924	5,059	18.6	73,856	4,290	17.2
Related parties	關聯方	281	11	25.5	104	6	18.8
Subtotal	小計	94,205	5,070	18.6	73,960	4,296	17.2
<b>Chinese-style compound condiment</b>	<b>中式複合調味品</b>						
Third parties	第三方	142,860	6,007	23.8	116,351	4,962	23.4
Related parties	關聯方	43,413	1,908	22.8	18,194	706	25.8
Subtotal	小計	186,273	7,915	23.5	134,545	5,668	23.7
<b>Self-serving small hotpot products</b>	<b>自加熱小火鍋產品</b>						
Third parties	第三方	61,341	1,359	45.1	—	—	—
Related parties	關聯方	104	2	52.0	—	—	—
Subtotal	小計	61,445	1,361	45.1	—	—	—
<b>Others<sup>(1)</sup></b>	<b>其他<sup>(1)</sup></b>	3,095	872	3.5	6,986	577	12.1
<b>Total</b>	<b>總計</b>	<b>1,646,221</b>	<b>62,017</b>	<b>26.5</b>	<b>1,088,014</b>	<b>41,437</b>	<b>26.3</b>

Note:

- (1) Mainly including the sales of certain products such as golden popcorn (黃金豆) and snail rice noodle (螺螄粉).

附註：

- (1) 主要包括銷售的若干產品，如黃金豆及螺螄粉等。

## Management Discussion and Analysis

### 管理層討論與分析

The table below sets forth the absolute value of revenue of the Company by product categories and as a percentage in the total revenue of the Company

下表載列所示期間本公司按產品類別劃分的收入的絕對值及佔本公司收入的百分比：

		Twelve months ended 31 December 截至12月31日止12個月			
		2017 2017年	% of Revenue	2016 2016年	% of Revenue
		RMB'000 人民幣千元	佔收入 百分比	RMB'000 人民幣千元	佔收入 百分比
Revenue from hot pot soup flavoring	火鍋底料收入	1,301,203	79.0%	872,523	80.2%
Revenue from hot pot dipping sauce	火鍋蘸料收入	94,205	5.7%	73,960	6.8%
Revenue from Chinese-style compound condiment	中式複合調味品收入	186,273	11.3%	134,545	12.4%
Revenue from self-serving small hotpot products	自加熱小火鍋產品收入	61,445	3.7%	—	0.0%
Other revenue	其它收入	3,095	0.3%	6,986	0.6%
<b>Total revenue</b>	<b>總收入</b>	<b>1,646,221</b>	<b>100.0%</b>	<b>1,088,014</b>	<b>100.0%</b>

In 2017, the three major product categories of the Group, namely hot pot soup flavoring, hot pot dipping sauce and Chinese-style compound condiment, increased as compared to 2016. In 2017, the Group introduced a total of 3 new hot pot soup flavoring products, 5 new Chinese-style compound condiment products and 5 self-serving small hotpot products. As at 31 December 2017, the Group had a total of 44 flavoring products, 6 dipping sauce products, 20 Chinese-style compound condiment products and 5 self-serving small hotpot products.

2017年，本集團的三類主要產品：火鍋底料、火鍋蘸料及中式複合調味料，較2016年均實現增長。2017年，本公司共新增了3款火鍋底料產品，5款中式複合調味料產品及5款自加熱小火鍋產品。截至2017年12月31日，本公司共擁有44款底料產品，6款蘸料產品，20款中式複合調味料產品及5款自加熱小火鍋產品。

## FINANCIAL REVIEW

### Revenue

For the 12 months ended 31 December 2017, the revenue of the Group increased by 51.3% from RMB1,088.0 million for the 12 months ended 31 December 2016 to RMB1,646.2 million for the same period in 2017.

### 財務回顧

#### 收入

於截至2017年12月31日止十二個月內，本集團的收入由截至2016年12月31日止十二個月的人民幣1,088.0百萬元增加51.3%至2017年同期的人民幣1,646.2百萬元。

Revenue by product

按產品劃分的收入

		Twelve months ended 31 December 截至12月31日止12個月			
		2017 2017年 % of hot pot soup Revenue 收入 (RMB'000) (人民幣千元) 佔火鍋底料 收入百分比		2016 2016年 % of hot pot soup Revenue 收入 (RMB'000) (人民幣千元) 佔火鍋底料 收入百分比	
<b>Hot pot soup flavoring revenue</b>	火鍋底料收入				
Revenue from third parties	來自第三方收入	429,921	33.0%	288,745	33.1%
Revenue from related parties	來自關聯方收入	871,282	67.0%	583,778	66.9%
<b>Total revenue from hot pot soup flavoring products</b>	火鍋底料產品總收入	<b>1,301,203</b>	<b>100.0%</b>	872,523	100.0%

Revenue from hot pot soup flavoring products increased by 49.1% from RMB872.5 million for the 12 months ended 31 December 2016 to RMB1,301.2 million for the same period in 2017, accounting for 79.0% of the revenue for the 12 months ended 31 December 2017. Of these, revenue from sales of hot pot soup flavoring products to related parties increased by 49.2%, while revenue from sales of hot pot soup flavoring products to third parties increased by 48.9%. The increase in revenue from sales of hot pot soup flavoring products to related parties was mainly due to steady growth in the same store revenue of Haidilao, an increase in the number of Haidilao restaurants and the effect of an increase in the prices of products sold to certain related parties in March 2017 due to cost factors of the Group. With further improvement in the refining and penetration of third party sales channels by the Group in 2017, the selling capability of terminal points of sales had increased, the launching of new products received a certain level of market recognition, and the revenue of sales from third parties recorded remarkable rapid growth.

火鍋底料產品所得收入由截至2016年12月31日止十二個月的人民幣872.5百萬元增加49.1%至2017年同期的人民幣1,301.2百萬元，佔截至2017年12月31日止十二個月收入的79.0%。其中，向關聯方銷售火鍋底料產品收入增長49.2%，向第三方銷售火鍋底料產品收入增長48.9%。向關聯方銷售火鍋底料產品收入增長主要受到海底撈同店業績穩定增長、餐廳門店數量增長以及2017年3月本集團因成本原因調高若干關聯方產品價格等方面影響。隨著本集團在2017年對第三方銷售渠道精耕深化工作的進一步完善，終端售點的銷售能力得以提振，新品推出取得一定的市場認可，第三方銷售收入得以顯著高速增長。

## Management Discussion and Analysis

### 管理層討論與分析

		Twelve months ended 31 December 截至 12 月 31 日止 12 個月			
		2017 2017 年		2016 2016 年	
		% of hot pot dipping sauce revenue		% of hot pot dipping sauce revenue	
		Revenue 收入 (RMB' 000) (人民幣千元)	佔火鍋蘸料 收入百分比	Revenue 收入 (RMB' 000) (人民幣千元)	佔火鍋蘸料 收入百分比
<b>Hot pot dipping sauce revenue</b>	火鍋蘸料收入				
Revenue from third parties	來自第三方收入	<b>93,924</b>	<b>99.7%</b>	73,856	99.9%
Revenue from related parties	來自關聯方收入	<b>281</b>	<b>0.3%</b>	104	0.1%
<b>Total revenue from hot pot dipping sauce products</b>	火鍋蘸料產品總收入	<b>94,205</b>	<b>100.0%</b>	73,960	100.0%

Revenue from hot pot dipping sauce products increased by 27.3% from RMB74.0 million for the 12 months ended 31 December 2016 to RMB94.2 million for the same period in 2017, accounting for 5.7% of the revenue for the 12 months ended 31 December 2017. Of these, revenue from sales of hot pot dipping sauce products to related parties increased by 170.0%, while revenue from sales of hot pot dipping sauce products to third parties increased by 27.2%. Revenue from sales of hot pot dipping sauce products of the Group is primarily derived from sales to third parties, the rapid growth of which was mainly attributable to the market recognition of the four dipping sauce products on which the Group has focused its marketing efforts. This had driven the increased sales of hot pot dipping sauce products in 2017.

火鍋蘸料產品所得收入由截至2016年12月31日止十二個月的人民幣74.0百萬元增加27.3%至2017年同期的人民幣94.2百萬元，佔截至2017年12月31日止十二個月收入的5.7%。其中，向關聯方銷售火鍋蘸料產品收入增長170.0%，向第三方銷售火鍋蘸料產品收入增長27.2%。本集團火鍋蘸料產品的銷售收入主要來自第三方銷售，其快速增長主要得益於集團重點營銷推廣的四款蘸產品取得了市場的認可，推動了2017年火鍋蘸料產品的銷售的增長。

## Management Discussion and Analysis

### 管理層討論與分析

		Twelve months ended 31 December 截至 12 月 31 日止 12 個月			
		2017 2017 年		2016 2016 年	
		Revenue 收入 (RMB'000) (人民幣千元)	% of Chinese- style compound condiment revenue 佔中式複合 調味收入 百分比	Revenue 收入 (RMB'000) (人民幣千元)	% of Chinese- style compound condiment revenue 佔中式 複合調味入 百分比
<b>Chinese-style compound condiment revenue</b>	中式複合調味品收入				
Revenue from third parties	來自第三方收入	142,860	76.7%	116,351	86.5%
Revenue from related parties	來自關聯方收入	43,413	23.3%	18,194	13.5%
<b>Total revenue from Chinese-style compound condiment products</b>	中式複合調味品總收入	<b>186,273</b>	<b>100.0%</b>	134,545	100.0%

Revenue from Chinese-style compound condiment products increased by 38.5% from RMB134.5 million for the 12 months ended 31 December 2016 to RMB186.3 million for the same period in 2017, accounting for 11.3% of the revenue for the 12 months ended 31 December 2017. Of these, revenue from sales of Chinese-style compound condiment products to related parties increased by 138.6%, while revenue from sales of Chinese-style compound condiment products to third parties increased by 22.8%.

In respect of sales to related parties, the Group carried out cooperation with certain catering customers in the Shuhai Supply Chain to develop new drivers of revenue growth. The Group introduced several Chinese-style compound condiment products in 2017 to complement with the sales of existing improved products of Chinese-style compound condiment, which has driven the increase in revenue from sales of Chinese-style compound condiment products to third parties.

中式複合調味品所得收入由截至2016年12月31日止十二個月的人民幣134.5百萬元增加38.5%至2017年同期的人民幣186.3百萬元，佔截至2017年12月31日止十二個月收入的11.3%。其中，向關聯方銷售中式複合調味品收入增長138.6%，向第三方銷售中式複合調味品收入增長22.8%。

在關聯方銷售方面，本集團和蜀海供應鏈的部分餐飲客戶展開合作，開發新的收入增長點。本集團2017年推出的若干新款中式複合調味料新品和已有中式複合調味料的改良產品進行配套銷售，帶動了向第三方銷售中式複合調味品收入的上升。



## Management Discussion and Analysis

### 管理層討論與分析

		Twelve months ended 31 December 截至12月31日止12個月			
		2017 2017年		2016 2016年	
		Revenue 收入 (RMB'000) (人民幣千元)	% of Self-serving small hotpot products revenue 佔自加熱小火鍋 產品收入百分比	Revenue 收入 (RMB'000) (人民幣千元)	% of Self-serving small hotpot products revenue 佔自加熱小火鍋 產品收入百分比
<b>Self-serving small hotpot products revenue</b>	自加熱小火鍋產品收入				
Revenue from third parties	來自第三方收入	61,341	99.8%	—	—
Revenue from related parties	來自關聯方收入	104	0.2%	—	—
<b>Total revenue from self-serving small hotpot products</b>	自加熱小火鍋產品總收入	61,445	100%	—	—

Self-serving small hotpot products is a new category of the Group's products in 2017, the revenue from which accounted for 3.7% of total revenue for the twelve months ended 31 December 2017.

自加熱小火鍋產品為2017年本集團新的產品品類，其收入佔截至2017年12月31日止十二個月總收入的3.7%。

#### Revenue by Distribution Network

按經銷網絡劃分的收入

		Twelve months ended 31 December 截至12月31日止12個月			
		2017 2017年		2016 2016年	
		Revenue 收入 (RMB'000) (人民幣千元)	% of total revenue 佔總收入 百分比	Revenue 收入 (RMB'000) (人民幣千元)	% of total revenue 佔總收入 百分比
<b>Related-party customers</b>	關聯方客戶				
Haidilao Group and its affiliates	海底撈集團及其聯屬公司	915,911	55.6%	605,728	55.70%
<b>Third-party customers</b>	第三方客戶				
Distributors	經銷商	587,076	35.7%	442,358	40.70%
E-commerce	電商	105,942	6.4%	28,986	2.70%
Others	其他				
Third-party catering companies	第三方餐飲企業	23,434	1.4%	5,836	0.50%
One-off sales events	一次性銷售活動	13,858	0.9%	5,106	0.40%
<b>Total revenue</b>	總收入	1,646,221	100.0%	1,088,014	100.00%

Benefiting from the upgrade of and growth in consumption of hot pot catering, Haidilao maintained stable rapid growth in both the number of restaurants and the same store revenue. The Group's sales revenue from sales to related parties, which mainly represents sales to the Haidilao Group, amounted to RMB915.9 million in 2017, representing an increase of 51.2% as compared to 2016.

With further enhanced optimization of third-party sales channels, boosted sales capability of terminal sales points and continuous launch of premium new products of the Group on 2017, sales revenue of third-party manufacturers was significantly increased. Sales revenue from sales to distributors was RMB587.1 million, representing a year-on-year increase of 32.7%; sales revenue from e-commerce channels was RMB105.9 million, representing a year-on-year increase of 265.5%; sales revenue from third-party catering was RMB23.4 million, representing a year-on-year increase of 301.5% from 2016.

### Revenue by Geographic Region

The table below presents the revenue of the Company by geographic region for the periods indicated:

得益於中國火鍋餐飲消費的升級與增長，海底撈餐飲業務在2017年持續高速增長。無論是門店數量，還是同店業績均保持穩定快速成長。本集團2017年向關聯方(主要指向海底撈集團銷售)銷售的銷售收入為人民幣915.9百萬元，同比增長51.2%。

隨著本集團在2017年對第三方銷售渠道精耕深化工作的進一步完善，終端售點的銷售能力得以提振，優良新品不斷推出，2017年第三方銷售收入得以顯著高速增長，其中向經銷商銷售的銷售收入為人民幣587.1百萬元，同比增長32.7%；電商渠道的銷售收入為人民幣105.9百萬元，同比增長265.5%；第三方餐飲銷售收入人民幣23.4百萬元，較2016年同比增長301.5%。

### 按地域劃分的收入

下表列示了本公司於所示期間以地域劃分的收入：

		Twelve months ended 31 December 截至12月31日止12個月			
		2017 2017年	% of total 收入 (RMB'000) (人民幣千元)	2016 2016年	% of total 收入 (RMB'000) (人民幣千元)
			佔收入 百分比		佔收入 百分比
North China <sup>(2)</sup>	華北 <sup>(2)</sup>	874,665	53.2%	593,427	54.60%
South China <sup>(3)</sup>	華南 <sup>(3)</sup>	715,674	43.4%	473,799	43.50%
Overseas markets	海外市場	55,882	3.4%	20,788	1.90%
<b>Total</b>	<b>合共</b>	<b>1,646,221</b>	<b>100.0%</b>	<b>1,088,014</b>	<b>100.00%</b>

Note:

- (2) Includes Heilongjiang, Jilin, Liaoning, Inner Mongolia, Beijing, Tianjin, Hebei, Shandong, Shanxi, Henan, Ningxia, Shanxi, Gansu, Qinghai, Xinjiang and Tibet.
- (3) Includes Jiangsu, Shanghai, Zhejiang, Anhui, Jiangxi, Fujian, Hubei, Hunan, Guangdong, Chongqing, Guizhou, Guangxi, Sichuan, Yunnan and Hainan.

附註：

- (2) 包括黑龍江、吉林、遼寧、內蒙古、北京、天津、河北、山東、山西、河南、寧夏、陝西、甘肅、青海、新疆及西藏。
- (3) 包括江蘇、上海、浙江、安徽、江西、福建、湖北、湖南、廣東、重慶、貴州、廣西、四川、雲南及海南。

## Management Discussion and Analysis

### 管理層討論與分析

#### Cost of Sales

The Group's cost of sales, including raw materials, employee benefit expenses, depreciation and amortization and utilities increased by 54.1% from RMB671.1 million for the 12 months ended 31 December 2016 to RMB1,034.4 million for the same period in 2017.

The overall unit cost of raw materials increased significantly in 2017 compared to the same period of 2016 mainly indicated that the unit price of soybean oil, pepper, chili, and packaging materials increased significantly.

#### 銷售成本

本集團的銷售成本(包括原材料、僱員福利開支、折舊及攤銷及公用事業)由截至2016年12月31日止十二個月的人民幣671.1百萬元增加54.1%至2017年同期的人民幣1,034.4百萬元。

2017年原材料總體單位成本較2016年同期有明顯上升，主要指大豆油、花椒、辣椒及包裝材料的單價上升明顯。

#### Gross Profit and Gross Profit Margin

#### 毛利及毛利率

Twelve months ended 31 December  
截至12月31日止12個月

		2017 2017年		2016 2016年	
		Gross profit		Gross profit	
		Gross profit	margin	Gross profit	margin
		毛利	毛利率	毛利	毛利率
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
<b>Hot pot soup flavoring products</b>	火鍋底料產品	<b>471,003</b>	<b>36.2%</b>	328,037	37.6%
Third parties	第三方	227,928	53.0%	161,832	56.0%
Related parties	關聯方	243,075	27.9%	166,205	28.5%
<b>Hot pot dipping sauce products</b>	火鍋蘸料產品	<b>38,072</b>	<b>40.4%</b>	25,381	34.3%
Third parties	第三方	37,931	40.4%	25,338	34.3%
Related parties	關聯方	141	50.1%	43	41.4%
<b>Chinese-style compound condiment products</b>	中式複合調味品	<b>79,157</b>	<b>42.5%</b>	63,078	46.9%
Third parties	第三方	66,649	46.7%	56,282	48.4%
Related parties	關聯方	12,508	28.8%	6,796	37.4%
<b>Self-serving small hotpot products</b>	自加熱小火鍋產品	<b>21,260</b>	<b>34.6%</b>	—	—
Third parties	第三方	21,217	34.6%	—	—
Related parties	關聯方	43	41.6%	—	—
<b>Others</b>	其它	<b>2,312</b>	<b>74.7%</b>	446	6.4%
<b>Total</b>	<b>總計</b>	<b>611,804</b>	<b>37.2%</b>	416,942	38.3%

The Group's gross profit increased by 46.7% from RMB416.9 million for the year of 2016 to RMB611.8 million for the year of 2017, while the gross profit margin decreased slightly from 38.3% for the year of 2016 to 37.2% for the year of 2017. The slight decrease is due to: 1) overall cost pressure; third-party catering business enlarged during 2017, whose gross margin is much lower than retail sales; and 3) some distributors select to have sales rebate replenishment rather than have expense subsidies from the Group.

### Distribution Expenses

The Group's distribution expenses increased by 28.7% from RMB127.9 million for the year of 2016 to RMB164.6 million for the year of 2017. The Group's distribution expenses as a percentage of the Group's revenue decreased from 11.8% for 2016 to 10.0% for the year of 2017. The decrease in distribution expenses was mainly because some distributors select to request stock replenishment with expense subsidy in the channel.

### Administrative Expenses

The Group's administrative expenses increased by 41.9% from RMB53.8 million for the year of 2016 to RMB76.4 million for the year of 2017. The Group's administrative expenses as a percentage of the Group's revenue decreased from 4.9% for 2016 to 4.6% for the year of 2017, with relatively stable ratio of administrative expense.

### Other Incomes and Gains

The Group's other incomes and gains-net increased by 103.3% from RMB21.5 million for the year of 2016 to RMB43.7 million for the year of 2017, mainly due to government grants received by the Group.

### Finance loss - net

The Group's finance income-net decreased by 234.7% from RMB33.7 million for the year of 2016 to a finance loss-net of RMB45.4 million for the year of 2017, mainly due to exchange loss caused by depreciation of Hong Kong dollar.

本集團的毛利潤由截至2016年12月31日止十二個月的人民幣416.9百萬元增加46.7%至2017年同期的人民幣611.8百萬元，而毛利率由截至2016年12月31日止十二個月的38.3%稍微下降至2017年同期的37.2%。毛利率稍有下降的原因主要是，整體成本壓力；毛利率相對較低的第三方餐飲業務在2017年得以大力發展；以及部分經銷商選擇用價格折扣來代替渠道上的費用補貼。

### 經銷開支

本集團的經銷開支由2016年的人民幣127.9百萬元增加28.7%至2017年的人民幣164.6百萬元。本集團的經銷開支佔本集團收入的百分比由2016年的11.8%降低至2017年的10.0%。經銷開支下降的主要原因是部分經銷商選擇用價格折扣來代替渠道上的費用補貼。

### 行政開支

本集團的行政開支由2016年的人民幣53.8百萬元增加41.9%至2017年同期的人民幣76.4百萬元。本集團行政開支佔本集團收入的百分比由2016年的4.9%減少至2017年的4.6%，行政費率比相對穩定。

### 其他收入及收益

本集團的其他收入及收益淨額由2016年的人民幣21.5百萬元增加103.3%至2017年同期的人民幣43.7百萬元，主要是由於本集團收到的政府補貼所致。

### 融資虧損－淨額

本集團的融資收入淨額由2016年的人民幣33.7百萬元減少234.7%至2017年的人民幣45.4百萬元的融資虧損淨額，主要是由於港幣貶值產生的匯兌損失所致。

## Management Discussion and Analysis

### 管理層討論與分析

#### Profit before Tax

As a result of the foregoing, the Group's profit before tax increased by 44.7% from RMB255.1 million for the year of 2016 to RMB369.1 million for the year of 2017.

#### Income Tax Expense

The Group's income tax expense increased by 57.9% from RMB68.4 million for the year of 2016 to RMB108.0 million for the year of 2017. The effective tax rate increased from 26.8% for the year of 2016 to 29.3% for the year of 2017, mainly due to non-tax deductible exchange loss for the year.

#### Net profit for the Year

As a result of the foregoing, net profit of the Group increased by 39.9% from RMB186.7 million for the year of 2016 to RMB260.7 million for the year of 2017. Basic earnings per share increased from RMB0.234 for the year of 2016 to RMB0.269 for the year of 2017 and net profit margin decreased from 17.2% for the year of 2016 to 15.9% for the year of 2017.

#### Capital Liquidity and Financial Resources

For the twelve months ended 31 December 2017, the Group's business was mainly funded by the cash generated from its operation. The Group intended to apply internal resources, income derived from organic and sustainable development for the purpose of funding its expansion and business operation.

#### Cash and Cash Equivalents

As at 31 December 2017, the Group's cash and cash equivalents were primarily denominated in RMB and HK dollars and, to a less extent, in US dollars. Its cash and cash equivalents amounted to approximately RMB1,130.2 million (31 December 2016: RMB1,022.0 million).

#### 除稅前利潤

由於上文所述內容，本集團的除所得稅前利潤由2016年的人民幣255.1百萬元增加44.7%至2017年同期的人民幣369.1百萬元。

#### 所得稅開支

本集團的所得稅開支由2016年的人民幣68.4百萬元增加57.9%至2017年的人民幣108.0百萬元。有效稅率由2016年的26.8%增加至2017年的29.3%，主要是由於港幣貶值的滙兌損失不能稅前列支所致。

#### 年內淨利潤

由於上文所述內容，本集團淨利潤由2016年的人民幣186.7百萬元增加39.9%至2017年的人民幣260.7百萬元。每股基本盈利由2016年的人民幣0.234元增加至截至2017年的人民幣0.269元。而淨利率由截至2016年的17.2%減少至2017年的15.9%。

#### 資金流動性及財政資源

截至2017年12月31日止十二個月，本集團主要通過經營所得現金為營運提供資金。本集團擬動用內部資源、通過自然且可持續發展為其擴展及業務營運提供資金。

#### 現金及現金等價物

於2017年12月31日，本集團的現金及現金等價物主要是由人民幣，港元和少量美金組成，現金及現金等價物約為人民幣1,130.2百萬元(2016年12月31日：人民幣1,022.0百萬元)。



### Asset-liability Ratio

As at 31 December 2017, the Group's asset-liability ratio(4) was 16.7% (31 December 2016: 11.1%). Such increase was mainly due to increase in trade payables, advance from customers and other tax payable. The Group did not have any bank borrowings.

Note:

(4) The asset-liability ratio is calculated by dividing total liabilities by total assets at the end of each financial period.

### Inventories

The Group's inventories consist primarily of raw materials, work-in-progress and finished goods. As at 31 December 2017, the Group had inventories of approximately RMB147.6 million (31 December 2016: RMB130.5 million). The turnover days of inventories decreased from 63.4 days for the year ended 31 December 2016 to 49.1 days for the twelve months ended 31 December 2017. The decrease in the turnover days of inventories was mainly due to the fact that the Group increased its control over the efficiency of inventories in 2017.

### Trade Receivables

Trade receivables represent amounts due from customers in respect of sales of goods in the ordinary course of business. As at 31 December 2017, we had trade receivables of approximately RMB131.5 million (31 December 2016: RMB67.1 million). The change was mainly due to an increase in sales by the Group to related parties and certain third parties (such as customized catering products) at the end of 2017. The turnover days of trade receivables increased slightly from 21.8 days for the year ended 31 December 2016 to 22.0 days for the twelve months ended 31 December 2017.

### Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. As at 31 December 2017, we had trade payables of approximately RMB136.6 million (31 December 2016: RMB73.3 million), which was due to the effects of low and peak seasons for production and sales and the seasonal procurement cycle. The turnover days of trade payables increased from 31.2 days for the year ended 31 December 2016 to 37.0 days for the twelve months ended 31 December 2017.

### 資產負債比率

於2017年12月31日，本集團的資產負債比率(4)為16.7%(2016年12月31日：11.1%)，上升的主要原因是貿易應付款、客戶墊付及其他應付稅項上升所致。本集團並無任何銀行借款。

備註：

(4) 資產負債比率按財政期末的總負債除以總資產計算。

### 存貨

存貨主要包括原材料、在製品與製成品。於2017年12月31日存貨約為人民幣147.6百萬元(2016年12月31日：人民幣130.5百萬元)，存貨周轉天數從截至2016年12月31日止年度的63.4天下降到截至2017年12月31日止十二個月的49.1天。存貨周轉天數得以減少的主要原因是本集團在2017年對庫存效率的把控得以提升。

### 貿易應收賬款

貿易應收賬款為日常業務過程中就銷售的商品而應收客戶的款項。於2017年12月31日貿易應收賬款約為人民幣131.5百萬元(2016年12月31日：人民幣67.1百萬元)，變動的主要原因是2017年末，本集團與關聯方及部分第三方(如餐飲定制客戶)銷售量增加所致。貿易應收賬款周轉天數從截至2016年12月31日止年度的21.8天略微上升到截至2017年12月31日止十二個月的22.0天。

### 貿易應付賬款

貿易應付賬款為日常業務過程中向供應商購買商品或服務而應支付的款項。受產銷淡旺季及季節性採購週期的影響，於2017年12月31日貿易應付賬款約為人民幣136.6百萬元(2016年12月31日：人民幣73.3百萬元)。貿易應付賬款周轉天數從截至2016年12月31日止年度的31.2天上升到截至2017年12月31日止十二個月的37.0天。

## Management Discussion and Analysis

### 管理層討論與分析

#### Contingent Liabilities

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

#### Charge of Assets

As at 31 December 2017, the Company did not charge any fixed assets as securities for borrowings.

#### Borrowings

As at 31 December 2017, the Company did not have any bank borrowings.

#### Debt-to-equity Ratio

As at 31 December 2017, the Company's debt-to-equity(5) was zero.

Note (5): Debt-to-equity ratio is calculated by dividing total debt by total equity. Total debt is defined as including interest-bearing liabilities which are not incurred during the routine process of business.

#### Foreign Exchange Risk and Hedging

The Group mainly operates in the PRC with most of the transaction denominated and settled in RMB. However, the Group has certain cash denominated in HKD and USD, which is exposed to foreign currency exchange risks. The Group has not hedged its foreign currency exchange risks, but will closely monitor the exposure and will take measures when necessary to make sure the foreign exchange risks are manageable.

#### Employees and Remuneration Policy

As at 31 December 2017, the Group had a total of 1,919 employees (including temporary workers), comprising of 1,370 staffs for production, 334 staffs for marketing and 215 staffs for administration and management functions respectively.

For the twelve months ended 31 December 2017, the Group's incurred total staff costs (including salaries, wages, allowance, benefits and equity incentive plan costs) of RMB183.8 million.

#### 或然負債

於2017年12月31日，本公司並無任何或然負債。

#### 資產押記

於2017年12月31日，本公司並無抵押任何固定資產作為借款擔保。

#### 借貸

於2017年12月31日，本公司並無任何銀行借款。

#### 資本負債比率

於2017年12月31日，本公司的資本負債比率(5)為零。

附註(5)：資本負債比率按總債務除以總權益計算。總債務界定為包括並非於日常業務過程中產生的計息負債。

#### 匯率波動風險及相關對沖

本集團主要在中國經營，大部分交易乃以人民幣列值及結算。然而，本集團持有若干以港元及美元列值的現金，面臨外匯匯兌風險。本集團並無對沖外匯風險。然而，本集團將密切監控有關情況並於必要時採取一定措施，確保外匯風險處於可控範圍。

#### 僱員及薪酬政策

於2017年12月31日，本集團員工總人數為1,919人(含臨時工)，其中包括了生產體系員工1,370人，營銷體系員工334人，行政和管理相關職能體系員工215人。

截至2017年12月31日止十二個月，本集團的總員工成本為人民幣183.8百萬元，包括薪金、工資、津貼、福利以及股票激勵計劃成本。

### Material Acquisitions and Disposals

On 11 July 2017, Yihai (Shanghai) Food Co., Ltd.\* (頤海上海食品有限公司) (“Yihai Shanghai”) and Xinpai (Shanghai) Catering Management Co., Ltd.\* (新派上海食品管理有限公司) (“Xinpai Shanghai”) entered into the Investment Cooperation Agreement pursuant to which Yihai Shanghai and Xinpai Shanghai will form the Joint Venture in the PRC to engage in the manufacture and sales of self-serving small hotpot products. Upon the formation of the Joint Venture, Yihai Shanghai and Xinpai Shanghai will be interested in 60% and 40% of the registered capital of the Joint Venture, respectively.

Xinpai Shanghai is controlled as to approximately 62.70% interest by the controlling shareholders of the Company, Mr. Zhang Yong and Ms. Shu Ping, and is therefore a connected person of the Company. Accordingly, the formation of the Joint Venture constitutes a connected transaction of the Company for the purpose of the Listing Rules

### FUTURE PROSPECT

#### Industry and Business Outlook

In 2017, the national economy maintained steady development in general. The concept of consumption upgrade was constantly strengthened and the catering industry remained stable. The overall trend of the PRC condiment industry was positive. Through organic growth and external development, the Group will continue to optimize and deepen sales channels actively, enhance terminal sales capacity, expand the product mix and develop new business models, so as to constantly enhance the market share and industry position of the Group.

In terms of product research and development, the Group will not only continue to upgrade and improve existing products, constantly try and put efforts in supplementing and broadening existing product types, but also continue to develop diversified products of new tastes and concepts, expand the existing business, supplement diversified dining scenarios, stimulate and attract more consumption groups by following changes in market trend.

In terms of the establishment of channels, through the tidying and cherry-picking of channels in 2017, in 2018, the Group will further put efforts in the establishment of channels, expand the penetration rate of channels, introduce new retail ideas and at the same time expand the construction of catering channels for third-party manufacturers on the basis of ongoing expansion of retail channels of third-party manufacturers.

#### 重大收購及出售事項

於2017年7月11日，頤海(上海)食品有限公司(「頤海上海」)與新派(上海)餐飲管理有限公司(「新派上海」)訂立投資合作協議，據此，頤海上海與新派上海於中國成立合資公司從事自加熱小火鍋產品的生產及銷售。成立合資公司後，頤海上海與新派上海將於合資公司的註冊股本中分別擁有60%及40%的權益。

新派上海由本公司的控股股東張勇先生及舒萍女士控制約62.70%股權，因此新派上海為本公司的關連人士。因此，就上市規則而言，成立合資公司構成本公司的關連交易。

#### 未來前景

#### 行業及業務展望

2017年，國民經濟總體保持平穩發展態勢、消費升級觀念不斷增強、餐飲業企穩、中國調味品行業總體趨勢向好。本集團將繼續通過內生增長和外延發展的方式積極優化並下沉銷售渠道、加強終端銷售能力、擴充產品組合、開拓新的商業模式，不斷提高本集團的市場佔有率和行業地位。

產品研發方面上，本集團不僅將繼續在現有產品升級改良、現有品類補充擴大的方面給予不斷的嘗試和努力，還將繼續緊隨市場趨勢變化，開發多元化的新口味新概念產品、擴大現有業務、補充多樣化的就餐場景，刺激並吸引更多的消費群體。

渠道建設方面，經過2017年的渠道梳理及擇優，2018年，本集團將進一步深耕渠道建設，拓展渠道滲透率，在持續拓展第三方零售渠道的基礎上，引入新零售思路，並同時擴充第三方餐飲渠道的建設。

## Management Discussion and Analysis

### 管理層討論與分析

In terms of terminal sales, the Group will continue to further enhance optimized shelf management, improve the display of basic shelves, strengthen the flexibility and effectiveness of tasting events and promotion, and intensively explore the means and methods of improving terminal sales capacity and efficiency.

#### Material Investments and Prospect

In order to ease the increasing pressure from production capacity utilization rate, the Group mainly adopted three measures in 2017.

Firstly, continuing the construction of the Bazhou Project in Hebei. The total investment amount of the Group's Bazhou Project is expected to be RMB300 million. Phase I is expected to be completed and put into operation at the end of 2018, while Phase II is expected to be completed and put into use in 2020. It is expected that Phase I will provide a production capacity of 35,000 tons. The Bazhou Production Base not only effectively increases the Group's existing production capacity, but also optimizes the Group's product portfolio by effectively expanding the production lines for new products, and it can maximise the upgrade to the Group's storage facilities. The project is located in the middle of Northern China, which enables the Group to better control and manage logistics costs. As of 31 December 2017, the construction of the Bazhou Production Base was still steadily carried out as scheduled.

Secondly, a new production line was installed in the existing factory in Chengdu, Sichuan. The new production line in the factory in Chengdu was put into production in the first half of 2017, and timely provided additional production capacity of approximately 3,000 tons to the Group, which effectively eased the existing production pressure.

Thirdly, the new conclusion for construction of the Ma An Shan project. The Group entered into agreements with the local government of Ma An Shan in Anhui. The Group can install new production lines in the factory to be leased in order to release new production capacity, so as to ease the pressure from sharp increase in the demand for production capacity during peak seasons. As Ma An Shan is in Eastern China, it also helps the Group better control and manage logistics costs. As of 31 December 2017, the Maanshan Production Base has started trial production.

#### Future Plans for Material Investments

The Group will continue to extensively identify potential strategic investment opportunities and continuously seek to acquire potential high-quality target businesses that create synergies for the Group in relation to aspects including product research and development, product portfolio, channel expansion or cost control.

產品終端營銷方面，將進一步提升貨架優化管理，改良基礎貨架陳列，增強試吃、促銷等靈活度及有效性，深度挖掘提振終端銷售能力及效率的方式方法。

#### 重大投資的情況與前景

為舒緩日益增長的產能利用率的壓力，本集團在2017年主要採取了三項措施。

其一，繼續河北霸州項目的建設。本集團的霸州項目總投資預計人民幣3億元，預計一期工程將於2018年底竣工並投產，二期工程在2020年竣工並使用。預期一期工程將帶來3.5萬噸的產能。霸州生產基地不僅能夠充分增加本集團現有產能；還能夠有效的擴充新產品的生產線，從而優化本集團的產品組合；更能夠最大化的升級本集團的倉儲設備。該項目位於華北中心地區，有助於本集團更好地把控和管理物流成本。截至2017年12月31日，霸州生產基地仍在按計劃穩步推進中。

其二，在現有四川成都工廠內增設新生產線。成都工廠新設的生產線已經在2017年上半年投產，及時為本集團帶來約3,000噸的新產能，有效的舒緩了現時的生產壓力。

其三，新簽訂安徽馬鞍山項目的建設。本集團在2017年上半年與安徽馬鞍山當地政府簽署租賃協議，本集團可通過在租賃的廠房內增設新生產線來實現新產能的釋放，從而舒緩旺季對產能急劇增加的需求。由於馬鞍山位於華東地區，亦同時有助於本集團更好地把控和管理物流成本。截至2017年12月31日，馬鞍山生產基地已開始試生產。

#### 未來重大投資計劃

本集團將繼續廣泛尋找潛在的策略性投資機會，持續尋求可為集團在產品研發、產品組合、渠道擴張抑或成本控制等方面，帶來協同效應的的潛在優質標的。



## Profiles of Directors and Senior Management 董事及高級管理層簡介

### EXECUTIVE DIRECTORS

**Ms. Dang Chunxiang (黨春香)**, aged 45, was appointed as an executive Director, the chief executive officer and general manager of the Company on 7 March 2016. She has been a Director since December 2015 and is primarily responsible for the overall management of the Company, implementation of the decisions of the Board. Ms. Dang has been the general manager of Yihai Shanghai since December 2015. Prior to this, Ms. Dang worked as a sales manager of Kebao Boloni Home Furnishing Co. Ltd. (科寶博洛尼家居有限公司) from August 1998 to April 2002. From May 2002 to September 2008, she joined Beijing Yuanzhou Decoration Co., Ltd. (北京元洲裝飾有限公司) as a manager of the kitchen cabinet department and was later promoted to director of the home furnishing management department. Ms. Dang was the vice general manager of Huawei Leren (Beijing) Trading Co., Ltd. (華威樂仁(北京)貿易有限公司), a company engaging in construction materials trading from January 2009 to November 2010. Ms. Dang then joined Sichuan Haidilao and served as the head of the operations department from January 2011 to December 2014. Ms. Dang served as the head of the operations department and a standing deputy general manager of Yihai Shanghai from December 2014 to January 2015 and from January 2015 to December 2015, respectively. Ms. Dang completed her graduate study in business administration at Renmin University of China (中國人民大學) in May 2010, and completed EMBA professional programme at Guanghua School of Management in July 2017.

**Mr. Sun Shengfeng (孫勝峰)**, aged 38, was appointed as an executive Director and the chief financial officer on 7 March 2016. He is primarily responsible for overseeing matters relating to the financial, investment and risk management of the Company, including budgeting, disclosure and reporting. Mr. Sun has also served as the chief financial officer of Yihai Shanghai since August 2015. Mr. Sun served as the head of finance in Xi'an Yinqiao Biotechnology Co., Ltd. (西安銀橋生物科技有限公司) from September 2003 to August 2007. He joined Sichuan Haidilao in September 2007 and has held various positions successively: he worked as assistant to the chief financial officer from September 2007 to November 2011, the chief accountant from November 2011 to December 2012, deputy head of the finance management department from December 2012 to August 2013, and deputy head of the asset management department from August 2013 to August 2015. Mr. Sun passed the self-taught higher education examination for undergraduate study in business administration with Xi'an University of Technology (西安理工大學) and obtained a graduation certificate in June 2009. He completed his graduate study in business administration at Tsinghua University in September 2010. He was accredited as an accountant by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部) in May 2005.

### 執行董事

黨春香女士，45歲，於2016年3月7日獲委任為執行董事、首席執行官兼總經理。彼自2015年12月起為本公司董事，主要負責本公司的整體運營管理、執行董事會的決定。黨女士自2015年12月起擔任頤海上海的總經理。在此之前，黨女士於1998年8月至2002年4月擔任科寶博洛尼家居有限公司的銷售經理。於2002年5月至2008年9月，彼加入北京元洲裝飾有限公司擔任櫥櫃部門經理，其後獲擢升為家居管理部門總監。於2009年1月至2010年11月，黨女士為華威樂仁(北京)貿易有限公司(一家從事建材貿易的公司)的副總經理。黨女士其後加入四川海底撈，並於2011年1月至2014年12月擔任營運管理部門部長。於2014年12月至2015年1月及2015年1月至2015年12月，黨女士分別擔任頤海上海的營運管理部門部長及常務副總經理。黨女士於2010年5月在中國人民大學完成工商管理專業研究生課程，並於2017年7月在北大光華管理學院完成高級工商管理碩士專業課程。

孫勝峰先生，38歲，於2016年3月7日獲委任為執行董事兼財務總監。彼主要負責監督與本公司的財務、投資及風險管理相關事宜，包括財務預算、信息披露及報告。孫先生亦自2015年8月起擔任頤海上海的財務總監。於2003年9月至2007年8月，孫先生擔任西安銀橋生物科技有限公司的財務主管。彼於2007年9月加入四川海底撈並先後擔任多個職務，包括於2007年9月至2011年11月擔任財務總監助理，於2011年11月至2012年12月擔任總會計師，於2012年12月至2013年8月擔任財務管理部門的副部長，及於2013年8月至2015年8月擔任資產管理部門副部長。孫先生通過西安理工大學工商企業管理本科高等教育自學考試並於2009年6月取得畢業證書。彼於2010年9月在清華大學完成工商管理專業研究生課程。彼於2005年5月獲中華人民共和國財政部認可為會計師。



## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

#### NON-EXECUTIVE DIRECTORS

**Mr. Shi Yonghong (施永宏)**, aged 48, was appointed as a non-executive Director of the Company on 7 March 2016 and was appointed as the Chairman of the Company on 14 November 2017. Mr. Shi is one of the founders of the Haidilao Group and has over 21 years of food industry and management experience within the Haidilao Group. He has been a Director since December 2015 and is primarily responsible for participating in making major decisions for the Company. Mr. Shi has held various positions at Sichuan Haidilao since April 1994. Mr. Shi was the vice general manager at Sichuan Haidilao between April 1994 and March 2001, before assuming the role of supervisor at Sichuan Haidilao between April 2001 and June 2009. Since July 2009, Mr. Shi has been a director at Sichuan Haidilao. Mr. Shi also serves as a director of associates of the Company's Controlling Shareholders. Mr. Shi completed his study in mechanics at Sichuan Kongfen Group Technical School (四川空分技工學校) in June 1988.

**Mr. Zhang Yong (張勇)**, aged 47, was appointed as a non-executive Director on 7 March 2016. Mr. Zhang is one of the founders of the Haidilao Group and has over 21 years of food industry and management experience within the Haidilao Group. He has been a Director since December 2015 and is primarily responsible for participating in making major decisions for the Company. Mr. Zhang served as the general manager of Sichuan Haidilao from April 1994 to March 2001. Between April 2001 and June 2009, Mr. Zhang served as both the executive director and the general manager of Sichuan Haidilao. Since July 2009, Mr. Zhang has served as the director and chairman of Sichuan Haidilao. Mr. Zhang also serves as a director and member of senior management of associates of the Company's Controlling Shareholders. Mr. Zhang completed the executive master of business administration program and completed the finance master of business administration program from Cheung Kong Graduate School of Business (長江商學院) in October 2011 and August 2012, respectively.

#### 非執行董事

施永宏先生，48歲，於2016年3月7日獲委任為本公司非執行董事並於2017年11月14日獲委任為本公司董事長。施先生為海底撈集團的創辦人之一並於海底撈集團積累逾21年食品行業及管理經驗。彼自2015年12月起擔任本公司的董事，主要負責參與作出本公司的重要決策。施先生自1994年4月起於四川海底撈擔任多個職位。施先生於1994年4月至2001年3月擔任四川海底撈的副總經理，之後於2001年4月至2009年6月擔任四川海底撈的監事。施先生自2009年7月起為四川海底撈的董事。施先生亦於本公司控股股東聯繫人擔任董事。施先生於1988年6月於四川空分技工學校完成機械課程。

張勇先生，47歲，於2016年3月7日獲委任為本公司非執行董事。張先生為海底撈集團的創辦人之一並於海底撈集團積累逾21年食品行業及管理經驗。自2015年12月起擔任本公司董事，主要負責參與作出本公司的重要決策。張先生於1994年4月至2001年3月擔任四川海底撈的總經理。2001年4月至2009年6月，張先生擔任四川海底撈的執行董事兼總經理。自2009年7月起，張先生擔任四川海底撈的董事兼董事長。張先生亦於本公司控股股東聯繫人擔任董事及高級管理層成員。張先生分別於2011年10月及2012年8月分別完成長江商學院高級管理人員工商管理碩士課程及長江商學院金融工商管理碩士課程。

## Profiles of Directors and Senior Management 董事及高級管理層簡介

**Mr. Gou Yiqun (苟軼群)**, aged 45, was appointed as a non-executive Director of the Company on 7 March 2016. Mr. Gou was a Chairman of the Company during the period from 7 March 2016 to 14 November 2017. Mr. Gou has over 17 years of food industry and management experience within the Haidilao Group. He has been a Director since October 2013. He is primarily responsible for formulating the Company's corporate and business strategies and participating in the decision making for the Company's strategic marketing projects and other major decisions. Mr. Gou has also served as the chairman of Yihai (China) since December 2013. Prior to this, Mr. Gou worked as a teacher at Xi'an University of Finance and Economics (西安財經學院) from July 1994 to January 2000. Mr. Gou joined Haidilao Group in January 2000 and has held various positions successively after joining Haidilao Group. Mr. Gou was the financial officer of Sichuan Haidilao from December 2001 to June 2009, and has held the position of director of Sichuan Haidilao since July 2009. Between July 2009 and December 2014, Mr. Gou was also Sichuan Haidilao's chief financial officer and vice general manager. Mr. Gou also serves as a director and member of senior management of associates of the Company's Controlling Shareholders. Mr. Gou completed his study in commodity business at Shaanxi Commerce College (陝西商業專科學校) in July 1993. He received an executive master of business administration degree from Renmin University of China (中國人民大學) in June 2010. Mr. Gou Yiqun has resigned from the post of non-executive Director and a member of the remuneration committee with effect from 21 March 2018.

**Mr. Pan Di (潘迪)**, aged 36, was appointed as a non-executive Director on 7 March 2016. Mr. Pan has been a Director since December 2015 and is primarily responsible for participating in making major decisions for the Company. Since January 2010, Mr. Pan has served at Greenwoods Private Equity Funds (景林股權投資基金), now as Managing Director. He was an attorney with the securities department of King & Wood Mallesons in Shanghai from January 2007 to December 2009. Since September 2015, Mr. Pan has been a director at Handu Yishe Electronics and Commerce Group Holdings Company Limited (韓都衣舍電子商務集團股份有限公司) (stock code: 838711), and since March 2016, he has been a director at Hangzhou Taofen8 Internet Technology Company Limited (杭州淘粉吧網絡技術股份有限公司) (stock code: 834805), both being enterprises listed on the National Equities Exchange And Quotations Co., Ltd. Mr. Pan also serves as a director of an associate of the Company's Controlling Shareholders. Mr. Pan obtained a bachelor's degree in law from Fudan University in July 2004. He passed the National Judicial Exam in the PRC in February 2008.

苟軼群先生，45歲，於2016年3月7日獲委任為本公司非執行董事。苟先生曾於2016年3月7日至2017年11月14日期間出任本公司董事長。苟先生於海底撈集團積累逾17年食品行業及管理經驗。彼自2013年10月起擔任本公司董事。彼主要負責制定本公司的企業及業務策略以及參與作出本公司的策略營銷計劃決策及其他重要決策。在此之前，苟先生於1994年7月至2000年1月在西安財經學院擔任教師。苟先生於2000年1月加入海底撈集團，並於加入海底撈集團後相繼擔任多個職務。苟先生於2001年12月至2009年6月擔任四川海底撈的財務負責人，並自2009年7月起擔任四川海底撈的董事。於2009年7月至2014年12月，苟先生亦為四川海底撈的財務總監兼副總經理。苟先生亦於本公司控股股東聯繫人擔任董事及高級管理層成員。苟先生於1993年7月在陝西商業專科學校完成商品經營學習。於2010年6月取得中國人民大學高級管理人員工商管理碩士學位。苟軼群先生已辭任非執行董事及薪酬委員會成員，自2018年3月21日生效。

潘迪先生，36歲，於2016年3月7日獲委任為非執行董事。潘先生自2015年12月起擔任本公司董事，並主要負責參與作出本公司的重要決策。潘先生自2010年1月起加入景林股權投資基金，現擔任董事總經理。彼於2007年1月至2009年12月為上海金杜律師事務所證券部門的律師。潘先生自2015年9月起擔任新三板掛牌企業韓都衣舍電子商務集團股份有限公司(股份代號：838711)董事，並自2016年3月起擔任新三板掛牌企業杭州淘粉吧網絡技術股份有限公司(股份代號：834805)董事。潘先生亦於本公司控股股東聯繫人擔任董事。潘先生於2004年7月取得復旦大學法律學士學位。彼於2008年2月通過中國國家司法考試。

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Yau Ka Chi (邱家賜)**, aged 60, was appointed as an independent non-executive director of the Company on 20 June 2016. Mr. Yau has over 31 years of professional accounting experience including 20 years in serving China enterprises. He had worked for Ernst & Young for over 20 years in its Hong Kong, Toronto and Beijing offices with primary focus in providing professional services in accounting and audit, initial public offering, and corporate restructuring before retiring in September 2015. During his professional career with Ernst & Young, Mr. Yau was appointed as the Professional Practice Director of Greater China from July 2007 to June 2009, the Assurance Leader for China North Region from July 2010 to June 2014, the Oil & Gas Industry Leader of Greater China from May 2012 to June 2015 and the Assurance Leader of the Energy & Resources Markets Segment of Greater China from July 2013 to June 2015. Mr. Yau is an independent non-executive director of China Mengniu Dairy Company Limited (中國蒙牛乳業有限公司) (Stock code: 2319) since October 2016 and China Power International Development Limited (中國電力國際發展有限公司) (Stock code: 2380) since December 2016, both companies listed on the main board of The Stock Exchange of Hong Kong Limited. Mr. Yau holds a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) and is a member of the American Institute of Certified Public Accountants, the Illinois Certified Public Accountants Society and the Hong Kong Institute of Certified Public Accountants. Mr. Yau also holds a certified public accountant license issued by the Illinois Department of Financial and Professional Regulation, the United States.

**Mr. Qian Mingxing (錢明星)**, aged 55, was appointed as an independent non-executive Director on 20 June 2016. He is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, nomination of Directors and remuneration of Directors and senior management. Mr. Qian has been a professor at Peking University Law School (北京大學法學院) since August 1999. He worked as a teaching assistant and a lecturer of the law department at Peking University from August 1986 to August 1988 and August 1988 to August 1993, respectively. From August 1993 to August 1999, Mr. Qian was an associate professor at Peking University Law School. Mr. Qian obtained a bachelor's degree in law and a master's degree in law from Peking University in July 1983 and July 1986, respectively. In June 2001, Mr. Qian obtained a doctoral degree of laws from Peking University.

#### 獨立非執行董事

邱家賜先生，60歲，於二零一六年六月二十日獲委任為本公司獨立非執行董事。邱先生擁有逾31年的專業會計服務經驗，包括20年服務中國企業經驗。彼於二零一五年九月自安永會計師事務所退休前，先後於其香港、多倫多及北京辦公室任職，主要從事會計與審計、首次公開發售及公司重組專業服務。於安永會計師事務所任職期間，邱先生於二零零七年七月至二零零九年六月期間任大中華區專業標準技術部主管合夥人，於二零一零年七月至二零一四年六月期間任中國華北區審計服務主管合夥人，於二零一二年五月至二零一五年六月期間任大中華區石油及天然氣業務主管合夥人，及於二零一三年七月至二零一五年六月期間任大中華區能源和資源業審計主管合夥人。邱先生自二零一六年十月起任中國蒙牛乳業有限公司(股份代號：2319)的獨立非執行董事及自二零一六年十二月起任中國電力國際發展有限公司(股份代號：2380)的獨立非執行董事，兩家公司均在香港聯合交易所有限公司的主板上市。邱先生持有香港理工學院(現稱為香港理工大學)公司秘書及行政管理專業文憑，並為美國註冊會計師協會、伊利諾伊州註冊會計師協會及香港會計師公會的會員。邱先生亦持有美國伊利諾伊州財政及專業監管部頒發的執業會計師執照。

錢明星先生，55歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、提名董事以及董事及高級管理層薪酬有關事宜提供意見。錢先生自1999年8月起一直在北京大學法學院擔任教授。錢先生於1986年8月至1988年8月期間及1988年8月至1993年8月期間分別在北京大學法律系擔任助教及講師。於1993年8月至1999年8月，錢先生擔任北京大學法學院副教授。錢先生分別於1983年7月及1986年7月取得北京大學的法律學士學位及法律碩士學位。錢先生於2001年6月取得北京大學法律博士學位。



## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Ms. Ye Shujun (葉蜀君)**, aged 56, was appointed as an independent non-executive Director on 20 June 2016. She is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, remuneration of Directors and senior management, nomination of Directors and audit. Ms. Ye has been an independent director of Beijing New Universal Science and Technology Co., Ltd (北京萬向新元科技股份有限公司) (stock code: 300472) since June 2011, and an independent director of Anhui Guozhen Environment Protection Technology Joint Stock Co., Limited (安徽國禎環保節能科技股份有限公司) (stock code: 300388) since August 2016, both being companies listed on the Shenzhen Stock Exchange (深圳證券交易所). Ms. Ye has been serving as independent director of Anhui Telit Science and Technology Co., Ltd. (stock code: 831918), a company listed on National Equities Exchange and Quotation System, since July 2017, and as independent director of Wuhu Fuchun Dye And Weave Co., Ltd. (stock code: 870898), a company listed on the New Third Board, since November 2017. Ms. Ye also served as lecturer, associate professor and professor successively at the economic management college of Beijing Jiaotong University (北京交通大學) since December 1994. Ms. Ye completed a program in international accounting and international tax at Xiamen University in January 1990. Ms. Ye then obtained a master's degree in economics from Tsinghua University in July 1994. She obtained a doctoral degree in management from Beijing Jiaotong University in July 2007.

#### SENIOR MANAGEMENT

**Ms. Dang Chunxiang (黨春香)**, an executive Director, the chief executive officer and general manager of the Company. See “ —Board of Directors—Executive Directors” in this section for her biographical details.

**Mr. Sun Shengfeng (孫勝峰)**, an executive Director, the chief financial officer and joint company secretary of the Company. See “ —Board of Directors—Executive Directors” in this section for his biographical details.

葉蜀君女士，56歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、董事及高級管理層薪酬、提名董事及審計有關事宜提供意見。葉女士自2011年6月起一直出任北京萬向新元科技股份有限公司(股份代號：300472)的獨立董事，自2016年8月起出任安徽國禎環保節能科技股份有限公司(股份代碼：300388)的獨立董事，兩家公司均為深圳證券交易所上市公司。葉女士自2017年7月起擔任在全國中小企業股份轉讓系統掛牌上市的企業安徽天立泰科技股份有限公司(股票代碼831918)之獨立董事，自2017年11月起任新三板掛牌企業蕪湖富春染織股份有限公司(股票代碼870898)獨立董事。葉女士亦自1994年12月起任教於北京交通大學經濟管理學院，先後任職講師、副教授及教授。葉女士於1990年1月在廈門大學完成國際會計與國際稅收班課程。葉女士其後於1994年7月取得清華大學經濟學碩士學位。彼於2007年7月取得北京交通大學管理工程學博士學位。

#### 高級管理層

黨春香女士，本公司執行董事、首席執行官兼總經理。有關其履歷詳情，請參閱本節「—董事會—執行董事」。

孫勝峰先生，本公司執行董事、財務總監及聯席公司秘書。有關其履歷詳情，請參閱本節「—董事會—執行董事」。

## Profiles of Directors and Senior Management

### 董事及高級管理層簡介

**Mr. Du Zhuang (杜壯)**, aged 43, has served as the sales director of the Company since 1 August 2017. He was appointed as the general manager of the Company on 7 March 2016. He is mainly responsible for the development of regional sales strategies and solutions, management of the sales team and control of sales budget and expense. Mr. Du has over 15 years of sales and marketing experience in the fast-moving consumer goods sector. He has been a marketing director of Yihai Shanghai since January 2015. He worked as the head of the chain store department of Tianjin Dingjin Food Co., Ltd. (天津頂津食品有限公司) from June 2001 to October 2008. Mr. Du joined Sichuan Haidilao in October 2008 and held various positions successively including marketing manager from October 2008 to August 2009, sales manager from August 2009 to August 2010 and senior sales manager from September 2010 to June 2011. From June 2011 to November 2014, Mr. Du served as a deputy head of the operation department of Shuhai (Beijing) Investment Co., Ltd.\* (蜀海(北京)投資有限公司), a wholly owned subsidiary of Sichuan Haidilao. Mr. Du completed his study for undergraduate program in husbandry at Beijing College of Agriculture (北京農學院) in July 1996.

**Mr. Xu Hai (徐海)**, aged 44, was appointed as the key account director in August 2017. He has been the sales director of the Company since 7 March 2016, mainly responsible for key account sales and product management. Mr. Xu has over 9 years of sales and management experience in the fast-moving consumer goods sector. He has been a sales director of Yihai Shanghai since January 2015. Mr. Xu then served as sales director of Beijing Pepsi-Cola Beverage Co., Ltd. (北京百事可樂飲料有限公司) from October 2007 to March 2009. Mr. Xu then served as a national sales director of China of Tianjin Otsuka Beverage Co., Ltd. (天津大塚飲料有限公司) from April 2011 to June 2013. From June 2013 to December 2014, Mr. Xu served as a sales director of Shuhai (Beijing) Investment Co., Ltd.\* (蜀海(北京)投資有限公司), a wholly owned subsidiary of Sichuan Haidilao. Mr. Xu obtained a master's degree in business management from Northeastern University (東北大學) in July 2009.

杜壯先生，43歲，自2017年8月1日起任本公司銷售總監；曾於2016年3月7日獲委任為本公司副總經理。彼主要負責制定區域銷售策略及方案、管理銷售團隊以及控制銷售預算及開支。杜先生於快速消費品分部擁有逾15年銷售及營銷經驗。彼自2015年1月起擔任頤海上海的市場營銷總監。彼於2001年6月至2008年10月擔任天津頂津食品有限公司連鎖科科長。杜先生於2008年10月加入四川海底撈並先後擔任多個職務，包括於2008年10月至2009年8月擔任市場營銷經理、於2009年8月至2010年8月擔任銷售經理及於2010年9月至2011年6月擔任高級銷售經理。於2011年6月至2014年11月，杜先生擔任蜀海(北京)投資有限公司(四川海底撈的全資附屬公司)營運管理部副部長。杜先生於1996年7月於北京農學院完成畜牧業本科課程。

徐海先生，44歲，自2017年8月獲委任為大客戶總監；曾於2016年3月7日任本公司銷售總監，主要負責大客戶銷售及產品管理工作。徐先生於快速消費品分部擁有逾9年銷售及管理經驗。彼自2015年1月起擔任頤海上海的銷售總監。徐先生其後於2007年10月至2009年3月擔任北京百事可樂飲料有限公司的銷售總監。徐先生其後於2011年4月至2013年6月擔任天津大塚飲料有限公司的全國銷售總監。徐先生於2013年6月至2014年12月，擔任蜀海(北京)投資有限公司(四川海底撈的全資附屬公司)的銷售總監。徐先生於2009年7月取得東北大學工商管理碩士學位。



## Profiles of Directors and Senior Management 董事及高級管理層簡介

### INFORMATION OF NEWLY APPOINTED DIRECTOR

**Ms. Shu Ping (舒萍)**, aged 47, was appointed as an executive Director on 21 March 2018. She has been the director of Sichuan Haidilao Catering Corporation Ltd.\* (四川海底撈餐飲股份有限公司) since November 2014. She has been the non-executive director of Xinpai International Investment Limited\* (新派國際投資有限公司) (to be renamed as Haidilao International Holdings Limited\* (海底撈國際控股有限公司)) since July 2015. Ms. Shu has completed the EMBA (China) programme and the FMBA programme run jointly by Cheung Kong Graduate School of Business, London Business School, Columbia Business School, Graduate School of International Corporate Strategy of Hitotsubashi University, European School of Management and Technology, International Institute for Management Development in Switzerland in November 2015, and completed the EMBA programme run jointly by Shanghai Jiao Tong University and Nanyang Technological University in Singapore in July 2016.

### 新委任董事的資料

舒萍女士，47歲，自2018年3月21日起任本公司執行董事。舒女士由2014年11月至今擔任四川海底撈餐飲股份有限公司的董事。2015年7月起擔任新派國際投資有限公司(擬更名為海底撈國際控股有限公司)的非執行董事。舒女士於2015年11月完成長江商學院、倫敦商學院、哥倫比亞商學院、日本一橋大學國際企業戰略研究學院、歐洲管理和技術學院及瑞士國際管理發展學院聯合開設的高級管理人員中國企業工商管理碩士課程以及金融工商管理碩士課程，並於2016年7月完成上海交通大學與新加坡南洋理工大學合作舉辦的高級工商碩士管理課程。

## Corporate Governance Report 企業管治報告

The Board of the Company presents this corporate governance report in the Group's annual report for the year ended 31 December 2017.

### CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company has applied the principles as set out in the Corporate Governance Code and also the corporate governance report as contained in Appendix 14 to the Listing Rules.

The Corporate Governance Code sets out the principles of good corporate governance and two levels of corporate governance practices, as follows:

- (a) code provisions, which listed issuers are expected to comply with or to give considered reasons for deviation; and
- (b) recommended best practices for guidance only, which listed issuers are encouraged to comply with.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code.

The Company regularly reviews its compliance with corporate governance codes and the Company was in compliance with the code provisions of the Corporate Governance Code during the year ended 31 December 2017.

本公司董事會提呈本集團截至2017年12月31日止年度的年報內所載的本企業管治報告。

### 本公司的企業管治常規

本集團致力達致高水準的企業管治，務求保障股東權益及提高企業價值及問責性。

本公司已應用上市規則附錄十四所載企業管治守則的原則及企業管治報告。

企業管治守則訂明的良好企業管治原則及兩個層面的企業管治常規如下：

- (a) 守則條文，期望上市發行人遵守或就偏離行為提供審慎考慮的理由；及
- (b) 建議最佳常規，僅屬指引，鼓勵上市發行人遵守。

本公司的企業管治常規乃以企業管治守則所載原則及守則條文為依據。

本公司定期審閱遵守企業管治守則的情況且本公司於截至2017年12月31日止年度內已遵守企業管治守則的守則條文。

## A. THE BOARD

### 1. Responsibilities

The Board is responsible for the leadership and control of the Company and is responsible for promoting the success of the Company by directing and supervising its affairs. The Board also reviews the policies and practices on compliance with legal and regulatory requirements. The Board has established Board committees and has delegated to these Board committees' various responsibilities as set out in their respective terms of reference which are published on the websites of the Stock Exchange and the Company.

All of the Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted in the best interests of the Company and its Shareholders at all times.

### 2. Delegation of Management Function

The Board is responsible for making all major decisions of the Company including: the approval and monitoring of all major policies of the Group and overall strategies, internal control and risk management systems, notifiable and connected transactions, nomination of the Directors and joint company secretaries, and other significant financial and operational matters.

All of the Directors have full and timely access to all relevant information as well as the advice and services of the joint company secretaries, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions are periodically reviewed. Approval has to be obtained from the Board before any significant transaction is entered into.

## A. 董事會

### 1. 責任

董事會負責領導和控制本公司及負責統籌及監督本公司的事務進而促使本公司達致成功。董事會亦審閱遵守法律及法規規定方面的政策及常規。董事會下設董事委員會，並向該等董事委員會轉授其各自職權範圍載列的各項責任。該等董事會委員會各自的職權範圍刊載於聯交所及本公司網站。

全體董事已真誠地依據適用法律及規例的標準履行職責，並時刻為本公司及其股東的最佳利益行事。

### 2. 管理層職能授權

董事會負責制定本公司所有重大決策，包括：批准及監督本集團所有主要政策和整體策略、內部控制和風險管理系統、須予公佈的交易及關連交易、董事及聯席公司秘書的提名以及其他重要財務及營運事項。

全體董事均可全面及適時地獲取所有相關資料以及獲得聯席公司秘書的意見與服務，以確保董事會程序及所有適用規則及規例均獲遵從。各董事有權於適當情況下尋求獨立專業意見，有關開支由本公司承擔。

本公司的日常管理、行政及營運均已委派予高級管理層。其獲授權的職能會定期予以檢討。訂立任何重大交易前必須取得董事會批准。

### 3. Board Composition

The Board of the Company comprised the following Directors throughout 2017:

Executive Directors	Ms. Dang Chunxiang
	Mr. Sun Shengfeng
Non-executive Directors	Mr. Shi Yonghong ( <i>Chairman</i> )
	Mr. Zhang Yong
	Mr. Gou Yiqun
	Mr. Pan Di
Independent non-executive Directors	Mr. Yau Ka Chi
	Mr. Qian Mingxing
	Ms. Ye Shujun

The list of the Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

Save as disclosed in the Prospectus and in this annual report, to the best knowledge of the Company, there are no financial, business, family, or other material/relevant relationships among members of the Board.

During the period from the Listing Date to 31 December 2017, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise.

### 3. 董事會組成

在2017年本公司董事會由以下董事組成：

執行董事	黨春香女士
	孫勝峰先生
非執行董事	施永宏先生
	(主席)
	張勇先生
	苟軼群先生
	潘迪先生
獨立非執行董事	邱家賜先生
	錢明星先生
	葉蜀君女士

董事名單(按分類)亦根據上市規則於本公司不時公佈的所有公司通訊內予以披露。獨立非執行董事亦根據上市規則於所有公司通訊內明確列出。

除招股章程及本年報所披露者外，據本公司所知，董事會成員之間概無財務、業務、家庭或其他重大／相關關係。

於上市日期至2017年12月31日止期間內，董事會一直遵守上市規則有關規定，委任至少三名獨立非執行董事，佔董事會成員人數至少三分之一，以及其中至少一名獨立非執行董事須擁有適當專業資格或會計或相關財務管理專長。

The Company has received written annual confirmation from each independent non-executive Director of his or her independence pursuant to the requirements of the Listing Rules. The Company considers all the independent non-executive Directors to be independent in accordance with the independence requirements set out in the Listing Rules.

#### 4. Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association. The primary duties of the Nomination Committee include, but are not limited to, reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on matters relating to the appointment of the Directors.

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company pursuant to which each of them has agreed to act as an executive Director or a non-executive Director (as the case may be) for an initial term of three years from 7 March 2016 (subject to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing. Each of the independent non-executive Directors has signed a letter of appointment with the Company and has been appointed for a term of three years from 20 June 2016. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

In accordance with the Articles of Association, all of the Directors are subject to retirement by rotation at least once every three years and the Board has power from time to time and at any time to appoint any new Director to fill a causal vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

本公司已收到各獨立非執行董事根據上市規則的規定發出確認本身獨立性的年度確認函。本公司認為，根據上市規則所載的獨立性規定，所有獨立非執行董事均屬獨立人士。

#### 4. 董事的委任、重選及免職

董事的委任、重選及免職程序及過程已載於組織章程細則。提名委員會的主要職責包括但不限於審閱董事會架構、規模及組成、評估獨立非執行董事的獨立性及就有關委任董事的事宜向董事會提出建議。

執行董事及非執行董事各自與本公司訂立服務合約，據此，彼等分別同意擔任執行董事或非執行董事（視乎情況而定），任期自2016年3月7日起初步為期三年（可根據組織章程細則於需要時重選），直至根據服務合約的條款及條件終止或由其中一方向另一方發出不少於一個月的事先書面通知予以終止。各獨立非執行董事已與本公司簽立委任函並已獲委任，任期自2016年6月20日起為期三年。委任可由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

根據組織章程細則，全體董事須至少每三年輪值告退一次，而董事會有權不時及隨時委任任何新董事以填補臨時空缺或加入董事會。任何按上述方式獲委任的董事任期僅至本公司下屆股東週年大會，惟屆時可於股東週年大會上膺選連任。



## 5. Induction and Continuing Development for Directors

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his appointment, so as to ensure that he or she understands the business and operations of the Company and that he or she is fully aware of his or her responsibilities and obligations under the Listing Rules and other relevant regulatory requirements.

The Directors are continually provided with information relating to the developments in the legal and regulatory regime and the business and market environments to facilitate the execution of their responsibilities. Continuing briefings and professional development for the Directors were arranged by the Company and its professional advisers.

During the year ended 31 December 2017, each Director has attended training sessions arranged by the Company regarding the continuing obligations of listed companies and its directors, disclosure obligations of listed companies and update on the Listing Rules.

According to records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2017 is as follows:

Name of Director	Training*
Ms. Dang Chunxiang	√
Mr. Sun Shengfeng	√
Mr. Shi Yonghong	√
Mr. Zhang Yong	√
Mr. Gou Yiqun	√
Mr. Pan Di	√
Mr. Yau Ka Chi	√
Mr. Qian Mingxing	√
Ms. Ye Shujun	√

\* Each of the Directors has attended training sessions arranged by the Company on “Duties of Directors and Roles and Functions of the Board Committees”; “Risk Management and Internal Control: Environmental, Social and Governance Report”; “Corporate Governance: Role of Directors and the Company Secretary”; and “Directors and Substantial Shareholders Trading Securities and Related Matters”. On top of the above-mentioned trainings, each of the Directors has also read materials prepared by external professional advisers on “Main Regulations in Hong Kong and Regulatory Update”.

## 5. 董事的就任導引及持續發展

本公司於每名新委任董事首次獲委任時向其作出正式、全面及特設的就任導引，以確保其了解本公司的業務及運作，並完全知悉其於上市規則及其他有關監管規例下的職責及責任。

董事持續獲提供有關法律及規管制度以及業務及市場環境最新發展的資料，以協助彼等履行職責。本公司及其專業顧問已為董事安排持續性簡介及專業知識介紹。

截至2017年12月31日止年度，每名董事均已參加由本公司安排的培訓課程，該等課程內容有關上市公司及上市公司董事的持續性義務、上市公司的披露義務及上市規則的修訂。

根據董事提供的記錄，董事於截至2017年12月31日止年度獲得的培訓概要如下：

董事姓名	培訓*
黨春香女士	√
孫勝峰先生	√
施永宏先生	√
張勇先生	√
苟軼群先生	√
潘迪先生	√
邱家賜先生	√
錢明星先生	√
葉蜀君女士	√

\* 每名董事均已參加由本公司安排的培訓課程，該等課程內容有關「董事的職責及董事委員會的角色及職能」；「風險管理及內部監控：環境、社會及管治報告」；「企業管治：董事和公司秘書的角色」；及「董事及大股東買賣證券及相關事宜」。除上述培訓外，各董事亦已研讀由外部專業顧問就「香港主要規則及監管更新」提供的資料。

**6. Attendance Record of Board Meetings**

*a. Number of Meetings and Directors' Attendance*

Code provision A.1.1 of the Corporate Governance Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication.

The Board met six times during the year ended 31 December 2017 for reviewing and approving the audited annual results for the year ended 31 December 2016, unaudited interim results for the six months ended 30 June 2017, and forming a joint venture with a connected person, amendment to the annual caps of continuing connected transactions and others.

**6. 董事會會議出席記錄**

*a. 會議次數及董事出席率*

企業管治守則守則條文A.1.1條規定，每年至少召開四次定期董事會會議，至少每季度召開一次，且大多數董事須積極參與會議（無論親身或通過電子通信方式）。

於截至2017年12月31日止年度內，董事會已召開六次會議，以審閱及批准截至2016年12月31日止年度的經審核年度業績、截至2017年6月30日止六個月的未經審核中期業績及與關連方成立合資公司、持續關連交易年度上限修訂等。

## Corporate Governance Report

### 企業管治報告

The chairman of the Company held meeting with the non-executive Directors (including independent non-executive Directors) once during the year ended 31 December 2017 without the executive Directors present.

The Company held two general meetings on 31 May 2017 and 6 November 2017 respectively during the year ended 31 December 2017. All proposed Shareholders' resolutions put to the above general meetings were resolved by poll vote and were duly passed. The vote tally of each such resolution was set out in the Company's announcements released on the day of the general meetings.

The attendance records of each Director at the Board meetings and general meeting of the Company during the year ended 31 December 2017 are set out below:

於截至2017年12月31日止年度內，本公司主席曾與非執行董事(包括獨立非執行董事)進行一次會議，而執行董事未有出席是次會議。

於截至2017年12月31日止年度，本公司分別於2017年5月31日及2017年11月6日舉行兩次股東大會。於上述股東大會上提交的所有建議股東決議案已通過投票方式得以表決並獲得正式通過。各項決議案的表決情況載於本公司於股東大會當日發佈的公告。

於截至2017年12月31日止年度內，各董事出席董事會會議和本公司的股東大會的記錄載列如下：

Name of Director	董事姓名	Attendance/ Number of Board Meetings	Attendance/ Number of General Meetings
		出席次數／ 董事會會議次數	出席次數／ 股東大會次數
Ms. Dang Chunxiang	黨春香女士	6/6	2/2
Mr. Sun Shengfeng	孫勝峰先生	6/6	2/2
Mr. Shi Yonghong	施永宏先生	6/6	1/2
Mr. Zhang Yong	張勇先生	6/6	1/2
Mr. Gou Yiqun	苟軼群先生	6/6	1/2
Mr. Pan Di	潘迪先生	6/6	2/2
Mr. Yau Ka Chi	邱家賜先生	6/6	2/2
Mr. Qian Mingxing	錢明星先生	6/6	2/2
Ms. Ye Shujun	葉蜀君女士	6/6	2/2

The Company has not held any other general meetings during the year ended 31 December 2017.

於截至2017年12月31日止年度內，本公司並無舉行任何其他股東大會。

*b. Practices and Conduct of Meetings*

Annual meeting schedules and draft agenda of each meeting are made available to the Directors in advance.

Notices of regular Board meetings are served to all of the Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notices were generally given.

Board papers together with all appropriate, complete and reliable information were sent to all of the Directors at least three days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

Each Director also had separate and independent access to the senior management of the Company whenever necessary.

*b. 會議常規及指引*

年度會議時間表及每次會議的草擬議程會事先向董事提供。

定期董事會會議通知均至少提前14日送交所有董事。就其他董事會及委員會會議而言，在一般情況下將給予合理通知。

董事會會議材料連同所有適當、完整及可靠資料於每次董事會會議或委員會會議前至少提前三日寄發予所有董事，以便董事了解本公司最新發展動態及財務狀況及使董事在知情情況下作出決定。

於需要時，各董事亦可單獨及獨立地聯絡本公司高級管理層。

The senior management of the Company attend all regular Board meetings and where necessary, other Board and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

The joint company secretaries are responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

The Articles of Association contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

本公司高級管理層出席所有定期董事會會議並於需要時出席其他董事會及委員會會議，以就本公司業務發展、財務及會計事項、法律及法規合規事宜、企業管治及其他重大事項提供意見。

聯席公司秘書負責記錄所有董事會會議及委員會會議，並保存有關記錄。記錄草稿一般於每次會議後的合理時間內交予董事傳閱以便其提出意見，定稿可供董事隨時查閱。

組織章程細則載有規定，要求有關董事於批准彼等或其任何聯繫人士擁有重大利益的交易時放棄投票且不計入會議法定人數。

## **B. CHAIRMAN AND CHIEF EXECUTIVE**

Code provision A.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Shi Yonghong has been appointed as the chairman of the Company since 14 November 2017 and is responsible for formulating the Group's corporate and business strategies and participating in making decisions for the Group's strategic marketing projects and other major decisions. Prior to that, Mr. Gou Yiqun was the chairman of the Company.

Ms. Dang Chunxiang is the chief executive officer of the Company and is responsible for the overall management of the Group, implementation of the decisions of the Board.

## **B. 主席及行政總裁**

企業管治守則守則條文A.2.1條訂明，主席及行政總裁的職位應予區分，並不應由同一人兼任。

施永宏先生自2017年11月14日起獲委任為本公司董事長，負責制定本集團的企業及業務策略以及參與作出本集團的策略行銷計劃決策及其他重要決策。此前，苟軼群先生為本公司董事長。

黨春香女士為本公司的首席執行官，負責本集團的整體管理、執行董事會的決定。



To facilitate discussion of all key and appropriate issues by the Board in a timely manner, the chairman of the Company coordinates with the senior management of the Company to provide adequate, complete and reliable information to all of the Directors for consideration and review.

## C. BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee, and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All of these three committees are established with defined written terms of reference which are available at the websites of the Stock Exchange and the Company.

The majority of the members of the Audit Committee, the Remuneration Committee, and the Nomination Committee are independent non-executive Directors.

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

### 1. Audit Committee

We have established the Audit Committee with terms of reference in compliance with Rule 3.21 of the Listing Rules as well as paragraphs C.3 and D.3 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely, the independent non-executive Directors Mr. Yau Ka Chi and Ms. Ye Shujun, and the non-executive Director Mr. Shi Yonghong. The chairman of the Audit Committee is Mr. Yau Ka Chi, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

為方便董事會及時討論所有重要及合適的事項，本公司董事會主席與本公司高級管理層合作，向全體董事提供充足、完整及可靠的資料以供考慮和審閱。

## C. 董事委員會

董事會已成立三個委員會，即審計委員會、薪酬委員會及提名委員會，以監察本公司特定事務。三個委員會均訂有明確書面職權範圍，且該等職權範圍於聯交所及本公司網站上可供查閱。

審計委員會、薪酬委員會及提名委員會的成員大多數為獨立非執行董事。

董事委員會擁有充足資源履行彼等職責，並可於提出合理要求時在適當情況下尋求獨立專業意見，費用由本公司承擔。

### 1. 審計委員會

我們已按照上市規則第3.21條及企業管治守則第C.3及D.3段成立具職權範圍的審計委員會。審計委員會由三名董事組成，即獨立非執行董事邱家賜先生及葉蜀君女士以及非執行董事施永宏先生。審計委員會的主席為邱家賜先生，其持有上市規則第3.10(2)及3.21條項下規定的適當專業資格。

The Audit Committee meets at least twice a year. The primary duties of the Audit Committee include, but are not limited to, assisting the Board by (i) reviewing and monitoring the relationship of the external auditor and the Group, particularly the independence and objectivity and effectiveness of the external auditor; (ii) providing an independent view of the effectiveness of the financial reporting process, internal control, compliance and risk management systems of the Group; (iii) overseeing the audit process and performing other duties and responsibilities as assigned by the Board; (iv) developing and reviewing the Company's policies and practices on corporate governance, compliance with legal and regulatory requirements and requirements under the Listing Rules; (v) reviewing the financial information of the Company and ensuring compliance with accounting standards and reviewing significant adjustments resulting from audit; and (vi) developing, reviewing and monitoring the code of conduct applicable to the Company's employees and Directors.

The Audit Committee held three meetings during the year ended 31 December 2017 and its main work involved the following:

- reviewing the audited annual results and financial report for the year ended 31 December 2016;
- reviewing the unaudited interim results and financial report for the six months ended 30 June 2017;
- reviewing the financial reporting and the compliance procedures;
- reviewing the policies and practices on corporate governance;
- reviewing the compliance with the Corporate Governance Code and the disclosure requirements in the corporate governance report as contained in Appendix 14 to the Listing Rules;

審計委員會每年進行至少兩次會議。審計委員會的主要職責包括(但不限於)在以下方面協助董事會：(i)檢討及監控外聘核數師與本集團之間的關係，尤其是外聘核數師的獨立性、客觀性及有效性；(ii)就本集團的財務報告過程、內部控制、合規及風險管理制度的有效性提供獨立意見；(iii)監察審核過程以及履行董事會指派的其他職務與職責；(iv)制訂及檢討本公司的企業管治政策及常規，以及法律和法規要求及上市規則要求的合規情況；(v)審閱本公司財務資料，確保遵守會計標準及檢討因核數而出現的重大調整；及(vi)制訂、檢討及監控適用於本公司僱員及董事的行為守則。

於截至2017年12月31日止年度內，審計委員會已舉行三次會議，其主要工作涉及以下各項：

- 審閱截至2016年12月31日止年度的經審核年度業績及財務報告；
- 審閱截至2017年6月30日止六個月的未經審核中期業績及財務報告；
- 審閱財務申報及合規程序；
- 審閱企業管治政策及常規；
- 審閱遵守上市規則附錄十四所載企業管治守則及企業管治報告的披露規定；

- reviewing the code of conduct and the compliance manuals for employees and the Directors, the financial, operational and compliance monitoring;
- reviewing the risk management and internal control systems;
- reviewing the internal audit work of the risk management and internal audit department; and
- reviewing the work of the external auditor.

The Audit Committee had met with the auditor of the Company in the absence of management of the Company once in relation to the provision of audit service to the Company for the year ended 31 December 2017.

The attendance records of the Audit Committee Meetings are set out below:

- 審閱僱員及董事操守準則及合規手冊、財務、運作及合規監控；
- 審閱風險管理及內部控制系統；
- 審閱風控審計審計部的內部審計工作；及
- 審閱外聘核數師的工作。

截至2017年12月31日止年度，審計委員會曾與本公司核數師進行一次有關為本公司提供核數服務的會議，而本公司管理層未有出席是次會議。

審計委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／ 會議次數
Mr. Yau Ka Chi	邱家賜先生	3/3
Mr. Shi Yonghong	施永宏先生	3/3
Ms. Ye Shujun	葉蜀君女士	3/3

The Company's annual results for the year ended 31 December 2017 have been reviewed by the Audit Committee on 19 March 2018. The Audit Committee considers that the annual financial results for the year ended 31 December 2017 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

本公司截至2017年12月31日止年度的年度業績已由審計委員會於2018年3月19日審閱。審計委員會認為截至2017年12月31日止年度的年度財務業績符合有關會計標準、規則及規定，並已正式作出適當披露。

## 2. Remuneration Committee

The Company has established the Remuneration Committee with terms of reference in compliance with paragraph B.1 of the Corporate Governance Code. The Remuneration Committee consists of three Directors, namely, the independent non-executive Directors Ms. Ye Shujun and Mr. Qian Mingxing, and the non-executive Director Mr. Gou Yiqun. Ms. Ye Shujun serves as the chairman of the Remuneration Committee.

The Remuneration Committee meets at least once a year. The primary duties of the Remuneration Committee include, but are not limited to, the following: (i) making recommendations to the Board on the Company's policy and structure for remuneration of all the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) reviewing and approving senior management's remuneration proposals with reference to the Board corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of individual Directors and senior management.

The Remuneration Committee held one meeting during the year ended 31 December 2017 to review the remuneration policy and structure of the Company, and consider and make recommendation to the Board on the remuneration packages of the Directors and the senior management of the Company.

The attendance records of the Remuneration Committee Meetings are set out below:

Name of Committee Member	委員會成員姓名
Ms. Ye Shujun	葉蜀君女士
Mr. Gou Yiqun	苟軼群先生
Mr. Qian Mingxing	錢明星先生

Details of the Directors' remuneration are set out in note 35 to the Financial Statements. In addition, the remuneration payable to the senior management of the Company (who are not the Directors) by band for the year ended 31 December 2017 are set out in the section headed "Corporate Governance Report-D. Remuneration of Senior Management" of this annual report.

## 2. 薪酬委員會

本公司已按照企業管治守則第B.1段成立具職權範圍的薪酬委員會。薪酬委員會由三名董事組成，即獨立非執行董事葉蜀君女士及錢明星先生以及非執行董事苟軼群先生。葉蜀君女士擔任薪酬委員會的主席。

薪酬委員會每年進行至少一次會議。薪酬委員會的主要職責包括(但不限於)下列各項：(i)就全體董事及高級管理層的薪酬政策及架構以及就制定薪酬政策的正規及透明度程序向董事會提出建議；(ii)因應董事會所訂立的企業方針目標檢討及批准高級管理層的薪酬建議；及(iii)就個別董事及高級管理層的薪酬待遇向董事會提出建議。

於截至2017年12月31日止年度內，薪酬委員會已舉行一次會議，以檢討本公司的薪酬政策及架構，以及考慮本公司董事及高級管理層的薪酬待遇並就此向董事會提出建議。

薪酬委員會會議的出席記錄載列如下：

Attendance/  
Number of  
Meeting(s)  
出席次數/  
會議次數

董事酬金詳情載列於財務報表附註35。此外，應付本公司高級管理層(無兼任董事)於截至2017年12月31日止年度的薪酬按等級載列於本年報中「企業管治報告-D. 高級管理層的薪酬」一節。

### 3. Nomination Committee

The Company has established the Nomination Committee with terms of reference in compliance with paragraph A.5 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely, the non-executive Director Mr. Shi Yonghong, and the independent non-executive Directors Ms. Ye Shujun and Mr. Qian Mingxing. Mr. Shi Yonghong serves as the chairman of the Nomination Committee. Mr. Gou Yiqun has stepped down as chairman of the Nomination Committee and Mr. Shi Yonghong has been appointed as chairman of the Nomination Committee on 14 November 2017.

The Nomination Committee meets at least once a year. The primary duties of the Nomination Committee include, but are not limited to, (i) reviewing the structure, size and composition of the Board, (ii) assessing the independence of the independent non-executive Directors and (iii) making recommendations to the Board on matters relating to the appointment of Directors.

The Nomination Committee held two meetings during the year ended 31 December 2017 to review the structure, size, composition and diversity (including the skills, knowledge, experience, gender, age, cultural and educational background, ethnicity, professional experience and length of service) of the Board to ensure that the Board has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company, to review the training and continuous professional development of the Directors and senior management, and to assess the independence of the independent non-executive Directors.

### 3. 提名委員會

本公司已按照企業管治守則第A.5段成立具職權範圍的提名委員會。提名委員會由三名董事組成，即非執行董事施永宏先生以及獨立非執行董事葉蜀君女士及錢明星先生。施永宏先生擔任提名委員會的主席。於2017年11月14日，苟軼群先生辭任提名委員會主席，而施永宏先生獲委任為提名委員會主席。

提名委員會每年進行至少一次會議。提名委員會的主要職責包括(但不限於)(i)審閱董事會架構、規模及組成；(ii)評估獨立非執行董事的獨立性；及(iii)就有關委任董事的事宜向董事會提出建議。

於截至2017年12月31日止年度內，提名委員會已召開兩次會議，以檢討董事會的架構、規模、組成及成員多元化(包括技能、知識、經驗、性別、年齡、文化及教育背景、種族、專業經驗及服務任期方面)，從而確保董事會成員在專業知識、技能及經驗各方面均衡，以配合本公司業務所需，審閱董事及高級管理人員的培訓及持續專業發展，並評核獨立非執行董事的獨立性。



## Corporate Governance Report

### 企業管治報告

The attendance records of the Nomination Committee Meetings are set out below:

提名委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s)
		出席次數／ 會議次數
Mr. Gou Yiqun	苟軼群先生	2/2
Ms. Ye Shujun	葉蜀君女士	2/2
Mr. Qian Mingxing	錢明星先生	2/2

Where vacancies on the Board arise, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations.

倘董事會出現空缺，提名委員會將參照提名人選的技能、經驗、專業知識、個人誠信及時間付出，本公司的需要及其他相關法定規定及規例，啟動甄選程序。

Prior to the Listing Date, the composition and diversity of the Board were considered by adopting the Board Diversity Policy including the necessary balance of skills and experience appropriate for the requirements of the business development of the Company and for effective leadership. All the executive and non-executive Directors possess extensive and diversified experience in management and broad industrial experience. The three Independent Non-executive Directors possess professional knowledge in management, finance, accountancy and legal, respectively with broad and extensive experience in business advisory and management, respectively. A summary of the Board Diversity Policy is set out below:

**Purpose:**

The Board Diversity Policy aims to set out the approach to achieve diversity of the Board and enable the Board to comply with the Corporate Governance Code.

**Board Diversity  
Policy statement:**

The Company considers increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

於上市日期前，通過採納董事會成員多元化政策，我們已考慮董事會之組成及多元化，包括本公司業務發展要求及有效領導所適用技能與經驗的必要平衡。全體執行及非執行董事均擁有豐富及多元化的管理經驗以及廣泛行業經驗。三名獨立非執行董事分別具備管理、財務、會計及法律專業知識，並分別在商務諮詢及管理方面擁有廣泛而豐富的經驗。董事會成員多元化政策的概要載列如下：

**目的：**

董事會成員多元化政策旨在訂明實現董事會成員多元化的方法，及使董事會符合企業管治守則。

**董事會成員多元化  
政策聲明：**

本公司視董事會層面的日益多元化為支持其達到策略目標及可持續發展的必要元素。於設計董事會之組成時，本公司已從多方面（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期）考慮董事會成員多元化。所有董事會成員之任命將按精英制度而定，而候選人將按照目標準則，並適當顧及董事會成員多元化的裨益予以考慮。

**Measurable Objectives:**

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

In reviewing the structure, size, composition and diversity of the Board, the Nomination Committee has taken into account the measurable objectives as set out in the Board Diversity Policy. The Nomination Committee is of the view that the diversity level of the Board is appropriate in terms of knowledge, experience and skills of the directors. However, the Nomination Committee will continue to observe the Board Diversity Policy and consider potential candidates against the objective criteria set out in the Board Diversity Policy in order to achieve increasing diversity at the Board level.

**可計量目標：**

候選人的篩選將基於多個方面(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)。最終決定將基於獲選的候選人可為董事會帶來的價值及貢獻而定。

於檢討董事會的架構、人數、組成及多元化時，提名委員會已考慮董事會成員多元化政策所載的可計量目標。提名委員會認為，董事會成員的多元化水平就董事的知識、經驗及技能而言乃屬合適。然而，提名委員會將繼續遵守董事會成員多元化政策及按董事會成員多元化政策所載的目標準則考慮潛在候選人，以令董事會成員日益多元化。

#### D. REMUNERATION OF SENIOR MANAGEMENT

The remuneration payable to the senior management of the Company (who are not the Directors) is shown in the following table by band:

(RMB) (人民幣)	2017 2017 年 (members of senior management of the Company) (本公司高級 管理層成員)	2016 2016 年 (members of senior management of the Company) (本公司高級 管理層成員)
1-1,000,000	2	2

#### E. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended 31 December 2017.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company during the year ended 31 December 2017.

#### D. 高級管理層的薪酬

應付本公司高級管理層(無兼任董事)的薪酬按等級如下圖列示：

2017 2017 年 (members of senior management of the Company) (本公司高級 管理層成員)	2016 2016 年 (members of senior management of the Company) (本公司高級 管理層成員)
2	2

#### E. 證券交易的標準守則

本公司已採納標準守則。本公司已向所有董事作出具體查詢，而董事均已確認彼等已於截至2017年12月31日止年度內一直遵守標準守則。

可能掌握本公司內幕消息的本公司僱員亦已遵守證券交易的標準守則。截至2017年12月31日止年度，本公司並無注意到出現本公司僱員不遵守標準守則的事件。

**F. DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING**

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2017.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management of the Company has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company in order to put forward such information to the Board for approval.

**G. EXTERNAL AUDITOR AND AUDITOR REMUNERATION**

Pursuant to the resolution of the 2017 Shareholders' general meeting, PricewaterhouseCoopers was re-appointed by the Company as the auditor of financial statements prepared under International Financial Reporting Standards.

The statement of the external auditor of the Company about their reporting responsibilities for the financial statements is set out under the section headed "Independent Auditor's Report" in this annual report.

The external auditor of the Company will be invited to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report and auditor's independence.

During the year ended 31 December 2017, the remuneration paid/payable to the external auditor of the Company for the provision of audit services for the year ended 31 December 2017 amounted to RMB2.1 million.

**F. 董事進行財務申報的責任**

董事確認彼等編製本公司截至2017年12月31日止年度財務報表的責任。

董事會負責對年度及中期報告、內幕消息公佈及按上市規則及其他監管要求規定的其他財務披露作出平衡、清晰而可理解的評估。

本公司高級管理層已在需要時向董事會提供該等解釋及資料，以便董事會對本公司財務資料及狀況作出知情評估，以提呈該等資料予董事會批准。

**G. 外聘核數師及核數師酬金**

根據2017年的股東大會決議案，本公司已重新委聘羅兵咸永道會計師事務所作為根據國際財務報告準則編製財務報表的核數師。

本公司外聘核數師就財務報表的申報責任作出的聲明載於本年報「獨立核數師報告」一節。

本公司將邀請外聘核數師出席股東週年大會，回答有關審核工作、核數師報告的編製及內容以及核數師的獨立性等問題。

截至2017年12月31日止年度，本公司就截至2017年12月31日止年度獲提供的審核服務向本公司外聘核數師支付／應支付的酬金為人民幣2.1百萬元。



During the year ended 31 December 2017, the remuneration paid/payable to the external auditor of the Company in respect of non-audit services for the year ended 31 December 2017 amounted to RMB0.3 million. The nature of such non-audit services is to provide advisory services.

於截至2017年12月31日止年度內，就截至2017年12月31日止年度的非審核服務向本公司外聘核數師支付／應支付的酬金為人民幣0.3百萬元。該等非審核服務的性質為諮詢服務。

## H. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of Directors is responsible for the establishment and maintenance of sound and effective risk management and internal control systems that are in line with the strategic objective of the Group. The Group established risk management and internal control systems to protect the interests of the Group and shareholders, ensure the Group is in compliance with relevant laws and regulations, effectively identify and manage significant risks in achieving its strategic objectives, protect the safety of the Group's assets, and ensure the maintenance of proper compliance accounting records and financial reports.

The Board of Directors is responsible for evaluating the nature and extent of the risks the Group is willing to take in achieving strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems as well as overseeing management of the Group in the design, implementation and monitoring of the risk management and internal control systems.

The Board periodically receives (at least once a year) reports from the Group's management regarding financial, operational and compliance controls, as well as the establishment, review and assessment of the internal control and risk management functions of the Group. All significant risks are reported to the Board. The Board will also evaluate the corresponding risks and the response plan. The Group would review, among other things, adequacy of resources, staff's qualifications and experience, training programs and budget of our accounting, internal control and financial reporting functions.

## H. 風險管理及內部控制

公司董事會負責建立和維持與集團戰略目標相匹配的、健全有效的風險管理及內部監控系統。本集團建立風險管理及內部監控系統，旨在保障集團和股東利益，確保集團遵守相關法律法規，有效識別和管理影響公司戰略目標實現的重大風險，保護集團資產的安全，保證恰當合規的會計記錄和財務報告。

公司董事會負責評估本集團達成戰略目標時所願意接納的風險性質及程度，並確保集團設立及維持合適及有效的風險管理及內部監控系統，同時，負責監督集團管理層對風險管理及內部監控系統的維護、實施與監察。

公司董事會定期(至少每年一次)收到本集團管理層關於集團的財務、運作及合規監控，以及內部監控及風險管理建立、審閱及評估的報告。所有重大的風險均會向董事會匯報。董事會亦對相應風險和應對計劃做出評估。本集團會審核其在會計、內部監控及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及有關預算是否充足。

The Group's management is authorized by the Board to be in charge with the organization and implementation of the risk management and internal control of the Group and be responsible for establishing the risk management and internal control systems, standardizing the organization, authorization, responsibilities, procedures and methods of the risk management and internal control systems and also responsible for ongoing monitoring of the risk management and internal control systems of the Group, and makes periodic reports to the Board regarding the status of the risk management and internal control systems of the Group.

The risk management and internal audit department of the Group assists the Board and the Audit Committee in their analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The risk management and internal audit department adopts an audit approach based on risk and control. The annual work plan of the risk management and internal audit department covers the major activities and processes of the Group's operations, businesses and service units. Special reviews are also performed at the management's request. The results of these audit activities are communicated to the Audit Committee. The risk management and internal audit department provides independent assurance to the Board, the Audit Committee and the management of the Company as to whether the Group's internal controls are adequate and effective.

With respect to risk management, the Group has chosen and adopted the risk management framework issued by COSO in the United States of America ("COSO"), established a risk management system covering design, implementation, monitoring, assessment and continuous improvement based on the ISO 31000:2009 "Risk Management – Principles and Guidelines". The Group's management established the overall targets and policies of the risk management system which are in line with the strategic objectives, and identified, analysed and assessed the overall risk of the Company, especially the risks in making major decisions, important events and key business processes. The Group's management is also responsible for reviewing and approving the response plans to major risks, as well as following-up and periodically reviewing the implementation of such response plans of risks identified, in order to make sure that sufficient attention, monitor and responses will be paid to all key risks of the Company. The risk management reports are submitted to the Board periodically.

集團管理層被董事會授權，負責集團風險管理工作和內部監控的組織和實施，負責制定風險管理及內部監控制度，規範集團實施風險管理及內部監控的組織機構、授權、責任、流程和方法，負責持續監督集團風險管理及內部監控的工作，並定期向審計委員會並由其向董事會報告集團風險管理和內控建設情況。

集團風控審計部協助董事會及審計委員會，對集團的風險管理與內部監控系統是否足夠以及其有效性進行分析及獨立評估。風控審計部採用以風險及控制為本的審核方法。風控審計部的全年工作計劃，涵蓋本集團營運、業務及服務單位各項主要工作及過程，並按照管理層的要求進行特別檢討，而審核工作的結果會交予審計委員會。風控審計部就本集團內部監控是否足夠及有效向董事會、審計委員會及本公司管理層提供獨立保證。

在風險管理方面，本集團選用美國COSO委員會制定的企業風險管理框架，並以ISO 31000:2009標準《風險管理－原則與指南》作為重要參考，形成一套設計、實施、監控、評審和持續改進的風險管理體系。本集團管理層根據戰略制定風險管理總體目標和策略，識別、分析及評估本公司綜合風險，重點是重大決策、重大事件和重要業務流程方面，亦負責審查和批准對重大風險的應對方案，同時跟蹤與定期回顧已識別風險的應對方案實施情況，以確保公司各類重大風險能得到足夠的關注、監控與應對。風險管理報告定期向董事會呈交。

With respect to internal control, the Group has chosen and adopted the internal control framework issued by COSO, established an internal control system and mechanism over financial, operational and compliance controls and has conducted continuing review and evaluation of the internal control system of the Group to ensure the timeliness, accuracy and completeness of all information reported.

- The management has evaluated the design and operating effectiveness of its internal control regarding the financial report as of 31 December 2017, and did not identify any material weakness as a result of the evaluation, and were not aware of any areas of concern that would have a material impact on the Company's financial position or results of operations, and considered the risk management and internal control systems to be generally adequate and effective, including with respect to the adequacy of resources, staff qualifications and experience, training programs and budget of the accounting, internal audit and financial reporting functions. On the basis of such evaluation, the Board considers that as of 31 December 2017, internal control of the Group in relation to financial reporting was effective.
- At the same time, the Group has established a mechanism for remediating internal control deficiency under which the person in charge of each unit is assigned with clear responsibilities relating to remediating internal control deficiency of the unit.
- The Group has formulated an inside information policy and regularly reminds its Directors and employees to comply with all inside information policies.
- The Group established an open channel to handle and discuss internal and external whistle-blowing regarding financial, internal control and fraud, to ensure that every accusation receives sufficient attention. Significant internal control deficiencies or accusations will be reported directly to the Audit Committee.

The risk management and internal control systems of the Group are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

For details of the nature and extent of the principal risks faced by the Group, please refer to the section headed "e. Principal Risk and Uncertainties" in the Directors' Report of this annual report.

在內部監控方面，本集團選用美國COSO委員會制定的內部監控框架，建立有關財務監控、營運監控和合規監控的內部監控系統及機制，對本集團的內部監控進行持續審視與評估，以確保各項報告信息的及時、準確和完整。

- 管理層已經對本公司截至二零一七年十二月三十一日財務報告內部監控的設計和運行有效性進行了評估，通過評估未發現任何實質性漏洞，未發現任何將對公司的財務狀況或經營業績造成重大影響而需多加關注的事項，亦認為風險管理及內部監控系統整體而言充足並具成效，包括具備充足資源、適當的員工資歷及經驗和員工培訓課程，並在會計、內部審計及財務匯報職能方面有足夠的預算。在此評估基礎上，董事會認為截至二零一七年十二月三十一日，本集團與財務報告相關的內部監控是有效的。
- 同時，本集團建立了一套內部監控缺陷整改機制，各單位的負責人對本單位的內部監控缺陷負有明確的整改責任。
- 本集團已制定了內幕消息政策，並定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。
- 本集團設立了公開的渠道以處理及討論關於財務、內部監控和舞弊等方面的內部和外部舉報，以確保各項舉報得到足夠的關注，重大內部監控缺陷或舉報可直達審計委員會。

本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

有關本集團面對主要風險的性質及程度，請參閱本年報董事會報告「e. 主要風險及不確定性」。

**I. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS**

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable the Shareholders and investors to make the best investment decisions.

The general meetings of the Company are expected to provide a forum for communication between the Board and the Shareholders. The chairman of the Board as well as chairmen of the Audit Committee, the Remuneration Committee, and the Nomination Committee and, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, will be available to answer questions at the general meetings. The chairman of a meeting will provide the detailed procedures for conducting a poll and answer any questions from the Shareholders on voting by poll.

To promote effective communication, the Company maintains a website at [www.yihchina.com](http://www.yihchina.com), where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

**J. AMENDMENTS OF THE ARTICLES OF ASSOCIATION**

For the year ended 31 December 2017, no change had been made to the articles of association of the Company.

**I. 與股東及投資者的溝通**

本公司認為，與股東有效溝通對於促進投資者關係及投資者了解本集團業務表現及策略至關重要。本公司亦認識到公司資料的透明度以及及時披露公司資料以便股東及投資者能夠作出最佳投資決定的重要性。

本公司股東大會有望為董事會及股東提供溝通平台。董事會主席以及審計委員會、薪酬委員會及提名委員會主席(如彼等未能出席，則有關委員會其他成員)及(如適用)獨立董事委員會主席將會出席股東大會，並回答提問。會議主席將提供進行投票的詳細程序及就投票表決回答股東的任何提問。

為促進有效溝通，本公司設有網站 [www.yihchina.com](http://www.yihchina.com)，該網站載有本公司業務發展及營運的資料及最新情況、財務資料、企業管治常規及其他資料，以供公眾人士查閱。

**J. 修訂組織章程細則**

截至2017年12月31日止年度，並無就本公司的組織章程細則作出變更。



## K. SHAREHOLDERS' RIGHTS

To safeguard the Shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the re-election of individual Directors. Meanwhile, the procedures for the Shareholders to (i) convene an extraordinary general meeting; (ii) direct their enquiries to the Board; and (iii) put forward proposals at general meetings are available.

In accordance with Article 13.5 of the Articles of Association, all resolutions put forward at a general meeting will be taken by poll save that the chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

In addition, the poll results will be posted on the websites of the Company and the Stock Exchange after the relevant general meeting.

### 1. Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 12.3 of the Articles of Association, any two or more Shareholders or any one Shareholder which is a recognised clearing house (or its nominee(s)) (the "Requisitionist(s)") holding at the date of deposit of the requisition (deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists) not less than one-tenth of the paid-up capital of the Company and carrying the right of voting at general meetings of the Company shall at all times have the right, on written requisition, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

## K. 股東權利

為保障股東權益及權利，各重大事宜(包括重選個別董事)以獨立決議案形式於股東大會上提呈，而且股東可根據有關程序提出(i)召開股東特別大會；(ii)向董事會查詢；及(iii)在股東大會上提呈議案。

根據組織章程細則第13.5條，所有在股東大會上提呈的決議案均將以投票方式表決，惟主席秉誠決定容許如上市規則所規定純粹關於程序或行政事宜之決議案以舉手方式表決則除外。

此外，投票表決結果將於相關股東大會後登載於本公司及聯交所網站上。

### 1. 股東召開股東特別大會

根據組織章程細則第12.3條，任何兩名或以上股東或為獲認可結算所(或其代名人)的任何一名股東(「請求人士」)於遞呈請求(遞呈本公司於香港的主要辦事處，或倘本公司不再設有該主要辦事處，則遞呈註冊辦事處，當中列明會議事項並由請求人士簽署)當日持有不少於本公司有權於本公司股東大會上投票的繳足股本十分之一，則於任何時候均有權提呈書面請求，要求董事會就該請求所指定的任何事務交易召開股東特別大會。



If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the Requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

According to Article 12.4 of the Articles of Association, any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors of the Company and to all the Shareholders other than those who, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

## **2. Putting Forward Proposals at General Meetings**

There is no single provision in the Articles of Association or the Cayman Islands Companies Law for the Shareholders to put forward proposals at general meetings. The Shareholders who wish to propose a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

倘自遞呈請求日期起21日內董事會未有恰當地召開須於另外21日內舉行的大會，則請求人士或任何請求人士持有當中請求人士總投票權的過半數，則可以以董事會召開股東大會同等方式盡快召開股東大會，惟該有關大會必須由遞呈請求日期起計三個月內舉行，及因董事會的不合作而令請求人士所有產生的合理開支可向本公司報銷。

根據組織章程細則第12.4條，召開任何股東特別大會須發出不少於14日的書面通知。根據上市規則的規定，通知期不包括送達日期或視為送達日期及所通知日期，並須註明舉行會議的時間、地點及議程以及將於會議上討論的決議案詳情及該事項的一般性質。為通過特別決議案而召開大會的通告須註明擬提呈的決議案為特別決議案的目的。各股東大會通告須交予本公司核數師及全體股東，惟按照組織章程細則條文或所持有股份的發行條款的規定無權從本公司收取通告者除外。

## **2. 在股東大會上提呈議案**

組織章程細則或開曼群島公司法對於股東在股東大會上提呈決議案並無單一規定。有意願提呈決議案的股東可按照上段所載程序請求本公司召開股東大會。

### 3. Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, the Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries, concerns or requests to the Company at 18/F, Tesbury Centre 28 Queen's Road East, Wanchai, Hong Kong.

For the avoidance of doubt, the Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. The information of the Shareholders may be disclosed as required by law.

### 3. 向董事會作出查詢

向本公司董事會提出任何查詢時，股東可向本公司發出書面查詢。本公司通常不會處理口頭或匿名查詢。

股東可向本公司發出其查詢、關注或請求，地址為香港灣仔皇后大道東28號金鐘匯中心18樓。

為免生疑問，股東須寄發正式簽署的書面要求、通知或聲明或查詢（視情況而定）的正本到上述地址，並提供彼等全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

## L. USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering amounted to approximately HK\$720.2 million.

As at 31 December 2017, the Company cumulatively used 10.56% of the proceeds from the global offering for (1) constructing Phase I of the Company's Bazhou Production Base located in Bazhou, Hebei Province; (2) potential strategic acquisition opportunities; (3) promoting the Company's products and brand; (4) enhancing our research and development capabilities; and (5) working capital and general corporate purposes.

## L. 全球發售所得款項用途

全球發售所得款項淨額約為720.2百萬港元。

截至2017年12月31日，本公司就以下目的累計使用全球發售所得款項的10.56%：(1)建設本公司位於河北省霸州的霸州生產基地一期；(2)潛在的策略性收購機會；(3)推廣本公司的產品和品牌；(4)提高我們的研發實力；及(5)營運資金及一般企業用途。

**M. JOINT COMPANY SECRETARIES**

Mr. Wong Yat Tung (“**Mr. Wong**”) of SW Corporate Services Group Limited, external service provider, and Mr. Sun Shengfeng (“**Mr. Sun**”), the executive Director and chief financial officer of the Company, have been engaged by the Company as joint company secretaries effective on 12 March 2016. Mr. Sun has been engaged by the Company as one of the authorized representatives.

During the year ended 31 December 2017, Mr. Wong and Mr. Sun have undertaken over 15 hours of professional training to update their skill and knowledge.

**N. PRIMARY CORPORATE CONTACT PERSON**

Mr. Sun Shengfeng, the executive Director and chief financial officer, is the primary corporate contact person of the joint company secretary, Mr. Wong.

**O. GOING CONCERN**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to the Shareholders through the optimization of the debt and equity balance.

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company’s liability to continue as a going concern.

**M. 聯席公司秘書**

外部服務供應商信永方圓企業服務集團有限公司的黃日東先生(「黃先生」)及本公司執行董事兼財務總監孫勝峰先生(「孫先生」)已獲委任為本公司聯席公司秘書，此委任於2016年3月12日生效。孫先生獲本公司委任為授權代表之一。

於截至2017年12月31日止年度內，黃先生及孫先生已參加15小時以上的相關專業培訓，以提高技能及知識。

**N. 公司主要聯絡人**

孫勝峰先生(執行董事兼財務總監)為聯席公司秘書黃先生的公司主要聯絡人。

**O. 持續經營能力**

本集團會對資本進行管理，以確保本集團旗下公司能夠持續經營，同時透過優化債務與資本間的平衡最大限度地提高股東回報。

概無有關任何事件或情況的重大不明朗因素可能對本公司的持續經營能力構成重大疑問。

The Board of the Company presents this directors' report in the Group's annual report for the year ended 31 December 2017.

## **PRINCIPAL ACTIVITIES**

We are a leading and fast-growing compound condiment manufacturer in China primarily focused on the hot pot condiment market. We are the sole supplier of hot pot soup flavoring products for Haidilao Group in China. We employ a distributor model to sell our products, and our physical distribution network is supplemented by e-commerce channels & third-party catering companies, which have recently experienced significant development. The Group is also expanding its sales network in overseas markets.

The principal activities of the Group are researching and developing, manufacturing, distributing and selling high-quality hot pot soup flavoring, hot pot dipping sauce and Chinese-style compound condiment products. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2017.

## **RESULTS**

The results of the Group for the year ended 31 December 2017 are set out in the Consolidated Statement of Comprehensive Income of this annual report.

## **FINAL DIVIDEND**

The Board resolved to propose to the Shareholders in the forthcoming AGM on Friday, 27 April 2018 for the distribution of a final dividend of RMB4.97985 cents per share for the year ended 31 December 2017. The final dividend is expected to be paid on or about Thursday, 17 May 2018 to the Shareholders whose names are listed in the register of members of the Company on Monday, 7 May 2018, in an aggregate amount of RMB52.134 million. Subject to the consideration and approval of the Shareholders at the AGM, the final dividend will be paid in Hong Kong dollars based on the average benchmark exchange rate of Renminbi against Hong Kong Dollars as announced by the People's Bank of China in the five working days prior to but excluding the date of the Board Meeting, that is HK\$6.17415 cents per Share.

本公司董事會提呈本集團截至2017年12月31日止年度的年報內所載的董事會報告。

## **主要業務**

我們是中國領先且高速發展的複合調味料生產商，主要專注於火鍋調味料市場。我們是海底撈集團在中國的火鍋底料產品的獨家供應商。我們採用經銷商模式銷售我們的產品，且我們的實體經銷網絡由近期顯著發展的電商渠道及第三方餐飲渠道所補充。本集團亦繼續拓展海外市場的銷售網絡。

本集團的主要業務是研發、生產、經銷及銷售優質火鍋底料、火鍋蘸料及中式複合調味品。截至2017年12月31日止年度，本集團的主要業務性質並無重大變動。

## **業績**

本集團截至2017年12月31日止年度的業績載於本年報的綜合全面收益表內。

## **末期股息**

董事會決議於2018年4月27日(星期五)舉行的應屆股東週年大會上向本公司股東建議分派截至2017年12月31日止年度的末期股息每股人民幣4.97985分。末期股息預期於2018年5月17日(星期四)或前後派付予於2018年5月7日(星期一)名列本公司股東名冊的股東，金額合共為人民幣52.134百萬元。待股東於股東週年大會上考慮及批准後，末期股息將根據董事會會議日期前五個工作日(但不包括董事會會議日期)中國人民銀行公佈的人民幣兌換港元的匯率中間價以港元派付，即每股股份6.17415港仙。

## Directors' Report

### 董事會報告

#### SHARE CAPITAL

Details of the issued shares of the Group during the year ended 31 December 2017 are set out in note 17 to the Financial Statements.

#### RESERVES

Details of the movements in reserves of the Group during the year ended 31 December 2017 are set out in the Consolidated Statement of Changes In Equity of this annual report.

#### DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company has distributable reserves of RMB1,992.4 million in total available for distribution.

#### FINANCIAL SUMMARY

The Group's financial summary for the last five financial years is set out in the section headed "Five-Year Performance Review" of this annual report.

#### BANK LOANS AND OTHER BORROWINGS

As at 31 December 2017, the Group has recorded no bank loans and other borrowings.

#### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2017 are set out in note 8 to the Financial Statements.

#### 股本

有關本集團於截至2017年12月31日止年度的已發行股份詳情載於財務報表附註17。

#### 儲備

有關本集團於截至2017年12月31日止年度的儲備變動詳情載於本年報綜合權益變動表內。

#### 可分派儲備

截至2017年12月31日，本公司可供分派的可供分派儲備合共為人民幣1,992.4百萬元。

#### 財務概要

本集團於過去五個財政年度的財務概要載於本年報「五年業績回顧」一節。

#### 銀行貸款及其他借款

截止2017年12月31日，本集團並無銀行貸款及其他借款。

#### 物業、廠房及設備

有關本集團於截至2017年12月31日止年度的物業、廠房及設備變動詳情載於財務報表附註8。



### **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the amount of public float as required under the Listing Rules as at the Latest Practicable Date.

### **PRE-EMPTIVE RIGHTS**

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

### **TAX RELIEF**

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

### **USE OF PROCEEDS FROM THE GLOBAL OFFERING**

The net proceeds from the Global Offering amounted to approximately HK\$720.2 million. For details, please refer to the section headed "Corporate Governance Report – Use of Proceeds from the Global Offering" of this annual report.

### **足夠的公眾持股量**

根據本公司所獲之公開資料以及據本公司董事所知，本公司截至最後實際可行日期一直維持上市規則規定之公眾持股量。

### **優先購買權**

本公司的章程細則並無載列優先購買權條文，且並無對有關權利的限制要求本公司須按比例基準向現有股東發售新股份。

### **稅務寬免**

董事並不知悉本公司股東基於持有本公司證券為理由而可獲任何稅務寬免。

### **全球發售所得款項**

全球發售所得款項淨額約為720.2百萬港元。詳情請參閱本年報中「企業管治報告－全球發售所得款項用途」一節。

**BUSINESS REVIEW**

**a. Overview and performance of the Year**

Business review and financial review are provided in the Management's Discussion and Analysis section of this annual report.

**b. Environmental Policies and Performance**

It is our corporate and social responsibility in promoting a sustainable and environmental-friendly environment, we strive to minimize our environmental impact by saving electricity and to build our corporation in a sustainable way.

The Group has undergone a series of effective energy-saving and pollutant-reducing measures such as conserving water and electricity, reducing the creation and emission of pollutants during the production process and optimizing production lines.

Additionally, we have adopted a set of emergency planning, response and control procedures as countermeasures for unexpected environmental pollution accidents to minimize our impact on the environment and the adverse effect on our business. We incurred RMB1.34 million (2016: RMB1.0 million) in environmental compliance costs for the year ended 31 December 2017. Such environmental compliance costs relate to expenditures in implementing environmental protection policies, and for the year ended 31 December 2017, the Group has not incurred any fines as a result of environmental pollution.

**業務回顧**

**a. 年度回顧及表現**

有關本集團業務回顧及財務回顧分析刊載於本年報的管理層討論與分析章節。

**b. 環境政策及表現**

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

本集團已進行一系列有效的節能及防污措施(例如節水節電、於生產工序中減少製造及排放污染物以及優化生產線)。

此外，我們採納一套緊急規劃、應變及控制程序，作為發生出乎意料環境污染意外時的抵禦措施，盡量減少對環境的衝擊及我們業務的不利影響。截至2017年12月31日止年度，我們錄得環境合規成本人民幣1.34百萬元(2016年：人民幣1.0百萬元)。環境合規成本為推行環境保護政策的支出，而截至2017年12月31日止年度本集團沒有因為環境污染而導致須繳付罰款。

**c. Compliance with Relevant Laws and Regulations**

The Group has complied with the requirements under the Companies Ordinance, the Listing Rules, the SFO and the Corporate Governance Code for, among other things, the disclosure of information and corporate governance. The Group has also complied with other relevant laws and regulations that have a significant impact on the operations of the Group. Please refer to the section headed “Regulations” in the Prospectus for details.

**d. Key Relationships with Stakeholders**

*Relationship with Haidilao Group and its Affiliates*

One group of the primary customers of the Company is Haidilao Group and its affiliates. We are the sole supplier of hot pot soup flavoring products to Haidilao Group in China. The hot pot soup flavoring products that we sell to Haidilao Group for use in its hot pot restaurants are customized products meeting Haidilao Group's specific requirements. In addition, our retail products are displayed and sold directly to consumers in Haidilao hot pot restaurants. In general, Haidilao Group makes purchase orders based on customer demands. We have the right to arrange production ahead of time and stock the finished products in anticipation of peak seasons. We also sell retail and customized condiment products to Shuhai Supply Chain and Youdingyou, our affiliated companies.

**c. 遵守相關法律法規**

本集團就(其中包括)資料披露及企業管治一直遵守公司條例、上市規則、證券及期貨條例及企業管治守則規定。本集團亦一直遵守對其營運有重大影響的有關法律及規例。有關詳情請參閱招股章程「法規」一節。

**d. 與利益相關人士的主要關係**

*與海底撈集團及其聯屬公司的關係*

本公司其中一組主要客戶為海底撈集團及其聯屬公司。我們是海底撈集團在中國的火鍋底料產品獨家供應商。我們向海底撈集團銷售供其火鍋餐廳使用的火鍋底料產品主要是滿足海底撈集團具體要求的定製產品。此外，我們的零售產品於海底撈的火鍋餐廳展示並直接向消費者出售。整體而言，海底撈集團根據客戶需要發出購買訂單。我們可預計旺季而安排提早生產及儲存製成品，但我們過往並無陳舊存貨。我們亦向我們的聯屬公司蜀海供應鏈及優鼎優銷售零售及定製調味品。

*Relationship with our distributors*

The other group of the Company's primary customers is the distributors, who in turn resell our products to sub-distributors and retailers, including hypermarkets, supermarkets, grocery stores, neighborhood stores and butcher shops across China. As at 31 December 2017, we had more than 814 distributors and an extensive distribution network covering 31 provincial regions of China and the Hong Kong, Macau and Taiwan regions and 23 overseas countries and markets.

**1. Management of Our Distributors**

Our distributors are typically regional distributors primarily involved in the distribution of food and condiment products with well-established local distribution networks. We select our distributors in each region based on factors including their business qualifications and distribution capabilities. The distribution capabilities we consider include breadth and quality of sales network, reputation, creditworthiness and financial conditions, and capabilities in personnel, warehousing, logistics and transportation.

We have a seller-buyer relationship with our distributors. The ownership of the products, as well as all risks and rewards associated therewith are transferred to them upon delivery and acceptance. In general, our sales to our distributors are made on a payment-before-delivery basis according to our distribution agreements with our distributors with certain exceptions during our peak seasons. We formulate a monthly production plan based on historical sales and market demand. Upon receipt of purchase orders, we will first deliver the products previously prepared based on the relatively conservative monthly plan and further produce and deliver the shortfall, if any. Due to our effective production and inventory management, our warehouse time of finished products is approximately 7 days for retail products and 30 days for customized products sold to related parties. Once the products are delivered to the distributors, they cannot be returned except for defective products.

*與經銷商的關係*

本公司其他組別的主要客戶為經銷商，經銷商轉而將產品轉售予下級經銷商及零售商(包括遍佈全國的大型超市、超市、雜貨店、社區門店及肉食店)。截至2017年12月31日，我們已委聘逾814名經銷商，建立起覆蓋中國31個省級地區與港澳台地區，以及23個外國國家及市場的龐大經銷網絡。

**1. 管理我們的經銷商**

我們的經銷商一般為區域經銷商，其主要從事經銷食品及調味品，具備成熟地方經銷網絡。我們根據經銷商的業務資格及經銷能力等因素在各個區域甄選經銷商。我們考慮的經銷能力包括銷售網絡的廣度及質量、聲譽、信譽及財務狀況以及人事、倉儲、物流及運輸能力。

我們與經銷商之間是買賣關係。產品的所有權以及與產品有關的所有風險及回報均在經銷商驗收後轉移至經銷商。一般而言，我們對經銷商的銷售均根據我們與經銷商訂立的經銷協議按「交貨前付款」基準作出，惟我們於旺季的若干情況例外。我們根據過往銷售及市場需求制定每月的生產計劃。於接獲購買訂單後，我們首先會根據相對保守的每月計劃交付先前準備好的產品並進一步生產及交付缺少的數量(如有)。由於我們有效的生產及存貨管理，我們的製成品倉儲時間就零售產品而言約為7日，就售予關聯方的定製產品而言約為30日。產品一經送到經銷商時，便不能退回(惟有缺陷產品除外)。

## 2. Distributors Performance and Inventory Management

We closely monitor the performance of our distributors. For example, our sales personnel conduct inspections of our distributors from time to time to monitor their sales, sales prices, marketing activities, storage conditions, logistics facilities, staff quality, quality control and inventory levels. Generally, we require our distributors to report to us their inventory records every two weeks to cross-check with our internal data base. Our staff also conduct monthly inventory checks at randomly selected distributors. When we notice that our distributors have excessive inventories or their sales volumes drop significantly, we may make inquiries and adopt necessary measures such as suspending the supply of relevant products. We prohibit our distributors from selling any expired products. Through visiting the retailers and sub-distributors and verifying the two-dimensional code that we implanted on our products, we also monitor whether our distributors distribute our products within their designated geographic regions and whether they sell any counterfeit products. Through these activities, we ensure that our sales to distributors reflect genuine market demand and our distributors are complying with the terms and conditions of their distribution agreements. If we discover non-compliance issues, we inform the relevant distributor and request the distributor to cease the non-compliant activities within a specified period of time. Our distributors are also liable for breaches of their distribution agreements, and we can claim compensation from them for relevant breaches. We can terminate the distribution agreements if they breach material provisions stipulated therein.

## 2. 經銷商表現及存貨管理

我們密切監察經銷商的表現。例如，我們的銷售人員不時檢查經銷商以監察其銷售、銷售價、市場營銷活動、儲存條件、物流設施、員工素質、質量控制及存貨水平。一般而言，我們要求經銷商每兩個星期向我們匯報其存貨記錄，以與我們的內部數據庫進行交叉核對。我們的員工亦每月抽查隨機抽選經銷商的存貨情況。當我們注意到經銷商擁有過多存貨或其銷售量大幅下跌時，我們可進行詢問並採取必要措施（如暫停供應有關產品）。我們禁止我們的經銷商銷售任何到期產品。透過造訪零售商及下級經銷商及核實我們產品上印製的二維碼，我們亦監察經銷商是否在指定地區內經銷產品及有無出售任何假冒產品。透過該等活動，我們確保向經銷商作出的銷售反映真實的市場需求及經銷商遵守經銷協議的條款及條件。倘我們發現不合規事宜，我們將告知相關經銷商並要求經銷商在規定期間內終止此類活動。經銷商亦對違反經銷協議承擔責任，且我們可就相關違規向其申索賠償。倘經銷商違反經銷協議訂明的重大條文，我們可終止經銷協議。



We provide sales rebate as an incentive to our third-party distributors when they achieve or exceed the sales targets set out in their distribution agreements, which are negotiated and determined based on various factors such as past performance and market conditions. If a distributor achieves or exceeds its sales target, we will grant the rebate by providing certain discount for such distributor's purchases in the next year. Such sales rebates are deducted from our revenue for each of the relevant periods. We do not impose minimum annual purchase requirement in the distribution agreements. If a distributor fails to achieve its sales target, then it will not be entitled to the sales rebate as described above.

#### *Relationship with Third-party Catering Service Providers*

Leveraging our experience in providing customized services to Haidilao Group, we provide customized compound condiment products to third-party catering service providers, primarily hot pot restaurants, spicy stir-fry pot restaurants and barbecue restaurants.

We use a standardized agreement for these services. Our customers will discuss their requirements with us before placing orders. Following our agreement on the detailed requirements of the customized condiment products, packaging requirements and purchase prices, our customers will pay an advance payment equal to 50% of the total purchase price for our manufacturing and pay the remainder before delivery. Almost all of our customers are not allowed to return any products after completion of inspection and acceptance. Our customers are required to use the customized condiment products only for their provision of catering services and may not resell the condiment products to other parties. Typically if the third-party catering service providers consume the Company's retail products, then they are the Company's own product formula. But if it is customized condiment, then it will be the same arrangements as the connected sales to Haidilao Group, i.e., the Company will not own the intellectual property right of the product formula.

As an increasing number of service providers intend to take advantage of the high quality and consistent products offered by large and reputable manufacturers, we believe there is significant growth potential for us in providing customized services to third-party catering service providers.

我們在第三方經銷商達到或超過其經銷協議所載銷售目標時向彼等提供銷售折扣作為獎勵，而經銷協議所載銷售目標乃基於過往表現及市場狀況等多項因素磋商及釐定。倘經銷商達到或超過其銷售目標，我們將為該經銷商下一年度採購提供折扣。有關銷售折扣自我們各有關期間的收入中扣除。我們並無於經銷協議中施加最低年度購買要求。倘經銷商未能達到其銷售目標，其將無權享有上述銷售折扣。

#### *與第三方餐飲服務供應商的關係*

憑借我們向海底撈集團提供定製化服務的經驗，我們向第三方餐飲服務供應商（主要為火鍋餐廳、麻辣香鍋餐廳和燒烤餐廳）提供定製的複合調味品。

我們為提供上述服務使用標準化協議。我們的客戶在下達訂單前將與我們討論其要求。在我們協定定製調味品的詳細規定、包裝規定及購買價格後，客戶將預先支付相等於總購買價格50%的金額，以供我們進行製造，並在交貨前支付餘款。幾乎所有客戶在驗收後不得退回任何產品。定製調味品只限於客戶提供餐飲服務，其不得再將調味品轉售其他方。一般而言，倘第三方餐飲服務供應商使用本公司的零售產品，則其為本公司自有的產品配方。但倘其為定製調味料，則將按如向海底撈集團進行關連銷售的相同安排，即本公司將不會擁有產品配方的知識產權。

由於數目愈來愈多的餐飲服務供應商有意使用信譽良好的大型生產商所提供的一貫質優的產品，我們相信，為餐飲服務供應商提供定製化服務有相當的增長潛力。

#### *Relationship with Our Suppliers*

Our raw materials are generally available from various suppliers. To maintain high standards of product quality and food safety, we place strong emphasis on sourcing high-quality raw materials from large suppliers with good reputations. We minimize our reliance on any single source of supply by maintaining at least two suppliers for each type of raw material. We also implement various measures to monitor the performance of our suppliers, including sample examination and on-site inspections.

We usually enter into supply agreements with our suppliers on an annual basis. Our suppliers are required to provide raw materials adhering to the quality requirement under the supply agreements and are responsible for any liabilities caused by product defects. Our supply agreements do not have an automatic renewal clause.

#### *Relationship with Our Employees*

We embrace our employees as the most valuable assets of the Group. The objective of the Group's human resources management is to reward and recognize outstanding employees by providing competitive remuneration packages and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression within the Group by providing adequate training and opportunities.

#### *Relationship with Shareholders*

We recognize the importance of protecting the interests of the Shareholders and of having effective communication with them. We believe communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders. This has been done through general meetings, corporate communications, interim and annual reports and results announcements.

#### *與供應商的關係*

我們的原材料一般可從多名供應商採購。為維持高標準的產品質量及食品安全，我們極為重視向聲譽卓著的大型供應商採購優質的原材料。我們盡量減少依賴任何單一的供應來源，就每類原材料維持至少兩名供應商。我們亦實行多種措施監察供應商的表現，包括抽樣檢查及實地檢查。

我們通常每年與供應商訂立供應協議。我們的供應商須提供達到供應協議質量要求的原材料，並對產品瑕疵所導致的任何責任負責。我們的供應協議並無自動續期條款。

#### *與僱員的關係*

我們認為僱員是本集團最寶貴的資產，本集團人力資源管理的目標是，以具競爭力的薪酬待遇回饋及肯定傑出僱員的貢獻，以及實施具有適當獎勵的完善績效考核制度，並且藉提供足夠的培訓及機會，推動本集團內服務人士的事業前途與發展。

#### *與股東的關係*

我們認識到保護股東權益和與其進行有效溝通的重要性。我們相信與股東溝通是一個雙向的過程，並竭力確保信息披露的質量及有效性、保持與股東的定期對話及認真聆聽來自股東的意見與反饋。這已通過股東大會、公司通訊、中期報告與年報及業績公佈實現。

**e. Principal Risk and Uncertainties**

*Risk of Connected Transactions*

As connected transactions with Haidilao take up a relatively high proportion of the Company's revenue, there will be an adverse impact on the sales and profit of the Group if the Haidilao brand is harmed or its sales is reduced significantly.

Response measures: The Group will increase the market sales of its products through internal mechanism changes, channel sinking and product upgrades. At the same time, it actively looks for M&A opportunities to expand the market size.

*Risk of Raw Materials Supply*

As the environmental requirements in China becomes more and more stringent, the supply of some raw materials may not be timely, and this may in turn increase procurement costs or affect the timely supply for production.

Response measures: The Group's production and supply department will establish a safety stock plan, and when there is a supply risk for raw materials, the Group reserves the goods in advance according to the production plan.

*Risk of Competition within the Industry*

Competition in the condiment market has intensified and has experienced rapid changes. Without in-depth analysis of the competitive environment, there may not be corresponding product strategies and responses promptly, causing a fall in the market share of the Group's products.

Response measures: The Group will further improve its market competition analysis mechanism, focus on market dynamics and collect market information, and at the same time continue to promote product structure optimization and product upgrades in the context of market environment.

**e. 主要風險及不確定性**

*關連交易風險*

由於本集團與海底撈的關連交易在收入中的佔比較高，如果海底撈品牌受損或其銷售大幅下降，會對本集團的銷售收入和利潤造成負面影響。

應對措施：本集團將通過內部機制變革、管道的下沉以及產品升級，提升產品的市場銷售額。同時，積極尋找併購機會，拓展市場規模。

*原材料供應風險*

由於我國環保要求不斷提高，可能會導致部分原材料供應不及時，使採購成本增加，或影響生產供應的及時性。

應對措施：本集團生產供應部門將建立安全庫存規劃，在原材料出現供應風險時，按照生產計劃提前進行貨物儲備。

*同行業競爭風險*

由於調味品市場競爭加劇且市場變化較快，如果沒有對競爭環境做深入的分析，並未能及時做出相應的產品策略和應對措施，導致本集團產品的市場佔有率下降。

應對措施：本集團將進一步完善市場競爭分析機制，關注市場動態並收集市場訊息，同時在市場環境的大背景下不斷推動產品結構優化及產品升級。

#### *Risk of Product Quality and Safety*

The quality and safety of the Group's products are critical to the success of the Group. Maintaining product quality and safety depends on the effectiveness of the quality control systems, which includes the design of quality control systems and our ability to ensure that our employees adhere to and implement those quality control policies and guidelines. If the quality control system is not effective or not sufficiently executed, it may lead to quality or food safety issues, and in turn have a material adverse effect on our reputation, results of operations and financial conditions.

Response measures: The Group will further improve the "Food Safety Risk Assessment Criteria" and conduct comprehensive risk assessments from three aspects: regulatory risk assessment, product risk assessment, and operational risk assessment. The Group identifies risk points through risk assessment and tracks the effectiveness of risk rectification to ensure that the Group's operational risks are controllable.

#### *Risk of Market for New Products*

Some products of the new product types are under emerging industries. These industries lack regulated standards across the industry and the manufacturers are of vastly different qualities, which may damage the product type environment. The lack of consumer confidence in the new products may limit the development of the entire industry. This may in turn hinder the Company from achieving the sales targets for new products.

Response measures: The Group will actively participate in the standard setting process of emerging industries, participate in the activities of relevant industry associations, and provide suggestions for the revision and formulation of industry standards. Secondly, according to the processing and assembly management requirements at the production site, strict management at each factory ensures the quality of its own products.

## PROSPECTS

A description of the future development in the Company's business is provided in the Chairman's Statement and the Management's Discussion and Analysis section of this annual report.

#### *產品質量與安全風險*

本集團產品的質量及安全對本集團的成功至關重要。保持產品的質量和安全取決於質量控制體系的有效性，包括質量控制體系的設計及確保僱員遵守及執行該等質量控制政策及指引的能力。如果質量控制體系出現控制失效或執行不到位，則有可能造成質量或食品安全問題，從而對本集團公司的聲譽、經營業績及財務狀況造成重大不利影響。

應對措施：本集團將進一步完善《食品安全風險評估標準》，從法規風險性評估、產品風險性評估、運營風險性評估三個大的方面進行全方位的風險評估，通過風險評估識別風險點，並跟蹤評估風險整改的效果，以確保集團運營的風險可控。

#### *新產品的市場風險*

由於部分新品類產品屬於新興產業，行業標準不規範且生產商資質良莠不齊、破壞了品類環境，導致消費者對新產品的不信賴，整個行業發展受限，從而影響公司新產品銷售目標的實現。

應對措施：本集團將積極參與新興產業的標準制定過程，參加相關行業協會的活動，為行業標準的修改和制定提供建議。其次，根據生產所在地的加工組裝管理要求，對各工廠進行嚴格管理，保證自身產品的品質。

## 展望

有關本公司未來業務發展的描述分別載於本年報的主席報告及管理層討論與分析。



## Directors' Report

### 董事會報告

#### EVENTS AFTER THE END OF 31 DECEMBER 2017

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2017 and up to the date of this report.

#### DIRECTORS

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

##### Executive Directors

Ms. Dang Chunxiang (*Chief Executive Officer*)  
Mr. Sun Shengfeng  
Ms. Shu Ping

##### Non-executive Directors

Mr. Shi Yonghong (*Chairman*)  
Mr. Zhang Yong  
Mr. Pan Di

##### Independent Non-executive Directors

Mr. Yau Ka Chi  
Mr. Qian Mingxing  
Ms. Ye Shujun

In accordance with Article 16.18 of the Articles of Association, one-third of the Directors will retire by rotation at every annual general meeting (provided that every Director shall be subject to retirement by rotation at least once every three years) and, being eligible, offer themselves for re-election. Mr. Zhang Yong, Mr. Yau Ka Chi and Ms. Ye Shujun will retire from the Board by rotation at the AGM and, being eligible, offer themselves for re-election.

In accordance with Article 16.2 of the Articles of Association, Ms. Shu Ping, who was appointed to fill up causal vacancy on the Board shall retire from office as Director, and being eligible, offer herself for re-election at the AGM.

No Director proposed for re-election at the AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

#### 截至2017年12月31日後事項

於2017年12月31日後及直至本報告日期，董事概不知悉任何重大事項須予披露。

#### 董事

截至本年報日期的董事為：

##### 執行董事

黨春香女士(首席執行官)  
孫勝峰先生  
舒萍女士

##### 非執行董事

施永宏先生(主席)  
張勇先生  
潘迪先生

##### 獨立非執行董事

邱家賜先生  
錢明星先生  
葉蜀君女士

根據組織章程細則第16.18條，三分之一的董事將於每屆股東週年大會上輪換退任(惟每名董事須至少每三年輪換退任一次)並合資格膺選連任。張勇先生、邱家賜先生和葉蜀君女士將於股東週年大會上自董事會輪換退任並合資格膺選連任。

根據組織章程細則第16.2條，舒萍女士被委任為填補董事會的臨時空缺，將於股東週年大會上自董事會輪換退任並合資格膺選連任。

概無擬於股東週年大會上膺選連任的董事與本公司或其任何附屬公司訂立如無作出賠償(法定賠償除外)則不能釐定於一年內終止的未屆滿服務合約。



## **DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES**

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Profiles of Directors and Senior Management" of this annual report.

## **CHANGES IN THE INFORMATION OF THE DIRECTORS**

Mr. Shi Yonghong was appointed as the chairman of the Company and chairman of the nomination committee of the Company in place of Mr. Gou Yiqun with effect from 14 November 2017 as he wants to devote more time for business affairs which do not compete with the business of the Company.

Ms. Ye Shujun has been an independent director of Anhui Telit Science and Technology Co., Limited (安徽天立泰科技股份有限公司) (a company listed on National Equities Exchange And Quotations Co., Ltd with stock code 831918) since July 2017, and an independent director of Wuhu Fuchun Dye and Weave Co., Limited (蕪湖富春染織股份有限公司) (a company listed on National Equities Exchange and Quotations Co., Ltd with stock code 870898) since November 2017. She is no longer being an independent director of Beijing Sanfo Outdoors Products Co., Ltd (北京三夫戶外用品股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 002780) since May 2017.

Mr. Pan Di is currently the Managing Director of Greenwoods Private Equity Funds. He resigned as a director of Ernest Borel Holdings Limited (a company listed on the Stock Exchange with stock code 1856).

Save as disclosed above, during the year ended 31 December 2017, there has been no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

## **董事及高級管理層的履歷**

董事及本集團高級管理層的履歷詳情載於本年報「董事及高級管理層簡介」一節。

## **董事資料變動**

施永宏先生獲委任為本公司董事長和本公司提名委員會的主席，接替苟軼群先生，自2017年11月14日起生效，因苟軼群先生欲將更多的時間投入到與本公司業務並無構成競爭的商業事務。

葉蜀君女士自2017年7月起任於新三板掛牌的安徽天立泰科技股份有限公司(股份代號：831918)獨立董事，並自2017年11月起任於新三板掛牌的蕪湖富春染織股份有限公司(股份代號：870898)獨立董事。彼自2017年5月起已不再擔任於深圳證券交易所上市的北京三夫戶外用品股份有限公司(股份代號：002780)獨立董事。

潘迪先生現為景林股權投資基金的董事總經理。彼已辭任於聯交所上市的依波路控股有限公司(股份代號：1856)董事。

除上文所披露者外，截至2017年12月31日止年度，董事資料概無出現根據上市規則第13.51B條須予披露的任何變動。

## Directors' Report

### 董事會報告

#### DIRECTORS' SERVICE CONTRACTS

The executive Directors and non-executive Directors have each entered into a service contract with the Company pursuant to which they agree to act as an executive Director or a non-executive Director (as the case may be) for an initial term of three years from 7 March 2016 or from 21 March 2018 for Ms. Shu Ping (subject to re-election as and when required under the Articles of Association) until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing.

The independent non-executive Directors have each signed a letter of appointment with the Company and have been appointed for a term of three years from 20 June 2016. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

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

#### CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

We have received from each of the independent non-executive Directors, namely Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun, the confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company has duly reviewed the confirmation of independence of each of these Directors. We consider that the independent non-executive Directors have been independent from the date of their appointments to 31 December 2017 and remain so as of the date of this annual report.

#### 董事服務合約

執行董事及非執行董事各自已與本公司訂立服務合約，據此，彼等同意擔任執行董事或非執行董事（視乎情況而定），任期自2016年3月7日或舒萍女士的自2018年3月21日起初步為期三年（可根據組織章程細則於需要時重選），直至根據服務合約的條款及條件終止或由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

獨立非執行董事各自已與本公司簽立委任函並已獲委任，任期自2016年6月20日起為期三年。委任可由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

概無董事與本公司或其任何附屬公司訂立如無作出賠償（法定賠償除外）則不能釐定於一年內終止的未屆滿服務合約。

#### 獨立非執行董事的獨立性確認

本公司已接獲各名獨立非執行董事（即邱家賜先生、錢明星先生及葉蜀君女士）根據上市規則第3.13條就彼等各自之獨立性發出的確認書。本公司已妥為審閱該等董事各自的獨立性確認書。我們認為，獨立非執行董事自彼等獲委任日期起至2017年12月31日均為獨立人士，且截至本年報日期仍為獨立人士。

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

As at 31 December 2017, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

# 董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉

於2017年12月31日，本公司董事及最高行政人員於本公司或我們任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中所擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文被當作或視作擁有的權益及淡倉)；或(b)根據證券及期貨條例第352條須登記於該條所指登記冊的權益及淡倉；或(c)根據標準守則須知會本公司及聯交所的權益及淡倉載列如下：

Name of Director	Capacity/Nature of Interest	Number of Ordinary Shares	Approximate percentage of shareholding in the total issued share capital (%) 於已發行股本總額中的概約持股百分比
董事姓名	身份／權益性質	普通股數目	
Mr. Shi Yonghong <sup>(1)</sup>	Founder of a discretionary trust, interest of controlled corporation and interest of spouse	177,243,492 (L)	16.93% (L)
施永宏先生 <sup>(1)</sup>	全權信託的創立人、受控制法團權益及配偶的權益		
Mr. Zhang Yong <sup>(2)</sup>	Founder of a discretionary trust and interest of controlled corporation	372,547,021 (L)	35.59% (L)
張勇先生 <sup>(2)</sup>	全權信託的創立人及受控制法團權益		
Mr. Gou Yiqun <sup>(3)</sup>	Interest of controlled corporation	25,974,000 (L)	2.48% (L)
苟軼群先生 <sup>(3)</sup>	受控制法團權益		
Ms. Dang Chunxiang <sup>(4)</sup>	Beneficiary of a trust	1,010,000 (L)	0.10% (L)
黨春香女士 <sup>(4)</sup>	信託的受益人		
Mr. Sun Shengfeng <sup>(5)</sup>	Beneficiary of a trust	500,000 (L)	0.05% (L)
孫勝峰先生 <sup>(5)</sup>	信託的受益人		

(L) denotes a long position

(L) 代表好倉

## Directors' Report

### 董事會報告

#### Notes:

- (1) Mr. Shi Yonghong and Ms. Li Haiyan, as the settlors and protectors, established for their own benefit the SL Trust, which indirectly holds the entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd, which in turn holds a total of 177,243,492 Shares. For the purpose of the SFO, Mr. Shi Yonghong and Ms. Li Haiyan are deemed to be interested in the Shares in which SYH YIHAI Ltd and LHY YIHAI Ltd are interested.

Mr. Shi Yonghong is the spouse of Ms. Li Haiyan and is deemed to be interested in the same number of the Shares in which Ms. Li Haiyan is interested for the purpose of the SFO. Ms. Li Haiyan is the spouse of Mr. Shi Yonghong and is deemed to be interested in the same number of the Shares in which Mr. Shi Yonghong is interested for the purpose of the SFO.

- (2) Mr. Zhang Yong and Ms. Shu Ping, as the settlors and protectors, established for their own benefit the ZYSP Trust, which holds the entire share capital of ZYSP YIHAI Ltd, which in turn holds 372,547,021 Shares. For the purpose of the SFO, Mr. Zhang Yong and Ms. Shu Ping are deemed to be interested in the Shares in which ZYSP YIHAI Ltd is interested.

Mr. Zhang Yong is the spouse of Ms. Shu Ping and is deemed to be interested in the same number of the Shares in which Ms. Shu Ping is interested for the purpose of the SFO. Ms. Shu Ping is the spouse of Mr. Zhang Yong and is deemed to be interested in the same number of the Shares in which Mr. Zhang Yong is interested for the purpose of the SFO.

- (3) Mr. Gou Yiqun directly holds 100% interest in GYQ YIHAI Ltd and is deemed to be interested in the Shares held by GYQ YIHAI Ltd for the purpose of the SFO.
- (4) 1,010,000 RSUs were granted to Ms. Dang Chunxiang pursuant to the RSU Scheme on 28 December 2016.
- (5) 500,000 RSUs were granted to Mr. Sun Shengfeng pursuant to the RSU Scheme on 28 December 2016.

#### 附註：

- (1) 施永宏先生及李海燕女士(作為財產授予人及保護人)為彼等自身利益成立SL信託，其間接持有SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本，而SYH YIHAI Ltd及LHY YIHAI Ltd則持有合共177,243,492股股份。就證券及期貨條例而言，施永宏先生及李海燕女士被視為於SYH YIHAI Ltd及LHY YIHAI Ltd擁有權益的股份中擁有權益。

施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。

- (2) 張勇先生及舒萍女士(作為財產授予人及保護人)為彼等自身利益成立ZYSP信託，其持有ZYSP YIHAI Ltd的全部股本，而ZYSP YIHAI Ltd則持有372,547,021股股份。就證券及期貨條例而言，張勇先生及舒萍女士被視為於ZYSP YIHAI Ltd擁有權益的股份中擁有權益。

張勇先生為舒萍女士的配偶，就證券及期貨條例而言被視為於舒萍女士擁有權益的相同數目股份中擁有權益。舒萍女士為張勇先生的配偶，就證券及期貨條例而言被視為於張勇先生擁有權益的相同數目股份中擁有權益。

- (3) 苟軼群先生直接持有GYQ YIHAI Ltd的100%權益，及就證券及期貨條例而言被視為於GYQ YIHAI Ltd持有的股份中擁有權益。
- (4) 於2016年12月28日，1,010,000份受限制股份單位已根據受限制股份單位計劃授予黨春香女士。
- (5) 於2016年12月28日，500,000份受限制股份單位已根據受限制股份單位計劃授予孫勝峰先生。

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executives of the Company has or is deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO); or which will be required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

#### **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As at 31 December 2017, the followings are the persons, other than the Directors or chief executives of the Company, who had interests or short positions in the shares and underlying shares which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

除上文所披露者外，截至2017年12月31日，本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中概無擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部將須知會本公司及聯交所的任何權益或淡倉(包括彼等根據證券及期貨條例的有關條文被當作或被視為擁有的權益及淡倉)，或根據證券及期貨條例第352條將須記錄於本公司所存置的登記冊內的任何權益或淡倉，或根據標準守則將須知會本公司及聯交所的任何權益或淡倉。

#### **主要股東於股份及相關股份中所擁有的權益及淡倉**

截至2017年12月31日，除本公司董事或最高行政人員外，下列人士為擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的本公司股份或相關股份的權益或淡倉的人士，或根據證券及期貨條例第336條本公司須存置的登記冊所記錄的權益或淡倉的人士：



## Directors' Report

### 董事會報告

Name of Shareholder 股東姓名	Capacity/Nature of Interest 身份／權益性質	Total number of shares 股份總數	Approximate Percentage of Shareholding (%) 概約持股百分比 (%)
Shu Ping <sup>(1)</sup>	Founder of a discretionary trust and interest of controlled corporation	372,547,021 (L)	35.59% (L)
舒萍 <sup>(1)</sup>	全權信託創立人及受控制法團權益		
UBS Trustees (B.V.I.) Limited <sup>(1)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	372,547,021 (L)	35.59% (L)
ZYSP YIHAI Ltd <sup>(1)</sup>	Beneficial owner 實益擁有人	372,547,021 (L)	35.59% (L)
Cititrust Private Trust (Cayman) Limited <sup>(2)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	177,243,492 (L)	16.93% (L)
Li Haiyan <sup>(2)</sup>	Founder of a discretionary trust, interest of controlled corporation and interest of spouse	177,243,492 (L)	16.93% (L)
李海燕女士 <sup>(2)</sup>	全權信託創立人，受控制法團權益及配偶的權益		
Twice Happiness Limited <sup>(2)</sup>	Interest of controlled corporation 受控制法團權益	177,243,492 (L)	16.93% (L)
LHY YIHAI Ltd <sup>(2)</sup>	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
SYH YIHAI Ltd <sup>(2)</sup>	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
JLJH YIHAI Ltd <sup>(3)</sup>	Beneficial owner and nominee for another person 實益擁有人及另一名人士的代名人	77,220,000 (L)	7.38% (L)
Vistra Fiduciary (HK) Limited <sup>(3)</sup>	Trustee (other than a bare trustee) 受託人(非無條件受託人)	77,220,000 (L)	7.38% (L)
FIL Limited <sup>(4)</sup>	Investment manager 投資經理	52,232,000	4.99% (L)
FIL Asia Holdings Pte Limited <sup>(4)</sup>	Investment manager 投資經理	52,232,000	4.99% (L)
FIL Investment Management (Hong Kong) Limited <sup>(4)</sup>	Investment manager	52,232,000	4.99% (L)
富達基金(香港)有限公司 <sup>(4)</sup>	投資經理	52,232,000	4.99% (L)

(L) denotes a long position

(L) 代表好倉

Notes:

- (1) ZYSP Trust is a discretionary trust set up by Mr. Zhang Yong and Ms. Shu Ping as the settlors and protectors on 1 June 2016 for their own benefit. The entire share capital of ZYSP YIHAI Ltd is wholly owned by UBS Trustees (B.V.I.) Limited as the trustee of the ZYSP Trust. Mr. Zhang Yong and Ms. Shu Ping (as founders of the ZYSP Trust) and UBS Trustees (B.V.I.) Limited are taken to be interested in the Shares held by ZYSP YIHAI Ltd for the purpose of the SFO.
- (2) SL Trust is a discretionary trust set up by Mr. Shi Yonghong and Ms. Li Haiyan as the settlors and protectors on 2 June 2016 for their own benefit. The entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd is wholly owned by Twice Happiness Limited and ultimately owned by Cititrust Private Trust (Cayman) Limited as the trustee of the SL Trust. Mr. Shi Yonghong and Ms. Li Haiyan (as founders of the SL Trust), Twice Happiness Limited and Cititrust Private Trust (Cayman) Limited are taken to be interested in the Shares held by SYH YIHAI Ltd and LHY YIHAI Ltd for the purpose of the SFO. Mr. Shi Yonghong is the spouse of Ms. Li Haiyan and is deemed to be interested in the same number of the Shares in which Ms. Li Haiyan is interested for the purpose of the SFO. Ms. Li Haiyan is the spouse of Mr. Shi Yonghong and is deemed to be interested in the same number of the Shares in which Mr. Shi Yonghong is interested for the purpose of the SFO.
- (3) Vistra Fiduciary (HK) Limited is the trustee and JLJH YIHAI Ltd is the nominee to administer the RSU Scheme. JLJH YIHAI Ltd holds the Shares underlying the RSU granted by us for the benefit of eligible participants pursuant to the RSU Scheme.
- (4) FIL Limited owns 100% of FIL Asia Holdings Pte Limited, which owns 100% of FIL Investment Management (Hong Kong) Limited. Each of FIL Limited and FIL Asia Holdings Pte Limited is therefore deemed to be interested in 52,232,000 Shares (long position) held by FIL Investment Management (Hong Kong) Limited.

附註：

- (1) ZYSP 信託為張勇先生及舒萍女士以財產授予人及保護人的身份為其自身利益於2016年6月1日成立的全權信託。ZYSP YIHAI Ltd 的全部股本由UBS Trustees (B.V.I.) Limited以ZYSP 信託的受託人身份全資擁有。張勇先生及舒萍女士(作為ZYSP 信託的創立人)及UBS Trustees (B.V.I.) Limited就證券期貨條例而言被當作於ZYSP YIHAI Ltd持有的股份擁有權益。
- (2) SL 信託為施永宏先生及李海燕女士以財產授予人及保護人的身份為其自身利益於2016年6月2日成立的全權信託。SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本由Twice Happiness Limited全資擁有及由Cititrust Private Trust (Cayman) Limited以SL信託的受託人身份最終擁有。施永宏先生及李海燕女士(作為SL信託的創立人)、Twice Happiness Limited及Cititrust Private Trust (Cayman) Limited就證券及期貨條例而言被當作於SYH YIHAI Ltd及LHY YIHAI Ltd持有的股份擁有權益。施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。
- (3) Vistra Fiduciary (HK) Limited為受託人及JLJH YIHAI Ltd為管理受限制股份單位計劃的代名人。JLJH YIHAI Ltd根據受限制股份單位計劃為合資格參與者的利益持有由我們授出涉及受限制股份單位的相關股份。
- (4) FIL Limited擁有FIL Asia Holdings Pte Limited的100%權益，而FIL Asia Holdings Pte Limited則擁有富達基金(香港)有限公司的100%權益。因此，FIL Limited及FIL Asia Holdings Pte Limited各自被視為於富達基金(香港)有限公司持有的52,232,000股股份(好倉)中擁有權益。

## Directors' Report

### 董事會報告

Save as disclosed above, as at 31 December 2017, the Directors and the chief executives of the Company are not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

#### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the year ended 31 December 2017 and up to the date of this annual report was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of the shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

#### DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in the section headed "Our History, Reorganization and Corporate Structure — Reorganization" in the Prospectus and save for their respective interests in the Group, none of the Directors and the Controlling Shareholders was interested in any business which competes or is likely to compete with the businesses of the Group for the year ended 31 December 2017.

We have received annual written confirmations from the Controlling Shareholders, consisting of Mr. Zhang Yong, Ms. Shu Ping and ZYSP YIHAI Ltd, of the compliance with the provisions of the Non-competition Undertaking by such Controlling Shareholders and their close associates.

The independent non-executive Directors have reviewed the compliance with the Non-competition Undertaking during the year ended 31 December 2017 based on the information and confirmation provided by or obtained from the Controlling Shareholders, and were satisfied that our Controlling Shareholders have duly complied with the Non-competition Undertaking.

除上文所披露者外，截至2017年12月31日，本公司董事及最高行政人員並不知悉任何其他人士（除本公司董事或最高行政人員外）擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的股份及相關股份的權益或淡倉，或根據證券及期貨條例第XV部第336條本公司須存置的登記冊所記錄的權益或淡倉。

#### 董事收購股份或債權證的權利

除上文「董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉」一節所披露者外，於截至2017年12月31日止年度及至本年報日期期間，本公司或其任何附屬公司均非任何安排的其中一方以讓董事通過收購本公司或任何其他法人團體的股份或債權證的方式收取利益，亦概無董事或任何彼等的配偶或18歲以下的子女獲授任何權利以認購本公司或任何其他法人團體的股本或債務證券或已行使任何該等權利。

#### 董事及控股股東於競爭性業務的權益

除招股章程中「歷史、重組及公司架構—重組」一節所披露者及彼等各自於本集團的權益外，截至2017年12月31日止年度，董事及控股股東概無在任何與本集團業務產生競爭或可能產生競爭之業務中擁有權益。

我們已接獲控股股東（包括張勇先生、舒萍女士及ZYSP YIHAI Ltd）就控股股東及其緊密聯繫人對不競爭承諾條文之合規情況而發出的年度書面確認書。

獨立非執行董事已根據控股股東所提供或其給予的資料及確認書，審閱於截至2017年12月31日止年度不競爭承諾的合規情況，並信納控股股東已妥為遵守不競爭承諾。

## **CONVERTIBLE BONDS**

As at the date of this annual report, the Company has not issued any convertible bonds.

## **LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS**

As at the date of this annual report, the Company has not entered into any loan agreement which contain covenants requiring specific performance of the Controlling Shareholders.

## **CONNECTED AND CONTINUING CONNECTED TRANSACTIONS**

Among the related party transactions disclosed in note 33 to the Financial Statements, the following transactions constitute continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that the related party transactions do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules and complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

### **1. Chengdu Lease Agreement**

On 1 December 2015 and 5 January 2016, Sichuan Haidilao and Chengdu Yueyihai, our wholly owned subsidiary, entered into the Chengdu Lease Agreement, including the supplemental agreement, pursuant to which Chengdu Yueyihai agreed to lease from Sichuan Haidilao a parcel of land together with properties and fixtures thereon to be used for production and warehousing. Sichuan Haidilao is our connected person and therefore the transactions under the Chengdu Lease Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Chengdu Lease Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for a further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed “Connected Transaction” in the Prospectus for details.

## **可換股債券**

截至本年報日期，本公司並無發行任何可換股債券。

## **附有涉及控股股東履行特定責任之契諾的貸款協議**

截至本年報日期，本公司並無訂立任何載有要求控股股東履行特定責任之契諾的貸款協議。

## **關連及持續關連交易**

於財務報表附註33中披露的關連方交易中，下列交易根據上市規則第14A.31條構成本公司的持續關連交易，且根據上市規則第14A.71條的要求須於本年報中披露。本公司確認關聯方交易不歸入上市規則第十四A章有關「關連交易」或「持續關連交易」的定義（視屬何情況而定）及乃符合上市規則第十四A章的披露規定。請見下列就遵守上市規則第十四A章的規定而須披露的資料。

### **1. 成都租賃協議**

於2015年12月1日及2016年1月5日，四川海底撈與我們的全資附屬公司成都悅頤海訂立成都租賃協議（包括補充協議），據此，成都悅頤海同意從四川海底撈租用一幅土地連同其上的物業及裝置以作生產及倉庫使用。四川海底撈為我們的關連人士，因此根據上市規則第十四A章，成都租賃協議項下的交易構成持續關連交易。

成都租賃協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節。



The annual caps for the rental payable under the Chengdu Lease Agreement for the years ended 31 December 2016, 2017 and 2018 are RMB4,000,000, RMB4,300,000 and RMB4,500,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Chengdu Lease Agreement for the year ended 31 December 2017 was RMB2,869,000.

## **2. Haidilao Warehouse Storage Service Agreement**

On 24 June 2016, Sichuan Haidilao and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Haidilao Warehouse Storage Service Agreement, pursuant to which Sichuan Haidilao Group agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products. Sichuan Haidilao is our connected person and therefore the transactions under the Haidilao Warehouse Storage Service Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Haidilao Warehouse Storage Service Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed "Connected Transaction" in the Prospectus for details.

The annual caps for the rental payable under the Haidilao Warehouse Storage Service Agreement for the years ended 31 December 2016, 2017 and 2018 are RMB2,200,000, RMB2,800,000 and RMB3,600,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Haidilao Warehouse Storage Service Agreement for the year ended 31 December 2017 was RMB764,000.

截至2016年、2017年及2018年12月31日止年度，根據成都租賃協議應付租金的年度上限分別為人民幣4,000,000元、人民幣4,300,000元及人民幣4,500,000元。有關詳情亦請參閱財務報表附註33。截至2017年12月31日止年度，根據成都租賃協議產生的總交易金額為人民幣2,869,000元。

## **2. 海底撈倉儲服務協議**

於2016年6月24日，四川海底撈與我們的全資附屬公司頤海上海（各自為其本身及代表其附屬公司）訂立海底撈倉儲服務協議，據此，四川海底撈集團同意就我們產品的儲存向本集團提供倉儲設施及相關服務（包括倉儲、分類加工管理、盤點及其他物流服務）。四川海底撈為我們的關連人士，因此根據上市規則第十四A章，海底撈倉儲服務協議項下的交易構成持續關連交易。

海底撈倉儲服務協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節。

截至2016年、2017年及2018年12月31日止年度，根據海底撈倉儲服務協議應付租金的年度上限分別為人民幣2,200,000元、人民幣2,800,000元及人民幣3,600,000元。有關詳情亦請參閱財務報表附註33。截至2017年12月31日止年度，根據海底撈倉儲服務協議產生的總交易金額為人民幣764,000元。



### 3. Shuhai Warehouse Storage Service Agreement

On 24 June 2016, Shuhai Supply Chain and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Shuhai Warehouse Storage Service Agreement, pursuant to which Shuhai Supply Chain Group agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Warehouse Storage Service Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Warehouse Storage Service Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed "Connected Transaction" in the Prospectus for details.

The annual caps for the rental payable under the Shuhai Warehouse Storage Service Agreement for the years ended 31 December 2016, 2017 and 2018 have been revised to RMB3,000,000, RMB6,000,000 and RMB9,000,000, respectively. Please also refer to note 33 to the Financial Statements and the Company's announcement dated 18 September 2017 for details. The aggregate transaction amount incurred in accordance with the Shuhai Warehouse Storage Service Agreement for the year ended 31 December 2017 was RMB3,544,000.

### 4. Master Sales Agreement and Supplemental Master Sales Agreement

On 24 June 2016, Sichuan Haidilao, Singapore Haidilao and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Master Sales Agreement, pursuant to which we agreed to supply to Haidilao Group both Haidilao Customized Products and Haidilao Retail Products. Sichuan Haidilao and Singapore Haidilao are our connected persons and therefore the transactions under the Master Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

### 3. 蜀海倉儲服務協議

於2016年6月24日，蜀海供應鏈與我們的全資附屬公司頤海上海(各自為其本身及代表其附屬公司)訂立蜀海倉儲服務協議，據此蜀海供應鏈集團同意就儲存我們的產品向本集團提供倉庫設施及相關服務(包括倉儲、分類加工管理、盤點及其他物流服務)。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海倉儲服務協議項下的交易構成持續關連交易。

蜀海倉儲服務協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節。

截至2016年、2017年及2018年12月31日止年度，根據蜀海倉儲服務協議應付租金的年度上限分別修訂為人民幣3,000,000元、人民幣6,000,000元及人民幣9,000,000元。有關詳情亦請參閱財務報表附註33及本公司日期為2017年9月18日的公告。截至2017年12月31日止年度，根據蜀海倉儲服務協議產生的總交易金額為人民幣3,544,000元。

### 4. 總銷售協議及補充總銷售協議

於2016年6月24日，四川海底撈、新加坡海底撈及我們的全資附屬公司頤海上海(各自為其本身及代表其附屬公司)訂立總銷售協議，據此，我們同意向海底撈集團供應海底撈定製產品及海底撈零售產品。四川海底撈及新加坡海底撈為我們的關連人士，因此根據上市規則第十四A章，總銷售協議項下的交易構成持續關連交易。

The Master Sales Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed “Connected Transaction” in the Prospectus and the circular of the Company dated 18 October 2017 for details.

On 18 September 2017, Sichuan Haidilao, Singapore Haidilao and Yihai Shanghai, each for itself and on behalf of its subsidiaries, entered into the Supplemental Master Sales Agreement, pursuant to which we agreed to sell Small Hotpot Products to the Haidilao Group. The transactions under the Supplemental Master Sales Agreement therefore constitute connected transactions under Chapter 14A of the Listing Rules.

The Supplemental Master Sales Agreement commenced from 6 November 2017 and will expire on 31 December 2018. Please refer to the circular of the Company dated 18 October 2017 for details.

The annual caps receivable under the Master Sales Agreement (as supplemented by the Supplemental Master Sales Agreement) for the years ended 31 December 2016, 2017 and 2018 have been revised to RMB598,000,000, RMB994,800,000 and RMB1,569,700,000, respectively. Please also refer to note 33 to the Financial Statements and the Company's circular dated 18 October 2017 for details. The aggregate transaction amount incurred in accordance with the Master Sales Agreement and Supplemental Master Sales Agreement for the year ended 31 December 2017 was RMB905,333,000.

總銷售協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節及本公司日期為2017年10月18日的通函。

於2017年9月18日，四川海底撈、新加坡海底撈及頤海上海（各自為其本身及代表其附屬公司）訂立補充總銷售協議，據此，我們同意向海底撈集團銷售小火鍋產品。因此根據上市規則第十四A章，補充總銷售協議項下的交易構成關連交易。

補充總銷售協議自2017年11月6日起生效並將於2018年12月31日屆滿。有關詳情請參閱本公司日期為2017年10月18日的通函。

截至2016年、2017年及2018年12月31日止年度，根據總銷售協議（經補充總銷售協議補充）應收的年度上限分別修訂為人民幣598,000,000元、人民幣994,800,000元及人民幣1,569,700,000元。有關詳情亦請參閱財務報表附註33及本公司日期為2017年10月18日的通函。截至2017年12月31日止年度，根據總銷售協議及補充總銷售協議產生的總交易金額為人民幣905,333,000元。

## 5. Shuhai Sales Agreement

On 24 June 2016, Shuhai Supply Chain and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Shuhai Sales Agreement, pursuant to which we agreed to sell hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products to Shuhai Supply Chain Group for sales and distribution to its customers who are catering service providers. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Sales Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed "Connected Transaction" in the Prospectus for details.

The annual caps for the transactions under the Shuhai Sales Agreement for the years ended 31 December 2016, 2017 and 2018 are RMB7,210,000, RMB9,630,000 and RMB12,680,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Sales Agreement for the year ended 31 December 2017 was RMB8,775,000.

## 6. Youdingyou Sales Agreement

On 24 June 2016, Youdingyou and Yihai Shanghai, our wholly owned subsidiary, each for itself and on behalf of its subsidiaries, entered into the Youdingyou Sales Agreement, pursuant to which we agreed to sell hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products to Youdingyou for use at spicy mixed stew restaurants it operates. Youdingyou is our connected person and therefore the transactions under the Youdingyou Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

## 5. 蜀海銷售協議

於2016年6月24日，蜀海供應鏈與我們的全資附屬公司頤海上海(各自為其本身及代表其附屬公司)訂立蜀海銷售協議，據此，我們同意向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品，以供向其餐飲服務供應商客戶進行銷售及經銷。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海銷售協議項下的交易構成持續關連交易。

蜀海銷售協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節。

截至2016年、2017年及2018年12月31日止年度，根據蜀海銷售協議的交易的年度上限分別為人民幣7,210,000元、人民幣9,630,000元及人民幣12,680,000元。有關詳情亦請參閱財務報表附註33。截至2017年12月31日止年度，根據蜀海銷售協議產生的總交易金額為人民幣8,775,000元。

## 6. 優鼎優銷售協議

於2016年6月24日，優鼎優與我們的全資附屬公司頤海上海(各自為其本身及代表其附屬公司)訂立優鼎優銷售協議，據此，我們同意向優鼎優銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品，以供其經營的辣味混合燉菜餐廳使用。優鼎優為我們的關連人士，因此根據上市規則第十四A章，優鼎優銷售協議項下的交易構成持續關連交易。

The Youdingyou Sales Agreement has an initial term of three years commencing from 1 January 2016 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the section headed "Connected Transaction" in the Prospectus for details.

The annual caps for the transactions under the Youdingyou Sales Agreement for the years ended 31 December 2016, 2017 and 2018 are RMB8,900,000, RMB16,300,000 and RMB26,400,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Youdingyou Sales Agreement for the year ended 31 December 2017 was RMB1,803,000.

#### **7. Investment Cooperation Agreement**

On 11 July 2017, Xinpai Shanghai and Yihai Shanghai, our wholly owned subsidiary, entered into the Investment Cooperation Agreement, pursuant to which Xinpai Shanghai and Yihai Shanghai formed the Joint Venture in the PRC to engage in the manufacture and sales of self-serving small hotpot products. Pursuant to the terms of the Investment Cooperation Agreement, the registered capital of the Joint Venture proposed to be established shall be RMB50 million, of which (i) Yihai Shanghai shall contribute RMB30 million by way of cash representing 60% of the registered capital; and (ii) Xinpai Shanghai shall contribute RMB20 million by way of cash, representing 40% of the registered capital. Xinpai Shanghai is our connected person and therefore the transaction under the Investment Cooperation Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. Please refer to the announcement of the Company dated 11 July 2017 for details.

優鼎優銷售協議的初始年期為自2016年1月1日起計為期三年，並可不時另行續期三年，惟須符合上市規則及適用法律法規。有關詳情請參閱招股章程「關連交易」一節。

截至2016年、2017年及2018年12月31日止年度，根據優鼎優銷售協議的交易的年度上限分別為人民幣8,900,000元、人民幣16,300,000元及人民幣26,400,000元。有關詳情亦請參閱財務報表附註33。截至2017年12月31日止年度，根據優鼎優銷售協議產生的總交易金額為人民幣1,803,000元。

#### **7. 投資合作協議**

於2017年7月11日，新派上海與我們的全資附屬公司頤海上海訂立投資合作協議，據此，新派上海與頤海上海於中國成立合資公司從事自加熱小火鍋產品的生產及銷售。根據投資合作協議的條款，建議成立的合資公司的註冊資本將為人民幣50百萬元，其中(i)頤海上海將以現金方式出資人民幣30百萬元，相等於註冊資本的60%；及(ii)新派上海將以現金方式出資人民幣20百萬元，相當於註冊資本的40%。新派上海為我們的關連人士，因此根據上市規則第十四A章，投資合作協議項下的交易構成關連交易。有關詳情請參閱本公司日期為2017年7月11日的公告。



## 8. Framework Sales and Purchase Agreements

On 18 September 2017, the Joint Venture and Yihai Shanghai, our wholly owned subsidiary and for itself and on behalf of its subsidiaries, entered into the Framework Sales and Purchase Agreements, pursuant to which (i) we agreed to sell hotpot soup flavouring products to the Joint Venture as raw materials for the manufacture of Small Hotpot Products; and (ii) the Joint Venture agreed to sell Small Hotpot Products to us. The Joint Venture is our connected subsidiary and therefore transactions under the Framework Sales and Purchase Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Framework Sales and Purchase Agreements have an initial term of three years from 6 November 2017 to 31 August 2020 and is renewable for further term of three years from time to time, subject to compliance with the Listing Rules and applicable laws and regulations. Please refer to the announcement of the Company dated 18 September 2017 and 6 November 2017 for details.

The annual caps for the transactions under the Framework Sales and Purchase Agreements for the years ended 31 December 2017, 2018 and 2019 and the eight months ended 31 August 2020 are RMB50,700,000, RMB141,300,000, RMB205,500,000 and RMB178,333,000, respectively. Please also refer to note 33 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Framework Sales and Purchase Agreements for the year ended 31 December 2017 was RMB2,560,000.

The above continuing connected transactions has followed the policies and guidelines when determining the price and terms of the transactions conducted for the year ended 31 December 2017.

The auditor of the Group has reviewed the continuing connected transactions referred to above and confirmed to the Board that the continuing connected transactions: (i) have received the approval of the Board; (ii) were in accordance with the pricing policies of the Group; (iii) were entered into in accordance with the relevant agreement governing the transaction; and (iv) have not exceeded the caps.

## 8. 產品互供框架協議

於2017年9月18日，合資公司與我們的全資附屬公司頤海上海(為其本身及代表其附屬公司)訂立產品互供框架協議，據此，(i)我們同意向合資公司出售火鍋底料產品，用作生產小火鍋產品的原材料；及(ii)合資公司同意向我們出售小火鍋產品。合資公司為我們的關連附屬公司，因此根據上市規則第十四A章，產品互供框架協議項下的交易構成持續關連交易。

產品互供框架協議初步為期三年，自2017年11月6日起，至2020年8月31日止，可不時另外續期三年，惟須符合上市規則及適用法律法規的要求。有關詳情請參閱本公司日期為2017年9月18日及2017年11月6日的公告。

截至2017年、2018年及2019年12月31日止年度以及截至2020年8月31日止八個月，根據產品互供框架協議的交易的年度上限分別為人民幣50,700,000元、人民幣141,300,000元、人民幣205,500,000元及人民幣178,333,000元。有關詳情亦請參閱財務報表附註33。截至2017年12月31日止年度，根據產品互供框架協議產生的總交易金額為人民幣2,560,000元。

上述持續關連交易於釐定截至2017年12月31日止年度進行的交易價格及條款時已遵守政策及指引。

本集團核數師已審閱上述持續關連交易，並向董事會確認，該等持續關連交易：(i)已獲董事會批准；(ii)符合本集團的定價政策；(iii)根據規管交易的相關協議訂立；及(iv)並無超出上限。



## Directors' Report

### 董事會報告

The independent non-executive Directors have confirmed that the above continuing connected transactions were entered into by the Group: (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreement (including the pricing principle and guidelines set out therein) governing them and on terms that were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company has designated a team of senior management from business operation, legal, risk control and finance departments and Board office to monitor the continuing connected transactions and ensure that the continuing connected transactions with the abovementioned connected persons are on arm's length basis and that the annual caps are not exceeded. Such team of senior management continuously traces and regularly monitors the progress of the continuing connected transactions and reports to management of the Company. They review the continuing connected transactions with the finance department to ensure that annual caps are not exceeded. They will also communicate with the Audit Committee, management and the Board of Directors, monthly or as needed, to report the progress of the continuing connected transactions, and request for approval of new changes of existing transaction terms. The heads of different departments of the Company will be informed on a periodic basis in relation to the terms and pricing policies of the continuing connected transactions as well. The Audit Committee has also assigned the independent internal audit team the task to ensure that the Company's internal control measures in respect of the continuing connected transactions remain effective and complete. With these measures, the independent non-executive Directors could therefore assess and give the confirmations in the preceding paragraph.

Save for disclosed above, during the year ended 31 December 2017, we have not entered into any connected transaction or continuing connected transaction which should be disclosed pursuant to the Rules 14A.49 and 14A.71 of the Listing Rules.

#### DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected and Continuing Connected Transactions" above, there were no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or its connected entity (within the meaning of Section 486 of the Companies Ordinance) had a material interest, whether directly or indirectly, and subsisting during the year ended 31 December 2017 or as of 31 December 2017.

獨立非執行董事確認，本集團乃(i)於其日常及一般業務過程中；(ii)根據正常或更佳商業條款；及(iii)根據規管交易的相關協議(包括其中規定的定價原則及指引)並按公平、合理及符合本公司及股東整體利益之條款訂立上述持續關連交易。

本公司已指定一支由業務經營、法律、風險控制及財務部門以及董事會辦公室組成的高級管理層團隊以監察持續關連交易及確保與上文所提及關連人士進行的持續關連交易乃按公平磋商釐定，且並無超出年度上限。有關高級管理層團隊持續追蹤及定期監察持續關連交易進程，並向本公司管理層報告。彼等與財務部審閱持續關連交易以確保並無超出年度上限。彼等亦將會每月或(如需要)與審計委員會、管理層及董事會進行溝通，以報告持續關連交易進程，並要求批准現有交易條款的新變動。本公司不同部門主管將會獲定期知會持續關連交易條款及定價政策。審計委員會亦指派獨立內部審計團隊任務，確保有關持續關連交易的本公司內部控制措施保持有效及完整。隨著該等措施，獨立非執行董事因而可評估於上一段給予確認。

除上文所披露者外，我們於截至2017年12月31日止年度並無訂立任何根據上市規則第14A.49條及第14A.71條須予披露之關連交易或持續關連交易。

#### 董事於重要交易、安排或合約中的重大權益

除上文「關連及持續關連交易」一節所披露者外，並無本公司的或其附屬公司屬其中一名訂約方且董事或其關連實體(如《公司條例》第486條所定義)於其中直接或間接擁有重大權益以及於截至2017年12月31日止年度或於2017年12月31日仍然存續之重要交易、安排或合約。

### **CONTRACT OF SIGNIFICANCE**

Save as disclosed in the section headed “Connected and Continuing Connected Transactions” above, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries during the year ended 31 December 2017.

### **MANAGEMENT CONTRACTS**

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2017 and up to the date of this annual report.

### **DIRECTORS' PERMITTED INDEMNITY PROVISION**

Pursuant to Article 33 of the Articles of Association and subject to Cayman Islands Companies Law, each Director shall be indemnified, out of the assets of the Company, against all losses or liabilities incurred or sustained by him as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favor, or in which he/she is acquitted.

The Company has arranged appropriate directors' liability insurance coverage for the Directors of the Group during the year ended 31 December 2017.

### **REMUNERATION POLICY, DIRECTORS' REMUNERATION AND PENSION SCHEME**

As at 31 December 2017, we had 1,919 employees. The remuneration of our employees includes salaries and allowances. We provide training to our staff to enhance technical and product knowledge. The Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly.

The Group offers competitive remuneration packages to the Directors. Other emoluments are determined by the Board with reference to the Directors' duties, responsibilities and performance and the results of the Group. Details of the Directors' remuneration during the year ended 31 December 2017 are set out in note 35 to the Financial Statements.

In accordance with the laws and regulations in the PRC, the Group has arranged for its PRC employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, organised by the PRC government. No forfeited contribution under this scheme is available to reduce the contribution payable in future years.

### **重大合約**

除上文「關連及持續關連交易」一節所披露者外，於截至2017年12月31日止年度，本公司或其中一間附屬公司與其任何控股股東或附屬公司之間概無訂立任何重大合約。

### **管理合約**

於截至2017年12月31日止年度及直至本年報日期為止，概無訂立或存在任何有關本公司全部或重大部分業務之管理及行政的合約。

### **董事獲准許的彌償條文**

根據組織章程細則第33條及受開曼群島公司法約束，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。

於截至2017年12月31日止年度，本公司已為本集團的董事安排適當的董事責任保險。

### **薪酬政策、董事薪酬及退休金計劃**

截至2017年12月31日，我們擁有1,919名僱員。僱員的薪酬包括薪金及津貼。我們亦為員工提供培訓，以提升其技術及產品知識。本集團的薪酬政策乃基於僱員個人的表現制定，並會定期予以檢討。

本集團為董事提供具競爭力的薪酬待遇。其他酬金由董事會經參照董事職務、職責及表現以及本集團的業績而釐定。於截至2017年12月31日止年度董事酬金的詳情載於財務報表附註35。

根據中國法律及法規，本集團已安排其中國僱員加入由中國政府組織的界定供款計劃，當中包括退休金、醫療、住房及其他福利。本計劃並無可供沒收供款以供削減未來年度應付供款。本集團亦為本集團僱員提供社保，當中包括退休

## Directors' Report

### 董事會報告

The Group also provides social insurance, including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for the employees of the Group.

#### SHARE OPTION SCHEME

During the year ended 31 December 2017, the Company did not have any share option scheme which was required to be disclosed.

#### THE RESTRICTED SHARE UNIT SCHEME

The Company has approved and adopted a RSU Scheme by a resolution of the Shareholders on 24 February 2016 and a resolution of the Board on 24 February 2016. The RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the RSU Scheme does not involve the grant of options by the Company to subscribe for new Shares.

The RSUs do not carry any right to vote at general meetings of the Company. No RSU grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an award of RSUs (the "Award") pursuant to the RSU Scheme, unless and until such Shares underlying the Award are actually transferred to the RSU grantee upon vesting of the RSU. Unless otherwise specified by the Board in its entire discretion, the RSU grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-script distributions from any Shares underlying an Award. Please refer to the section headed "Appendix IV — Statutory and General Information" of the Prospectus for details.

The Company approved and granted 9,140,000 RSUs among which 1,510,000 were granted to two Directors pursuant to the RSU Scheme on 28 December 2016. Please refer to the announcement of the Company dated 28 December 2016 for details.

Save as disclosed above, as at 31 December 2017, no RSU had been granted or agreed to be granted by the Company pursuant to the RSU Scheme.

金保險、失業保險、工傷保險及醫療保險。

#### 購股權計劃

於截至2017年12月31日止年度，本公司並無任何須予披露的購股權計劃。

#### 受限制股份單位計劃

本公司已根據股東於2016年2月24日的決議案及董事會於2016年2月24日的決議案批准及採納受限制股份單位計劃。受限制股份單位計劃並不受限於上市規則第十七章的條文，因為受限制股份單位計劃並不涉及由本公司授出可認購新股份的購股權。

受限制股份單位並無附帶任何可於本公司股東大會上投票的權利。除非及直至該等與受限制股份單位獎勵（「獎勵」）相關的股份於受限制股份單位歸屬時實際轉讓予受限制股份單位受託人，否則並無受限制股份單位受託人因根據受限制股份單位計劃授出獎勵而享有任何股東權利。除非董事會全權酌情決定另行指明，否則受限制股份單位受託人並無任何權利分享與獎勵相關的任何股份的任何現金或非現金收入、股息或分派及／或出售非現金及非實物分派的所得款項。有關詳情，請參閱招股章程「附錄四—法定及一般資料」章節。

於2016年12月28日，本公司已根據受限制股份單位計劃批准及授出9,140,000個受限制股份單位，其中1,510,000份乃授予兩名董事。詳情請參閱本公司日期為2016年12月28日的公告。

除上文所披露者外，截至2017年12月31日，並無受限制股份單位已獲本公司根據受限制股份單位計劃授出或同意授出。

### **EQUITY-LINKED AGREEMENT**

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the year ended 31 December 2017.

### **MAJOR CUSTOMERS AND SUPPLIERS**

During the year ended 31 December 2017, the respective percentage of purchases attributable to the Group's largest supplier and five largest suppliers in aggregate was 7.5% and 26.8%; and the respective percentage of the total sales attributable to the Group's largest customer and five largest customers in aggregate was 33.5% and 54.6%.

Our largest customer was Xinpai Shanghai, second largest customer was Sichuan Xinpai Catering Management Co., Ltd.\* (四川新派餐飲管理有限公司), which is a wholly-owned subsidiary of Singapore Haidilao, third largest customer was Sichuan Haidilao and fifth largest customer was Singapore Haidilao.

Except as disclosed above, none of the Directors or any of their close associates or any Shareholders (which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital) had a material interest in our five largest suppliers or customers.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2017.

### **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this annual report.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company since the Listing Date and up to the date of this annual report.

### **股權掛鈎協議**

除本年報披露者外，本公司於截至2017年12月31日止年度並無訂立股權掛鈎協議。

### **主要客戶及供應商**

於截至2017年12月31日止年度，本集團最大供應商及五大供應商應佔相關採購百分比合共為7.5%及26.8%；及本集團最大客戶及五大客戶應佔銷售總額相關百分比為33.5%及54.6%。

我們的最大客戶為新派上海，第二大客戶為四川新派餐飲管理有限公司，其為新加坡海底撈的全資附屬公司，第三大客戶為四川海底撈和第五大客戶為新加坡海底撈。

除上述披露者外，董事或彼等緊密聯繫人或任何股東(據董事所知其擁有本公司超過5%的已發行股本)概無於五大供應商或客戶中擁有重大權益。

### **收購、出售或贖回本公司上市證券**

於截至2017年12月31日止年度，本公司及其任何附屬公司均無購買、贖回或出售本公司任何上市證券。

### **證券交易的標準守則**

本公司已採納標準守則。已向所有董事作出特別查詢，而董事亦已確認彼等自上市日期起至本報告日期一直遵守標準守則。

可能擁有本公司內幕消息的本公司僱員亦須遵守證券交易的標準守則。自上市日期起至本年報日期，本公司並無注意到出現本公司僱員不遵守標準守則的事件。



## Directors' Report

### 董事會報告

#### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company had applied the principles and code provisions as set out in the Corporate Governance Code and has complied with the code provisions in the Corporate Governance Code for the year ended 31 December 2017.

#### AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2017 have been audited by PricewaterhouseCoopers, certified public accountants.

PricewaterhouseCoopers will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

#### CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The register of members of the Company will be closed from Sunday, 22 April 2018 to Friday, 27 April 2018, both days inclusive, in order to determine the eligibility of the Shareholders to attend and vote at the AGM. The Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 20 April 2018 will be eligible to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates and transfer forms 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 before 4:30 p.m. on Friday, 20 April 2018.

#### 遵守企業管治守則

本公司已採納企業管治守則的原則及守則條文並於截至2017年12月31日止年度為止一直遵守企業管治守則內之守則條文。

#### 核數師

本集團截至2017年12月31日止年度的綜合財務報表乃由執業會計師羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將會退任並合資格應聘續任。該等聘用續任的決議案將於股東周年大會上提呈。

#### 暫停辦理過戶登記及記錄日

本公司將於2018年4月22日(星期日)至2018年4月27日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續,以釐定合資格出席股東週年大會及於其中投票的股東。於2018年4月20日(星期五)營業時間結束時名列在本公司股東名冊上的股東將有資格參加股東週年大會並於其中投票。為符合資格出席股東週年大會並於會上投票,所有過戶文件連同有關股票證書及過戶表格,須於2018年4月20日(星期五)下午四時三十分前送交本公司之香港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室。



The register of members of the Company will also be closed from Friday, 4 May 2018 to Monday, 7 May 2018, both days inclusive, in order to determine the entitlement of the Shareholders to the final dividend. The Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 7 May 2018 will be entitled to the final dividend. In order to be eligible to entitle to the final dividend, all transfers accompanied by the relevant share certificates and transfer forms 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 before 4:30 p.m. on Thursday, 3 May 2018.

By order of the Board  
**Shi Yonghong**  
*Chairman of the Board*

Hong Kong, 4 April 2018

本公司亦將於2018年5月4日(星期五)至2018年5月7日(星期一)(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定合資格領取末期股息之股東。於2018年5月7日(星期一)營業時間結束時名列本公司股東名冊的股東將有資格收取末期股息。為符合資格收取末期股息，所有過戶文件連同有關股票證書及過戶表格，須不遲於2018年5月3日(星期四)下午四時三十分前送交本公司之香港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1712-1716室。

承董事會命  
施永宏  
董事會主席

香港，2018年4月4日

# The Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THIS REPORT

Yihai International Holding Ltd. (hereinafter “Yihai”, “the Group” or “We”) is pleased to present the Environmental, Social and Governance (“ESG”) report for the year ended 31 December 2017. This is the second ESG report we have disclosed to the public regarding our ESG management philosophy and performance of our practices. We hope that this report will disclose the concepts and practices on sustainable development of the Group in a transparent manner and enhance the mutual understanding and communication of the various stakeholders of the Group.

### SCOPE OF THIS REPORT

This report covers the period from 1 January to 31 December 2017, the same as the annual report, with some parts dated back to previous years. All data are from the Group’s internal documents or statistical reports.

### PREPARATION BASIS OF THIS REPORT

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”), Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Exchange Listing Rules”) by Hong Kong Exchange and Clearing Limited (“HKEX”). We follow the principles of importance, quantification, balance and consistency, and strive to fully represent our current management status and performance results in terms of environment, society and governance. For details of the Group’s performance results, please refer to the Annual Report of Yihai International Holding Ltd. For the Year Ended 31 December 2017.

### 關於本報告

頤海國際控股有限公司(下稱「頤海」、「本集團」或「我們」)欣然呈列2017年度之環境、社會及管治報告。該報告系本集團連續第二年向社會發佈我們在環境、社會及管治方面的管理理念與實踐績效表現，我們希望本報告披露能以具透明度之方式傳遞公司可持續發展理念與實踐，促進各利益相關方對公司的了解和溝通。

### 報告範圍

本報告涵蓋期間為二零一七年一月一日至十二月三十一日，與公司年報內容所涵蓋時間相同，部分內容追溯至以往年份。報告內涉及所有數據均來自本集團內部文件或統計報告。

### 報告編製標準

本報告編製依據香港交易及結算所有有限公司(「香港交易所」)發佈的《香港聯合交易所有限公司證券上市規則》(「上市規則」)所載之附錄二十七《環境、社會及管治報告指引》(《ESG報告指引》)，遵循重要性、量化、平衡、一致性匯報原則，力求充分反映公司在環境、社會及管治方面的管理現狀及績效成果。有關本集團業績詳情，請參閱《頤海國際控股有限公司2017年度報告》。

### 1. The Environmental, Social and Governance (ESG) Concept and System

The Group believes that sustainable and sound ESG performance is essential to the sustainable development of our business and the community we operate in. The dynamic combination of commercial and social needs is bound to embrace more influential social effects. Yihai is not only committed to achieving sound financial performance, but also realising greater overall benefits through actively identifying stakeholders' expectations, discovering areas where our business development coheres with environmental and social demands, exercising prudent management over our environmental and social risks, and fully integrating our existing and potential resources to provide more value-added products and services for the society.

#### 1.1 ESG Accountability Structure

In order to integrate the idea of ESG accountability into the Group's strategic decisions in a more effective way and to further guide the implementation of related work, we have established an ESG working group led by the Group's senior management, with all group members consisting of persons in charge of the respective functional departments. In addition, we have also formed an ESG management organisational structure which includes the participation of the senior management, horizontal coordination of all functional departments, and vertical coverage of all subsidiary companies, to ensure our ESG management system is fundamentally in line with the Group's own business development mode, thus laying solid foundation for improving our ESG performance.



### 1. 環境、社會及管治 (ESG) 理念及體系

本集團相信，持續穩健的環境、社會及管治表現對公司業務與公司所在社區的可持續發展至關重要。商業和社會需求的有機結合方能產生更具影響的社會效應，我們不僅致力於實現強健的財務業績，亦致力於積極識別各利益相關方的期望，不斷發掘自身業務發展和環境、社會需求的契合點，審慎管理自身的環境和社會風險，充分整合現有及潛在資源以為社會創造更具價值的產品和服務，實現更大的整體效益。

#### 1.1 ESG 責任架構

為了更有效地將 ESG 責任理念融入本集團戰略決策，進一步指導相關工作落實，我們設立了由公司管理層牽頭的環境、社會及管治 (ESG) 工作小組，該工作小組人員均來自各職能部門負責人。公司管理層參與、橫向協調各職能部門、縱向覆蓋各下屬公司的 ESG 管理體系在根本上符合本集團自身業務發展模式，為切實提高公司環境、社會及管治表現提供了堅實的組織保障。

## The Environmental, Social and Governance Report

### 環境、社會及管治報告

#### 1.2 Stakeholder Engagement

We are deeply aware that the sustainable development of an enterprise is closely related to the participation and support of the stakeholders. Therefore, we have maintained effective communication with the stakeholders through various channels since our establishment, in an attempt to duly understand and actively respond to their comments and demands, thus making our business and operations better satisfy their needs and expectations through continuous enhancement of internal optimisation and management.

#### 1.2 利益相關方溝通

我們深知企業的可持續發展與利益相關方的參與及支持息息相關。從公司成立至今，我們通過多方渠道與各利益相關方進行長效溝通，及時了解並積極回應各方意見與訴求，不斷加強內部優化與管理，促使公司業務與運營更好地滿足其需求與期望。

Major Stakeholders 利益相關方	Top Concerns 主要關注議題	Communication Channels 溝通渠道	Our Responses 公司回應
Governmental regulatory authorities 政府部門	• Implementation of energy conservation and emission reduction 落實節能減排	• Policy orientation 政策導向	• Implementing regulatory policies 落實監督與管制政策
	• Improvement of corporate governance 完善公司治理	• Legislative and non-legislative documents 立法及非立法性文件	• Accepting relevant examinations 接受相關考核
	• Lawful operation 合法合規經營	• On-site and off-site inspections 實地及非實地查驗	• Executing green operations 實行綠色經營
Investors  投資者	• The Group's business strategies 公司經營戰略	• Disclosure of relevant reports 相關報告披露	• Publishing our performance results on a regular basis 定期公示公司業績
	• Return on investment 投資回報	• Shareholders' Meeting 股東大會	• Strengthening management of risk and internal control 強化風險內控管理
	• Securing the interests of investors 保障投資者權益	• Disclosure of the Group's performance results 公司狀況業績公示	• Maintaining and enhancing our brand value 維護提升品牌價值
	• Accuracy and transparency of information disclosure 信息披露準確透明		

## The Environmental, Social and Governance Report

### 環境、社會及管治報告

Major Stakeholders 利益相關方	Top Concerns 主要關注議題	Communication Channels 溝通渠道	Our Responses 公司回應
Employees 僱員	<ul style="list-style-type: none"> <li>Remuneration and welfare benefits 薪酬福利</li> <li>Occupational health and safety 職業健康安全</li> <li>Career development and trainings 員工發展培訓</li> </ul>	<ul style="list-style-type: none"> <li>Staff activities 員工活動</li> <li>Internal communication 內部交流</li> </ul>	<ul style="list-style-type: none"> <li>Providing diversified staff activities 多元化員工活動</li> <li>Developing platforms for learning and development 拓展學習發展平台</li> <li>Fully protecting employees' rights 全面保障員工權益</li> </ul>
Consumers 消費者	<ul style="list-style-type: none"> <li>Product quality and safety 產品質量與安全</li> <li>Precautionary measures for information leakage 防範資料洩露</li> <li>Sound customer service 健全客戶服務</li> </ul>	<ul style="list-style-type: none"> <li>The Group's official media platform 公司官方媒體平台</li> <li>Customer complaint hotline 客戶投訴電話</li> <li>Product marketing channels 產品銷售渠道</li> </ul>	<ul style="list-style-type: none"> <li>Optimising product quality assurance system 優化產品質量體系</li> <li>Improving service quality 提升服務質量</li> <li>Protecting consumers' rights and interests 保障消費者各項權益</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>Fair cooperation 公平合作</li> <li>Honesty and promise keeping 誠信踐約</li> <li>Coordinated development 協同發展</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication 定期溝通</li> <li>Routine return visits 日常回訪</li> <li>Business meetings 商業會談</li> <li>Cooperation agreements 合作協定</li> </ul>	<ul style="list-style-type: none"> <li>Developing a fair and impartial procurement system 公平公正的採購制度</li> <li>Attaching importance to environmental and social risks 重視環境與社會風險</li> <li>Realising sustainable partnerships 實現可持續合作關係</li> </ul>



## The Environmental, Social and Governance Report

### 環境、社會及管治報告

Major Stakeholders 利益相關方	Top Concerns 主要關注議題	Communication Channels 溝通渠道	Our Responses 公司回應
Community and the public 社區與公眾	<ul style="list-style-type: none"> <li>Charity and public welfare 公益與慈善</li> <li>Community sustainable development 社區可持續發展</li> <li>Community relations 社區關係</li> </ul>	<ul style="list-style-type: none"> <li>Charitable activities 公益慈善活動</li> <li>Voluntary activities 志願者活動</li> <li>Community investment 社區投資</li> </ul>	<ul style="list-style-type: none"> <li>Carrying out charitable and voluntary activities 開展公益及志願者活動</li> <li>Caring for returns on community investment 注重社區投資回饋</li> </ul>

#### 1.3 Materiality Assessment of ESG Topics

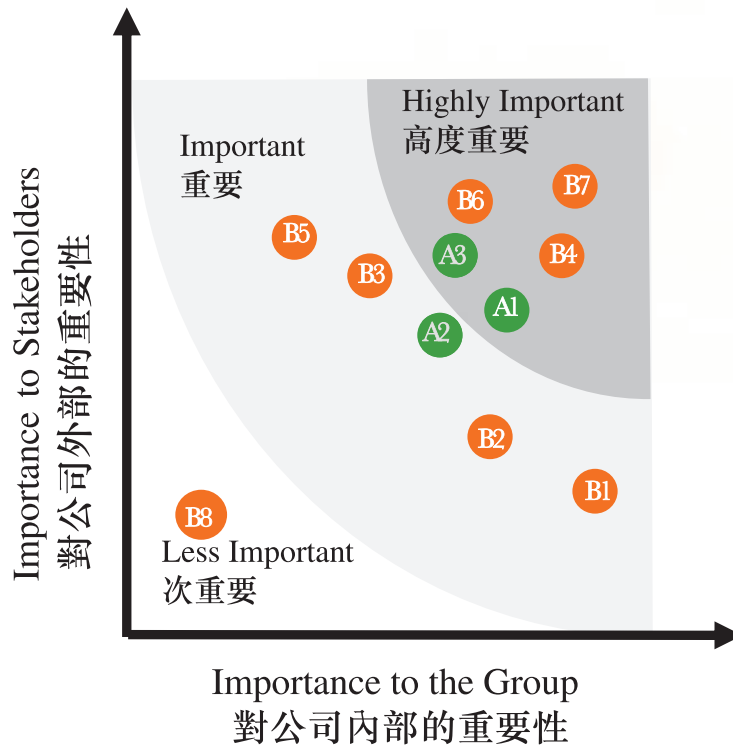
Based on the stakeholder engagement study conducted in the previous year, we communicated with representatives of stakeholders this year through various ways like on-line questionnaire, group discussion and telephone interview to understand their specific requests and real assessment on the materiality of 11 ESG topics such as environment, employment, employee health and development, labour standards, supply chain management, product liability, anti-corruption and community investment, so as to detect areas that can be improved and further enhance the quality of ESG-related practices.

Based on the feedback from the stakeholders and taking into account the trend of the Group's business development, we have accomplished materiality analysis and assessment of ESG topics for this reporting year. The assessment results showed that topics in relation to emissions, resources utilisation, environmental and social resources, labour standards, product responsibility and anti-corruption were of higher importance from a comprehensive perspective. We have provided more targeted responses to these topics of higher importance, without prejudice to the strict compliance with disclosure requirements in the ESG Reporting Guide. The following matrix shows the results of our materiality assessment:

#### 1.3 ESG 議題重要性評估

我們結合2016年公司利益相關方調研基礎，在2017年度與各利益相關方代表通過線上問卷調查、小組討論及電話訪談等形式進行了多次溝通，以了解利益相關方對於環境、僱傭、員工健康與發展、勞工準則、供應商管理、產品責任、反貪污及社區投資的11項ESG議題重要性的真實評估與具體訴求，從而悉知公司有待改善之環節，進一步提升有關環境、社會及管治之工作質量。

根據各利益相關方反饋結果，同時綜合考慮本集團業務發展方向，我們完成了本報告年內ESG議題重要性分析評估。評估結果顯示，排放物、資源使用、環境及社會資源、勞工準則、產品責任和反貪污相關議題的綜合重要性程度較高。我們在嚴格遵守《ESG報告指引》披露要求的前提下，對重要性程度較高的議題予以更具針對性的回應。以下矩陣圖顯示本集團的重要性評估結果。



A1: Emissions 排放物 A2: Use of Resources 資源使用

A3: The Environment and Natural Resources 環境與天然資源

B1: Employment 僱傭 B2: Health and Safety 健康與安全

B3: Development and Training 發展與培訓

B4: Labour Standards 勞工準則

B5: Supply Chain Management 供應鏈管理 B6: Product Responsibility 產品責任

B7: Anti-corruption 反貪污 B8: Community Investment 社區投資

## **2. Environmental Management**

The Group practices sustainable development concepts of low-carbon, environmental protection, energy saving and emission reduction, while simultaneously updating the base of applicable laws and regulations in real time through paying close attention to official websites of the national and local authorities governing safety and environmental protection affairs. At the same time, we make continuous improvements to our systems in accordance with updated requirements to ensure the Group's operational activities are legitimate and in line with regulations. In 2017, we actively identified and complied with environment-concerned laws and regulations newly issued at national and local levels, including the *Environmental Protection Tax Law of the People's Republic of China*, the *Administrative Measures for the Licensing of Radioisotopes and Radiation Devices*, the *Catalogue for Classification Management of Stationary Source Emission Permit (2017)*, the *Regulations on the Administration of Construction Project Environmental Protection* and the *Administrative Measures for Environmental Protection Acceptance of Completed Construction Projects* (Decree No. 13 of the Ministry of Environmental Protection). While enhancing our environmental management system, the Group has been exploring feasible energy-saving and emission reduction technologies and procedures during the course of business. Besides, The Group has also attempted to strengthen the effective supervision and management at all levels, to shape and enhance the staff's awareness of environmental protection, with an attempt to minimise the impact of our production and operation activities on the surrounding environment. No violation of laws and regulations or legal action concerning environmental protection was reported in 2017.

## **2. 環境管理**

本集團切實踐行低碳環保、節能減排的可持續發展理念，通過國家及地方安全環保類官方網站，實時更新相適用的相關法律法規庫，同時根據有關要求不斷完善公司制度，保證公司運營活動合法合規。2017年度，我們積極識別並遵守的主要的國家及地方層面環境領域的新法律法規包括：《中華人民共和國環境保護稅法》、《放射性同位素與射線裝置安全許可管理辦法》、《固定污染源排污許可分類管理名錄(2017年版)》、《建設項目環境保護管理條例》及《建設項目竣工環境保護驗收管理辦法13號令》等。本集團在強化自身環境管理體系的同時，亦不斷探索經營過程中可行的節能減排技術與工藝，加強對各級部門的有效監督管理，建立和提升員工的環境保護意識，努力降低因公司生產運營活動對周邊環境造成的影響。在過去的2017年度內，本集團在環境保護領域未發生相關違法違規訴訟事件。

## 2.1. Improving Environmental Management System

In view of further improving our environmental management, we integrated characteristics of our own operations to update and prepare 12 class A production safety management systems in 2017, including the Management System of Inspection on Safety and Environmental Protection, the Management System of Trainings on Safety and Environmental Protection and the Safety and Environmental Hazards Management System, which helped to sort out our business processes in a systematic way. These systems specified the environmental management accountability at different levels and implemented localised management to effectively perform energy-saving and waste control measures, making our environmental management more standardised and normalised. The Group's Risk Management and Audit Department conducts special audits on a monthly basis to monitor factories' implementation of these systems in an effective way. Moreover, we organise factory employees at the group leader level or above on a regular basis to polish and revise the relevant systems for further improvement on the implementation feasibility. The Supply Management Department conducts compliance audits for the operation of safety and environmental protection systems in factories to ensure their businesses are completely compliant with laws and regulations.

## 2.2 Controlling Pollutant

The group has continued to push ahead various regulatory measures in term of controlling pollutant, covering three primary aspects such as emission control, wastewater treatment and solid waste management.

### Emission Control

Regarding the aspect of emission control, factories of the Group cleaned out old and obsolete equipment, introduced new energy-saving steam boilers that primarily use natural gas as fuel, and replaced some gas-fired woks with steam-heated woks in the stir-frying workshops, resulting in greatly reducing exhaust gas emissions. At the same time, all factories have been equipped with extraction hoods and oil smoke purifiers. When stir-frying ingredients, the oily fumes are first absorbed by gas-collecting hoods and then purified by the oil smoke purifier until it meets the standards required for discharge.

## 2.1 完善環境管理體系

為進一步提升本集團的環境管理水平，在實際管理中，我們結合自身運營及業務特點，於2017年下半年更新編製了包括《安全環保檢查管理制度》、《安全環保培訓管理制度》、《安全環保隱患管理制度》等在內的12項安全生產A類管理制度，系統梳理了公司業務流程，明確了各級環保管理責任制，並施行屬地化管理，以有效執行各項節能減排與危廢監控措施，使得我們的環境管理事業更加標準化與規範化。為有效監督各工廠對該制度的執行情況，本集團風控審計部每月進行一次專項審計；為進一步提高制度落實的可行性，公司亦定期組織各工廠組長以上級別員工對制度進行打磨修訂；供應管理部則針對各工廠安全環保體系的運行情況進行合規性審計，以確保工廠相關業務完全合法合規。

## 2.2 控制污染物排放

本集團在控制污染物排放方面持續推進各項管控措施，主要涵蓋了控制廢氣、污水處理及固廢管理三個層面。

### 控制廢氣

在減少廢氣排放方面，本集團各工廠淘汰老舊設備，均使用新的以天然氣為燃料的節能蒸汽鍋爐，炒制車間的部分燃氣炒鍋已更換為蒸汽炒鍋，極大地降低了廢氣排放量。同時，各工廠均安裝抽油煙罩及油煙淨化器，炒料過程中產生的油煙廢氣經集抽油煙機罩吸收並通過油煙淨化裝置淨化，達標後方可排放。

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#### Wastewater Treatment

Due to our business nature, sewage mainly comes from the wok washing water discharged by stir-frying workshops. In this regard, all factories have installed a set of vacuum centralised suction and discharge system and oil-water separation system for the wok washing water to avoid direct discharge of sewage containing waste oil. In addition, all the factories of the Group have sewage treatment stations. Waste water produced from factory canteen is first pretreated by an oil filter and purification tank, and is then, together with domestic sewage from the factory area, sent to the sewage treatment station in the factory area for further treatment. Finally, the treated wastewater is discharged into the municipal sewage treatment plant in the industrial park.

#### Solid Waste Management

The Group has developed a sound solid waste treatment mechanism, and performs compliance audit monthly. Meanwhile, waste storage warehouses and classified storage bins are equipped, and the wastes collected are classified into general solid waste and hazardous waste. Wastes produced by all the factories have been sent to qualified professional waste treatment companies for processing. These include solid waste residues from primary and auxiliary materials, oil residue, waste oil collected by oil smoke purifiers and waste package materials. Household wastes have been handled in a centralised manner on a daily basis. We have employed qualified third parties for the treatment of all hazardous wastes, including waste chemical reagents, waste toner cartridges and ink cartridges and hazardous waste batteries with special symbols. All hazardous wastes produced by factories of the Group have been treated in line with laws and regulations. In addition, the Group uses energy-saving lamps instead of fluorescent lamps, to further achieve energy conservation and environmental protection and reduce the production of hazardous waste.

#### 污水處理

基於公司業務特點，污水主要為工廠炒制車間產生的炒鍋清洗廢水，對此公司各工廠均已單獨安裝了整套刷鍋水真空集中吸排系統和油水分離系統，以避免含廢油污水的直接排放。另外，各工廠均設有污水處理站，廠區食堂餐飲產生的廢水通過隔油淨化池預處理後，與廠區生活污水一起進入工廠污水處理站進行處理，之後排入工業園區市政污水處理廠。

#### 固廢管理

公司制定了完善的固廢處理機制，並於每月進行符合性審計。同時，配置廢棄物存儲倉庫及分類存儲垃圾箱，廢棄物在統一收集後分類為一般固體廢棄物與危險廢棄物。各工廠產生的主輔料廢渣、隔油渣、油煙淨化器收集的廢油、廢包裝材料等均交由有資質的專業公司進行處理。廠區生活垃圾日清日潔、集中處理。全部危險廢棄物，包括廢化學試劑、廢舊硒鼓墨盒及有專門標識的危廢電池等交由有資質的第三方處置商進行合規處理，本集團各工廠產生的全部危險廢棄物均已實現合法合規處置。另外，本集團主要以節能燈代替熒光燈，進一步達到了節能環保的效果，減少了危險廢棄物的產生。



### 2.3 Promoting Energy Efficiency

We have continued to explore and implement practical energy-saving technologies and measures in our daily production and operation, and have updated and developed a series of management methods and operating procedures for improving utilisation efficiency of energy, water resources and raw materials for production.

In February 2017, a brainstorm session was launched company-wide to analyse and evaluate the existing process, to detect unstable risk factors and waste points existed in process flows, and standardise the staff operation and processing parameters of production equipment. The optimisation and adjustment of the production process not only ensured the stability of product quality, but also further improved the efficiency of resource utilization. Case-based results achieved in the optimisation and adjustment of the Group's production process in 2017 include:

Improvement in the repeated processing of chicken essence

雞精重複加工改善項目

Improvements of net weight control

淨含量改善項目

Originally, the chicken essence in condiment products had to be processed again after ingredients proportioning. After the modification, we returned to the original chicken essence formula, no longer involving processing procedures like drying and granulation, which in turn reduced energy consumption and processing cost. The implementation of this project has shortened the processing chain, and also provided quality assurance, with an annual saving in processing cost of RMB 350,000.

原有底料產品中雞精經過配料後需要再次加工，改造後，我們還原回雞精的原始配方，不再進行乾燥、造粒等加工工藝，以減少能耗及加工成本。該項目的實施縮短了加工鏈，保證了產品品質，每年可實現節約加工費用35萬元人民幣。

By introducing SPC (Statistics, Process, Control) tools, we analysed the accuracy and process capability of each equipment, with a focus on over-packaged or short-packaged products. This project has not only guaranteed the stability of the product tastes, but also improved the yield rate, realising a cost saving of approximately RMB 600,000 per year.

通過使用統計過程控制(SPC)工具，我們分析每台設備的精度及制程能力，對多灌少灌部分進行管理。該項目的運行既保證了產品口味的穩定，提高了出成率，每年可實現節約成本約60萬元人民幣。

### 2.3 推進節能降耗

我們在生產運營中堅持探索和推行切實可行的節能降耗技術和措施，更新制定了一系列有關提高能源、水資源和生產原材料使用效益的管理辦法和操作規程。

在2017年2月，全公司發起頭腦風暴，對現有的整個工藝過程進行分析評估，梳理各道工序流程中存在的穩定風險因素和損失浪費點，對員工操作和生產設備工藝參數進行標準化設定。生產工藝的優化調整在保證產品品質穩定的前提下進一步實現了資源使用效率的提升。2017年本集團生產工藝優化案例及所得成果包括：

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#### Improvements of defective products

#### 次品改善項目

We made statistics on losses and waste in production process batches, and analysed categories and causes of defective products. Meanwhile, Green Belt DMAIC tools were also engaged to improve defective products. The implementation of this project has shortened the batching process and mitigated the risk of defective goods flowing into the market.

建立生產過程批次的損失浪費數據統計，分析次品類別及產生原因，同時利用DMAIC綠帶工具改善次品項目。該項目的落實減少了過程批次，降低了次品流入市場的風險。

In the fourth quarter of 2017, we employed in our headquarters and Zhengzhou factory lean engineers specialised in planning, organisation and promotion of lean production, in an attempt to achieve a higher level of energy-saving, emission reduction and energy efficiency. With the engagement of lean engineers, we have achieved the following improvements:

- Application of automation to the bottleneck process to better the working environment, reduce staff fatigue and improve production and manufacturing efficiency;
- Implementation of 5S on-site lean management tools to eliminate on-site material sluggish, improve site utilization and reduce waste of resources;
- Introduction of the OEE (Overall Equipment Effectiveness) indicator and development of the TPM (Total Productive Maintenance) project to reduce equipment downtime and improve equipment operating efficiency;
- Promotion of process improvements to control overflow amounts, shorten stir-frying time, reduce material input, improve the lean level of process parameters and reduce energy consumption.

2017年第四季度，我們開始在公司總部與鄭州工廠配備精益工程師，專門負責精益生產規劃、組織與推進工作，以實現更高水平的節能減排增效。配備精益工程師後，我們主要實現了以下層面的改進：

- 進行瓶頸工序自動化改造，以改善作業環境，降低員工疲勞度，提高生產製造效率；
- 推行5S現場精益管理工具，消除現場物料呆滯，提高場地使用率，減少資源浪費；
- 引入OEE(設備綜合效率)指標，並開展TPM(全面生產維護)項目，降低設備停機率，提升設備運行效率；
- 推行工藝改善，控制溢加量，縮短物料炒制時間，降低物料投入，提升工藝參數精益化水平，降低能耗。

In terms of the use of water resources, factories of the Group have introduced evaporative condensers to improve the recycling rate of indirect cooling water, conducted daily inspection on water dripping and leakage at each water consuming point and cancelled unnecessary ones. Our spraying water circulation system was also newly installed for deodorisers in the workshop to reduce the waste of water resources. In addition, the Group also organised relevant departments to formulate water-saving and energy-saving measures, and strengthened efforts on enhancing water-saving, energy-saving and gas-saving awareness through posting slogans and posters. Through the promotion of various energy-saving measures, comprehensive energy consumption per unit product of each factory has declined, and employees' awareness on energy-saving and environmental protection has been enhanced.

#### 2.4 *Minimising our Impact on Nature*

Because of the business characteristics of the Group, our impact on the environment and natural resources is limited, nevertheless we are still committed to taking effective management measures in day-to-day operations to further reduce any significant impact of our business activities on the nature. When selecting and procuring raw materials for production, factories of the Group, particularly our Maanshan Production Base was newly established in 2017, sourced raw materials as close as possible to the factory location or its vicinity to shorten the delivery distance with maximum reduction in vehicle fuel consumption and exhaust gas emissions, thus reducing the carbon footprint in the environment by transportation.

在水資源使用方面，公司各工廠使用蒸發式冷凝器，提高間接冷卻水循環率；日常檢查各用水點跑冒滴漏現象，取消次要用水點；車間除味設備加裝噴淋水循環系統，減少了水資源浪費。另外，本集團亦組織各部門制定節水節電措施，並通過張貼宣傳標語與宣傳圖案，加大節水、節電、節氣的宣傳力度。通過推進各類節能降耗舉措，各工廠單位產品綜合能耗下降，公司員工的節能環保意識得到強化。

#### 2.4 降低對自然影響

基於本集團的業務特點，我們對環境及天然資源造成的影響程度較為有限，但是我們仍然致力於在日常運營中採取各項行之有效的管理措施來進一步減低業務活動對自然產生的重大影響。公司各工廠，尤其是於2017年新建的馬鞍山工廠，在選用和採購生產原材料時，盡可能選購在工廠所在地或其鄰近地區出產的原材料，以儘量縮短運貨距離，最大程度降低運輸車輛燃油及尾氣排放，同時減少運輸對所到環境產生的碳足跡。

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#### 2.5 Enhancing Environmental Performance

Unless otherwise stated, the information listed below represents the data and performance of Yihai International Chengdu Yueyihai Trading Co., Ltd. and Zhengzhou Shuhai Industrial Co., Ltd. for the period from 1 January to 31 December 2017. The Production Bases in Bazhou city Hebei Province is still under construction and the Production Base in Maanshan city Anhui Province will commence operation formally in 2018, therefore they are not included in the scope of disclosure this year.

##### Emissions

Indicators	指標	Total 匯總	Chengdu Yueyihai 成都悅頤海	Zhengzhou Shuhai 鄭州蜀海
<b>Annual production (tonnes)</b>	全年生產產量(噸)	50,681.38	16,436.62	34,244.76
<b>Emissions (tonnes)</b>	廢氣排放總量(噸)	28.12	1.63	26.49
Stationary sources emission (tonnes) <sup>1</sup>	固定源廢氣排放(噸) <sup>1</sup>	28.12	1.63	26.49
No2 (tonnes)	二氧化氮(噸)	0.67	0.23	0.44
So2 (tonnes)	二氧化硫(噸)	0.27	0.09	0.18
Fume (tonnes)	油煙(噸)	26.52	0.33	25.43
Smoke and dust (tonnes)	煙塵(噸)	0.66	0.22	0.44
Annual emissions per unit of production (tonnes/tonnes) <sup>2</sup>	全年每單位產量廢氣排 放總量(噸/噸) <sup>2</sup>	0.00055	0.00009	0.00077
<b>Total waste water pollutants discharged (tonnes)<sup>3</sup></b>	廢水污染物排放 總量(噸) <sup>3</sup>	9.07	1.31	7.76
COD emission (tonnes)	化學需氧量(COD) 排放量(噸)	3.75	0.48	3.27
BOD5 emission (tonnes)	5日生化需氧量(BOD5) 排放量(噸)	0.93	0.09	0.84
Suspended solids (tonnes)	懸浮物(噸)	3.29	0.61	2.68
Ammonia and nitrogen (tonnes)	氨氮(噸)	0.73	0.12	0.61

#### 2.5 提升環保表現

除另有說明外，本部分相關數據及績效表現覆蓋期間為二零一七年一月一日至十二月三十一日，涵蓋頤海國際成都悅頤海商貿有限公司、鄭州蜀海實業有限公司相關數據。河北霸州生產基地還在建設過程中，安徽馬鞍山生產基地於2018年開始正式運營，故不包含在本年度披露範圍內。

##### 排放物

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Indicators	指標	Total 匯總	Chengdu Yueyihai 成都悅頤海	Zhengzhou Shuhai 鄭州蜀海
Animal and vegetable oils (tonnes)	動植物油(噸)	0.37	0.01	0.36
Annual waste water pollutants discharged per unit of production (tonnes/tonnes)	全年每單位產量廢水 污染物排 放總量(噸/噸)	0.00018	0.000080	0.00023
<b>Total hazardous waste (tonnes)</b>	<b>有害廢棄物總量(噸)</b>	0 <sup>4</sup>	0	0
Waste chemical reagent (tonnes)	廢化學試劑(噸)	0	0	0
Waste engine oil (tonnes)	廢機油(噸)	0	0	0
Waste mineral oil (tonnes)	廢礦物油(噸)	0	0	0
Waste lead-acid accumulators (tonnes)	廢鉛蓄電池(噸)	0	0	0
Waste fluorescent lamps (tonnes)	廢熒光燈管(噸)	0	0	0
Others (tonnes)	其他(噸)	0	0	0
Annual hazardous waste per unit of production (tonnes/tonnes)	全年每單位產量有害 廢棄物總量(噸/噸)	0	0	0
<b>Total non-hazardous waste (tonnes)<sup>5</sup></b>	<b>無害廢棄物總量(噸)<sup>5</sup></b>	5,831.35	1,939.25	3,892.10
Household waste (tonnes)	生活垃圾(噸)	198.25	18.25	180.00
Sludge at sewage treatment stations (tonnes)	污水站污泥(噸)	1,200.00	120.00	1,080.00
Production waste (tonnes)	生產廢物(噸)	4,433.10	1,801.00	2,632.10
Annual non-hazardous waste per unit of production (tonnes/tonnes)	全年每單位產量無害廢 棄物總量(噸/噸)	0.12	0.12	0.11



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#### Note:

1. Waste gases emitted from stationary sources are consisted of nitrogen oxides, sulphur dioxide, fume and particulates contained in exhausted gases emitted by factories, which mainly come from the burning of natural gas. Among others, the nitrogen dioxide emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*, sulphur dioxide emission is calculated based on the *Practical Data Handbook for Environmental Protection*, fume emission is calculated based on the data in monitoring reports prepared by third parties, and smoke and dust emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*.
2. Our self-owned vehicles did not consume much petrol and diesel, and according to the principle of materiality, the data of mobile source emissions is not disclosed.
3. The data of COD (Chemical Oxygen Demand) emission, BOD5 (5th Biochemical Oxygen Demand) emission, suspended solids, ammonia nitrogen indicator in waste water discharged from stationary sources is calculated based on total waste water discharged at the outlet of sewage treatment stations multiplied respectively by the average concentration of BOD5, total phosphorus, ammonia and nitrogen at the outlet.
4. Hazardous waste is handed over to qualified third parties for treatment, and is calculated based on the data recorded on the hazardous waste transfer manifests or receipts of waste recyclers during the reporting period. It is 0 we recorded as no transfer or sales were made during the reporting period. Therefore the data of the current report period is 0.
5. Non-hazardous waste includes household waste, sludge at sewage treatment stations and production waste, and is calculated based on the data provided by factories, waste pick-up units, or third-party waste recyclers.

#### 註：

1. 固定源廢氣由工廠排放的廢氣中氮氧化物、二氧化硫、油煙、顆粒物等組成，主要來源於天然氣燃燒，其中二氧化氮排放根據《煤、天然氣燃燒的污染物產生係數》進行核算，二氧化硫排放根據《環境保護實用數據手冊》進行核算，油煙排放根據第三方監測報告內數據指標進行估算，煙塵排放根據《煤、天然氣燃燒的污染物產生係數》進行核算。
2. 本公司自由交通工具汽油柴油年消耗量較少，根據重要性原則，暫不披露移動源廢氣排放數據。
3. 固定源廢水中，化學需氧量(COD)排放量、5日生化需氧量(BOD5)排放量、懸浮物、氨氮指標根據污水處理站排水口的總排水量分別乘以排水口BOD5的平均濃度、排水口總磷的平均濃度、排水口氨氮的平均濃度計算得出數據。
4. 有害廢棄物交給有資質第三方處理，根據本報告期內危險廢物轉移聯單或廢物回收商回收單據上記錄的數據進行核算，本報告期內沒有發生轉移或售賣，故本期數據為0。
5. 無害廢棄物包括生活垃圾、污水站污泥、生產廢物，根據工廠或垃圾清運單位、第三方收購單位提供的數據進行核算。

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#### Energy and water resources consumption

#### 能源及水資源消耗標

Indicator	指標	Total 匯總	Chengdu Yueyihai 成都悅頤海	Zhengzhou Shuhai 鄭州蜀海
<b>Total energy consumption (MWh)<sup>6</sup></b>	<b>能源消耗總量 (兆瓦時)<sup>6</sup></b>	38,167.97	12,701.38	25,466.59
Direct energy consumption (MWh)	直接能源消耗(兆瓦時)	30,130.63	10,251.58	19,879.05
Natural gas consumption (MWh)	天然氣消耗量(兆瓦時)	29,957.82	10,158.83	19,798.99
Petrol consumption (MWh)	汽油消耗量(兆瓦時)	30.52	0	30.52
Diesel consumption (MWh)	柴油消耗量(兆瓦時)	142.29	92.75	49.54
Indirect energy consumption (MWh)	間接能源消耗(兆瓦時)	8,037.34	2,449.80	5,587.54
Electricity consumption (MWh)	電消耗量(兆瓦時)	8,037.34	2,449.80	5,587.54
Annual energy consumption per unit of production (MWh/tonnes)	全年每單位產量能源消耗量(兆瓦時／噸)	0.75	0.77	0.74
<b>Municipal water consumption (tonnes)</b>	<b>市政自來水耗用量(噸)</b>	165,529.00	52,532.00	112,997.00
Annual municipal water consumption per unit of production (tonnes/tonnes)	全年每單位產量市政自來水耗用量(噸／噸)	3.27	3.20	3.30

Note:

6. Energy consumption data, including electricity consumption, natural gas consumption and fuel consumption of company-financed vehicles, is calculated based on the consumption of electricity and fuel, and the conversion factors provided in the General Principles for Calculation of Total Production Energy Consumption (GB/T 2589-2008) by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China and the Standardization Administration of the People's Republic of China.

註：

6. 能源消耗量數據是根據電力及燃料的消耗量及中華人民共和國國家質量監督檢驗總局及中國國家標準化管理委員會刊發的《綜合能耗計算通則(GB/T 2589-2008)》提供的相關轉換因子進行計算，包含電力、天然氣和公車耗油。

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#### Greenhouse Gas Emissions

#### 溫室氣體排放量

Indicator	指標	Total 匯總
<b>Total greenhouse emissions (Scope 1 and Scope 2) (Tonnes)</b>	<b>溫室氣體排放總量 (範疇一及範疇二)(噸)<sup>7</sup></b>	<b>11,133.02</b>
Direct emissions (Scope 1) (tonnes)	直接排放(範疇一)(噸)	5,902.72
Natural gas	天然氣	5,857.84
Petrol and diesel	汽油及柴油	44.88
Indirect emissions (Scope 2) (tonnes)	間接排放(範疇二)(噸)	5,230.30
Outsourced power	外購電力	5,230.30
Annual greenhouse gas emissions per unit of production (tonnes/tonnes)	全年每單位產量溫室氣體排放(噸／噸)	0.22

#### Note:

7. Greenhouse gas include carbon dioxide, methane and nitrous oxide, mainly resulted from outsourcing electricity, natural gas consumption, diesel consumption of diesel-powered generators and company-financed vehicles. Greenhouse gas emissions are measured in carbon dioxide equivalents and calculated based on the *Baseline Emission Factors for Regional Power Grids in China (2015)* issued by National Development and Reform Commission and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories of Intergovernmental Panel on Climate Change.

#### 註：

7. 溫室氣體清單包括二氧化碳、甲烷和氧化亞氮，主要源自外購電力、天然氣消耗、柴油發電機及自有交通工具耗油。溫室氣體核算乃按二氧化碳當量呈列，並根據中國國家發展與改革委員會刊發的《2015中國區域電網基準線排放因子》及政府間氣候變化專門委員會(IPCC)刊發的《2006年IPCC國家溫室氣體清單指南》進行核算。

## The Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Packaging Materials Consumption

#### 包裝材料使用量

Indicator	指標	Total 匯總	Chengdu Yueyihai 成都悅頤海	Zhengzhou Shuhai 鄭州蜀海
Total packaging materials consumption (tonnes)	包裝材料使用總量(噸)	4,569.19	1,046.70	3,522.49
Tags consumption (tonnes)	標籤使用量(噸)	32.37	13.63	18.74
Inner packing bags consumption (tonnes)	底料內袋使用量(噸)	360.64	174.76	185.88
Condiment product packaging boxes consumption (tonnes)	底料箱使用量(噸)	2,510.83	615.64	1,895.19
White boxes consumption (tonnes)	白箱使用量(噸)	155.31	6.45	148.86
Sauce product packaging boxes consumption (tonnes)	蘸料包裝箱使用量(噸)	147.33	84.64	62.69
Trays consumption (tonnes)	託盤使用量(噸)	532.21	74.92	457.29
Small white barrels (including cover, barrel body and handle) consumption (tonnes)	餐飲裝小白桶(面蓋、桶身、提手)使用量(噸)	126.21	8.73	117.48
Condiment product rolling film consumption (tonnes)	底料卷膜使用量(噸)	704.29	67.93	636.36
Annual packing materials consumption per unit of production (tonnes/tonnes)	全年每單位產量包裝材料使用量(噸／噸)	0.09	0.06	0.10

## The Environmental, Social and Governance Report

### 環境、社會及管治報告

### 3. Employment

Employees are not only our most valuable asset, but also the key for the planning and long-term development of the Group. When establishing and developing the Group's human resources management system, we have been tracking and referring to national laws and regulations governing employment and employees, such as the *Labour Law of People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection on Minors*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*, as well as administrative rules at operating sites. The Group pays great attention to having measures in place to ensure equal employment opportunities. We strictly abide by the legal laws and regulations in the process of signing, renewing, terminating and cancelling labour contracts with employees, in order to guarantee all relevant procedures are implemented in terms of fair, open and justice. Any discrimination such as nationality, age, race, geographical location and family status in the recruitment process are also forbidden pursuant to the *Yihai Employee Recruitment Management Policy*. In addition, employment of child labour is strictly prohibited, and fool-proof modules have been newly integrated into our human resource information system to ensure that the information of candidates under 16 years old cannot be input successfully. Further, the system of flexible working hours was introduced in the *Attendance and Welfare System* to prohibit any forced labour. The Group confirms that it did not engage in any illegal employment in 2017.

#### Total Headcount by Age Group

Description	項目	Total 匯總
Under 30 years old	30歲以下(人)	889
30-40 (exclusive) years old	30歲至40歲(不含)(人)	652
40-50 (exclusive) years old	40歲至50歲(不含)(人)	343
Over 50 years old	50歲(含)以上(人)	35

#### Employment Overview

Description	項目	Total 匯總
Total Headcount	僱員總數	1,919
Male	男性僱員總數(人)	1,116
Female	女性僱員總數(人)	803

### 3. 以人為本

員工是我們最寶貴的資產，也是公司規劃長遠發展的關鍵。在搭建本集團人事管理體系，編製人事管理制度的過程中，我們持續追蹤並參考與僱傭、員工關懷相關的國家法律法規，比如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國未成年人保護法》、《中華人民共和國婦女兒童權益保護法》等，並遵守運營場所所在地有關的管理條例。我們非常關注平等工作的管理措施，在與員工簽訂、續訂、終止、解除勞動合同等過程中，我們嚴格遵守法定程序，所有相關流程都保證公平公開公正。在《頤海員工招聘管理制度》進行了明確的規定，不允許由於民族、年齡、膚色、地域、家庭狀況等因素而導致的歧視行為，杜絕招聘過程中任何涉及到歧視的現象。我們也明確規定禁止招聘童工，通過增加人事信息系統的防呆模塊，保證未滿16周歲的求職者信息無法錄入公司系統。在《考勤與福利制度》中增加彈性工時制，禁止出現強迫勞動現象。本集團確認於2017年度內並無非法聘用任何勞工。

#### 員工年齡分佈情況

#### 員工僱傭情況



## The Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Total Headcount by Region<sup>8</sup>

#### 員工地區分佈情況<sup>8</sup>

Description	項目	Total 匯總
Employees in East China	華東地區員工人數(人)	368
Employees in Central and South China	中南地區員工人數(人)	983
Employees in North China	華北地區員工人數(人)	292
Employees in Northwest China	西北地區員工人數(人)	28
Employees in Southwest China	西南地區員工人數(人)	226
Employees in Northeast China	東北地區員工人數(人)	22

Note:

註：

8. East China covers Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi and Shandong.

8. 華東地區：上海、江蘇、浙江、安徽、福建、江西、山東

Central and South China covers Henan, Hubei, Hunan, Guangdong, Guangxi and Hainan.

中南地區：河南、湖北、湖南、廣東、廣西、海南

North China covers Beijing, Tianjin, Hebei, Shanxi and Inner Mongolia.

華北地區：北京、天津、河北、山西、內蒙古

Northwest China covers Ningxia, Xinjiang, Qinghai, Shaanxi and Gansu.

西北地區：寧夏、新疆、青海、陝西、甘肅

Southwest China covers Chongqing, Sichuan, Guizhou, Yunnan and Tibet.

西南地區：重慶、四川、貴州、雲南、西藏

Northeast China covers Liaoning, Jilin and Heilongjiang.

東北地區：遼寧、吉林、黑龍江

#### Type of Employment

#### 員工僱傭類型

Description	項目	Total 匯總
Full-time staff	全職員工人數(人)	1,314
Contract staff	臨時合約工人數(人)	605

#### Employee Turnover

#### 員工流失情況

Description	項目	Total 匯總
Employees resigned	離職員工人數(人)	349
Male employees resigned	男性離職員工人數(人)	238
Female employees resigned	女性離職員工人數(人)	111

## The Environmental, Social and Governance Report

### 環境、社會及管治報告

#### Employee Turnover by Age Group

#### 員工流失按年齡分佈

Description	項目	Total 匯總
Under 30 years old	30歲以下(人)	175
30-40 (exclusive) years old	30歲至40歲(不含)(人)	124
40-50 (exclusive) years old	40歲至50歲(不含)(人)	46
Over 50 years old	50歲(含)以上(人)	4

#### Employee Turnover by Region

#### 員工流失按地區分佈

Description	項目	Total 匯總
Employees in East China	華東地區員工人數(人)	62
Employees in Central and South China	中南地區員工人數(人)	195
Employees in North China	華北地區員工人數(人)	54
Employees in Northwest China	西北地區員工人數(人)	5
Employees in Southwest China	西南地區員工人數(人)	29
Employees in Northeast China	東北地區員工人數(人)	4

#### Note:

#### 註：

East China covers Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi and Shandong.

華東地區：上海、江蘇、浙江、安徽、福建、江西、山東

Central and South China covers Henan, Hubei, Hunan, Guangdong, Guangxi and Hainan.

中南地區：河南、湖北、湖南、廣東、廣西、海南

North China covers Beijing, Tianjin, Hebei, Shanxi and Inner Mongolia.

華北地區：北京、天津、河北、山西、內蒙古

Northwest China covers Ningxia, Xinjiang, Qinghai, Shaanxi and Gansu.

西北地區：寧夏、新疆、青海、陝西、甘肅

Southwest China covers Chongqing, Sichuan, Guizhou, Yunnan and Tibet.

西南地區：重慶、四川、貴州、雲南、西藏

Northeast China covers Liaoning, Jilin and Heilongjiang.

東北地區：遼寧、吉林、黑龍江

### 3.1 Remuneration and Welfare Benefits

As an equal opportunity employer, the Group abides by the national laws and regulations regarding minimum wage and the basic welfare. Employees are entitled to various social benefits and public holidays according to relevant laws. This year, in order to strengthen the capacity of our talent team, the Group has further improved the fair and transparent remuneration review and promotion mechanism, providing competitive remuneration based on different businesses and job requirements, as well as employees' personal skills and performances. At the same time, the Group provides comprehensive welfare benefits, including housing subsidies, child care allowance, parental care allowance, child education allowance, congratulatory gifts for birthday/marriage/giving birth, injury allowance, and welfare for grandparents etc., to enhance employee satisfaction and their sense of belonging.

For the sales personnel, we offered vehicle subsidies this year, based on job title, for employees who drive to work with a driver's license, in an attempt to keep them motivated and to increase the frequency of visiting distributors, dealers and points of sales at the same time, thus improving customer satisfaction accordingly.

We regard the staff of third-party labour service companies as an important part of our human resources framework. In order to ensure their rights and interests, the Group recorded their fingerprints for attendance checking by the Human Resources Department, while the Production Department was responsible for attendance recording in paper sheet. At the end of each month, remuneration specialists review the total working hours reported by all departments.

Due to different demands at different seasons for the working force, we have started recruiting contract staff for non-critical positions since around 2014 to satisfy increasing demand for production personnel in the second half of each year. For qualified contract staff, we provided piece rate pay and commercial accident medical insurance, the same as our employees. For those at high-risk positions, they were additionally covered by the employer's liability insurance.

### 3.1 薪酬福利與待遇

作為平等機會僱主，本集團遵守國家關於各地最低工資標準的法律法規要求和基本福利制度，員工依法享有各類法定福利和法定假期。本年度，為了強化人才隊伍建設，本集團進一步完善了公平透明的薪酬考核與晉升機制，因業務和崗位要求，按照員工個人技能跟表現，提供具有競爭力的薪酬待遇。同時，公司制定了全面福利保障，包括住房補貼、育嬰補貼、父母補貼、子女教育補貼、慶生／結婚／生育賀禮、傷病慰問金、祖父母／外祖父母福利等，提升員工滿意度和歸屬感。

對於從事銷售的員工，本年度我們對擁有自有車輛和駕照的員工按級別增加了相應的車輛補貼，在增加員工的工作積極性的同時，也增加了與經銷商、分銷商、終端售點的拜訪頻次，提高客戶滿意度。

第三方勞務公司員工作為公司人資架構中重要的組成部分，為了保證這部分員工的權益，今年我們採取由人資行政部為臨時工錄入考勤指紋，明確考勤制度，生產部負責紙質版考勤，月底由薪酬績效專員對各部門匯總的工時進行審核。

因工廠生產淡旺季需求不同，每年度下半年生產人員需求增加，我們從2014年左右開始在非關鍵崗位招聘臨時員工滿足生產需求。對於符合崗位要求的臨時員工，我們為其提供的薪酬與正式員工一致，均按照計件方式發放，並統一購買商業意外醫療險；在高危崗位工作的員工，工廠還為其購買僱主責任險。

### 3.2 Health and Safety of Employees

The Group has been tracking and strictly complying with national laws and regulations related to health and safety that has a significant impact on production management and day-to-day operations, including Labor Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, Production Safety Law of the People's Republic of China, and Interim Provisions on Supervision and Administration of Work Safety at Food Production Enterprises etc. On this basis, and combined with features of its operations, the Group established a series of safety management policies, including the Safety Inspection Management Policy, Hidden Safety Risks Identification and Elimination Policy, Yihai Work-related Injury Management Policy in order to firmly implement production safety management, effectively implement the identification of sources of dangers and risk management, standardize production safety procedures, reduce occupation hazardous risks to our employees, standardize the work-related accident reporting process, hold the management accountable, and thereby gradually perfect the safety management system of the Group. As of the end of 2017, there had been no deaths of the Group's employee arising from production safety accidents.

In 2017, the Group improved the occupational health and safety management system continuously through establishing and updating 12 A-class safety systems such as The Safety Training System, Environmental Protection, The Fire Protection, Occupational Health, Safety Production Responsibility System, and The Safety Incident Management System. In addition, more than 20 training materials for safety production and occupational health were developed and integrated into the Group's training system, resulted in the number of trainees reached 8,204 in 2017. In order to strengthen the cultural of safety production internally, the Group organized 12 safety cultural events such as "Safety Promotion Month", "Safety Knowledge Contest", and "Safety High-voltage Line" to promote the importance of safety production. Meanwhile, in order to raise employees' awareness of safety production, a total of 18 fire and emergency drills were conducted in the past year, with a total of 968 participants.

### 3.2 員工健康與安全

本公司持續追蹤並嚴格遵守對生產管理及日常運營有重大影響的健康安全相關法律及規例，包括《中華人民共和國勞動法》、《中華人民共和國職業病防治法》、《中華人民共和國安全生產法》、《食品生產企業安全生產監督管理暫行規定》等。在此基礎上，結合自身運營特點，本公司進一步完善建立了《安全檢查管理制度》、《安全隱患排查制度》、《頤海工傷安全事故管理制度》等一系列安全管理制度，以扎實推行安全生產管理工作、有效落實危險源辨識與風險管控、規範生產安全作業流程、降低員工遭受職業性危害的風險、落實生產安全事故上報流程與問責制度，逐步完善本公司的安全管理體系。截至2017年底，本公司未有員工因生產安全事故而死亡的情況發生。

本公司在2017年度加強了職業健康安全體系建設，編製和更新了《安全培訓管理制度》、《環保、消防、職業衛生、安全生產責任制度》、《安全事故管理制度》等12個A類安全管理制度，制定了20余份安全生產和職業健康方面的培訓教材，並納入公司培訓體系，年度培訓人次達到8,204次。為了加強公司內部安全生產文化建設，本公司共舉辦了12次的「安全宣傳月」、「安全知識競賽」、「安全高壓線」等安全文化活動，宣傳安全生產的重要性。同時，為了提高員工安全生產意識，本年度還開展了共計18次消防、安全應急演練，累計參與人數968人次。

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Every year, the Group regularly organizes medical examinations for all employees and new recruits. Relying on the city-level Centers for Disease Control and Prevention Center, the new recruits and employees with expired healthy certification are subject to medical examinations. The Group also cooperates with third-party physical examination companies to arrange for an additional physical examination every year for female employees, employees with a high frequency business trip record, employees at the management level or above and employees over 50 years, so as to help them recognize their health status comprehensively and reduce occupational health risks. In 2017, the Group organized 387 medical examinations.

#### Occupational Health and Safety<sup>9</sup>

本公司每年定期組織員工進行全員體檢及入職體檢，依託各地市級疾病預防控制中心對新入職員工和健康證到期員工進行體檢。本公司還與第三方體檢管理公司展開合作，對女性員工、長期出差員工、經理級以上員工及50歲以上員工額外組織一次體檢，幫助員工更加全面了解自身健康狀況，降低職業健康風險。2017年度內員工共組織了387人次的體檢。

#### 健康安全情況<sup>9</sup>

Description	項目	Total 匯總
Work-related deaths (persons)	因工作原因導致員工死亡人數(人)	0
Percentage of work-related deaths (%)	因工死亡人員比率(%)	0
Work-related injuries (persons)	因工受傷人數(人)	2
Loss of work time due to work-related injuries (person/day)	因工傷損失工作時間(人/天)	171

Note:

9. Data of health and safety is based on the information on attendance sheets and statistics of manual recording.

註：

9. 健康與安全數據來源於考勤表及手工台賬統計。



### 3.3 Training and Development of Employees

We are committed to forging an ideal career development platform for our employees and cultivating talents in line with our goals and development strategies through establishing branded and professional talent development system. At the same time, we constantly update our internal concepts on talent cultivation based on the characteristics of condiment industry, in combination with increasing requirements on the comprehensive quality of employees and the tendency of younger, better educated and more professional business teams.

In 2017, we carried out large-scale campus recruitment in agricultural colleges and universities for positions related to product development, production, quality insurance and others at new Production Bases located in Maanshan and Bazhou. The goal was to improve the functional departments of R&D, finance, marketing and customer service, and reduce employment costs through effective construction of talent echelon at the same time. Besides, we also strive to attract university graduates to return to their hometown for employment, to improve the stability of new recruits.

### 3.3 員工培訓及發展

我們致力於成為員工理想的職業發展平台，通過建立品牌化、專業化的人才發展體系，培養與公司目標及發展戰略一致的人才。同時基於調味品行業特點，對從業人員綜合素質要求日益提高，對業務團隊年輕化、知識化、專業化的要求不斷提升，我們也持續更新內部培養理念。

今年，為滿足公司馬鞍山、霸州工廠投建以及配套研發、財務、市場、客服等職能部門完善的需要，同時為有效搭建人才梯隊，降低用人成本，我們面向農業類院校開展大規模的校園招聘，崗位需求主要是針對新工廠的產品研發、生產、品保等類，以改善公司人才機構。同時吸引戶籍所在地大學畢業生回家鄉就業，提高新入職員工的穩定性。

In September 2017, the Group launched a new “Eyas Programme” for management trainees, and targeted graduates that majored in food science and engineering at universities in Anhui, Henan, Hebei, Shaanxi and Sichuan provinces. We recruited 30 new management trainees through the Eyas Programme this year, injecting fresh blood into various departments such as sales, customer service, R&D, finance, foreign trade, supply, marketing and quality assurance, as well as offices and factories. The Group expects these trainees of “Eyas Programme” to become the backbone of first-line management and technical positions after 2-3 years of training, and to make a positive influence on improving the staff structure and first-line management.

2017年9月，本集團啟動新的「雛鷹計劃」管理培訓生項目，主要集中面向河南、安徽、河北、陝西和四川5個省份，以二本院校食品科學與工程專業畢業生為主。本年度，我們通過「雛鷹計劃」共招聘新一批管培生30人，主要為銷售、客服、研發、財務、外貿、供應、市場、品保、辦公室、工廠等部門提供了優質的新生力量。公司計劃通過2-3年的培養，期望「雛鷹計劃」的學員們能成為基層管理、技術崗位的中堅力量，對於優化公司員工結構、改善基層管理產生積極影響。

“Eyas Programme”

「雛鷹計劃」

Objectives

Our management trainee programme aims to enhance trainees’ sense of organisational discipline and improve their comprehensive quality and ability by “changing their attitude, teaching them knowledge and coaching them skills” through systematic trainings, and at the same time, expose them to Yihai’s corporate culture during the period of training to make them better integrated into the Group and become qualified Yihaiers.

項目目的

管理培訓生集訓旨在通過系統化的培訓，通過「轉變其態度 (Attitude)、講授給其知識 (Knowledge)、傳授給其技能 (Skill)」三方面的轉變和提升，強化管理培訓生的組織紀律性，提升其綜合素質能力，同時，集訓期間學生能親身感受頤海的企業文化，使其更快地融入頤海，成為一名優秀的頤海人。

Training Plan

The Group provides centralised training for management trainees, including on-board training, the training on company rules and regulations, career development planning and internship. The management trainees rotate between factory-based and skill-based positions, with a focus on the selected position. After the internship, trainings are customized for the position determined based on a trainee’s position selection and in combination with the results of professional knowledge and occupational personality tests.

項目培訓方案

公司對管培生有集中培訓，包括入職培訓、公司規章制度培訓、職業發展規劃和頂崗實習等。管培生輪崗既能涉及工廠類或職能類各個崗位的工作，同時又以選定的崗位為主。實習結束後根據選定的崗位方向，並結合其專業知識和職業性格測試等進行定崗後的定向培養。

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Development Route	Position determination: Understand and track trainees' adaptation, integration and communication with their tutors at new positions through seminars and summary meetings, in order to provide them with timely guidance and assistance.
項目發展路線	<p>Position determination analysis semi-annually: Evaluate whether trainees meet actual requirements of each position and whether any adjustment is necessary. If yes, adjustment can be made based on considerations integrated requirements of others positions and personal willingness.</p> <p>人員定崗：階段性通過研討會、總結會進行跟蹤，了解其在新工作崗位的適應、融入情況，與師傅以及其他同事的溝通是否順暢，以便及時輔導和幫扶管培生。</p> <p>半年複盤：評估管培生是否匹配崗位實際需求，是否有調整的必要。如需要，可根據其他崗位的要求與個人意願綜合考慮。</p>

Trainees by Gender	按性別劃分受訓情況
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Description	項目	Total 匯總
Male (persons)	男性員工受訓人數(人)	136
Female (persons)	女性員工受訓人數(人)	99
Male (%)	男性員工受訓百分比(%)	12
Female (%)	女性員工受訓百分比(%)	12

Trainees by Position	按員工類別劃分受訓情況
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Description	項目	Total 匯總
Total senior management (persons)	高級管理層人員總數(人)	17
Trainees from senior management (persons)	高級管理層人員受訓總數(人)	2
Percentage of trainees in senior management (%)	高級管理層受訓百分比(%)	12
Total middle management (persons)	中級管理層人員總數(人)	60
Trainees from middle management (persons)	中級管理層人員受訓總數(人)	11
Percentage of trainees in middle management (%)	中級管理層受訓百分比(%)	18
Total employees other than senior or middle management (persons)	其他員工人員總數(人)	1,842
Trainees from employees other than senior or middle management (persons)	其他員工受訓人數(人)	220
Percentage of trainees in employees other than senior or middle management (%)	其他員工受訓百分比(%)	12

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#### Training Completion by Gender

按性別劃分每名員工完成受訓情況

Description	項目	Total 匯總
Total hours of training	員工受訓總小時數	4,360
Male	男性員工受訓小時數	2,688
Female	女性員工受訓小時數	1,672

#### Training Completion by Position

按員工類別劃分每名員工完成受訓情況

Description	項目	Total 匯總
Training hours of senior management	高級管理層受訓小時數	576
Training hours of middle management	中級管理層受訓小時數	264
Training hours of employees other than senior or middle management	其他員工受訓小時數	3,520

#### 4. Product Responsibility

We always attach great importance to product quality management, and devote ourselves to ensuring product safety and quality and the legitimate rights and interests of consumers through the continuous improvement of quality management. The Group strictly abides by laws and regulations relating to products and services, advertising, labelling and privacy issues within the scope of business, and continues to follow up and identify the latest updates to relevant laws and regulations.

During the reporting period, the Group was not aware of any violation of laws and regulations governing product responsibility regarding product quality, advertising, labelling, consumer privacy and protection of their rights and interests, as well as any lawsuit with significant impact on the Group.

#### 4. 產品責任

一直以來，我們非常重視產品的質量管理，通過對質量管理的不斷改進和完善，確保產品的安全優質與消費者的合法權益。本集團嚴格遵守業務涉及範圍內的產品及服務、廣告、標籤及隱私事宜相關法律法規，並持續追蹤及識別相關法律法規的最新更新情況。

於報告期內，本集團未悉知有任何違反產品質量、廣告、標籤、消費者隱私及權益保護等產品責任方面的法律法規並對公司造成重大影響的訴訟案件。

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#### 4.1 Product Quality and Safety

As a responsible food production enterprise, we strictly manage and control each and every part of the production procedure. In 2017, the Group continued to strictly observe food-related laws and regulations and regulatory standards, and committed ourselves to providing consumers with qualified, safe and assured products and comprehensively enhancing consumer confidence and satisfaction in our products. We also carried out a project aiming to ensure all products supplied in a stable quality, and further optimised the appearance of raw materials, the production process and quality standards of finished products through risk analysis of the whole supply chain. At the same time, the Group has set up a sensory testing system, under which a product was tasted for feedback on its flavour in simulated consumption scenarios during product release process, in an attempt to provide a direction for improvement on consumers' sensory experience and reduce poor consumer experience due to unstable taste of our products.

In addition, we have updated the product verification and product recall process to further ensure product quality. We implemented all-round quality verification process from raw materials to finished products in a more rigorous way. For example, we continued to strengthen the examination on supplier access qualification and introduce only the qualified suppliers by sample testing. Each batch of raw materials were verified upon their delivery in accordance with relevant standards. During production process, parameters were determined and controlled based on the work flow. Each batch of finished products were verified before delivery from the factory to ensure every single product was in good quality. We cooperated with IBM in 2017 to research and develop the strategy and approach for a project focusing on product traceability by two-dimensional code, in which implementation and popularisation would make the product quality verification more accurate and convenient.

#### 4.1 專注食品質量與安全

作為負責任的食品類生產企業，我們嚴格管控各個生產環節。2017年，本集團繼續嚴格遵守食品相關法律法規與規章制度標準，致力於為消費者提供優質、安全、放心的產品，全面提升消費者對公司產品的信賴度與滿意度。我們亦開展了產品100%穩定提供項目，通過對全供應鏈的風險分析，進一步優化了原料品相、生產過程和成品質量標準。同時，本集團建立了感官測試制度，在產品放行過程中，通過小組模擬消費場景、品評產品口味，為提高消費者感官體驗提供了改進方向，並減少了因終端產品口味不穩定而造成的消費者不佳體驗。

為進一步確保產品品質，我們更新了產品檢定與產品召回流程。我們更加嚴格地執行從原材料到產成品的全方位質量檢定過程：繼續強化供應商准入資質審核，並對其所提供的樣品進行檢測，合格後方可引入該供應商；在每批原材料到貨後，依照相關標準進行檢驗；生產過程中按照生產工藝流程進行參數檢定和控制；產成品出廠前對其每一批次進行檢定，以確保每一件出廠產品都能達到我們的質量要求。2017年，我們與IBM公司合作調研開展產品二維碼追溯項目的策略與方法，產品二維碼的實施與推廣將使得產品質量檢定更加準確便利。



In terms of product recall, we revised our *Food Recall Management Policy* in line with the enacted *Measures for the Administration of Food Recall*. Through such revision, we elaborated and improved relevant categories and emergency measures for product recall, and added contact information of local regulators, information of factory leaders and other information, making product recall process more compliant, clear and convenient. If a problem of quality or safety was detected in the products in-stock, the Planning and Warehousing Department would be informed immediately as required to isolate the defective products in a timely manner to stop delivery. If the delivered products were defective, the Logistics Department would be informed to learn the shipping destinations and communicate with relevant distributors, logistics stations or stores in a timely manner to stop selling, and isolate such products for inspection. Follow-up measures would be taken later in accordance with the *Process for Handling Nonconforming Products* to prevent defective products flowing into the market. If the sold products were reported to have safety problems, the Group would make internal records according to consumers' feedback in a timely manner, and relevant departments would analyse the causes and put forward schemes for improvement; at the same time, the Quality Assurance Department and Customer Service Centre would coordinate and cooperate to solve the problems of consumers in an effective way.

The Group carried out product recall simulation drills respectively in Chengdu and Zhengzhou factories in 2017 in accordance with the revised Food Recall Management Policy, and simulated the whole process in a two-way manner, providing references for handling quality-related emergencies in a timely and proper way.

另外，在產品召回方面，根據我國頒佈實施的《中華人民共和國食品召回管理辦法》，我們亦修訂了本集團《食品召回管理辦法》，細化完善了相關產品召回類別和應急措施，並新增了各工廠所在地監管部門聯繫方式及工廠負責人信息等相關內容，使得產品召回流程更加合規、清晰、便捷。按照規定，如發現在庫產品存在質量安全問題，立即通知公司計劃與倉儲部在第一時間將問題產品進行隔離，避免出倉發貨；若發現已發貨產品存在異常，則通知物流部調取產品發貨去向，及時聯繫相關經銷商、物流站或門店停止銷售，隔離待檢，並依照《不合格品處理流程》進行後續跟進處理，切實保證避免問題產品在市面流通；已出售產品發現安全問題的，本集團內部根據消費者反饋進行及時備案，相關部門分析問題產生的原因並提出改進方案，同時公司品質控制部與客服中心積極溝通合作，切實有效解決消費者問題。

2017年本集團分別在成都工廠及鄭州工廠開展了產品召回模擬演練，該演練均依照修訂後的《食品召回管理辦法》，並進行了正向和反向的雙向模擬，為及時妥善處理質量事故的緊急情況提供了可供參考的方向。

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In 2017, there was no product recall due to product safety and health problems, and food safety and the legitimate rights and interests of consumers were effectively protected.

#### 4.2 Consumer Supervision and Feedback

With an attempt to actively respond to consumers' feedback, complaints, opinions and suggestions and provide them reassurance in a timely manner, the Group has established a sophisticated customer service system and customer complaint response mechanism to make consumer supervision and feedback channels.

Customer complaint staff are designated to record the details of all types of complaints. In accordance with *Yihai Customer Complaint Management Measures*, such information will then be relayed to relevant departments of the Group, such as the Quality Assurance Department, to allocate responsibilities and to handle the case directly with the complainant. Meanwhile, we will initiate processes for product verification and recall, in order to solve the problem from its root.

2017年度內，本集團未發生因安全與健康理由而召回產品的事件，食品安全和消費者合法權益得到有效保障。

#### 4.2 暢通消費者監督與反饋

為了能夠積極應對消費者反饋投訴意見及建議，及時消除消費者疑慮，本集團建立了完善的客戶服務體系與客戶投訴應對機制，使消費者監督與反饋渠道更加順暢。

本集團特設客戶投訴專員崗位，專門負責記錄各項客訴情況，並根據《頤海客訴管理辦法》將具體信息傳達至公司品質控制部等有關部門進行明確的責任劃分與後續對接處理，同時我們會及時啟動產品檢定及追溯召回流程，以從根本上解決客訴問題。

In 2017, we further optimised the product packing process and adjusted the priorities of production site control, resulting in almost no complaints process regarding no production date on the outer box and far less complaints on short-packaged products. Besides, complaints on airtightness of hand-made beef fat condiment products were reduced by 93% through the improvement of packaging materials and methods, and complaints on dilution of sauce products were effectively settled by updating the production process and adjusting product formulations. At the same time, we continued to sort out and enrich the *Standard Terms for Product Feature Description* and extensively carry out activities to popularise the knowledge of our raw materials among consumers to enhance their cognitive ability and discernment in an effective way. In response to consumers' complaints on newly launched self-service hotpot products, we duly adjusted relevant categories in *Yihai Customer Complaint Management Measures* and added new control measures. The Group designated, according to the situation, special personnel to suppliers of the main materials and product assembly plants to perform on-site monitoring and management, and while simultaneously updating the corresponding supplier incentives and penalties. Through such on-site measures, quality problems of self-service hotpot products and related customer complaints have been effectively controlled in a short time, which further enhanced consumer confidence in our new products. Customer complaints related to product oil leakage and foreign matters still accounted for the highest proportion this year. In response to oil leakages resulting from the worn filling heads and transportation, we have established new standards for filling heads, and fulfilled the carrier's responsibility for product protection in logistic contract. Meanwhile, we further strengthened the selection and quality control of agricultural and sideline raw materials, in an attempt to effectively reduce customer complaints regarding foreign matters in products.

在2017年，我們進一步優化產品裝箱方式、調整生產現場管控重點，使得產品外箱無日期類客訴基本杜絕、少裝類客訴明顯減少；通過改進產品包裝袋材質及包裝方式，手做牛油漏氣類客訴降低了93%；通過更新生產工藝、調整產品配方，蘸料發稀類客訴得到有效解決。同時，我們持續整理並不斷豐富《產品特性描述之標準話術》，在消費者中廣泛開展原料知識普及活動，有效提升消費者對產品原料的認知能力與辨別水平。針對新上市的自煮火鍋產品出現的消費者投訴，我們及時調整了《頤海客訴管理辦法》中相關客訴類型，並增加了新的管控方式。根據實際情況，本集團派出專人對主要食材供應商和產品組裝工廠進行駐場式監控管理，同時更新相應的供應商激勵與處罰標準。通過現場管控，自煮火鍋產品出現的品質異常問題及相關客訴情況在較短時間內得到了有效控制，進一步提升了消費者對公司新產品的信心。本年度內，產品漏油及異物類客訴仍然佔比最高。針對造成漏油問題的灌裝頭磨損及物流運輸等主要原因，我們新定了灌裝頭更換與維護標準，並在物流運輸合同中完善承運商對產品之防護責任條款。同時，我們進一步加強對農副類原料的挑選與品質管控，以有效減少異物類客訴。

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#### Performance Indicator Related to Customer Complaints<sup>10</sup>

#### 客戶投訴相關績效指標數據<sup>10</sup>

Description	項目	2017年數據	2016年數據	2015年數據
Customer Complaints (times)	客戶投訴事件(次)	1.862	2.358	2.20

Note:

註：

10. Customer complaints (times) for the year = Total complaints that year/annual production (in millions of packages)

10. 當年客戶投訴事件(次) = 全年客訴起數 / 全年生產量 (以百萬包計)

#### 4.3 Customer Information Privacy

#### 4.3 保護客戶資料與隱私

The Group has two sales channels, namely, distributor sales and on-line sales. As we do not sell goods to consumers directly in the case of distribution, consumer privacy protection is not involved in such production and sales processes. In relation to on-line sales, we have established the *Customer Information Confidentiality Policy for Internet Marketing Department*, which specifies data security measures and supervision methods, as well as corresponding punitive measures in case of any violation, to protect the information of relevant departments and customers, standardise on-line store accounts and maintain the Group's rights and interests.

本集團的銷售模式分為經銷商分銷及在線銷售。經銷商分銷模式下不直接向消費者銷售商品，因此，該部分在生產、銷售過程中不涉及客戶隱私保護事宜。對於在線銷售，為了保護相關部門及客戶資料信息、規範管理線上店鋪賬號並維護公司權益，我們制定了《互聯網營銷部保密制度》，明確相關保密措施細則及監察方法，並對各類違反該保密制度的行為做出了相應懲處規定。

In 2017, we further optimised on-line orders accounting. Originally, orders were exported manually and then imported into SAP for accounting after data processing. After our modification, the ERP data was directly transferred to SAP for accounting replacing manual processing, and minimising the risk of order information leakage and while protecting consumer personal information and privacy in a strict and effective way, thus making orders and the purchase more assured.

2017年，我們進一步優化了訂單賬務處理流程，將原有的人工導出訂單並進行相關數據處理後導入SAP做賬，改進優化為ERP數據直接傳送至SAP，取代了人工處理中間環節，以最大程度降低訂單賬務信息外泄風險，嚴格有效保護了消費者個人資料信息及隱私，讓訂貨購買更放心。

#### 4.4 Advertising and Labelling

In 2017, the Group continued to adhere to applicable laws and regulations governing advertising and labelling, such as the *Advertising Law of the People's Republic of China*, and has developed the *Yihai Marketing Management Procedures* to ensure the compliance of all promotion materials of major marketing activities in an effective way. In order to minimise possible risks of our Internet Marketing Department from committing intriguing publishing pictures, texts, videos and other information in new internet channels, and safeguarding the rights and interests of the Group, we also formulated the *Management Procedures for Infringement Avoidance of Internet Marketing Department*, which specifies measures and supervision methods to prevent infringement, as well as corresponding punitive measures in case of any violation. The well-established advertising and labelling management mechanism has strongly safeguarded the integrity of our marketing and avoided sending false information to consumers.

#### 4.5 Patents and Intellectual Property

The Company highly values protection and acquisition of intellectual property. To this end, we have systematically sorted and summarized our existing application procedures regarding the different intellectual property the Company owns, and formulated a new version of *Administrative Measures for Intellectual Property*, which covers detailed and highly operable provisions for establishment and updating of the intellectual property database as well as its supplement, striving to achieve standardised management of all intellectual property related matters within the Group. When applying for a trademark and patent, departments within the Group would complete and submit an *Application for Trademark and Technical Disclosure Statement*, etc., in which such information as the background and necessity of the application would be specified. Prior to proceeding with the application flow as planned, the above documents would be approved and signed, and specific personnel responsible for taking over the issue would be assigned by heads of the relevant departments.

#### 4.4 規範廣告營銷與品牌標識

在2017年，本集團繼續嚴格遵守《中華人民共和國廣告法》等與廣告宣傳營銷及標識規範使用相關的各項法律法規。同時，我們已制定了《頤海市場活動管理辦法》，旨在有效把控所有重大市場活動的宣傳文案之合法合規性。為在最大程度上規避本集團互聯網營銷部在各互聯網新渠道展示圖片、文字與視頻等信息時的可能存在的侵權風險，保障公司權益，我們亦制定了《互聯網營銷部規避侵權管理辦法》，明確規定了防止相關侵權之措施與監察方法，並對違反此辦法的行為制定了相應的懲處辦法。本集團完善的廣告宣傳與標識使用管理機制在制度上強力保障了我們的誠信營銷，避免向消費者傳遞謬誤信息。

#### 4.5 保障專利與知識產權

公司亦十分重視知識產權的建立及維護。為此我們系統梳理並匯總了公司已有的各項知識產權申請流程，重新制定《知識產權管理辦法》，規範化管理公司內所有知識產權相關事宜，亦對我們知識產權庫的建立、更新及補充等方面作出詳細且極具可操作性的規定。本集團各部門在申請商標及專利時，需要完整填寫並提交《商標申請書》、《技術交底書》等材料，闡明該申請之背景和必要性等信息，相關部門負責人簽字確認並指定具體對接人後，有計劃地進行申請與實施。



## 5. Supply Chain Management

An important component of the development strategy of the Group is to “emphasise safe and quality food and prevent risks in the supply of raw materials”. The Group has established a series of supply chain management systems to develop a responsible supply chain and to promote the improvement and development of the entire supply chain system.

### 5.1 Selection Criteria

The Group prefers national brands or top 3 renowned local brands when it comes to suppliers of food. The Group requires suppliers to submit qualification certificates and licenses. Those who fail to provide satisfactory certificates will not be selected. During the review and assessment process, suppliers will fill in the Supplier Assessment Form as required by the Group, and only those approved by the Group will get potential cooperation. After establishing partnership, suppliers must sign valid contracts and the *Letter of Commitment Relating to Supplier Integrity* and agree to abide by *Supplier Award System*, *Supplier Punishment System*, *Supplier Delivery Rules* and the *Letter Relating to Spot Check on Supplier Factories* prior to setting off on formal business, so as to ensure that the suppliers accept supervision and review from the Group. Requirements for supplier assessment from the ESG perspective was incorporated in the *Supplier Assessment Form* by the Group in response to relevant national policies this year, which emphasised on assessing environment compliance of suppliers' factories to lower risks arising from environmental issues of suppliers that may affect regular supply.

## 5. 供應鏈管理

「注重食品安全質量，防範原材料供應風險」是本集團發展戰略中的重要組成部分。本集團建立了一系列供應鏈管理制度，力求打造責任供應鏈，推動整個供應鏈體系的進步與發展。

### 5.1 供應商准入原則

對食品和食品接觸類供貨商進行篩選時，在盡可能選擇全國性品牌或當地知名品牌前3名的前提下，本集團要求產品供應商需按照本集團的索證制度提交各類資質證件和牌照，對於證件資質不符合要求的廠家不予准入。在審核評估階段，廠家需按照本集團的要求填寫《供應商評審表》，通過公司審核的廠家才有可能開展正式合作。在合作關係確定但在正式業務發生前，要求各供貨商必須簽訂有效合同和《供應商廉潔承諾書》，並同意遵守本集團的《供應商獎勵制度》、《供應商處罰制度》、《供應商送貨規定》和《供應商突擊審廠函》，確保供應商接受我們的監督與審核。今年，為了響應國家政策，提高企業社會責任，本集團在供應商評審表裡新增加了ESG範疇審核要求，重點評估供應商工廠的環保合規狀況，降低供應商因環境問題而影響對本集團正常供貨的風險。

Over the year, the Group established partnerships with 113 new suppliers, with 47 in East China, 30 in Mid-South China, 21 in North China, 3 in Northwest China, 11 in Southwest China and 1 in Northeast China, and has effectively expanded the coverage of suppliers, provided a better guaranteed of the supply of raw materials and auxiliary materials and effectively reduced the overall cost of procurement.

#### 5.2. Daily Management for Suppliers

In the supplier management system, relevant departments of the Group have strictly executed the *Suppliers Management Rules*. There are more than one supplier of raw materials for all categories of products in prevention of short supply arising from risky events such as bad weather, unfavourable road conditions, internal management oversight of the suppliers and other unpredictable factors.

本年度本集團新開發供應商一共113家，其中華東地區47家，中南地區30家，華北地區21家，西北地區3家，西南地區11家，東北地區1家，擴大了供應商的覆蓋範圍，更好的保障了原輔材料的供應，同時有效降低了整體採購成本。

#### 5.2 供應商日常管理

在供貨商管理體系中，本集團各相關部門嚴格執行《供應商管理規定》。為降低公司原材料供應風險，避免由於風險事件(例如天氣、道路、供應商內部管理失誤、非人為可預判到的因素等)而導致原料無法及時供應的情況出現，全品項的原料不允許有單一供應商的存在。

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Meanwhile, the departments also proactively revisit the suppliers to pay close attention to market information regarding raw materials and auxiliary materials, processing and manufacturing conditions, risk resistance capabilities and state of operation of the suppliers, so as to make better decisions as to whether the suppliers can meet subsequent procurement strategies of the Group. Purchasing staff responsible for contacting major production material suppliers are required to revisit these suppliers every half a year to ensure material safety and stabilised product prices. After the revisits, the purchasing staff is required to fill in the *Suppliers Revisit and Assessment Form* and submit to the supplier administrator for documentation. The Group has established a performance evaluation system to regularly assess suppliers according to the *Suppliers Performance Assessment and Evaluation Form*, where ranking is divided into four grades of A, B, C, and D. For suppliers with excellent evaluation results, the Group would provide them with preferential policies, such as financial support, technical coaching, and guidance to its management personnel and on-site directions from the Group's quality control team. Suppliers rated as D twice in a row will be added to the list of eliminated suppliers. If there is a need to engage such a supplier again, the supplier shall go through the application procedures in the Contract Management System in accordance with the procedures for engaging a new supplier. Suppliers who violate relevant regulations of the Group will be added into the Group's supplier blacklist, and in principle, such suppliers will never be engaged again. If they are needed under special conditions, they must undergo strict assessment, and there must be at least a gap year after the supplier is blacklisted. In addition, such suppliers shall provide a warranty statement, and if similar problems occur again, there will be no chance for future cooperation.

同時積極開展供應商回訪工作，著重了解、關注原輔材料行情、供應商加工生產狀況、抗風險能力以及經營狀況等方面，從而更好的判斷其是否能滿足公司產品後期採購策略。對於主要生產用原料供應商，要求負責採購的人員需每半年回訪一次，確保供應商產品原料的安全性、產品價格的穩定性。完成後需填寫《供應商回訪考察表》並提報給供應商管理員進行存檔備案。本集團建立了績效評價體系，依據《供應商績效考核評價表》定期對供應商進行考核，評分等級劃分為A、B、C、D、共4個等級。對評價結果為優秀的供應商，本集團給予資金支持、技術指導、管理人員指導、品控駐廠指導等優惠政策；對連續兩次評價結果為D的供應商，則將其納入本集團淘汰供應商名單列表，納入淘汰名單的供應商如需重新啟用，一律按照供應商新建流程在供應商管理系統中進行申請；對於違反本集團相關規定的供應商，會被納入本集團供應商黑名單列表，被納入黑名單的供貨商原則上永不啟用，若遇特殊情況需啟用的必須嚴格審批，拉黑時間和啟用時間需至少要間隔一年，同時供貨商應提供保證書，若再次出現類似問題將永不合作。

During the field visits, the Group also focused on market information regarding product-related raw materials and future development in the industry. For the industries which lacks standardised management but offers products with characteristics, we provide guidance on operating management and food processing for suppliers. In doing so, characteristics of the products are retained, risks of food safety are lowered, and consequently, enhancing the overall level of the industry.

### 5.3. Communication with Suppliers

The Group has established various communication channels such as e-mail, hotline and Wechat platform to deal with the complaints. Once a complaint is received, the Group will handle the case in accordance with the *Suppliers Complaint Response Procedures* and reply with a *Response Letter to Supplier's Opinion*. For true and verified supplier complaints, the Group will reward the supplier in accordance with the Suppliers Award Regulations. The Group conducts opinion surveys for suppliers every half a year, gives timely feedback to relevant departments and personnel and replies to the suppliers regarding solutions and their outcomes.

在實地考察時，本集團也會重點關注產品原材料行情以及其所供產品後期行業的發展大環境；對於行業整體不規範，但是產品具有一定的特色的供應商，公司會成立專門的幫扶小組，對供應商的經營管理和食品工藝提供指導，既能夠保留產品特色性，又可以降低本集團食品安全風險，提高行業整體水平。

### 5.3 供應商溝通

本集團建立了投訴郵箱、熱線電話以及微信平台等多種溝通渠道，接到投訴後，本集團將按《供應商投訴問題處理流程》進行處理並回復《供應商意見反饋回復函》。對於供應商投訴、申訴屬實的，本集團會根據《供應商獎勵制度》落實供應商的獎勵。本集團每半年進行一次供應商意見調查，將供應商反饋的問題及時與相關部門人員溝通，並將處理方案及結果回復給供應商。

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#### Information about Suppliers

#### 供應商情況

Description	項目	Total 匯總
<b>Total suppliers <sup>11</sup></b>	供應商總數量(個) <sup>11</sup>	383
Overseas suppliers	境外供應商數量(個)	0
Suppliers in East China	華東地區供應商數量(個)	115
Suppliers in Central and South China	中南地區供應商數量(個)	100
Suppliers in North China	華北地區供應商數量(個)	89
Suppliers in Northwest China	西北地區供應商數量(個)	5
Suppliers in Southwest China	西南地區供應商數量(個)	73
Suppliers in Northeast China	東北地區供應商數量(個)	1
Suppliers having completed risk assessment on environment and society <sup>12</sup>	已完成環境、社會風險評估的供應商數量 <sup>12</sup>	137

#### Note:

11. The location of a supplier is determined by its place of registration.
12. Suppliers having completed risk assessment on environment and society refer to those which went through the risk assessment initiated by relevant departments of the Group on environment and safety (including environmental protection, human resource management, occupational health and safety, etc.).

#### 註：

11. 供應商所在地按其註冊地址確定
12. 已完成環境、社會風險評估的供應商：已由公司相關部門完成對其環境、社會類（主要包括對環護工作、人資管理、職業健康與安全等方面）相關風險評估的供應商。

The most common complaint we received in 2017 from suppliers was about the lengthy waits at the delivery site. This problem was rectified from two aspects: the factories and the suppliers. The Group optimised the production scheduling of the factories in coordination with the Planning and Warehousing Department so as to prevent concurrent delivery. While for suppliers, the Group required them to strictly control quality in avoidance of additional acceptance arising from unqualified deliverables, such that procedures and duration of acceptance could be simplified and shortened. Duration of acceptance has been by far greatly cut down after joint efforts made by relevant departments.

2017年供應商投訴最多的事件類型是收貨現場等待時間過長。針對該問題，本集團在工廠端入手，通過協調計劃和倉儲部門，優化排產計劃，避免供應商集中到貨；在供應商端，要求供應商嚴把質量關，避免到貨不合格再次到貨增加多餘驗收次數，減少驗收環節問題，縮減驗收時間；經過各部門的努力，目前供應商收貨時間已大幅度縮短。



## 6. Corporate Governance

In strict compliance with applicable national laws and regulations related to bribery, extortion, fraud and money laundering, we have formulated the *Yihai International Anti-fraud and Anti-corruption Management System* to regulate occupational behaviours of the directors, senior and middle management and the general staff, so that they would strictly comply with relevant laws, industry standards and norms, occupational ethics, and the Group's regulations. The system also aims to establish a culture of integrity, diligence and dedication to one's job, and to prevent infringement of the interests of the Group and its shareholders. The followings are specified in the system:

- Promoting and creating a corporate culture of honesty, integrity, anti-fraud and anti-corruption;
- Assessing the risk of fraud and corruption, and establishing the procedures and mechanisms of control, to lower the possibility of fraud and corruption;
- Establishing a standing body for anti-fraud and anti-corruption, which is supervised by the Board of Directors and responsible for receiving, investigating, and reporting of corruption revealed, as well as for offering suggestions on solutions.

Meanwhile, we have set up a dedicated hotline through which all staff and partners can report on misconduct, fraud and non-compliances related to the issues of the Group at any time, such that we could detect and rectify them in a timely manner, and maintain our corporate value.

## 6. 企業管治

本集團嚴格遵守與防止賄賂、勒索、欺詐及洗黑錢相關的國家法律法規，基於此，我們在公司層面制定了《頤海國際反貪污、反舞弊管理制度》，旨在規範董事、高、中級管理層職員和普通職員的職業行為，嚴格遵守相關法律、行業規範和準則、職業道德及公司規章制度，樹立廉潔和勤勉敬業的良好風氣，防止損害公司及股東利益的行為發生。該制度明確描述了以下內容：

- 倡導誠信正直的企業文化，營造反舞弊、反貪腐的企業文化環境；
- 評估舞弊、貪腐風險並建立具體的控制程序和機制，以降低舞弊、貪腐發生的機會；
- 建立反舞弊、反貪腐工作常設機構，進行舞弊、貪腐舉報的接收、調查、報告並提出處理意見，接受來自董事會的監督。

同時，為維護企業價值觀，及時發現並糾正與本集團事務有關的失當行為、舞弊情況及違規事件，我們設有專門的舉報熱線，所有員工和合作夥伴均可以通過該熱線隨時舉報。

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The Group has systematically established an internal system for anti-corruption. *Code of Discipline for Directors and Employees*, for instance, is applicable to all our staff including full-time, part-time and temporary employees. According to the code, employees are required to strictly observe the applicable rules and regulations on anti-corruption and anti-fraud while performing business on behalf of the Group. Direct/indirect requests, receipts and offers of any benefits are equally prohibited. Besides, prior to accepting other work outside the Group, employees shall apply for a written approval from appropriate approvers, who shall make the decision by considering whether the work is in conflict with the applicant's position in the Group and the Group's interests. In addition, we have been continually implementing the Yihai Misconduct Management Measures which specified six types of non-compliances and misconduct by employees, including corruption, fraud and deception. In terms of high-risk positions, such as procurement, marketing and promotion, we require employees to sign a *Letter of Commitment relating to Integrity in Procurement*, or *Letter of Commitment Relating to Sales and Promotion*, to enable them to get a better understanding of misconduct which is explicitly prohibited in performance of their business, efficiently restraining and regulating their behaviours, and enhancing the awareness of ethical conduct and integrity. At the same time, the Group has established a guarantee system for key positions, which expressly states that the management assumes the responsibility for supervising and guiding subordinates to perform their duties with integrity.

We have also attached great importance to integrity and honesty in the external business cooperation. The key partners, including suppliers and distributors, are required to sign *Letters of Commitment Relating to Supplier Integrity* or *Letters of Commitment Relating to Distributor Integrity*, prior to officially signing contracts with us. These letters of commitment explicitly express our integrity requirement for suppliers and distributors and informs them of complaint and reporting channels that aim to prevent possible corruption and fraud to the greatest extent during cooperation. The Group is entitled to terminated partnership with suppliers, distributors or other partners under the contracts, if they violate any clause under their commitment to cooperate with integrity, and to hold them liable to any breach of contract pursuant to the liability clause in the contract. If any partner discloses that an employee of the Group was found breaching any regulation or committing fraud, once the claim is verified, such partner would be rewarded.

我們系統化建立起公司內部的反貪腐管理制度。針對公司董事及包括全職、兼職及臨時工在內的全部員工，制定了《董事及職員紀律守則》，規定員工在執行任何公司事務時，必須嚴格遵守反賄賂舞弊的相關制度條例，禁止直接或間接索取、接受或向他人提供任何利益；公司職員如欲兼任本集團以外的工作，均須事先申請書面批准，核准人員應在綜合考慮該項工作是否與申請人在本集團職務或本集團利益構成衝突後作出相應批覆。另外，我們繼續堅持執行《頤海禁令管理辦法》，令行禁止包括貪污舞弊、弄虛作假在內的六項違規失當行為。針對採購、銷售推廣等高風險崗位，我們要求崗位從業員工需簽署《採購廉潔承諾書》和《銷售推廣承諾書》，以明確其在從業過程中不得觸碰的高壓線，有效約束並規範其行為，增強道德操守與廉潔從業意識。同時，本集團還建立了針對關鍵崗位的擔保制度，強調了公司管理者對其下屬員工廉潔從業負有相應的監督和指導責任。

本集團亦注重在外部商業合作中的廉潔與誠信。重要商業合作夥伴在於我們正式簽署合同之前，需首先簽署廉潔承諾書，例如供應商需簽訂《供應商廉潔承諾書》、經銷商需簽訂《經銷商廉潔承諾書》。該廉潔承諾書向各供應商與經銷商明確表達了本集團的廉潔要求，並告知其相關投訴和舉報渠道，以最大程度杜絕在合作過程中可能出現的貪腐舞弊事件。另外，若供應商或經銷商等合作方違反廉潔合作承諾之任一條款，本集團有權依照合同約定解除合作關係，亦可執行合同中約定的相應違約責任承擔條款。而合作方如投訴或舉報本集團工作人員有違規、舞弊等行為，相關情況一經查實，我們將對該合作夥伴進行相應獎勵。

The Group's Risk Control and Audit Department, the major responsible department for anti-corruption and anti-fraud, works out annual plans for special audit and audit on internal control, and conducts anti-fraud audits on procedures of main business and critical focus areas of the Group based on such plans and relevant reporting. In addition, the Risk Control and Audit Department also conducts audits on assignment or resignation of personnel in key positions. Management issues were timely found and addressed in more than 10 times of special audits and internal control audits that were proactively conducted by the Group in 2017, which protected the interests of the Group. Over the year, the Risk Control and Audit Department launched campaigns to advocate integrity. In the campaigns, we publicised our policies on integrity among staff and key partners and provided relevant training and guidance to enable them to get a better understanding of our policies on integrity and anti-fraud.

The Group was not involved in any litigation caused either by itself or its employee's misconduct relating to corruption, fraud, extortion and money-laundering with material impact on the Group, nor were there any material weaknesses in internal control over the reporting year. Combating corruption and building a clean governance is increasingly vital to the sustainable development of the Group as our business improves. We will always adhere to and perfect our system for integrity and honesty to further enhance internal control and governance.

作為本集團反貪污舞弊的重要負責部門，風控審計部每年制定專項審計和內控審計的審計計劃，並根據該計劃及相關舉報信息進行反舞弊稽查，範圍覆蓋本集團主要業務流程和重點關注領域。同時，風控審計部亦會對公司關鍵崗位人員調動或離職執行離任審計。在2017年，我們開展了超過10次的專項審計及內控檢查，主動、及時發現並改進了業務流程中存在的相關管理問題，保障了公司利益。另外，在本年度風控審計部啟動了陽光宣傳行動。通過該行動，我們對公司內部員工及重要商業合作夥伴進行了本集團廉潔政策的培訓與宣導，以進一步深化其對公司廉潔政策和反舞弊要求的理解。

於報告年內，本集團未發生因公司或僱員提出的貪污、欺詐、勒索及洗黑錢等因素導致、並對公司造成重大影響的訴訟案件，亦未發現重大內控缺陷。隨著公司業務水平的不斷提升，反腐倡廉對企業可持續發展的重要性愈加凸顯，我們將始終堅持並完善廉潔誠信的公司制度體系，將公司內控監督與管治提升到一個新水平。

## **7. Community Investment**

The Group has constantly carried forward the idea for undertaking social responsibility that provides safety and quality food for the market and customers. Efforts are made in giving back to the society by fulfilling its social responsibility and getting more involved in public welfare undertakings. The Group takes the initiative to understand the needs and expectation of local and neighbouring communities where we operate and encourages the staff to participate in community public welfare activities. The Group also takes concrete actions to ensure that it has taken the interests of local communities into consideration when conducting its business activities and to pass on its positive social value to the public.

In 2017, more emphasis was given to community investment. The office of the Board of Directors took the lead in organising diversified social welfare activities with an investment amount of nearly RMB 114000 under control of the financial director, which involved the labour union, the office of the general manager, the procurement department, the marketing department and the regional sales department.

### *7.1 Caring for College Students*

As the backbone in the future development of our society, college students are one of the groups that we are most concerned about. In 2017, the Group sponsored various on-campus activities to assist college students in career planning with a better understanding of the society, promote green and healthy campus atmosphere and enrich extracurricular life of college students.

#### *Cooking Competition*

We sponsored the cooking competition held in Nanguang College of Communication University of China in November 2017. In this competition, condiments produced by the Group were adopted. The top three contestants were selected by judges consisting of students, and were awarded prizes provided by the Group. Students that were involved in the forwarding of the activities on the competition were also provided with gifts. Because of the competition, college students acquired more knowledge relating to healthy diet and fully experience the fun of working as a team.

## **7. 社區公益**

本集團繼續傳承優良的社會責任理念，在為市場和廣大消費者提供安全優質食品的同時，注重履行企業責任，關注公益事業，努力回饋社會。我們主動了解運營所在社區及其周邊的內在需求與期望，鼓勵員工參與各項社區公益活動，以實際行動將社區利益與公司業務共融，不斷將企業積極的社會價值取向傳遞至社會大眾。

在過去的2017年度，公司更加重視社區投資，開展了一系列形式多樣的社會公益活動，各項相關事宜由公司董事會辦公室牽頭，財務總監把控，涉及工會、總經理辦公室、採購部、市場推廣部以及區域銷售部門，投入總資金約11.4萬元人民幣。

### *7.1 關注高校學生群體*

高校大學生是未來社會發展的中堅力量，亦是我們始終關注的重點群體之一。為了更好地幫助在校大學生了解社會、規劃職業，同時倡導綠色健康的校園氛圍、豐富大學生課餘生活，在2017年度，我們走進校園，贊助了多場高校活動。

#### *大學生烹飪比賽*

2017年11月，我們支持並贊助了中國傳媒大學南廣學院的烹飪美食大賽。在此次比賽中，參賽學生團隊以本集團產品為烹飪調味料，由學生品鑒團選出的口味評比前三名獲得了公司頒發的獎勵，另外參與轉發該活動信息的學生亦收到了小禮品。此次烹飪大賽使得大學生了解到更多飲食健康相關知識，並充分體驗了團隊協作的樂趣。



#### *Competition for Advertisement Creativity*

In December 2017, the Group sponsored the 12th Competition for Advertisement Creativity hosted by the Maxcell Association of Sun Yat-sen University, which involved colleges in Guangzhou and Zhuhai, including Sun Yat-sen University, Ji'nan University, South China University of Technology, South China Normal University, Southern Medical University, Guangdong University of Finance and Economics, Guangzhou University, and Zhuhai College of Jilin University through online push based on official accounts of students associations and offline promotion activities. Over 70 teams consisting of college students participated in the competition with more than 15,000 students directly taking part in the event. The competition further stimulated a dynamic and innovative campus atmosphere among colleges in Guangzhou and Zhuhai, which was beneficial to improving of the overall quality of college students.

#### *7.2 Caring for Workers in Local Community*

The Group's departments in East China and Shanghai gave away food and drinks including watermelons and sweet mung bean soup to workers from more than 5000 markets of agricultural products around local communities for free to relieve summer heat from May to August 2017 when the high temperature sustained. A total of about RMB 95,000 was spent in 31,800 activities on this front. We use our best efforts to optimize the working conditions of the workers that have to work in the heat.

#### *7.3 Assisting in Alleviating the Pressure of Employment*

The continuous development of the Group's business has helped create more jobs, which could effectively relieve the pressure of employment in the society, specifically in local communities where we operate. Our Production Base in Maanshan, which commenced its operation in November 2017, has created jobs for 300 job seekers, over 60 of whom were from the local community. We are committed in making due contributions to address the problem of social employment to achieve mutual advancement and harmonious development between the Group and the society.

#### *大學生廣告創意大賽*

2017年12月，我們贊助了中山大學Maxcell協會主辦的第十二屆廣告創意大賽，通過各高校學生社團的線上公眾號推送及線下推廣活動，活動宣傳覆蓋至包括中山大學、暨南大學、華南理工大學、華南師範大學、南方醫科大學、廣東財經大學、廣州大學、吉林大學珠海分校在內的眾多廣州及珠海高校，吸引了70余支學生隊伍參加比賽，直接參與活動學生超過15000名。此次廣告創意大賽的成功舉辦進一步激發了廣珠高校圈內活躍、創新的校園氛圍，有利於大學生綜合素質的培養與就業軟實力的提高。

#### *7.2 回饋社區務工人員*

在2017年5月至8月持續高溫天氣中，公司華東區部門及上海區部門向當地社區周邊5000多家農貿市場網點的務工人員免費贈送西瓜及綠豆湯等消暑食品、飲品達到31800餘場次，共計總金額約9.5萬元人民幣，我們盡自己的力量為在暑熱環境中勞作的務工人員回饋清涼，優化其務工條件。

#### *7.3 助力緩解就業壓力*

公司業務的不斷發展亦有益於為社會創造更多的就業崗位，緩解社會尤其是運營所在地的就業壓力。於2017年11月建成投產的馬鞍山工廠共為300名待業人員創造了新的就業崗位，其中招聘本地員工60餘名。我們始終致力於為解決社會就業問題盡綿薄之力，實現企業與社會的共同進步與和諧發展。



## Independent Auditor's Report

### 獨立核數師報告



羅兵咸永道

**To the Shareholders of Yihai International Holding Ltd.**  
(incorporated in Cayman Islands with limited liability)

致頤海國際控股有限公司股東  
(於開曼群島註冊成立的有限公司)

#### OPINION

#### 意見

##### What we have audited

##### 我們已審計的內容

The consolidated financial statements of Yihai International Holding Ltd. (the “Company”) and its subsidiaries (the “Group”) set out on pages 154 to 244, which comprise:

頤海國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第154至244頁的綜合財務報表，包括：

- the consolidated balance sheet as at 31 December 2017;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

- 於2017年12月31日的綜合資產負債表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

##### Our opinion

##### 我們的意見

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

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2017年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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## **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Independence**

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, 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.

## **意見的基礎**

我們已根據《國際審計準則》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。

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。

## **獨立性**

根據國際會計師專業操守理事會頒佈的《專業會計師道德守則》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他專業道德責任。

## **關鍵審計事項**

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

## Independent Auditor's Report

### 獨立核數師報告

Key audit matter identified in our audit is summarised as follows:

- Impairment provision for inventory

#### Key Audit Matter

##### Impairment provision for inventory

Refer to Note 2 (Summary of significant accounting policies) and Note 12 of the consolidated financial statements.

Inventory is carried at the lower of cost and net realisable value, being selling price less estimated selling costs, where applicable, impairment provision is made to write down the inventory to its net realisable value.

As at 31 December 2017, the Group's balance of gross inventory was RMB147,617,000.

The estimation of impairment provision for each type of inventories involves significant management judgment based on consideration of key factors such as aging profile, prior experiences and estimated future selling price and production costs subsequent to year end.

The impairment assessment is an area of focus for us given the inherent uncertainties and the significant amount of the gross inventory balance.

我們在審計中識別的關鍵審計事項概述如下：

- 存貨減值準備

#### 關鍵審計事項

##### 存貨減值準備

請參閱綜合財務報表附註2(重大會計政策概要)及附註12。

存貨乃按其成本與可變現淨值(即為銷售價格減去預估的銷售成本)孰低者列賬，適用時，撇減存貨的減值準備至其可變現淨值。

於2017年12月31日，貴集團的存貨總額為147,617,000元人民幣。

每種類型存貨的減值準備估計涉及管理層重大判斷，該等判斷需考慮庫齡結構、過往經驗、預估未來售價以及年結日後的生產成本等關鍵因素。

鑒於減值固有的不確定性，且存貨總額金額重大，我們尤為關注減值評估。

### How our audit addressed the Key Audit Matter

Our audit procedures relating to impairment provision for inventory included:

- Obtained and understood the Group's inventory provisioning policy.
- Understood and evaluated the relevant controls over the generation of inventory aging schedule and the process of the estimation of inventory impairment provision.
- In respect of finished goods, on sample basis, we evaluated the assumptions in estimating future sales prices and selling expenses by reference to historical records and sales transactions after year end.
- In respect of raw materials and work in progress, on sample basis, we evaluated the assumptions in estimating future production costs by reference to historical records and production records after year end.
- On sample basis, we tested the aging profile of the year end raw materials and finished goods.
- Observed physical condition of inventories during stocktake to identify if any inventory was slow-moving, damaged, or obsolete.

We found the assumptions adopted and judgment applied by management were supported by the evidence we gathered and consistent with our understanding.

### 我們的審計如何處理關鍵審計

針對存貨減值準備，我們的審計程序包括：

- 獲得並了解了貴集團的存貨準備政策。
- 對存貨庫齡時間表的生成及存貨減值準備的估計過程的相關控制進行了解及評估。
- 針對產成品，我們參考歷史記錄及年結日後的銷售交易，在抽樣的基礎上對預估未來售價及銷售費用的假設進行了評估。
- 針對原材料及在產品，我們參考歷史記錄及年結日後的生產記錄，在抽樣的基礎上對預估未來生產成本的假設進行了評估。
- 在抽樣的基礎上，我們對年結日的原材料及產成品的庫齡結構進行了測試。
- 在存貨盤點期間查看了存貨的物理狀況，以確定存貨是否出現滯銷、損壞或報廢。

我們發現，管理層採取的假設和運用的判斷均有據可依，並與我們所了解的情況一致。

## Independent Auditor's Report

### 獨立核數師報告

#### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Corporate Governance Report and Management Discussion and Analysis, which we obtained prior to the date of this auditor's report, and the Directors' Report and the Environmental, Social and Governance Report, which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Director's Report and the Environmental, Social and Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate action considering our legal rights and obligations.

#### 其他信息

貴公司董事須對其他信息負責。其他信息包括我們在本核數師報告日前取得的企業管治報告和管理層討論與分析，以及預期會在本核數師報告日後取得的董事會報告和環境、社會及管制報告。

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

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

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀董事會報告和環境、社會及管治報告後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審計委員會溝通，並考慮我們的法律權利和義務後採取適當行動。



## **RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

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

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

The Audit Committee of the Company is responsible for overseeing the Group's financial reporting process.

## **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. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

董事及審計委員會就綜合財務報表須承擔的責任

貴公司董事負責根據《國際財務報告準則》及香港《公司條例》的披露規定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。

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。

審計委員會須負責監督貴集團的財務報告過程。

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。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》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匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

## Independent Auditor's Report

### 獨立核數師報告

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
  - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
  - 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。
  - 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表中的相關披露。假若有關的披露不足，則我們應當修訂我們的意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
  - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Brian Ming Yan Choi.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 21 March 2018

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

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

我們還向審計委員會提交聲明，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。

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

出具本獨立核數師報告的審計項目合夥人是蔡明仁。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零一八年三月二十一日

## Consolidated Balance Sheet

### 綜合資產負債表

		As at 31 December 於 12 月 31 日	
	Note 附註	2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Land use rights	土地使用權	6	35,152
Property, plant and equipment	物業、廠房及設備	8	180,088
Intangible assets	無形資產	7	5,182
Deferred tax assets	遞延稅項資產	11	10,554
Prepayments for property, plant and equipment	物業、廠房及設備 預付款項	14	57,095
<b>Total non-current assets</b>	<b>非流動資產總值</b>	<b>288,071</b>	<b>165,874</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	12	147,617
Trade receivables	貿易應收款項	13, 33	131,457
Prepayments and other receivables	預付款項及其他應收款項	14, 33	76,670
Cash and cash equivalents	現金及現金等價物	15	1,130,205
Financial assets at fair value through profit or loss	按公平值計入損益的 金融資產	16	32,671
<b>Total current assets</b>	<b>流動資產總值</b>	<b>1,518,620</b>	<b>1,257,792</b>
<b>Total assets</b>	<b>資產總值</b>	<b>1,806,691</b>	<b>1,423,666</b>
<b>Equity</b>	<b>權益</b>		
Share capital	股本	17	68
Shares held for employee share scheme	就僱員股份計劃 持有的股份	18	(5)
Reserves	儲備	19	1,501,326
Capital and reserves attributable to owners of the Company	歸屬於本公司擁有人的 資本及儲備		1,501,389
Non-controlling interests	非控股權益		4,420
<b>Total equity</b>	<b>權益總額</b>	<b>1,505,809</b>	<b>1,266,205</b>

## Consolidated Balance Sheet

### 綜合資產負債表

		As at 31 December 於 12 月 31 日	
	Note 附註	2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Current liabilities</b>	<b>流動負債</b>		
Trade payables	貿易應付款項	21, 33	136,582
Other payables and accruals	其他應付款項及應計費用	22, 33	115,033
Current tax liabilities	即期稅項負債		49,267
<b>Total current liabilities</b>	<b>流動負債總額</b>		300,882
<b>Total liabilities</b>	<b>負債總額</b>		300,882
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		1,806,691

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The financial statements on pages 154 to 158 were approved by the Board of Directors on 21 March 2018 and were signed on its behalf.

上述綜合資產負債表應與隨附附註一併閱讀。

第154頁至第158頁的財務報表於2018年3月21日獲董事會批准，並由下列董事代為簽署。

**DANG CHUNXIANG**

黨春香

Director

董事

**SUN SHENGFENG**

孫勝峰

Director

董事



## Consolidated Statement of Comprehensive Income

### 綜合全面收益表

			As at 31 December 於 12 月 31 日	
			2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
		Note 附註		
Revenue	收入	5	1,646,221	1,088,014
Cost of sales of goods	貨品銷售成本	23	(1,034,415)	(671,072)
<b>Gross profit</b>	<b>毛利</b>		<b>611,806</b>	<b>416,942</b>
Distribution expenses	經銷開支	23	(164,615)	(127,921)
Administrative expenses	行政開支	23	(76,415)	(53,841)
Other incomes and gains - net	其他收入及收益淨額	25	43,748	21,481
Fair value loss of redeemable convertible preferred shares	可贖回可換股優先股的公平值虧損		—	(35,264)
Finance income	融資收入	26	6,651	33,692
Finance costs	融資成本	26	(52,095)	—
Finance (costs)/income - net	融資(成本)/收入－淨額	26	(45,444)	33,692
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>369,080</b>	<b>255,089</b>
Income tax expense	所得稅開支	27	(107,990)	(68,369)
<b>Profit for the year</b>	<b>期內溢利</b>		<b>261,090</b>	<b>186,720</b>
<b>Profit attributable to:</b>	<b>以下人士應佔溢利：</b>			
Owners of the Company	本公司擁有人		260,670	186,720
Non-controlling interests	非控股權益		420	—
<b>Other comprehensive income</b>	<b>其他全面收入</b>			
Items that may be reclassified to profit or loss	可能重新分類至損益的項目			
Cash flow hedges	現金流量對沖	19	—	(514)
<b>Other comprehensive income for the year, net of tax</b>	<b>年內其他全面收入(扣除稅項)</b>		—	(514)
<b>Total comprehensive income</b>	<b>全面收入總額</b>		<b>261,090</b>	<b>186,206</b>
<b>Total comprehensive income attributable to:</b>	<b>以下人士應佔全面收入總額：</b>			
– Owners of the Company	– 本公司擁有人		260,670	186,206
– Non-controlling interests	– 非控股權益		420	—
<b>Earnings per share attributable to ordinary equity holders of the Company (expressed in RMB cents per share)</b>	<b>本公司普通權益持有人應佔每股盈利(以每股人民幣分列示)</b>			
– Basic	– 基本	28	26.9	23.4
– Diluted	– 攤薄	28	26.7	23.4

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應與隨附附註一併閱讀。

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

		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital (Note 17)	Shares held for employee share scheme (Note 18) 就僱員股份計劃持有的股份	Reserves (Note 19) 儲備	Total	Non-controlling interests	Total equity
		(附註 17)	(附註 18)	(附註 19)	總計	非控股權益	權益總額
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Note							
附註							
	Balance at 1 January 2016	31	—	141,893	141,924	—	141,924
	Comprehensive income						
	Profit for the year	—	—	186,720	186,720	—	186,720
	Other comprehensive income	—	—	(514)	(514)	—	(514)
	Total comprehensive income	—	—	186,206	186,206	—	186,206
	Transactions with owners						
	Issuance of new ordinary shares	17(c)	17	759,284	759,301	—	759,301
	Capitalisation issue	17(b)	16	(16)	—	—	—
	Conversion of redeemable convertible preferred shares	17(a)	4	221,927	221,931	—	221,931
	Share issuance costs	17(c)	—	(39,093)	(39,093)	—	(39,093)
	Share-based payment expense	20	—	102	102	—	102
	Shares repurchased	19	—	(4,161)	(4,166)	—	(4,166)
	Total transactions with owners		37	938,043	938,075	—	938,075
	Balance at 31 December 2016		68	1,266,142	1,266,205	—	1,266,205
	Balance at 1 January 2017		68	1,266,142	1,266,205	—	1,266,205
	Comprehensive income						
	Profit for the year		—	260,670	260,670	420	261,090
	Total comprehensive income		—	260,670	260,670	420	261,090
	Transactions with owners in their capacity as owners:						
	Non-controlling interests on acquisition of subsidiary		—	—	—	4,000	4,000
	Share-based payment expense	20	—	8,510	8,510	—	8,510
	Dividends provided for or paid		—	(33,996)	(33,996)	—	(33,996)
	Total transactions with owners		—	(25,486)	(25,486)	4,000	(21,486)
	Balance at 31 December 2017		68	1,501,326	1,501,389	4,420	1,505,809

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一併閱讀。

## Consolidated Statement of Cash Flows

### 綜合現金流量表

		Note 附註	2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Cash flows from operating activities</b>	經營活動所得現金流量			
Cash generated from operations	經營所得現金	31(a)	438,681	283,242
Interest received	已收利息		6,651	933
Income tax paid	已付所得稅		(92,130)	(60,182)
<b>Net cash generated from operating activities</b>	經營活動所得現金淨額		<b>353,202</b>	223,993
<b>Cash flows from investing activities</b>	投資活動所得現金流量			
Purchases of land use right	購買土地使用權	6	(4,187)	(24,911)
Purchases of property, plant and equipment	購買物業、廠房及設備		(127,989)	(22,649)
Purchases of intangible assets	購買無形資產		(3,260)	(2,352)
Proceeds from disposal of property, plant and equipment and intangible assets	出售物業、廠房及設備以及無形資產所得款項	31(b)	460	5,534
Purchase of financial assets	購買金融資產		(32,934)	—
Interest income from financial assets	金融資產的利息收入		5,241	—
<b>Net cash used in investing activities</b>	投資活動所用現金淨額		<b>(162,669)</b>	(44,378)
<b>Cash flows from financing activities</b>	融資活動所得現金流量			
Capital injections from non-controlling interests	非控股權益注資		4,000	—
Decrease in other payables due to related parties	其他應付關聯方款項減少		—	(141,633)
Proceeds from issuance of ordinary shares, net	發行普通股所得款項淨額	17(c)	—	720,208
Repurchase of shares	購回股份	18, 19	—	(4,166)
Dividends paid to the Company's shareholders	向本公司股東派付股息	19	(33,996)	—
<b>Net cash generated from financing activities</b>	融資活動所得現金淨額		<b>(29,996)</b>	574,409
<b>Net increase in cash and cash equivalents</b>	現金及現金等價物增加淨額		<b>160,537</b>	754,024
Cash and cash equivalents at beginning of the financial year	年初現金及現金等價物	15	1,021,999	235,216
Effects of exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動的影響		(52,331)	32,759
<b>Cash and cash equivalents at end of year</b>	年末現金及現金等價物	15	<b>1,130,205</b>	1,021,999

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

**1. GENERAL INFORMATION**

Yihai International Holding Ltd. (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the production and sale of hot pot soup flavoring products, hot pot dipping sauce products and Chinese style compound condiment products in the People’s Republic of China (the “PRC”), collectively referred to as the “Listed Business”.

The Company was incorporated in the Cayman Islands on 18 October 2013 as an exempted company with limited liability under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company’s global offering of its shares (“the Global Offering”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “HKSE”) was completed on 13 July 2016.

The consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 21 March 2018.

**1. 一般資料**

頤海國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)在中華人民共和國(「中國」)主要從事火鍋底料、火鍋蘸料及中式複合調味料的生產及銷售(統稱為「上市業務」)。

本公司於2013年10月18日在開曼群島根據開曼群島1961年第3號法例第22章公司法(經綜合及修訂)註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands。

本公司股份在香港聯合交易所有限公司(「香港聯交所」)主板的全球發售(「全球發售」)已於2016年7月13日完成。

除非另有指明，否則本綜合財務報表以人民幣(「人民幣」)呈列。該等財務報表已於2018年3月21日獲董事會批准刊發。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consistency of the Company and its subsidiaries.

### 2.1 Basis of preparation

#### (i) Compliance with IFRS and HKCO

The consolidated financial statements of the Group has been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

#### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, as modified by revaluation of financial assets at fair value through profit or loss which are carried at fair value.

#### (iii) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2017:

- *Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12, and*
- *Disclosure initiative – amendments to IAS 7.*

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. Most of the amendments will also not affect the current or future periods.

## 2. 重大會計政策概要

本附註提供於編製此等綜合財務報表時採納的重大會計政策清單。除另有註明外，此等政策於所有列報年度內貫徹應用。本集團財務報表與本公司及其附屬公司一致。

### 2.1 編製基準

#### (i) 遵守國際財務報告準則及香港公司條例

本集團的綜合財務報表已按照國際財務報告準則（「國際財務報告準則」）及香港公司條例（第622章）的披露規定編製。

#### (ii) 歷史成本法

財務報表已按歷史成本基準編製，並通過重估按公平值計入損益的金融資產作出修訂以及按公平值列賬。

#### (iii) 本集團採納的新訂及經修訂準則

本集團於2017年1月1日或之後開始的財政年度首次採納下列準則的修訂本：

- *就未變現虧損確認遞延稅項資產－國際會計準則第12號的修訂本，及*
- *披露動議－國際會計準則第7號的修訂本。*

採納該等修訂本對過往期間確認的金額並無任何影響。大部分修訂本亦將不會影響目前或未來期間。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.1 Basis of preparation** *(Cont'd)**(iv) New standards and interpretations not yet adopted*

The following new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2018 and have not been applied in preparing these consolidated financial statements:

- *Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2*
- *Annual Improvements to IFRS Standards 2014-2016 Cycle, and*
- *Transfers of Investment Property – Amendments to IAS 40*

None of these above new standards and amendments to standards and interpretations is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

**IFRS 9 ‘Financial Instruments’****Nature of change**

IFRS 9 ‘Financial Instruments’ addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

**2. 重大會計政策概要(續)****2.1 編製基準(續)***(iv) 尚未採納的新訂準則及詮釋*

以下新訂準則及準則的修訂本及詮釋於2018年1月1日後開始的年度期間生效，而編製該等綜合財務報表時並無應用：

- 以股份為基礎的付款交易的分類及計量－國際財務報告準則第2號的修訂本
- 國際財務報告準則2014年至2016年週期的年度改進，及
- 轉讓投資物業－國際會計準則第40號的修訂本

以上該等新訂準則及準則的修訂本及詮釋預期不會對本集團的綜合財務報表造成重大影響，惟下文所載者除外：

**國際財務報告準則第9號「金融工具」****變動性質**

國際財務報告準則第9號「金融工具」針對金融資產及金融負債的分類、計量及終止確認，並引進對沖會計的新規則及金融資產的新減值模型。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.1 Basis of preparation (Cont'd)

(iv) *New standards and interpretations not yet adopted (Cont'd)*

Impact

The Group has reviewed its financial assets and liabilities and is expecting the following impact from the adoption of the new standard on 1 January 2018:

The financial assets held by the Group include investments currently measured at fair value through profit or loss ("FVPL") which will continue to be measured on the same basis under IFRS 9. Accordingly, the Group does not expect the new guidance to affect the classification and measurement of these financial assets.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from IAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

## 2. 重大會計政策概要(續)

### 2.1 編製基準(續)

(iv) *尚未採納的新訂準則及詮釋(續)*

影響

本集團已審閱其金融資產及負債並預期於2018年1月1日採納新訂準則將產生下列影響：

本集團所持金融資產包括目前透過損益按公平值(「透過損益按公平值計量」)計量的投資，其將繼續根據國際財務報告準則第9號按相同基準計量。因此，本集團預期新指引不會對該等金融資產的分類及計量產生影響。

由於新規定僅影響指定按公平值計入損益的金融負債的會計處理，而本集團並無任何有關負債，故不會對本集團金融負債的會計處理有任何影響。終止確認規則引自國際會計準則第39號「金融工具：確認及計量」，並無任何變動。

新訂準則亦引進範圍擴大的披露規定及呈列變動。預期該等規定及變動將改變本集團有關金融工具的披露性質及範圍(尤其是採納新訂準則的年度)。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.1 Basis of preparation *(Cont'd)***

- (iv) *New standards and interpretations not yet adopted (Cont'd)*

Date of adoption by Group

Must be applied for financial years commencing on or after 1 January 2018. The Group will apply the new rules retrospectively from 1 January 2018, with the practical expedients permitted under the standard and corporative for 2017 will not be restated.

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

Nature of change

The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts and the related literature.

**2. 重大會計政策概要(續)****2.1 編製基準(續)**

- (iv) *尚未採納的新訂準則及詮釋(續)*

本集團採納日期

須在2018年1月1日或之後開始的財政年度應用。本集團將自2018年1月1日起追溯應用新規則以及該準則項下所允許的可行權宜處理，而2017年的比較數字將不予重列。

**國際財務報告準則第15號「客戶合同收入」**

變動性質

國際會計準則理事會已為確認收入頒佈一項新準則。該準則將取代國際會計準則第18號所涵蓋有關貨品及服務合約及國際會計準則第11號所涵蓋有關建造合同及相關文獻的規定。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.1 Basis of preparation (Cont'd)

(iv) *New standards and interpretations not yet adopted (Cont'd)*

The new standard establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract (3) Determine the transaction price (4) Allocate transaction price to performance obligations and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an 'earnings processes to an 'asset-liability' approach based on transfer of control.

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

#### Impact

Management has assessed the effects of applying the new standard on the Group's financial statements and has identified the following areas that may be affected:

- rights of return IFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligation.

## 2. 重大會計政策概要(續)

### 2.1 編製基準(續)

(iv) *尚未採納的新訂準則及詮釋(續)*

新準則利用五個步驟，確立釐定確認收益時間及金額的全面框架：(1) 識別客戶合約；(2) 識別合約中的個別履約責任；(3) 釐定交易價格；(4) 將交易價格分配至履約責任；及(5) 於完成履約責任時確認收益。核心原則是公司應按反映公司預期從交換協定貨品或服務收取的代價的金額，確認向客戶轉移有關貨品或服務的收益。該準則由以「盈利過程」為基礎的收益確認模式，轉向以轉移控制權為基礎的「資產負債」方式。

該準則允許採納完整追溯調整法或經修訂追溯調整法。

#### 影響

管理層已評估採納新準則對本集團財務報表的影響，並已識別下列方面可能會受影響：

- 退貨權－國際財務報告準則第15號規定，在資產負債表內獨立呈列從客戶收回貨品的權利及退款責任。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.1 Basis of preparation (Cont'd)***(iv) New standards and interpretations not yet adopted (Cont'd)*

The new standard provides specific guidance on capitalisation of contract cost and licence arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management expected that the new standard of IFRS 15 will not have significant effect on the financial statement of the Group.

Date of adoption by Group

Mandatory for financial years commencing on or after 1 January 2018. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

**2. 重大會計政策概要(續)****2.1 編製基準(續)***(iv) 尚未採納的新訂準則及詮釋(續)*

新準則就合約成本資本化及特許安排提供具體指引。其亦就實體與客戶訂立的合約所產生的收益及現金流量的性質、金額、時間及不明朗因素設定一套嚴密的披露規定。

管理層預期國際財務報告新準則第15號將不會對集團財務報表產生重大影響。

本集團採納日期

須在2018年1月1日或之後開始的財政年度強制採納。本集團擬採納使用經修訂追溯方式的準則，換言之，採納準則的累計影響將於截至2018年1月1日確認為累計虧損，而有關比較數字將不予重列。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

2.1 Basis of preparation (Cont'd)

- (iv) *New standards and interpretations not yet adopted (Cont'd)*

**IFRS 16 'Leases'**

**Nature of change**

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

**Impact**

The standard will affect primarily the accounting for the Group's operating leases. The Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

**Mandatory application date/Date of adoption by Group**

Mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

2. 重大會計政策概要(續)

2.1 編製基準(續)

- (iv) *尚未採納的新訂準則及詮釋(續)*

**國際財務報告準則第16號「租賃」**

**變動性質**

國際財務報告準則第16號已於2016年1月頒佈。由於經營租賃與融資租賃的劃分已移除，其將導致絕大部分租賃在資產負債表確認。根據新訂準則，資產(租賃項目的使用權)及支付租金的金融負債會予以確認。唯一例外者為短期及低價值租賃。

對承租人的會計處理不會重大變動。

**影響**

該準則將主要影響本集團經營租賃的會計處理。然而，本集團仍未釐定該等承擔將導致資產及負債就未來付款確認的程度，以及將如何影響本集團的溢利及現金流量分類。

**強制應用日期／本集團採納日期**

須在2019年1月1日或之後開始的財政年度強制採納。目前，本集團不擬在生效日期前採納該準則。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.1 Basis of preparation *(Cont'd)***

- (iv) *New standards and interpretations not yet adopted (Cont'd)*

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group.

**2.2 Principles of consolidation and equity accounting**

- (i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.3).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

**2. 重大會計政策概要(續)****2.1 編製基準(續)**

- (iv) *尚未採納的新訂準則及詮釋(續)*

概無尚未生效且預期對集團造成重大影響的其他準則。

**2.2 合併及權益會計原則**

- (i) *附屬公司*

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團透過參與實體業務而享有或有權取得該實體的可變回報且有能力透過其指揮該實體業務的權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團之日起全部合併入賬，並自控制終止之日起取消合併。

本集團採用收購會計法將業務合併入賬(請參閱附註2.3)。

集團公司間的公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。附屬公司的會計政策已按需要調整，以確保與本集團採納的政策貫徹一致。

業績內的非控股權益及附屬公司權益分別獨立呈列於綜合損益表、全面收入表、權益變動表及資產負債表。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

## 2. 重大會計政策概要(續)

### 2.3 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論收購股權工具或其他資產。收購附屬公司的已轉讓代價包括：

- 所轉讓資產的公平值
- 所收購業務先前擁有人產生的負債
- 本集團發行的股權
- 或然代價安排產生的任何資產或負債的公平值，及
- 於附屬公司任何已存在股權的公平值。

除少數特殊情況外，在業務合併中所收購的可識別資產、所承擔的負債及或然負債初步按收購日期的公平值計量。本集團按逐項收購基準確認被收購實體任何非控股權益，以公平值或以非控股權益應佔被收購實體可識別資產淨值的比例計量。

收購相關成本於產生時支銷。

- 所轉讓代價，
- 於被收購實體的任何非控股權益金額，及
- 於被收購實體的任何過往股權於收購日期的公平值

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.3 Business combinations *(Cont'd)***

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

**2.4 Separate financial statements**

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

**2. 重大會計政策概要(續)****2.3 業務合併(續)**

高於所收購的可識別資產淨值的公平值時，其差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值的公平值，其差額將直接在損益內確認為議價購入。

或然代價分類為權益或金融負債。分類為金融負債的金額隨後按公平值重新計量，而公平值變動則於損益內確認。

如業務合併分階段進行，收購方之前在被收購方持有的股權於收購日期的賬面值於收購日期按公平值重新計量。重新計量產生的任何收入或虧損於損益內確認。

**2.4 獨立財務報表**

於附屬公司的投資按成本扣除減值入賬。成本包括直接應佔投資成本。本公司按已收及應收股息基準將附屬公司的業績入賬。

倘股息超過附屬公司於股息宣派期間的全面收入總額或於獨立財務報表中有關投資的賬面值超過投資對象的淨資產(包括商譽)於綜合財務報表中的賬面值，則於收取該等投資的股息時，須對附屬公司的投資進行減值測試。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer, vice presidents and directors of the Company.

### 2.6 Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Renminbi (RMB), which is the Group's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

## 2. 重大會計政策概要(續)

### 2.5 分部報告

經營分部的呈報方式與向主要經營決策者(「主要經營決策者」)作出內部呈報的方式貫徹一致。主要經營決策者負責分配資源及評估經營分部的表現，並已被認定為本公司的最高行政人員、副總裁及董事。

### 2.6 外幣換算

#### (i) 功能及呈報貨幣

計入本集團各實體財務報表的項目均採用該實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以本集團的功能及呈報貨幣人民幣(「人民幣」)呈列。

#### (ii) 交易及結餘

外幣交易均按交易當日的匯率折算為功能貨幣。結算該等交易以及將以外幣計價的貨幣資產及負債按年終匯率折算產生的匯兌收入及虧損一般於損益內確認。倘其與合資格現金流量對沖及合資格淨投資對沖有關或屬於海外業務淨投資的一部分，則於權益遞延。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.6 Foreign currency translation (Cont'd)***(ii) Transactions and balances (Cont'd)*

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statements of comprehensive income within 'finance cost - net'. All other foreign exchange gains and losses are presented in the consolidated statements of comprehensive income within 'Other incomes and gains - net'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

*(iii) Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

**2. 重大會計政策概要(續)****2.6 外幣換算(續)***(ii) 交易及結餘(續)*

與借款以及現金及現金等價物有關的匯兌收入及虧損乃於綜合全面收益表「融資成本淨額」內呈列。所有其他匯兌收入及虧損乃於綜合全面收益表「其他收入及收益淨額」內呈列。

按外幣公平值計量的非貨幣項目乃按於釐定公平值當日的匯率換算。按公平值列賬的資產及負債的換算差額呈報為公平值收入或虧損的一部分。例如，非貨幣資產及負債(如按公平值計入損益的權益)的換算差額，於損益內確認為公平值收入或虧損的一部分。

*(iii) 集團公司*

功能貨幣與呈列貨幣不同的海外業務(當中不涉及嚴重通脹經濟體的貨幣)的業績及財務狀況按下列方法換算為呈列貨幣：

- 每份呈報的資產負債表內的資產與負債按該資產負債表日期的收市匯率換算；

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.6 Foreign currency translation (Cont'd)

#### (iii) Group companies (Cont'd)

- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

### 2.7 Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

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

## 2. 重大會計政策概要(續)

### 2.6 外幣換算(續)

#### (iii) 集團公司(續)

- 各損益及全面收入表的收入及開支按平均匯率換算(除非該匯率並非在交易當日的匯率累計影響的合理估計內，在此情況下，收入及開支於交易日期換算)；及
- 所有由此產生的換算差額於其他全面收入確認。

於合併時，換算海外實體任何投資淨額及借款以及指定為對沖有關投資的其他金融工具產生的匯兌差額均於其他全面收入確認。當出售海外業務或償還構成該投資淨額部分的任何借款，相關匯兌差額於損益重新歸類為出售的部分收入或虧損。

### 2.7 物業、廠房及設備

物業、廠房及設備(在建工程除外)按歷史成本減累計折舊及減值列賬。歷史成本包括收購該等項目直接應佔的開支。

後續成本只有在該項目很可能為本集團帶來與之有關的未來經濟利益，且其成本能可靠計量時，才計入資產的賬面值或確認為一項單獨資產(倘適用)。入賬列作獨立資產的任何部分被替換時，其賬面值會終止確認。所有其他維修及保養費用在其產生的報告期間內於損益扣除。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.7 Property, plant and equipment *(Cont'd)***

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Buildings	20 years
Machinery	5-10 years
Equipment	3-5 years
Vehicles and furniture	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**2.8 Land use rights**

Land use rights represent upfront prepayments made for the land use rights and are expensed in the consolidated statements of comprehensive income on a straight-line basis over the periods of the leases or when there is impairment, the impairment is expensed in the consolidated statements of comprehensive income.

**2. 重大會計政策概要(續)****2.7 物業、廠房及設備(續)**

折舊以直線法於其估計可使用年期或(倘為租賃裝修及若干租賃廠房及設備)較短租期內分配其成本或重估金額(扣除其剩餘價值)，詳情如下：

樓宇	20年
機器	5-10年
設備	3-5年
汽車及傢具	5年

資產的剩餘價值及可使用年期在各呈報期末進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額(附註2.10)。

出售收入及虧損按所得款項與賬面值的差額釐定，並計入損益。

**2.8 土地使用權**

土地使用權指就土地使用權作出的前期預付款項，並於租約期內以直線法在綜合全面收益表中支銷，或倘出現減值，則減值在綜合全面收益表中支銷。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.9 Intangible assets

Intangible assets mainly represent computer software. Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. There costs are amortised over their estimated useful lives of 5 years.

### 2.10 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2. 重大會計政策概要(續)

### 2.9 無形資產

無形資產主要指電腦軟件。購買的電腦軟件按購買及投入使用特定軟件所產生的成本資本化。該等成本於其估計使用年期5年攤銷。

### 2.10 非金融資產減值

可使用年期不限定的無形資產毋須攤銷，但每年須就減值進行測試，或於發生事項或情況出現變化而顯示可能出現減值時作出更頻密的減值測試。其他資產會於發生事項或情況出現變化而顯示其賬面值未必能夠收回時，進行減值測試。減值虧損按有關資產賬面值超逾其可收回金額的數額確認。可收回金額為資產的公平值減出售成本與使用價值兩者的較高者。就減值評估而言，資產按獨立可識別現金流入的最低分類組合(現金產生單位)分類，其所產生的現金流入基本上獨立於其他資產或資產組別。出現減值的非金融資產(商譽除外)於各報告期末檢討是否可能撥回減值。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.11 Investments and other financial assets***(i) Classification*

The Group classifies its financial assets into the following categories: loans and receivables, held to maturity investment, financial assets at fair value through profit or loss and available-for-sale financial assets. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. As at year end, the Group has financial assets at fair value through profit or loss and loans and receivables.

**a. Financial assets at fair value through profit or loss**

The Group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, i.e. are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. The group has elected to designate some financial assets at fair value through profit or loss.

**2. 重大會計政策概要(續)****2.11 投資及其他金融資產***(i) 分類*

本集團將其金融資產分為以下類別：貸款及應收款項、持有至到期的投資、按公平值計入損益的金融資產及可供出售金融資產。分類取決於金融資產被收購的目的。管理層按初始確認釐定金融資產類別。於年末，本集團有按公平值計入損益的金融資產以及貸款及應收款項。

**a. 按公平值計入損益的金融資產**

倘金融資產主要為於短期內出售而購入，即持作買賣，則本集團會分類按公平值計入損益的金融資產。倘預期金融資產將於報告期末後12個月內出售，則呈列為流動資產；否則呈列為非流動資產。本集團已選擇指定部分按公平值計入損益的金融資產。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.11 Investments and other financial assets

#### b. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. Loans and receivables are included within trade receivables, other receivables and cash and cash equivalents in the balance sheets (Notes 2.15 and 2.16).

## 2. 重大會計政策概要(續)

### 2.11 投資及其他金融資產

#### b. 貸款及應收款項

貸款及應收款項為活躍市場並無報價具有固定或可釐定付款額的非衍生金融資產。其計入流動資產，惟屆滿日超過結算日起計12個月者除外，該資產分類為非流動資產。貸款及應收款項計入資產負債表內貿易應收款項、其他應收款項以及現金及現金等價物(附註2.15及2.16)。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.11 Investments and other financial assets** *(Cont'd)**(ii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated statements of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

*(iii) Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are presented of the 'financial assets at fair value through profit or loss' in the consolidated statement of comprehensive income within 'Other incomes and gains-net'.

**2. 重大會計政策概要(續)****2.11 投資及其他金融資產(續)***(ii) 確認及終止確認*

常規購入及出售的金融資產於交易日(本集團承諾購入或出售該資產的日期)確認。所有並非按公平值計入損益的金融資產的投資於初始時按公平值加交易成本確認。按公平值計入損益的金融資產，於初始時按公平值確認，而交易成本則在綜合全面收益表中支銷。於從該等投資收取現金流量的權利屆滿或已轉讓而本集團已實質上轉移一切所有權風險及回報時，終止確認有關金融資產。

*(iii) 計量*

初步確認時，本集團按公平值加(倘並非按公平值計入損益的金融資產)收購金融資產直接應佔交易成本計量金融資產。按公平值計入損益的金融資產的交易成本於損益支銷。

貸款及應收款項其後採用實際利率法按攤銷成本列賬。

按公平值計入損益的金融資產其後按公平值列賬。「按公平值計入損益的金融資產」一類中因公平值變動產生的收入或虧損於綜合全面收益表內「其他收入及收益淨額」呈列。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.11 Investments and other financial assets (Cont'd)

#### (iii) Measurement (Cont'd)

Interest income from financial assets at fair value through profit or loss is included in the 'Other incomes and gains - net'. Loans and receivables calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

Details on how the fair value of financial instruments is determined are disclosed in Note 3.3.

### 2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2. 重大會計政策概要(續)

### 2.11 投資及其他金融資產(續)

#### (iii) 計量(續)

按公平值計入損益的金融資產的利息收入計入「其他收入及收益淨額」。使用實際利率法計算的貸款及應收款項於損益表內確認為持續經營業務收入的一部分。

有關如何釐定金融工具公平值的詳情於附註3.3披露。

### 2.12 抵銷金融工具

當有法定可強制執行權力可抵銷已確認金額，並有意圖按其淨額基準結算或同時變現資產及結算負債時，有關金融資產與負債可互相抵銷，並在資產負債表報告其淨額。法定可強制執行權利不得依賴未來事件而定，且在一般業務過程中以及倘本公司或對手方出現違約、無償債能力或破產時，亦必須可強制執行。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.13 Impairment of financial assets**

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred 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 (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

*Assets carried at amortised cost*

Evidence of impairment may include indications that the debtors 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 where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, 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 been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statements of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statements of comprehensive income.

**2. 重大會計政策概要(續)****2.13 金融資產減值**

本集團於各報告期末評估是否存在客觀證據顯示金融資產或一組金融資產出現減值。僅倘於首次確認一項資產後發生一宗或多宗事件導致出現減值(「虧損事件」)的客觀證據,而該宗(或該等)虧損事件對金融資產或該組金融資產的估計未來現金流量已構成能可靠估計的影響,則該金融資產或該組金融資產出現減值及產生減值虧損。對於被歸類為可供出售的股本投資,證券的公平值顯著或持續跌至低於其成本,則被視為資產減值的跡象。

*按攤銷成本列賬的資產*

減值的證據可能包括以下指標:債務人或一組債務人正處於重大財政困難,違約或拖欠利息或本金付款,彼等將有可能破產或進行其他財務重組,以及當有可觀察數據顯示,估計未來現金流量出現可計量的減少,例如欠款或與違約相關的經濟狀況出現變動。

就貸款及應收款項類別而言,虧損金額以資產的賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)的現值之間的差額並按金融資產最初的實際利率折讓計量。資產的賬面值被削減,而虧損金額於綜合全面收益表確認。

倘於其後期間減值虧損金額減少,且減少與確認減值後發生的事件(例如債務人信貸評級改善)客觀相關,則撥回過往確認的減值虧損於綜合全面收益表中確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.13 Impairment of financial assets (Cont'd)

Impairment testing of trade receivables is described in Note 13.

### 2.14 Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.15 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. See Note 2.11 for further information about the Group's accounting for trade receivables and Note 2.13 for a description of the Group's impairment policies.

## 2. 重大會計政策概要(續)

### 2.13 金融資產減值(續)

貿易應收款項減值測試載於附註 13。

### 2.14 存貨

原材料及儲備、在製品及製成品按成本與可變現淨值兩者中較低者入賬。成本包括直接材料、直接勞工以及適當比例的可變及固定經常開支(後者按一般運作產能分配)。成本包括自權益重新分類與購買原材料有關的合資格現金流量對沖的任何收益或虧損，但不包括借款成本。成本按加權平均成本分配至個別存貨項目。購買存貨的成本乃經扣減回扣及折讓後釐定。可變現淨值按日常業務過程中的估計售價減完成估計成本及進行銷售所需估計成本計算。

### 2.15 貿易應收款項

貿易應收款項為在日常業務過程中就銷售的商品或提供的服務而應收客戶的款項。貿易應收款項一般於30日內進行結算，因此全部被分類為流動資產。

貿易應收款項初步按公平值確認，其後使用實際利率法按攤銷成本扣除減值撥備計量。有關本集團貿易應收款項會計處理的進一步資料以及本集團減值政策的描述，請分別參閱附註 2.11 及附註 2.13。



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.16 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less.

**2.17 Share capital and shares held for employee share scheme**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the company's shares are repurchased from YIHAI JLJH LTD., one of the shareholders of the Company, held by the RSU Trustee (as mentioned in Note 19) under the employee share scheme, the total consideration of shares is presented as shares held for employee share scheme and deducted from total equity. Upon vesting, the related costs of the vested shares for employee share scheme purchased from the market are credited to shares held for employee share scheme, with a corresponding decrease in employee share-based compensation reserve for employee share scheme.

**2. 重大會計政策概要(續)****2.16 現金及現金等價物**

就於現金流量表的呈列而言，現金及現金等價物包括手頭現金、金融機構通知存款及其他初始到期期限為三個月或以下的短期高流動性投資。

**2.17 股本及就僱員股份計劃持有的股份**

普通股分類為權益。

直接歸屬於發行新股份或購股權的新增成本於權益列為所得款項扣減(除稅)。

倘本公司股份乃向本公司一名股東 YIHAI JLJH LTD. 購回，且根據僱員股份計劃由受限制股份單位受托人持有(如附註 19 所述)，股份的總代價呈列為就僱員股份計劃持有的股份，自權益總額扣除。歸屬後，從市場購買的僱員股份計劃已歸屬股份的相關成本計入就僱員股份計劃持有的股份，僱員股份計劃的僱員以股份為基礎的薪酬儲備會相應減少。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.18 Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 2.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2. 重大會計政策概要(續)

### 2.18 貿易應付款項

該等款項指於財政年度結束前向本集團提供商品及服務的尚未支付負債。該等款項為無抵押，且通常於確認後30日內支付。除非付款並非於報告期後12個月內到期，否則貿易應付款項呈列為流動負債。其初步按公平值確認，隨後使用實際利率法按攤銷成本計量。

### 2.19 即期及遞延所得稅

本期間的所得稅開支或抵免指就本期間應課稅收入按各司法權區的適用所得稅率支付的稅項(就暫時差額及未動用稅項虧損應佔的遞延稅項資產及負債變動作出調整)。

#### *即期所得稅*

即期所得稅支出根據本公司附屬公司及聯營公司營運及產生應課稅收入所在的國家於報告期末已頒佈或實質已頒佈的稅法計算。管理層就適用稅務法規須作出詮釋的情況定期評估報稅表的狀況，並須在適用情況下根據預期向稅務機關支付的稅款計提撥備。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.19 Current and deferred income tax (Cont'd)***Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

**2. 重大會計政策概要(續)****2.19 即期及遞延所得稅(續)***遞延所得稅*

遞延所得稅採用負債法就資產及負債的稅基與其在綜合財務報表中的賬面值之間的暫時差額計提全額撥備。然而，倘遞延稅項負債於初步確認商譽時產生，則不予確認；倘自初步確認一項交易（業務合併除外）中的資產或負債而產生的遞延所得稅於交易時對會計或應課稅損益並不構成影響，則該遞延所得稅亦不會列賬。遞延所得稅乃使用於報告期末已頒佈或實質已頒佈且預期將於相關遞延所得稅資產變現或遞延所得稅負債結算時適用的稅率（及稅法）釐定。

遞延稅項資產僅於可能獲得未來應課稅款項可動用該等暫時差額及虧損的情況下予以確認。

倘本公司能夠控制撥回暫時差額的時間，且該等差額可能不會於可見將來撥回，則不會就海外業務的投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.19 Current and deferred income tax (Cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 2.20 Employee benefits

In accordance with the rules and regulations in the PRC, the Group has arranged for its PRC employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, recognised by the PRC government. According to the relevant regulations, the monthly contributions that should be borne by the PRC subsidiaries of the Company are calculated based on percentages of the total salary of employees, subject to a certain ceiling. The assets of these plans are held separately from those of the Group in independent funds managed by the PRC government.

The Group has no further payment obligations once the above contributions have been paid. The Group's contributions to these plans are charged in the consolidated statements of comprehensive income as incurred.

## 2. 重大會計政策概要(續)

### 2.19 即期及遞延所得稅(續)

當存在合法可強制執行的權利將即期稅項資產與負債抵銷，且遞延稅項結餘涉及同一稅務機關，遞延稅項資產與負債互相抵銷。倘實體擁有合法可強制執行的權利抵銷並有意以淨額結算或變現資產及同時償付負債，則即期稅項資產與稅項負債互相抵銷。

除與於其他全面收入或直接於權益確認的項目有關外，即期及遞延稅項於損益內確認。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

### 2.20 僱員福利

根據中國的規則及法規，本集團已安排中國僱員參與中國政府組織的界定供款計劃，包括退休、醫療、住房及其他福利。根據有關規例，每月供款應由本公司的中國附屬公司承擔，供款額按僱員總薪金的百分比計算，但設有若干上限。該等計劃的資產與本集團其他資產分開，由中國政府管理的獨立基金持有。

本集團於支付上述供款後不再承擔支付責任。本集團對上述計劃的供款於產生時計入綜合全面收益表。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.21 Share-based payments**

The Group adopted a restricted share unit scheme in 2016 to reward directors and employees. The fair value of the services received in exchange for the grant of the restricted shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the restricted shares granted as at date of grant, including any market performance conditions, excluding the impacts of any service and non-market performance vesting conditions as well as including any non-vesting conditions, when applicable. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of restricted shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated statement of comprehensive income with a corresponding adjustment to equity.

**2.22 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivables, and represents amounts receivables for goods supplied, stated net of discounts and value added taxes. The Group recognise revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

**2. 重大會計政策概要(續)****2.21 以股份為基礎的付款**

本集團於2016年採納受限制股份單位計劃，以獎勵董事及僱員。為獲授受限制股份而提供的服務的公平值確認為開支。將予支銷總額乃參考授出日期授出受限制股份的公平值釐定，包括任何市場表現條件，但不包括任何服務及非市場表現歸屬條件的影響以及包括任何非歸屬條件(如適用)。已支銷總額於歸屬期內確認，期內所有特定歸屬條件將獲達成。

於各報告期末，本集團會根據非市場歸屬條件修改其估計預期將予歸屬的受限制股份數目，並於綜合全面收益表內確認修改原來估計數字(如有)的影響，以及對權益作出的相應調整。

**2.22 收入確認**

收入按已收或應收代價的公平值計量，即供應貨品在扣除折扣及增值稅後的應收款項。當收入數額能夠可靠計量；當未來經濟利益有可能流入有關實體；及當本集團每項活動均符合具體標準時(如下文所述)，則本集團便會確認收入。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

### 2.22 Revenue recognition (Cont'd)

#### *Sale of goods*

The Group manufactures and sells a range of hot pot condiment products and Chinese-style compound condiment products to customers including hot pot restaurants and wholesalers. Sales of goods are recognised when a group entity has delivered products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is adjusted for the value of sales discount and rebates. Delivery does not occur until the products have been delivered to the specified location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with the sales contracts, or the Group has objective evidence that all criteria for acceptance have been satisfied.

#### *Provision of services*

The Group provides consultancy services to other companies and revenue is recognised as other incomes and gains-net in consolidated statement of comprehensive income in the accounting period in which the services are rendered.

## 2. 重大會計政策概要(續)

### 2.22 收入確認(續)

#### *銷售貨品*

本集團製造多種火鍋調味品及中式複合調味品並出售予火鍋店及批發商等客戶。當集團實體交付產品予客戶，及並無不能償付的責任可影響客戶對該等產品的接納時，確認銷售貨品。收入就銷售折扣及回佣的價值進行調整。在產品貨運至特定地點、陳舊過時及虧損風險已轉移予客戶時及客戶按銷售合約規定已接納產品或本集團有客觀憑證顯示接納的所有標準均已達致時方確認交付。

#### *提供服務*

本集團向其他公司提供諮詢服務，且收入於提供該等服務的會計期間在綜合全面收益表內確認為其他收入及收益淨額。

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Cont'd)***2.23 Interest income**

Interest income is recognised using the effective interest method.

**2.24 Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases (Note 32). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

**2.25 Dividends distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

**2. 重大會計政策概要(續)****2.23 利息收入**

利息收入乃按實際利率法確認。

**2.24 租賃**

凡擁有權的大部分風險及回報未轉移至本集團(作為承租人)的租賃，皆歸類為經營租賃(附註32)。根據經營租賃支付的款項(扣除出租人給予的任何優惠)，於租期內以直線法自損益扣除。

**2.25 股息分派**

向本公司股東分派的股息於本公司股東或董事(視情況而定)批准股息的期間內，在本集團財務報表內確認為負債。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

<b>Risk</b> 風險	<b>Exposure arising from</b> 風險產生原因
Market risk – foreign exchange	Recognised financial assets and liabilities denominated in foreign currency different from its functional currency.
市場風險－外匯	以不同於其功能貨幣的外幣計值的已確認 金融資產及負債。
Credit risk	Cash and cash equivalents, trade receivables and other receivables.
信用風險	現金及現金等價物、貿易應收款項及 其他應收款項。
Liquidity risk 流動資金風險	Other liabilities 其他負債

##### 3.1 Financial risk factors

###### (a) Market risk

###### (i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$ and HK\$. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The risk is measured through a forecast of highly probable US\$ and HK\$ expenditures. The objective of the hedges is to minimise the volatility of the Hong Kong dollar cost of highly probable forecast inventory purchases.

#### 3. 財務風險管理

本附註闡述本集團面臨的財務風險及該等風險對本集團未來財務表現的影響。倘與增加額外內容有關，則載入本年度溢利及虧損資料。

##### **Measurement** 計量

Cash flow forecasting  
Sensitivity analysis

現金流量預測  
敏感性分析

Aging analysis  
Credit limit  
賬齡分析  
信用限額

Rolling cash flow forecasts  
滾動現金流量預測

##### 3.1 財務風險因素

###### (a) 市場風險

###### (i) 外匯風險

本集團經營國際業務，須承受外匯交易所產生的外匯風險，主要有關美元及港元。外匯風險來自以非相關集團實體功能貨幣計值的未來商業交易及已確認資產及負債。風險通過對極可能美元及港元開支的預測而計量。對沖旨在降低極可能未來存貨採購的港元成本波動性。

## 3. FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (a) Market risk (Cont'd)

## (i) Foreign exchange risk (Cont'd)

## Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in RMB was as follows:

		31 December 2017 2017年12月31日		31 December 2016 2016年12月31日	
		US\$ 美元 RMB' 000 人民幣千元	HK\$ 港元 RMB' 000 人民幣千元	US\$ 美元 RMB' 000 人民幣千元	HK\$ 港元 RMB' 000 人民幣千元
Bank deposits	銀行存款	43,364	665,383	80,786	745,946
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	32,671	—	—	—
Trade and other receivables	貿易及其他應收款項	—	154	—	—
Trade and other payables	貿易及其他應付款項	(457)	(306)	(451)	(163)

## 3. 財務風險管理(續)

## 3.1 財務風險因素(續)

## (a) 市場風險(續)

## (i) 外匯風險(續)

## 風險

本集團於報告期末以人民幣列示的外匯風險如下：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.1 Financial risk factors (Cont'd)

###### (a) Market risk (Cont'd)

###### (i) Foreign exchange risk (Cont'd)

Amounts recognised in profit or loss and other comprehensive income

During the year, the following foreign-exchange related amounts were recognised in the consolidated statement of other comprehensive income:

		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Amounts recognised in the consolidated statement of other comprehensive income	於綜合其他全面收入表確認的款項		
Net foreign exchange loss included in other income and gains - net	於其他收入及收益淨額確認的外匯虧損淨額	(263)	—
Net foreign exchange (losses)/gains included in finance income - net	於融資收入淨額確認的外匯(虧損)/收益淨額	(52,095)	32,759
Total net foreign exchange (losses)/gains recognised in profit before income tax for the period	於期內除所得稅前溢利確認的外匯(虧損)/收益總淨額	(52,358)	32,759

#### 3. 財務風險管理(續)

##### 3.1 財務風險因素(續)

###### (a) 市場風險(續)

###### (i) 外匯風險(續)

於損益及其他全面收入確認的款項

於年內在綜合其他全面收入表確認下列外匯相關款項：



## 3. FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (a) Market risk (Cont'd)

## (i) Foreign exchange risk (Cont'd)

## Sensitivity

As shown in the table above, the Group is primarily exposed to changes in HK\$/RMB exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from the deposits denominated in HK\$ in the PRC subsidiaries, the functional currency of which is RMB, and the deposits of the Company which are denominated in RMB.

## 3. 財務風險管理(續)

## 3.1 財務風險因素(續)

## (a) 市場風險(續)

## (i) 外匯風險(續)

## 敏感性

如上表所示，本集團主要承受港元兌人民幣匯率的變動風險。損益對匯率變動的敏感性主要來自中國附屬公司(該等附屬公司的功能貨幣為人民幣)港元存款及本公司人民幣存款。

Impact on post tax profit  
對稅後溢利的影響

		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
HK\$/RMB exchange rate – increase 10%	港元兌人民幣匯率 – 上升 10%	(41,715)	(50,044)
HK\$/RMB exchange rate – decrease 10%	港元兌人民幣匯率 – 下降 10%	41,715	50,044

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.1 Financial risk factors (Cont'd)

###### (b) Credit risk

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

###### (i) Risk management

The Group is exposed to credit risk in relation to its cash and deposits, trade and other receivables.

The carrying amounts of each class of the above financial assets represent the Group's maximum exposure to credit risk in relation to financial assets. To manage this risk arising from cash and deposits, the Group only transacts with state-owned financial institutions and reputable commercial banks which are all high-credit-quality financial institutions in the PRC and Hong Kong. There has been no recent history of default in relation to these financial institutions.

#### 3. 財務風險管理(續)

##### 3.1 財務風險因素(續)

###### (b) 信用風險

信用風險產生自現金及現金等價物、銀行及金融機構存款以及批發及零售客戶信用風險，包括尚未收取的應收款項。

###### (i) 風險管理

本集團面對與現金及存款、貿易及其他應收款項有關的信用風險。

上述各類金融資產的賬面值為本集團所面對與金融資產有關的最大信用風險。為管理由現金及存款所引起的風險，本集團僅與國有金融機構及信譽良好的商業銀行（均為中國及香港的高信用質量金融機構）交易。近期並無與該等金融機構有關的違約記錄。

**3. FINANCIAL RISK MANAGEMENT (Cont'd)****3.1 Financial risk factors (Cont'd)***(b) Credit risk (Cont'd)**(i) Risk management (Cont'd)*

Trade receivables at the end of each reporting period were mainly due from HAI DI LAO HOLDINGS PTE. LTD. and its subsidiaries, Sichuan Haidilao and the distributors in cooperation with the Group. Both HAI DI LAO HOLDINGS PTE. LTD. and Sichuan Haidilao are related parties of the Group (Note 33). As at 31 December 2017, the amounts due from HAI DI LAO HOLDINGS PTE. LTD. and its subsidiaries represented 98%, while the amounts due from Sichuan Haidilao represented 1% of total trade receivables of the Group, respectively. The management of the Group believes the credit risk on amounts due from related parties is limited because they continuously monitor the credit quality and financial conditions of the related parties. Ageing analysis of the Group's trade receivables is disclosed in Note 13. The directors of the Company believe that the credit risk inherent in the Group's outstanding trade receivables balances due from the distributors is low.

**3. 財務風險管理(續)****3.1 財務風險因素(續)***(b) 信用風險(續)**(i) 風險管理(續)*

各報告期末的貿易應收款項主要為應收HAI DI LAO HOLDINGS PTE. LTD.及其附屬公司、四川海底撈及與本集團合作的經銷商的款項。HAI DI LAO HOLDINGS PTE. LTD.及四川海底撈均為本集團的關聯方(附註33)。於2017年12月31日，應收HAI DI LAO HOLDINGS PTE. LTD.及其附屬公司的款項及應收四川海底撈的款項分別佔本集團貿易應收款項總額的98%及1%。本集團管理層認為，應收關聯方款項的信用風險有限，因為彼等持續監察關聯方的信用質量及財務狀況。對本集團貿易應收款項的賬齡分析於附註13中披露。本公司董事認為本集團應收第三方經銷商的未收取貿易應收款項結餘固有的信用風險較低。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.1 Financial risk factors (Cont'd)

###### (b) Credit risk (Cont'd)

###### (i) Risk management (Cont'd)

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables.

###### (c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the Group's finance department maintains flexibility in funding by maintaining adequate cash and cash equivalents.

Cash flow forecasting is performed by the finance department of the Group. The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs as well as the liabilities to other parties.

#### 3. 財務風險管理(續)

##### 3.1 財務風險因素(續)

###### (b) 信用風險(續)

###### (i) 風險管理(續)

就其他應收款項而言，管理層根據過往結算記錄及過往經驗對其他應收款項的可收回性定期進行整體及個別評估。本公司董事認為本集團其他應收款項的未結餘額並無重大固有信用風險。

###### (c) 流動資金風險

本集團致力保持充裕的現金及現金等價物。由於相關業務屬動態性質，本集團的財務部門持有充足的現金及現金等價物從而維持資金方面的靈活性。

現金流量預測乃由本集團財務部作出。本集團財務部監控對本集團流動資金需求的滾動預測以確保持用充足資金滿足營運需求及對其他方的負債。

## 3. FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.1 Financial risk factors (Cont'd)

## (c) Liquidity risk (Cont'd)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 少於1年 RMB'000 人民幣千元
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	
Trade payables (Note 21)	貿易應付款項(附註21)	136,582
Other payables and accruals	其他應付款項及應計費用	56,720
<b>Total</b>	<b>總計</b>	<b>193,302</b>
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>	
Trade payables (Note 21)	貿易應付款項(附註21)	73,277
Other payables and accruals	其他應付款項及應計費用	37,068
<b>Total</b>	<b>總計</b>	<b>110,345</b>

## 3. 財務風險管理(續)

## 3.1 財務風險因素(續)

## (c) 流動資金風險(續)

下表載列本集團的金融負債按照由資產負債表日期至合約到期日的餘下期間分成相關的到期組別進行的分析。表內所披露金額為合約未貼現現金流量。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.2 Capital risk management

###### (a) Risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The Group monitors capital (including share capital, reserves and preferred shares on an as-if converted basis) by regularly reviewing the capital structure. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is low.

##### 3.3 Fair value estimation

###### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements.

#### 3. 財務風險管理(續)

##### 3.2 資本風險管理

###### (a) 風險管理

本集團的資本管理目標為保障本集團的持續運營，以為股東提供回報，及保持最優資本架構以在長期內提升股東價值。

本集團透過定期審閱資本架構監控資本(包括股本、儲備及優先股(按假設可轉換基準計算))。作為審閱的一部分，本公司董事會考慮發行股本相關的資本成本及風險。本集團或會調整向股東支付的股息金額、對股東的回報資本、發行新股或購買本公司股份。本公司董事認為，本集團的資本風險為低。

##### 3.3 公平值估計

###### (i) 公平值層級

本節說明於釐定財務報表內按公平值確認及計量的金融工具公平值時作出的判斷及估計。

**3. FINANCIAL RISK MANAGEMENT (Cont'd)****3.3 Fair value estimation (Cont'd)***(i) Fair value hierarchy (Cont'd)*

The Group analyses the financial instruments carried at fair value, by valuation method. The different level have been defined as follow:

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

**3. 財務風險管理(續)****3.3 公平值估計(續)***(i) 公平值層級(續)*

本集團根據公平值估值方法對按照公平值計量的金融資產進行了分析。不同級次的定義如下：

**第一層：**對於在市場上交易活躍的金融工具（如公開買賣的衍生工具與持作買賣用途及可供出售的證券），其公平值乃根據於報告期末市場報價而計算。本集團持有的金融資產所用市場報價為即期市值報價。該等工具計入第一層。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.3 Fair value estimation (Cont'd)

###### (i) Fair value hierarchy (Cont'd)

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

#### 3. 財務風險管理(續)

##### 3.3 公平值估計(續)

###### (i) 公平值層級(續)

**第二層：**對於未有在活躍市場上交易的金融工具(如場外衍生工具)，其公平值乃使用估值技術而釐定，從而盡量使用可觀察市場數據並盡可能少依賴針對實體的估計。倘工具公平值所需的所有重大輸入數據可觀察，則該工具計入第二層。

**第三層：**倘一項或多項重大輸入數據並非基於可觀察市場數據，則該工具計入第三層。未上市股本證券則屬此種情況。

## 3. FINANCIAL RISK MANAGEMENT (Cont'd)

## 3.3 Fair value estimation (Cont'd)

- (ii) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2017 and 31 December 2016:

		Redeemable convertible preferred shares	Financial assets designated at fair value through profit or loss	Total
		可贖回可換股優先股 RMB' 000 人民幣千元	指定按公平值計入損益的金融資產 RMB' 000 人民幣千元	總計 RMB' 000 人民幣千元
Opening balance 1 January 2016	於2016年1月1日的 年初結餘	186,667	—	186,667
Change in fair value	公平值變動	35,264	—	35,264
Converted into ordinary shares	轉換為普通股	(221,931)	—	(221,931)
Closing balance 31 December 2016	於2016年12月31日 的年末結餘	—	—	—
Addition	添置	—	32,934	32,934
Change in fair value (a)	公平值變動 (a)	—	(263)	(263)
Closing balance 31 December 2017	於2017年12月31日 的年末結餘	—	32,671	32,671

## 3. 財務風險管理(續)

## 3.3 公平值估計(續)

- (ii) 使用重大不可觀察輸入項目(第三層)的公平值計量

下表呈列截至2017年12月31日及2016年12月31日止期間第三層項目的變動：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 3. FINANCIAL RISK MANAGEMENT (Cont'd)

##### 3.3 Fair value estimation (Cont'd)

(ii) *Fair value measurements using significant unobservable inputs (Level 3) (Cont'd)*

- (a) At 31 December 2017, the Group held the financial assets designated at fair value through profit or loss. Due to one or more of the significant impacts used in the valuation of the unlisted equity securities was not on observable market data the instrument was included in level 3.

#### 4. CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

#### 3. 財務風險管理(續)

##### 3.3 公平值估計(續)

(ii) 使用重大不可觀察輸入項目(第三層)的公平值計量(續)

- (a) 於2017年12月31日，本集團持有指定按公平值計入損益的金融資產。由於未上市股本證券估值所使用的一項或多項重大輸入數據並非可觀察市場數據，該工具計入第三層。

#### 4. 重大估計、判斷及失誤

編製財務報表需要使用會計估計，顧名思義，該等估計甚少符合實際結果。管理層亦須在應用本集團會計政策時作出判斷。

估計及判斷會予以持續評估，且基於歷史經驗及其他因素，包括對未來事件的預期，而該等事件可能對實體造成財務影響且據信在某些情況下屬合理。



**4. CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS***(Cont'd)***(a) Net realisable value of inventories**

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and historical experience of manufacturing and selling products of similar nature. Management reassesses these estimates at each balance sheet date.

**(b) Impairment of trade and other receivables**

The Group's management determines the provision for impairment of trade and other receivables. This estimate is based on the credit history of its customers and current market conditions. Management reassesses the provision at each balance sheet date. Management reassesses the adequacy of impairment provision on a regular basis by reviewing the individual account based on past credit history and any prior knowledge of debtor insolvency or other credit risk which might not be public information or easily accessible public information and market volatility that might bear a significant impact but might not be easily ascertained.

**4. 重大估計、判斷及失誤(續)****(a) 存貨的可變現淨值**

存貨的可變現淨值按日常業務過程中的估計售價減估計完成成本及銷售開支計算。該等估計乃基於當前市況以及製造及銷售類型性質產品的過往經驗作出。管理層於各資產負債表日期重估該等估計。

**(b) 貿易及其他應收款項減值**

本集團管理層負責釐定貿易及其他應收款項減值撥備，乃基於其客戶的信貸記錄及現行市況作出估計。管理層於每個資產負債日期重估撥備。管理層根據過往信貸記錄及先前有關債務人無力償債或其他信貸風險的知識(可能並非公開資料或可輕易取得的公開數據)以及市場波動性(可能具有無法輕易確定的重大影響)，通過定期審查個人賬戶重估減值撥備的充足性。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 4. CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS

(Cont'd)

##### (c) Income taxes and deferred tax

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made. In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

#### 5. REVENUE AND SEGMENT INFORMATION

Management determines the operating segments based on the reports reviewed by the chief operating decision makers ("CODM") that are used to make strategic decisions. The Group's revenue, expenses, assets, liabilities and capital expenditure are primarily attributable to the manufacture and sales of hot pot soup flavoring products, hot pot dipping sauce products, Chinese-style compound condiment products, and self-serving small hotpot products to external customers, which are considered as one segment. The Group's principal market is the PRC and its sales to overseas customers contributed to less than 10% of the total revenues. Accordingly, no geographical information is presented.

#### 4. 重大估計、判斷及失誤(續)

##### (c) 所得稅及遞延稅項

於日常業務過程中有若干交易及計算難以明確作出最終的稅務釐定。本集團根據對是否將繳付額外稅項的估計確認負債。倘該等事宜的最終稅務結果與初步記錄的金額有所差異，則有關差異將於作出有關釐定期間內所得稅開支及遞延稅項撥備中反映。此外，未來所得稅資產能否變現視乎本集團於未來年度能否產生足夠應課稅收入，以使用所得稅利益及結轉稅項虧損的能力而定。倘估計的未來盈利能力或所得稅稅率有所偏離，則須對未來所得稅資產及負債價值作出調整，繼而可能對所得稅開支構成重大影響。

#### 5. 收入及分部資料

管理層基於首席經營決策者(「首席經營決策者」)審閱的報告(用來作出戰略決策)釐定經營分部。本集團的收入、開支、資產、負債及資本支出主要來源於製造及向外部客戶銷售火鍋底料、火鍋蘸料、中式複合調味料及自加熱小火鍋產品(視作一個分部)。本集團的主要市場在中國，其向海外客戶的銷售額不到總收入的10%。因此，並無呈列地區資料。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Breakdown of revenue by product category is as follows:

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>		
Hot pot soup flavoring products	火鍋底料產品		
– Related parties	– 關聯方	871,282	583,778
– Third parties	– 第三方	429,921	288,745
Subtotal	小計	1,301,203	872,523
Hot pot dipping sauce products	火鍋蘸料產品		
– Related Parties	– 關聯方	281	104
– Third Parties	– 第三方	93,924	73,856
Subtotal	小計	94,205	73,960
Chinese style compound condiment products	中式複合調味品		
– Related parties	– 關聯方	43,413	18,194
– Third parties	– 第三方	142,860	116,351
Subtotal	小計	186,273	134,545
Self-serving small hotpot products	自加熱小火鍋產品		
– Related parties	– 關聯方	104	—
– Third parties	– 第三方	61,341	—
Subtotal	小計	61,445	—
Others	其他		
– Related parties	– 關聯方	831	3,652
– Third parties	– 第三方	2,264	3,334
Subtotal	小計	3,095	6,986
Total	總計	1,646,221	1,088,014

Revenue from sales attributable to related parties accounted for 55.6% and 55.7% of the total revenue for the years ended 31 December 2017 and 2016 respectively.

#### 5. 收入及分部資料(續)

按產品系列劃分的收入明細如下：

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收入</b>		
Hot pot soup flavoring products	火鍋底料產品		
– Related parties	– 關聯方	871,282	583,778
– Third parties	– 第三方	429,921	288,745
Subtotal	小計	1,301,203	872,523
Hot pot dipping sauce products	火鍋蘸料產品		
– Related Parties	– 關聯方	281	104
– Third Parties	– 第三方	93,924	73,856
Subtotal	小計	94,205	73,960
Chinese style compound condiment products	中式複合調味品		
– Related parties	– 關聯方	43,413	18,194
– Third parties	– 第三方	142,860	116,351
Subtotal	小計	186,273	134,545
Self-serving small hotpot products	自加熱小火鍋產品		
– Related parties	– 關聯方	104	—
– Third parties	– 第三方	61,341	—
Subtotal	小計	61,445	—
Others	其他		
– Related parties	– 關聯方	831	3,652
– Third parties	– 第三方	2,264	3,334
Subtotal	小計	3,095	6,986
Total	總計	1,646,221	1,088,014

關聯方應佔銷售收入佔截至 2017 年及 2016 年 12 月 31 日止年度總收入分別為 55.6% 及 55.7%

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 6. LAND USE RIGHTS

#### 6. 土地使用權

		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
<b>Opening net book amount as at 1 January</b>	於 1 月 1 日的年初賬面淨值	<b>31,738</b>	7,330
Additions	添置	<b>4,187</b>	24,911
Amortisation charge	攤銷費用	<b>(773)</b>	(503)
<b>Closing net book amount as at 31 December</b>	於 12 月 31 日的年末賬面淨值	<b>35,152</b>	31,738
<b>At 31 December</b>	於 12 月 31 日		
Cost	成本	<b>37,429</b>	33,242
Accumulated amortisation	累計攤銷	<b>(2,277)</b>	(1,504)
<b>Net book amount</b>	賬面淨值	<b>35,152</b>	31,738

Land use rights represent the net book amount of prepaid operating lease payment. All the land use rights of the Group are located in the PRC and are held on leases from 46-50 years.

土地使用權指預付經營租賃付款的賬面淨值。本集團的全部土地使用權乃位於中國，乃按 46 至 50 年的租賃持有。

## 7. INTANGIBLE ASSETS

## 7. 無形資產

		Software 軟件 RMB' 000 人民幣千元
<b>At 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>	
Opening net book amount	年初賬面淨值	823
Additions	添置	2,352
Amortisation charge	攤銷費用	(372)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>2,803</b>
<b>At December 31, 2016</b>	<b>於 2016 年 12 月 31 日</b>	
Cost	成本	3,237
Accumulated amortisation	累計攤銷	(434)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>2,803</b>
<b>Year ended December 31, 2017</b>	<b>截至 2017 年 12 月 31 日止年度</b>	
Opening net book amount	年初賬面淨值	2,803
Additions	添置	3,260
Disposals	出售	(30)
Amortisation charge	攤銷費用	(851)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>5,182</b>
<b>At 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>	
Cost	成本	6,467
Accumulated amortisation	累計攤銷	(1,285)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>5,182</b>



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8. PROPERTY, PLANT AND EQUIPMENT

#### 8. 物業、廠房及設備

		Buildings 樓宇 RMB' 000 人民幣千元	Machinery 機器 RMB' 000 人民幣千元	Equipment and other 設備及其他 RMB' 000 人民幣千元	Vehicles and furniture 車輛及家具 RMB' 000 人民幣千元	Construction in process 在建工程 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>As at 1 January 2016</b>	<b>於2016年1月1日</b>						
Cost	成本	68,634	76,993	19,381	2,166	—	167,174
Accumulated depreciation	累計攤銷	(15,573)	(19,462)	(10,790)	(858)	—	(46,683)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>53,061</b>	<b>57,531</b>	<b>8,591</b>	<b>1,308</b>	<b>—</b>	<b>120,491</b>
<b>Year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>						
Opening net book amount	年初賬面淨值	53,061	57,531	8,591	1,308	—	120,491
Additions	添置	2,047	9,580	2,263	127	1,772	15,789
Disposals	出售	—	(5,850)	(215)	(249)	—	(6,314)
Depreciation charge	折舊費用	(2,877)	(6,978)	(3,575)	(395)	—	(13,825)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>52,231</b>	<b>54,283</b>	<b>7,064</b>	<b>791</b>	<b>1,772</b>	<b>116,141</b>
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>						
Cost	成本	70,681	80,723	21,429	2,044	1,772	176,649
Accumulated depreciation	累計攤銷	(18,450)	(26,440)	(14,365)	(1,253)	—	(60,508)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>52,231</b>	<b>54,283</b>	<b>7,064</b>	<b>791</b>	<b>1,772</b>	<b>116,141</b>
<b>Year ended 31 December 2017</b>	<b>截至2017年12月31日止年度</b>						
Opening net book amount	年初賬面淨值	52,231	54,283	7,064	791	1,772	116,141
Additions	添置	5,153	12,251	11,576	1,345	48,807	79,132
Disposals	出售	—	(628)	(65)	(21)	—	(714)
Depreciation charge	折舊費用	(2,967)	(7,625)	(3,466)	(413)	—	(14,471)
<b>Closing net book amount</b>	<b>年末賬面淨值</b>	<b>54,417</b>	<b>58,281</b>	<b>15,109</b>	<b>1,702</b>	<b>50,579</b>	<b>180,088</b>
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>						
Cost	成本	75,834	92,346	32,940	3,368	50,579	255,067
Accumulated depreciation	累計折舊	(21,417)	(34,065)	(17,831)	(1,666)	—	(74,979)
<b>Net book amount</b>	<b>賬面淨值</b>	<b>54,417</b>	<b>58,281</b>	<b>15,109</b>	<b>1,702</b>	<b>50,579</b>	<b>180,088</b>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 8. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Depreciation expense has been charged to the consolidated statements of comprehensive income as follows:

#### 8. 物業、廠房及設備(續)

折舊開支已於綜合全面收益表中扣除，列示如下：

		Year ended 31 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Cost of sales	銷售成本	13,284	12,044
Administrative expense	行政開支	199	223
Distribution costs	經銷成本	988	1,558
		14,471	13,825

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 9. FINANCIAL INSTRUMENTS BY CATEGORY

#### 9. 按類別劃分的金融工具

##### Assets as per balance sheet

##### 根據資產負債表的資產

		Financial assets designated at fair value through profit or loss 指定按公平值 計入損益的 金融資產 RMB' 000 人民幣千元	Loans and receivables 貸款及 應收款項 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
<b>At 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>			
Trade and other receivables	貿易及其他應收款項	—	72,397	72,397
Cash and cash equivalents	現金及現金等價物	—	1,021,999	1,021,999
<b>Total</b>	<b>總計</b>	<b>—</b>	<b>1,094,396</b>	<b>1,094,396</b>
<b>At 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>			
Trade and other receivables	貿易及其他應收款項	—	135,725	135,725
Financial assets designated at fair value through profit or loss	指定按公平值計入 損益的金融資產	32,671	—	32,671
Cash and cash equivalents	現金及現金等價物	—	1,130,205	1,130,205
<b>Total</b>	<b>總計</b>	<b>32,671</b>	<b>1,265,930</b>	<b>1,298,601</b>

##### Liabilities as per balance sheet

##### 根據資產負債表的負債

		Other financial liabilities at amortised cost 按攤銷成本 列賬的其他 金融負債 RMB' 000 人民幣千元
<b>At 31 December 2016</b>	<b>於 2016 年 12 月 31 日</b>	
Trade and other payables	貿易及其他應付款項	110,345
<b>Total</b>	<b>總計</b>	<b>110,345</b>
<b>At 31 December 2017</b>	<b>於 2017 年 12 月 31 日</b>	
Trade and other payables	貿易及其他應付款項	193,302
<b>Total</b>	<b>總計</b>	<b>193,302</b>

## 10. SUBSIDIARIES

## 10. 附屬公司

(a) The following is a list of subsidiaries at 31 December 2017:

(a) 2017年12月31日附屬公司名單如下：

Name of company	Place of incorporation and operation and kind of legal entity	Principal activities and place of operation	Particulars of issued share capital and debt securities	Ownership interest held by the Group		Ownership interest held by non-controlling interests	
公司名稱	註冊成立及經營地點及法定實體類型	主要活動及經營地點	已發行股本及債務證券詳情	本集團持有的所有權權益		非控制權益持有的所有權權益	
				2017 2017年 %	2016 2016年 %	2017 2017年 %	2016 2016年 %
<i>Directly held:</i> 直接持有：							
Yihai Ltd.	British Virgin Islands Limited liability company	Investment holding and consulting in British Virgin Islands	US\$1	100%	100%	—	—
Yihai Ltd.	英屬處女群島有限責任公司	在英屬處女群島從事投資控股與諮詢	1 美元	100%	100%	—	—
<i>Indirectly held:</i> 間接持有：							
Yihai (China) Food Co., Ltd.	Hong Kong Limited liability company	Investment holding and consulting in Hong Kong	HK\$10,000,000	100%	100%	—	—
頤海(中國)食品有限公司	香港有限責任公司	在香港從事投資控股與諮詢	10,000,000 港元	100%	100%	—	—
Yihai (Shanghai) Food Co., Ltd.	The PRC Limited liability company	Sales of hot pot condiment in China	HK\$10,000,000	100%	100%	—	—
頤海(上海)食品有限公司	中國有限責任公司	在中國銷售火鍋調料	10,000,000 港元	100%	100%	—	—
Zhengzhou Shuhai Enterprise Co., Ltd. (“Zhengzhou Shuhai”)	The PRC Limited liability company	Manufacture and sales of hot pot condiment in China	RMB1,000,000	100%	100%	—	—
鄭州蜀海實業有限公司 (「鄭州蜀海」)	中國有限責任公司	在中國生產及銷售火鍋調料	人民幣 1,000,000 元	100%	100%	—	—
Zhengzhou Shuhai Enterprise Co., Ltd. (“Zhengzhou shuhai”)	The PRC Limited liability company	Manufacture and sales of hot pot condiment in China	RMB1,000,000	100%	100%	—	—
鄭州蜀海實業有限公司 (「鄭州蜀海」)	中國有限責任公司	在中國生產及銷售火鍋調料	人民幣 1,000,000 元	100%	100%	—	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 10. SUBSIDIARIES (Cont'd)

(a) The following is a list of subsidiaries at 31 December 2017: (Cont'd)

Name of company 公司名稱	Place of incorporation and operation and kind of legal entity 註冊成立及經營地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital and debt securities 已發行股本及債務證券詳情	Ownership interest held by the Group 本集團持有的所有權權益	Ownership interest held by non-controlling interests 非控制權益持有的所有權權益
				2017 2017年 %	2016 2016年 %
<i>Indirectly held: (Cont'd)</i> 間接持有：(續)					
Chengdu Yueyihai Co., Ltd. 成都悅頤海商貿有限公司	The PRC Limited liability company 中國有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調料	RMB1,000,000 人民幣 1,000,000 元	100% 100%	100% 100%
Yihai Beijing Trading Co., Ltd. 頤海(北京)商貿有限責任公司	The PRC Limited liability company 中國有限責任公司	Sales of hot pot condiment in China 在中國銷售火鍋調料	RMB1,000,000 人民幣 1,000,000 元	100% 100%	100% 100%
Yihai (Bazhou) Food Co., Ltd. 頤海(霸州)食品有限公司	The PRC Limited liability company 中國有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB10,000,000 人民幣 10,000,000 元	100% 100%	100% 100%
Yihai (Maanshan) Food Co., Ltd. 頤海(馬鞍山)食品有限公司	The PRC Limited liability company 中國有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB30,000,000 人民幣 30,000,000 元	100% 100%	— —
Fuhai (Maanshan) Food Co., Ltd. 馥海(馬鞍山)食品有限公司	The PRC Limited liability company 中國有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調料	RMB2,000,000 人民幣 2,000,000 元	100% 100%	— —
Fuhai (Shanghai) Food Technology Co., Ltd. 馥海(上海)食品科技有限公司	The PRC Limited liability company 中國有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調料	RMB6,000,000 人民幣 6,000,000 元	60% 60%	40% 40%

(b) Non-controlling interests

The total non-controlling interests as at 31 December 2017 amounted to RMB4,420,000 (2016: Nil). No subsidiary has non-controlling interests that are material to the Group.

#### 10. 附屬公司(續)

(a) 2017年12月31日附屬公司名單如下：(續)

Ownership interest held by the Group 本集團持有的所有權權益	Ownership interest held by non-controlling interests 非控制權益持有的所有權權益
2017 2017年 %	2016 2016年 %
100%	100%
100%	100%
100%	100%
100%	100%
100%	—
100%	—
60%	40%
60%	40%

(b) 非控制權益

2017年12月31日的非控制權益總額為人民幣4,420,000元(二零一六年：無)。並無附屬公司擁有對本集團而言屬重大的非控制權益。



## 11. DEFERRED INCOME TAX

## (i) Deferred tax assets

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Deferred income tax assets:	遞延所得稅資產：		
Deferred tax asset to be recovered after more than 12 months	12 個月後收回的 遞延所得稅資產	867	1,019
Deferred tax asset to be recovered within 12 months	12 個月以內收回的 遞延所得稅資產	9,687	5,565
<b>Total</b>	<b>總計</b>	<b>10,554</b>	<b>6,584</b>

## 11. 遞延所得稅

## (1) 遞延稅項資產

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 11. DEFERRED INCOME TAX (Cont'd)

##### (i) Deferred tax assets (Cont'd)

The movement in deferred income tax assets and liabilities during the year ended 2017, without taking into consideration of the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets	遞延所得稅資產	Sales rebates 銷售返利 RMB'000 人民幣千元	Depreciation differences 折舊差額 RMB'000 人民幣千元	Unrealised profit on intra-group sales 未變現收益及虧損 RMB'000 人民幣千元	Payroll and welfare payables 應付薪金及福利 RMB'000 人民幣千元	Provision of trade and other receivables 貿易及其他應收款項撥備 RMB'000 人民幣千元	Tax losses 稅項虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2016	於2016年1月1日	3,866	1,324	—	638	40	—	5,868
Credited/(Charged) to the consolidated statements of comprehensive	於綜合全面收益表計入/(扣除)	(1,677)	(305)	2,501	169	28	—	716
As at 31 December 2016	於2016年12月31日	2,189	1,019	2,501	807	68	—	6,584
Credited/(Charged) to the consolidated statements of comprehensive	於綜合全面收益表計入/(扣除)	1,857	(152)	181	—	19	2,065	3,970
As at 31 December 2017	於2017年12月31日	4,046	867	2,682	807	87	2,065	10,554

##### (ii) Deferred tax liabilities

#### 11. 遞延所得稅(續)

##### (i) 遞延稅項資產(續)

在不考慮相同稅務司法權區內可抵銷餘額的情況下，於截至2017年止年度的遞延所得稅資產及負債變動如下：

##### (ii) 遞延所得稅負債

		Cash flow hedging 現金流對沖 RMB'000 人民幣千元
As at 1 January 2016	於2016年1月1日	(171)
Credited to the comprehensive income	計入全面收入	171
As at 31 December 2016 and 2017	於2016年及2017年12月31日	—

## 12. INVENTORIES

## 12. 存貨

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Raw materials	原材料	41,519	35,633
Work in progress	在製品	6,889	3,247
Finished goods	製成品	99,209	91,616
Total inventories	存貨總額	147,617	130,496

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RMB909,564,000 (2016: RMB583,819,000), which included inventory write-down of RMB279,000 (2016: RMB152,000).

確認為開支並計入「銷售成本」的存貨成本為人民幣909,564,000元(2016年：人民幣583,819,000元)，其包括存貨撇減人民幣279,000元(2016年：人民幣152,000元)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 13. TRADE RECEIVABLES

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Third parties	第三方	21,352	12,866
Related parties (Note 33(d))	關聯方 (附註 33(d))	110,107	54,224
Subtotal	小計	131,459	67,090
Less: provision for impairment (a)	減：減值撥備 (a)	(2)	(10)
Trade receivables - net	貿易應收款項－淨額	131,457	67,080

- (a) The majority of the Group's third party sales are conducted through receiving advances from customers before delivering the goods to customers, with only few customers are granted with credit periods ranged from 30 to 90 days. The related party customers of the Group are granted with 30 days credit period. Ageing analysis based on recognition date of the gross trade receivables at the respective balance sheet dates is as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Within 3 months	3 個月內	131,457	66,878
3 to 6 months	3 至 6 個月	—	202
Total	總結	131,457	67,080

The carrying amounts of trade receivables above approximate their fair values.

- (a) 本集團的第三方銷售大部分以向客戶交付貨物前收取客戶墊款的方式進行，當中僅有少數客戶獲授出介乎 30 至 90 天的信貸期。本集團的關聯方客戶獲授出 30 天的信貸期。根據總貿易應收款項的確認日期於各結算日的賬齡分析如下：

上述貿易應收款項的賬面值與其公平值相若。

## 13. TRADE RECEIVABLES (Cont'd)

- (b) As at 31 December 2017, no trade receivables were past due but not impaired (2016: RMB202,000, which related to a number of independent customers for whom there was no significant financial difficulty and based on past experience, the overdue amounts can be recovered). The ageing analysis of these trade receivables is as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
3 to 6 months	3 至 6 個月	—	202

Movements in the provision for impairment of trade receivables are as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
As at 1 January	於 1 月 1 日	10	—
(Reversal of)/Provision for impairment	減值(撥回)/撥備	(8)	10
As at 31 December	於 12 月 31 日	2	10

The creation and release of provision for impaired receivables have been included in 'Administrative expenses' in the consolidated statement of comprehensive income.

## 13. 貿易應收款項(續)

- (b) 截至 2017 年 12 月 31 日，並無貿易應收款項(2016 年：人民幣 202,000 元)已逾期但未減值。該等款項與並無重大財務困難的若干獨立客戶有關，及基於過往經驗，逾期金額可收回。該等貿易應收款項的賬齡分析如下：

As at 31 December 於 12 月 31 日	
2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
3 至 6 個月	202

貿易應收款項減值撥備變動如下：

As at 31 December 於 12 月 31 日	
2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
於 1 月 1 日	—
減值(撥回)/撥備	10
於 12 月 31 日	10

設立及解除已減值應收款項撥備已計入綜合全面收益表的「行政開支」。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 14. PREPAYMENTS AND OTHER RECEIVABLES

#### 14. 預付款項及其他應收款項

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
<b>Prepayments</b>	<b>預付款項</b>		
Prepayments for purchase of raw materials	購買原材料的 預付款項	46,202	24,276
Prepayments for property, plant and equipment	物業、廠房及設備 預付款項	57,095	8,608
Value added tax recoverable	可收回增值稅	11,499	4,150
Prepayments for legal and professional fees	法律及專業費用的 預付款項	8,676	1,933
Prepayments for rental and warehouse	租金及倉儲預付款項	5,667	2,032
Others	其他	358	508
Subtotal	小計	129,497	41,507
Less: Non-current portion	減：非流動部分	(57,095)	(8,608)
Current portion	流動部分	72,402	32,899
<b>Other receivables</b>	<b>其他應收款項</b>		
Deposit for utilities	公用設施押金	3,672	3,271
Advance to employees	提供予僱員的墊款	522	1,595
Related parties (Note 33(d))	關聯方(附註 33(d))	—	390
Others	其他	420	323
Less: provision for impairment (a)	減：減值撥備(a)	(346)	(261)
Subtotal	小計	4,268	5,318
Total	總計	76,670	38,217

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 14. PREPAYMENTS AND OTHER RECEIVABLES (Cont'd)

- (a) Movements in the provision for impairment of other receivables are as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
As at 1 January	於 1 月 1 日	261	159
Provision for impairment	減值撥備	85	102
As at 31 December	於 12 月 31 日	346	261

#### 14. 預付款項及其他應收款項(續)

- (a) 其他應收款項減值撥備的變動如下：

#### 15. CASH AND CASH EQUIVALENTS

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Cash at bank and in hand	銀行及手頭現金	1,130,205	1,021,999

#### 15. 現金及現金等價物

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
RMB	人民幣	421,458	195,267
US\$	美元	43,364	80,786
HK\$	港元	665,383	745,946
Total	總計	1,130,205	1,021,999

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 15. CASH AND CASH EQUIVALENTS (Cont'd)

As at 31 December 2017, the balance of RMB3,462,000 (2016: RMB1,749,000) represented deposits held in certain on line payment platforms.

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

#### 16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### 15. 現金及現金等價物(續)

於2017年12月31日，結餘人民幣3,462,000元(2016年：人民幣1,749,000元)為在若干網絡付款平台持有的存款。

將以人民幣列值的結餘換算為外幣及將該等外幣計值的銀行結餘及現金匯出中國，須遵守中國政府頒佈的有關外匯管制規則及法規。

#### 16. 按公平值計入損益的金融資產

		As at 31 December 於12月31日	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Current portion Designated (a)	流動部份 指定(a)	32,671	—

(a) Balance represented treasury products issued by an unlisted company with guaranteed principal and expected rate of return. Such assets are denominated in US\$, with maturity date in September 2018, and are designated as financial assets are fair value through profit or loss.

(a) 按公平值計入損益的金融資產，為非上市公司發行的保本型且擁有預期浮動回報率的產品，該產品以美元計值，到期日為2018年9月。

**16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont'd)****(i) Amounts recognised in profit or loss**

During this year, loss of RMB 263,000 represented changes in fair values of financial assets at fair value through profit or loss are recorded in the consolidated statements of comprehensive income within 'Other incomes and gains - net' (2016: Nil).

**16. 按公平值計入損益的金融資產 (續)****(i) 於損益內確認的金額**

年內，虧損人民幣263,000元，指按公平值計入損益的金融資產公平值變動，於綜合全面收益表內「其他收入及收益淨額」(二零一六年：無)。

**17. SHARE CAPITAL****17 股本**

		<b>2017</b> <b>2017 年</b> <b>Shares</b> 股份	2016 2016 年 Shares 股份	<b>2017</b> <b>2017 年</b> <b>US\$' 000</b> 千美元	2016 2016 年 US\$' 000 千美元
<b>Authorised ordinary shares</b>	法定普通股				
– On 1 January 2016, 31 December 2016 and 2017	於2016年1月1日、2016年12月31日及2017年12月31日	<b>5,000,000,000</b>	5,000,000,000	<b>50,000</b>	50,000

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 17. SHARE CAPITAL (Cont'd)

##### Issued and fully paid ordinary shares:

		Number of ordinary shares  普通股數目	Nominal value of ordinary shares  普通股面值 US\$ 美元	Equivalent nominal value of ordinary shares  普通股的 等值面值 RMB'000 人民幣千元
<b>At 1 January 2016</b>	於2016年1月1日	<b>488,000,000</b>	<b>4,880</b>	<b>31</b>
Conversion of redeemable convertible preferred shares (a)	轉換可贖回可轉換 優先股(a)	<b>54,222,222</b>	<b>542</b>	<b>4</b>
Capitalisation issue (b)	資本化發行(b)	<b>237,777,778</b>	<b>2,378</b>	<b>16</b>
Issuance of ordinary shares upon Global Offering (c)	全球發售後發行 普通股(c)	<b>260,000,000</b>	<b>2,600</b>	<b>17</b>
Issuance of ordinary shares upon exercise of over-allotment option (c)	超額配股權獲行使後 發行普通股(c)	<b>6,900,000</b>	<b>69</b>	—
<b>At 31 December 2016 and 2017</b>	於2016年及 2017年12月31日	<b>1,046,900,000</b>	<b>10,469</b>	<b>68</b>

##### (a) Conversion of redeemable convertible preferred shares

As at 13 July 2016, the redeemable convertible preferred shares have been automatically converted into 54,222,222 ordinary shares (before the capitalisation issue mentioned in Note (b) below) upon listing of the Company's shares on the Main Board of HKSE.

##### (a) 轉換可贖回可轉換優先股

於2016年7月13日，於本公司股份在香港聯交所主板上市後，可贖回可轉換優先股已自動轉換為54,222,222股普通股（於下文附註(b)所述資本化發行前）。



## 17. SHARE CAPITAL (Cont'd)

## (b) Capitalisation issue

Pursuant to a written resolution of all shareholders of the Company (the “Shareholders”) passed on 20 June 2016, conditional upon the share premium account of the Company being credited as a result of the issuance of new shares pursuant to the Global Offering, the directors of the Company (the “Director”) were authorised to capitalise an amount of US\$2,378 towards paying up in full at par of 237,777,778 ordinary shares of US\$0.00001 each for allotment and issue to the persons whose names appear on the register of members of the Company at the close of business on the business day before 13 July 2016 in proportion to their then existing shareholding. Accordingly, 237,777,778 ordinary shares with par value of US\$0.00001 each were issued and US\$2,378 (equivalent to RMB 15,907) were credited to share capital.

## (c) Issuance of new ordinary shares to public upon Global Offering

On 13 July 2016, the Company completed its global offering of its shares on the Main Board of The Stock Exchange of Hong Kong Limited in July 2016 (the “Global Offering”) by issuing 260,000,000 new ordinary shares with nominal value of US\$0.00001 each at a price of HK\$3.3 per share. Since then, the Company's shares have been listed on the Main Board of HKSE.

On 12 August 2016, the Company issued additional 6,900,000 new ordinary shares with nominal value of US\$0.00001 each at a price of HK\$3.3 per share pursuant to the exercise of the over-allotment option of the Global Offering.

The total gross proceeds from the Global Offering were approximately HK\$ 880,770,000 (equivalent to approximately RMB 759,301,000), of which US\$ 2,669 (equivalent to approximately RMB 17,000) was credited to share capital, HK\$ 880,749,000 (equivalent to approximately RMB 759,284,000) was credited to share premium. The share issuance costs relating to the Global Offering amounted to RMB 39,093,000 were recorded in the share premium.

## 17. 股本(續)

## (b) 資本化發行

根據本公司全體股東(「股東」)於2016年6月20日通過的書面決議案，本公司董事(「董事」)獲授權將2,378美元予以資本化，用以按面值全數繳足237,777,778股每股面值0.00001美元的普通股，以向於2016年7月13日營業時間結束時名列本公司股東名冊的人士按彼等當時持股比例配發及發行，惟須待本公司股份溢價賬因根據全球發售而有所進賬後，方可作實。因此，237,777,778股每股面值0.00001美元的普通股已獲發行及2,378美元(相等於人民幣15,907元)已計入股本內。

## (c) 全球發售後向公眾人士發行新普通股

於2016年7月13日，本公司透過按每股3.3港元的價格發行260,000,000股每股面值0.00001美元的新普通股，於2016年7月完成在香港聯合交易所有限公司全球發售其股份(「全球發售」)。本公司股份自此於香港聯交所主板上市。

於2016年8月12日，因全球發售的超額配股權獲行使，本公司按每股3.3港元的價格額外發行6,900,000股每股面值0.00001美元的新普通股。

全球發售所得款項總額約為880,770,000港元(相當於約人民幣759,301,000元)，其中2,669美元(相當於約人民幣17,000元)計入股本，880,749,000港元(相當於約人民幣759,284,000元)計入股份溢價。全球發售有關的股份發行成本人民幣39,093,000元記錄於股份溢價。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 18. SHARES HELD FOR EMPLOYEE SHARE SCHEME

	2017 2017年 Shares 股	2016 2016年 Shares 股	2017 2017年 RMB' 000 人民幣千元	2016 2016年 RMB' 000 人民幣千元
Shares held for employee share scheme 就僱員股份計劃持有的股份	77,220,000	77,220,000	5	5

These shares that are held by the Group's RSU Trustee for the purpose of issuing shares under the Group's RSU Scheme (see Note 20 for further information). Shares issued to employees are recognised on a first-in-first-out basis.

#### 18. 就僱員股份計劃持有的股份

本集團受限制股份單位受托人所持有的股份乃用於本集團受限制股份單位計劃發行股份的用途(請參見附註20)。向僱員發行的股份按先進先出的基準確認。

#### 19. RESERVES

	Share premium 股份溢價 RMB' 000 人民幣千元	Merger reserve (Note a) 合併儲備 (附註a) RMB' 000 人民幣千元	Statutory reserve (Note b) 法定儲備 (附註b) RMB' 000 人民幣千元	Share-based payment reserve (Note c) 以股份為基礎的付款儲備 (附註c) RMB' 000 人民幣千元	Hedging reserve (Note d) 對沖儲備 (附註d) RMB' 000 人民幣千元	Retained earnings 保留盈利 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
As at 1 January 2016 於2016年1月1日	17,649	(445)	8,843	—	514	115,332	141,893
Profit for the year 年內溢利	—	—	—	—	—	186,720	186,720
Shares repurchased 購回股份	(4,161)	—	—	—	—	—	(4,161)
Cash flow hedging 現金流對沖	—	—	—	—	(514)	—	(514)
Appropriation to statutory reserves 撥作法定儲備	—	—	14,316	—	—	(14,316)	—
Issuance of new ordinary shares (Note 17(c)) 發行新普通股(附註17(c))	759,284	—	—	—	—	—	759,284
Capitalisation issue (Note 17(b)) 資本化發行(附註17(b))	(16)	—	—	—	—	—	(16)
Conversion of redeemable convertible preferred shares (Note 17(a)) 轉換可贖回可轉換優先股(附註17(a))	221,927	—	—	—	—	—	221,927
Share issuance costs (Note 17(c)) 股份發行成本(附註17(c))	(39,093)	—	—	—	—	—	(39,093)
Share-based payment expense (Note 20) 以股份為基礎的付款開支(附註20)	—	—	—	102	—	—	102
As at 31 December 2016 於2016年12月31日	955,590	(445)	23,159	102	—	287,736	1,266,142
As at 1 January 2017 於2017年1月1日	955,590	(445)	23,159	102	—	287,736	1,266,142
Profit for the year 年內溢利	—	—	—	—	—	260,670	260,670
Appropriation to statutory reserves 撥作法定儲備	—	—	30,339	—	—	(30,339)	—
Share-based payment expense (Note 20) 以股份為基礎的付款開支(附註20)	—	—	—	8,510	—	—	8,510
Dividends paid (Note 29) 已付股息(附註29)	(33,996)	—	—	—	—	—	(33,996)
As at 31 December 2017 於2017年12月31日	921,594	(445)	53,498	8,612	—	518,067	1,501,326

## 19. RESERVES (Cont'd)

- (a) The merger reserve represented the aggregate difference between the considerations paid and the carrying amounts of the acquired Listed Business pursuant to the completion of the Reorganisation.
- (b) The Company's subsidiaries incorporated in the PRC are required to make appropriations to statutory reserves from their profit for the year after offsetting accumulated losses carried forward from prior years as determined under the PRC accounting regulations and before distribution to equity holders. The percentages to be appropriated to such statutory reserve are determined according to the relevant regulations in the PRC, and further appropriation is optional when the accumulated fund is 50% or more of the registered capital of the subsidiaries.
- (c) In February 2016, the Company adopted Restricted Share Unit ("RSU") Scheme repurchased 53,680,000 ordinary shares from JLJH YIHAI Ltd., one of the shareholders of the Company, at a total consideration of US\$638,108 (equivalent to RMB4,166,000). These shares have been held by Vistra Fiduciary (HK) Limited ("RSU Trustee") in trust for the benefit of the participants to the scheme and will be released to participants upon granting and vesting of each RSU. The shares under the RSU Scheme have been changed to 77,220,000 after the capitalisation issue as mentioned in Note 17(b).
- (d) The hedging reserve represented the effective portion of the accumulative change in the fair value of hedging instruments, net of tax, pending subsequent recognition in profit or loss.

## 19. 儲備(續)

- (a) 合併儲備指已付代價與根據重組完成所收購上市業務的賬面值之間的總差額。
- (b) 本公司於中國註冊成立的附屬公司須自年內溢利中，經抵銷根據中國會計規例釐定的過往年度結轉累計虧損後以及於向股權持有人分派盈利前，提撥法定儲備。向法定儲備撥款的百分比乃按照中國相關規例釐定，而倘累計資金達附屬公司註冊資本的50%或以上，則可選擇是否作進一步提撥。
- (c) 於2016年2月，本公司採納受限制股份單位(受限制股份單位)向本公司一名股東JLJH YIHAI Ltd.購回53,680,000股普通股，總代價為638,108美元(相當於人民幣4,166,000元)。該等股份以信託方式由Vistra Fiduciary (HK) Limited(「受限制股份單位受託人」)就計劃參與者的利益持有，並將於每個受限制股份單位(「根據受限制股份單位計劃授予受限制股份單位參與者的受限制股份單位」)授出及歸屬後發放予參與者。資本化發行後受限制股份單位計劃的普通股數目更改為77,220,000股(附註17(b))。
- (d) 對沖儲備指對沖工具公平值累計變動的有效部分(扣除稅項，待其後於損益確認)。

#### 20. SHARE-BASED COMPENSATION

##### Restricted Share Unit Scheme

The Company adopted the RSU Scheme on 24 February 2016 with a duration of 10 years commencing from the adoption date. The objective of the RSU Scheme is to encourage and retain selected participants which include directors, employees, officers, and distributors of the Group, to work with the Group and to provide additional incentive for them to achieve performance goals.

The RSU Trustee holds the Company's shares before they are vested and transferred to selected participants. As the financial and operational policies of the Trust are governed by the Group and Group benefits from the Trust's activities, the Trust is consolidated in the Group's financial statements as a special purpose entity.

Upon vesting of shares by selected participants ("Restricted Shares"), the RSU Trustee will release these Restricted Shares. Restricted Shares will vest gradually after participants complete a period of service in the Group of 36 months from the date of grant. The vested shares are transferred to participants at US\$0.0082 per share.

The maximum number of Restricted Shares shall not exceed 5% of the Company's share capital in issue from time to time. For each selected participant, the maximum number of Restricted Shares granted in aggregate shall not exceed 10,469,000 shares, being 1% of the Company's issued share capital as at the adoption date of 24 February 2016.

During the year ended 31 December 2017, no shares were granted under the RSU Scheme. (2016: 9,140,000 shares with fair value of HK\$28,484,000.)

The fair value of Restricted Shares charged to the consolidated comprehensive income statement was RMB8,510,000 during the year ended 31 December 2017 (2016: RMB102,000).

#### 20. 以股份為基礎的補償

##### 受限制股份單位計劃

本公司於2016年2月24日採納受限制股份單位計劃，自採納日期起計為期10年。受限制股份單位計劃的目的為鼓勵及留住特定參與者（包括本集團董事、僱員、高級職員及經銷商）於本集團工作，並為彼等提供額外獎勵以實現業績目標。

受限制股份單位受託人於本公司股份歸屬及轉讓予特定參與者前持有該等股份。由於信託的財務及營運政策由本集團規管，且本集團受益於信託活動，信託於本集團財務報表作為特殊目的實體綜合入賬。

特定參與者的股份（「受限制股份」）歸屬後，受限制股份單位受託人將釋出該等股份。受限制股份於參與者自授出日期起計在本集團的36個月服務期屆滿後逐步歸屬。已歸屬股份按每股0.0082美元轉讓予特定參與者。

受限制股份的最高數目不得超過本公司不時已發行股份的5%。對於各特定參與者，已授出受限制股份的最高數目合共不得超過10,469,000股，即採納日期2016年2月24日本公司已發行股本的1%。

截至2017年12月31日止年度，並無根據受限制股份單位計劃授出股份。（2016年：9,140,000股公平值為28,484,000港元的股份。）

截至2017年12月31日止年度，扣除自綜合全面收益表的受限制股份公平值為人民幣8,510,000元（2016年：人民幣102,000元）。

## 21. TRADE PAYABLES

Trade payables were mainly arising from the purchase of materials. The credit terms of trade payables granted by the vendors are usually 30 to 90 days. At 31 December 2017, the ageing analysis of the trade payables based on invoice date is as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Within 3 months	3 個月內	134,084	70,156
3 to 6 months	3 個月至 6 個月	1,582	2,576
6 months to 1 year	6 個月至 1 年	916	545
Total	總計	136,582	73,277

## 21. 貿易應付款項

貿易應付款項主要源自購買原材料。賣方授出的貿易應付款項信貸期通常為 30 至 90 天。於 2017 年 12 月 31 日，基於發票日期的貿易應付款項賬齡分析如下：

## 22. OTHER PAYABLES AND ACCRUALS

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Advances from customers	客戶墊款	30,823	8,746
Other tax payables	其他應付稅項	27,490	8,933
Wages, salaries and other employee benefits	工資、薪金及其他僱員福利	25,572	16,019
Sales rebates	銷售返利	16,182	8,755
Suppliers' deposits	供應商按金	9,417	3,281
Payables for legal and professional fees	應付法律及專業費用	3,420	135
Payables for construction	應付工程款	806	1,176
Related parties (Note 33(d))	關聯方(附註 33(d))	258	4,045
Listing related expenses	上市有關開支	—	2,802
Others	其他	1,065	855
Total	總計	115,033	54,747

## 22. 其他應付款項及應計費用



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 23. EXPENSES BY NATURE

Expenses included in cost of sales, distribution expenses and administrative expenses are analysed as follows:

#### 23. 按性質劃分的開支

計入銷售成本、經銷開支及行政開支的開支分析如下：

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Cost of inventories recognised as cost of goods sold	確認為已售貨品成本的存貨成本	909,285	583,667
Employee benefit expenses (Note 24)	僱員福利開支(附註24)	183,768	122,303
Transportation and related charges	運輸及相關支出	37,469	19,499
Advertising and other marketing expenses	廣告及其他營銷開支	30,110	33,116
Non-income taxes and surcharges	非所得稅稅項及附加費	17,729	12,295
Depreciation of property, plant and equipment (Note 8)	物業、廠房及設備折舊(附註8)	14,471	13,825
Utilities	水、電及燃氣費用	14,108	9,854
Rental expenses	租金開支	14,001	10,753
Warehouse expenses	倉儲費用	12,541	7,061
Legal and professional fees	法律及專業費用	11,674	5,696
Travel and entertainment expenses	差旅及招待費	9,027	5,825
Auditor's remuneration	核數師薪酬		
– Reporting accountant's services in relation to listing	– 申報會計師就上市供的服務	—	1,196
– Audit services	– 核數服務	2,055	1,950
– Non-audit services	– 非核數服務	322	330
Amortisation of intangible assets (Note 7)	無形資產攤銷(附註7)	851	372
Amortisation of land use rights (Note 6)	土地使用權攤銷(附註6)	773	503
Write-down of inventories (Note 12)	存貨撇減(附註12)	279	152
Provision for impairment of receivables (Note 13 and 14)	應收款項減值撥備(附註13及14)	77	112
Listing related expenses	上市相關開支	—	10,345
Other expenses	其他開支	16,905	13,980
Total	總計	1,275,445	852,834



## 24. EMPLOYEE BENEFIT EXPENSE

## 24. 僱員福利開支

		2017 2017 年 RMB'000 人民幣千元	2016 2015 年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	183,768	122,303

## Five highest paid individuals

## 五名最高薪酬人士

The five individuals whose emoluments were the highest in the Group for the year ended 2017 include 2 (2016: 2) directors whose emoluments are reflected in the analysis shown in Note 35. The aggregate amounts of emoluments paid and payable to the remaining 3 (2016: 3) individuals whose emoluments were the highest in the Group for the years are as follows:

本集團截至2017年止年度的五名最高薪酬人士包括2名董事(2016年：2名)，其酬金於附註35所示的分析反映。於有關年度已付及應付本集團餘下3名最高薪酬人士(2016年：3名)的酬金如下：

		2017 2017 年 RMB'000 人民幣千元	2016 2015 年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	2,992	2,098

The emoluments fell within the following bands:

酬金介於以下範圍：

		Number of individuals 人數	
		2017 2017 年	2016 2016 年
Emolument bands (in HK\$)	酬金範圍(港元)		
Nil - HK\$1,000,000	零至 1,000,000 港元	—	3
HK\$1,000,000 to HK\$1,500,000	1,000,000 港元至 1,500,000 港元	3	—

None of the above employees were paid by the Group as an inducement to join or upon joining the Group or as a compensation for loss of office. No retirement benefits were paid to or receivable by any of the above employees.

本集團並無向上述僱員支付款項，作為彼等加入本集團時或加入本集團後的獎勵或作為離職補償。上述任何僱員概無收取或應收取退休福利。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 25. OTHER INCOMES AND GAINS - NET

#### 25. 其他收入及收益淨額

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Government grants	政府補助	23,008	12,523
Investment income from financial assets	金融資產的投資收益	5,241	—
Sales of scrap materials	廢料銷售	887	517
Change in fair value of financial instruments at fair value through profit or loss	按公平值計入損益的 金融資產的公平值虧損	(263)	—
Loss on disposal of property, plant and equipment and intangible assets	處置物業、廠房、設備 及無形資產的虧損	(284)	(780)
Consulting service income	顧問服務收入	—	7,547
Others (a)	其他(a)	15,159	1,674
Total other incomes and gains - net	其他收入及收益淨額總額	43,748	21,481

- (a) Included an amount of RMB14 million which represented a reward provided by an independent third party, the authorised operator as approved by the local government for planning and construction of an industrial park in the PRC, in which the Company has incorporated an indirectly wholly-owned subsidiary in 2015.

- (a) 其中人民幣14百萬元為受當地政府授權委託開發建設產業園區的獨立第三方所提供給本公司於2015年在該產業園區成立的全資子公司的籌建獎勵金。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 26. FINANCE INCOME AND COSTS

#### 26. 融資收入及成本

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Finance Income	融資收入		
– Foreign exchange gains	– 滙兌收入	—	32,759
– Interest income	– 利息收入	6,651	933
Finance Costs	融資成本		
– Foreign exchange losses	– 滙兌損失	(52,095)	—
Finance (cost)/income - net	融資(成本)/收入－淨額	(45,444)	33,692

#### 27. INCOME TAX EXPENSE

#### 27. 所得稅開支

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Current income tax	即期所得稅	111,960	69,085
Deferred tax credit (Note 11)	遞延稅項抵免(附註 11)	(3,970)	(716)
Income tax expense	所得稅開支	107,990	68,369

#### 27. INCOME TAX EXPENSE (Cont'd)

##### (a) Cayman Islands income tax

The Company was incorporated in Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from payment of local income tax.

##### (b) Hong Kong income tax

Hong Kong profits tax has not been provided as there are no estimated assessable profits arising in or derived from Hong Kong during the year ended 31 December 2017.

##### (c) PRC Corporate Income Tax ("CIT")

The income tax provision of the Group in respect of operations in the PRC has been calculated at the tax rate of 25% on the estimated assessable profits for the years end 31 December 2017 and 2016, based on the existing legislation, interpretations and practices in respect thereof.

##### (d) PRC withholding tax ("WHT")

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profit derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be 5%.

According to a shareholder's resolution of the immediate holding company of the PRC subsidiaries of the Group dated 31 December 2017, the retained earnings of the Group's subsidiaries incorporated in the PRC as at 31 December 2017 will not be distributed in the foreseeable future. As a result, no deferred tax liability was recognised.

#### 27. 所得稅開支(續)

##### (a) 開曼群島所得稅

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限責任公司，故獲豁免繳納當地所得稅。

##### (b) 香港利得稅

由於截至2017年12月31日止年度，本公司並未在香港產生或賺取估計應課稅盈利，因此毋須繳付香港利得稅。

##### (c) 中國企業所得稅(「企業所得稅」)

本集團已根據現行法例、詮釋及有關慣例於截至2017年及2016年12月31日止年度就估計應課稅溢利按25%的稅率計算其中國業務的所得稅撥備。

##### (d) 中國預扣稅(「預扣稅」)

根據適用的中國稅務法規，於中國成立的公司就2008年1月1日之後賺取的溢利向境外投資者分派股息一般須繳納10%的預扣稅。倘若境外投資者於香港註冊成立，並符合中國與香港訂立的雙邊稅務安排項下的條件及規定，則相關預扣稅稅率將為5%。

根據日期為2017年12月31日的本集團中國附屬公司的直接控股公司的股東決議案，於2017年12月31日本集團於中國註冊成立的附屬公司的保留盈利將不會於可見未來分派。因此，並無確認遞延稅項負債。

## 27. INCOME TAX EXPENSE (Cont'd)

## (d) PRC withholding tax ("WHT") (Cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

## 27. 所得稅開支(續)

## (d) 中國預扣稅(「預扣稅」)(續)

對本集團除稅前溢利所徵稅款與按法定稅率產生的理論稅款的差額如下：

## Year ended 31 December

截至12月31日止年度

		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	369,080	255,089
Tax calculated at domestic tax rates applicable to profits in the respective countries	按有關國家適用於溢利的國內稅率計算的稅項	108,408	66,703
Expenses not deductible for tax purposes	不可扣稅開支	672	1,666
Income not subject to tax	毋須課稅收入	(1,090)	—
Taxation charge	稅項支出	107,990	68,369



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 28. EARNINGS PER SHARE

##### (a) Basic earnings per share

Basic earnings per share for each of the years ended 31 December 2017 and 2016 are calculated by dividing the profit of the Group attributable to the owners of the Company by the weighted average number of ordinary shares in issue less shares held for RSU Scheme during the year.

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利(人民幣千元)	260,670	186,720
Weighted average number of ordinary shares in issue less shares held for RSU Scheme (thousands)	已發行普通股的加權平均數減去就受限制股份單位計劃持有的股份(千股)	969,680	797,220
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	26.9	23.4

##### (b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The restricted share granted and assumed vested ("Restricted Shares") are the only dilutive potential ordinary shares during the year ended 31 December 2017. During the year ended 31 December 2016, the RCPS as well as Restricted Shares were the dilutive potential ordinary shares. They were anti-dilutive and the dilutive earnings per share as the same as basic earnings per share.

#### 28. 每股盈利

##### (a) 每股基本盈利

截至2017年及2016年12月31日止年度各年的每股基本盈利，乃按本公司擁有人應佔本集團溢利除以已發行普通股加權平均數減就受限制股份單位計劃所持股份計算。

Year ended 31 December 截至12月31日止年度	
2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元

##### (b) 每股攤薄盈利

每股攤薄盈利乃透過假設所有潛在攤薄普通股均已轉換，從而調整已發行普通股加權平均數計算得出。截至2017年12月31日止年度，已授出及假設歸屬的受限制股份(「受限股份」)為唯一的潛在攤薄普通股。截至2016年12月31日止年度，可贖回可轉換優先股及受限股份為潛在攤薄普通股。彼等為反攤薄且每股攤薄盈利與每股基本盈利相同。

## 28. EARNINGS PER SHARE (Cont'd)

## (b) Diluted earnings per share (Cont'd)

		Year ended 31 December 截至12月31日止年度	
		2017 2017年	2016 2016年
Earnings	盈利—		
Profit attributable to owners of the Company (RMB' 000)	本公司擁有人應佔溢利(人民幣千元)	260,670	186,720
Adjustment for fair value loss of RCPS (RMB' 000) (a)	可贖回可轉換優先股公平值虧損的調整(人民幣千元)(a)	—	35,264
Profit used to determine diluted earnings per share (RMB' 000)	用以釐定每股攤薄溢利的溢利(人民幣千元)	260,670	221,984
Weighted average number of ordinary shares in issue for basic earnings per share (thousands)	用於計算每股基本盈利的已發行普通股加權平均數(千股)	969,680	797,220
Adjustments for:	就以下各項作出調整：		
– Assumed conversion of RCPS (thousands)	– 假設可贖回可轉換優先股已轉換(千股)	—	41,458
– Restricted Shares granted and assumed vested (thousands)	– 已授出及假設已歸屬的受限制股份(千股)	5,291	9
Weighted average number of ordinary shares for diluted earnings per share (thousands)	用於計算每股攤薄盈利的普通股加權平均數(千股)	974,971	838,687
Diluted earnings per share (RMB cent)	每股攤薄盈利(人民幣分)	26.7	23.4

(a) On 14 December 2015, the Company issued 54,222,222 shares of Series A preferred shares with redemption and conversion features ("RCPS"). On 13 July 2016, all RCPS were automatically converted into ordinary shares.

(a) 於2015年12月14日，本公司發行54,222,222股可贖回可換股A系列優先股(「可贖回可轉換優先股」)。於2016年7月13日，所有可贖回可轉換優先股自動轉換為普通股。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 29. DIVIDENDS

The total dividends paid in 2017 amounted to RMB36,642,000 or RMB3.5671 cents per share (2016: Nil), of which RMB2,646,000 were paid to the shares held by the RSU Trustee.

Pursuant to resolution passed on 21 March 2018, the board of directors of the Company proposed a final dividend of RMB4.97985 cents per ordinary share of the Company, amounting to RMB52.134 million for the year ended 31 December 2017 from the Company's retain earnings account. The final dividend is to be proposed for approval by the shareholders of the Company at the annual general meeting to be held on 27 April 2018.

The aggregate amounts of the dividends paid during 2017 have been disclosed in the consolidated statement of changes in equity in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### 30. CONTINGENT LIABILITIES

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

#### 29. 股息

於2017年已付股息總額為人民幣36,642,000元或每股人民幣3.5671分(2016年：零)，其中人民幣2,646,000元已派付予就受限制股份單位受托人持有的股份。

根據於2018年3月21日通過的決議案，本公司董事會建議以本公司未分配溢利賬派付末期股息每股本公司普通股人民幣4.97985分，其截至2017年12月31日止年度的金額為人民幣52.134百萬元。末期股息將於2018年4月27日舉行的股東週年大會上提呈本公司股東批准。

根據香港公司條例的披露規定，於2017年支付的股息總額已在綜合權益變動表披露。

#### 30. 或然負債

於2017年12月31日，本集團並無擁有任何或然負債。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 31. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

- (a) Reconciliation of profit before income tax to net cash flows used in operations:

#### 31. 綜合現金流量表附註

- (a) 除所得稅前溢利與經營所用現金流量淨額的對賬如下：

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	369,080	255,089
Adjustments for:	就以下各項作出調整：		
Change in fair value of financial instruments at fair value through profit or loss	按公平值計入損益的金融工具公平值變動	263	—
Changing in fair value of RCPS	可贖回可轉換優先股公平值變動	—	35,264
Share-based payment expense (Note 20)	以股份為基礎的付款開支(附註20)	8,510	102
Depreciation of property, plant and equipment (Note 8)	物業、廠房及設備折舊(附註8)	14,471	13,825
Amortisation of land use rights (Note 6)	土地使用權攤銷(附註6)	773	503
Amortisation of intangible assets (Note 7)	無形資產攤銷(附註7)	851	372
Losses on disposal of property, plant and equipment (Note 25)	處置物業、廠房及設備的虧損(附註25)	284	780
Provision for impairment of receivables (Note 13 and 14)	應收款項減值撥備(附註13及14)	77	112
Write-down of inventories (Note 12)	撇銷存貨(附註12)	279	152
Finance cost/(income)	融資成本／(收入)	45,680	(33,692)
Investment income from financial assets	金融資產的投資收入	(5,241)	—
Changes in working capital:	營運資金變動：		
Inventories	存貨	(17,400)	(27,894)
Trade and other receivables and prepayments	貿易及其他應收款項及預付款項	(102,907)	9,896
Trade and other payables and accruals	貿易及其他應付款項及應計費用	123,961	28,733
Cash generated from operations	經營所得現金	438,681	283,242

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 31. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (Cont'd)

- (b) Proceeds from disposal of property, plant and equipment and intangible assets comprise:

#### 31. 綜合現金流量表附註(續)

- (b) 出售物業、廠房及設備所得款項包括：

		Year ended 31 December 截至12月31日止年度	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
Net book amount - property, plant and equipment and intangible assets (Note 7 and 8)	賬面淨值－物業、廠房及設備以及無形資產（附註7及8）	744	6,314
Loss on disposal of property, plant and equipment and intangible assets (Note 25)	處置物業、廠房及設備以及無形資產的虧損（附註25）	(284)	(780)
Proceeds from disposal of property, plant and equipment and intangible assets	處置物業、廠房及設備以及無形資產所得款項	460	5,534



## 32. COMMITMENTS

## (a) Capital commitments

Capital expenditure contracted for the year end but not yet incurred is as follow:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	40,186	100,002

## (b) Non-cancellable operating leases

The Group leases various offices, warehouses and retail stores under non-cancellable operating leases expiring within two to eight years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. Excess warehouse space is sub-let to third parties also under non-cancellable operating leases.

## 32. 承擔

## (a) 資本承擔

年末已訂約但尚未產生的資本開支如下：

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	40,186	100,002

## (b) 不可撤銷經營租賃

本集團根據不可撤銷經營租賃租賃多處辦公室、倉庫及零售店舖，於兩至八年到期。該等租賃擁有不同的年期、自動調整條款及重續權。重續時，租賃年期重新協商。多餘倉庫空間亦根據不可撤銷經營租賃轉租予第三方。

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB'000 人民幣千元	2016 2016 年 RMB'000 人民幣千元
Within 1 year	一年內	4,416	3,013
Between 1 to 5 years	一至五年間	2,455	3,013
		6,871	6,026

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 33. RELATED PARTY TRANSACTIONS

##### (a) Name and relationship with related parties:

###### Names of the related parties

###### 關聯方名稱

Sichuan Haidilao and its subsidiaries

四川海底撈及其附屬公司

HAI DI LAO HOLDINGS PTE. LTD. and its subsidiaries  
("Singapore Haidilao Group")

HAI DI LAO HOLDINGS PTE. LTD.

及其附屬公司(「新加坡海底撈集團」)

Shuhai (Beijing) Supply Chain Management Co., Ltd.  
("Shuhai Supply Chain")

蜀海(北京)供應鏈管理有限責任公司(「蜀海供應鏈」)

Youdingyou (Beijing) Food Ltd. ("Youdingyou")

北京優鼎優餐飲管理有限公司(優鼎優)

Sichuan Haidilao Group and Singapore Haidilao Group are  
collectively referred to as Haidilao Group.

The following transactions occurred with related parties:

*Sales and purchases of goods and services*

#### 33. 關聯方交易

##### (a) 名稱及與關聯方的關係：

###### Nature of relationship

###### 關係性質

Companies beneficially owned  
by the Ultimate Shareholders

由最終股東實益擁有的公司

Companies beneficially owned  
by the Ultimate Shareholders

由最終股東實益擁有的公司

Company beneficially owned  
by the Ultimate Shareholders

由最終股東實益擁有的公司

Company beneficially owned  
by the Ultimate Shareholders

由最終股東實益擁有的公司

四川海底撈集團及新加坡海底  
撈集團統稱為海底撈集團。

下列交易與關聯方進行：

*銷售及購買商品及服務*

##### Year ended 31 December

截至 12 月 31 日止年度

	2017	2016
	2017 年	2016 年
	RMB' 000	RMB' 000
	人民幣千元	人民幣千元
Sales of goods to related parties 向關聯方銷售商品	915,911	605,728

## 33. RELATED PARTY TRANSACTIONS (Cont'd)

## (b) Warehouse and rental expenses

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Warehouse expenses	倉庫開支	4,308	3,468
Rental expenses	租賃開支	2,869	2,917

All the Transactions with related parties were conducted in accordance with the terms of contracts entered into between the Group and the related parties.

與關聯方的所有交易乃根據本集團及關聯方之間訂立的合約條款進行。

## (c) Key management compensation

		Year ended 31 December 截至 12 月 31 日止年度	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
Salaries, allowance and other benefits	薪金、津貼及其他福利	4,422	2,917

## (c) 主要管理層薪酬

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 33. RELATED PARTY TRANSACTIONS (Cont'd)

##### (d) Year-end balances with related parties were as follows:

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
Trade receivables	貿易應收款項	110,107	54,224
Other receivables	其他應收款項	—	390
Total	總計	110,107	54,614
		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Liabilities</b>	<b>負債</b>		
Trade payables	貿易應付款項	218	—
Other payables and accrual	其他應付款項及應計費用	258	4,045
Total	總計	476	4,045

All the balances with related parties are unsecured, bear no interest and short-term in nature.

##### (e) Free trademark license agreement

On 1 December 2015, the Group entered into two trademark license agreements with Sichuan Haidilao in respect of certain trademarks which had been registered by the name of Sichuan Haidilao in the PRC and certain trademarks which are in the process of registration by Sichuan Haidilao in the PRC (collectively, the "Trademark License Agreements"), pursuant to which Sichuan Haidilao agreed to license such trademarks for the Group to use in connection with the Group's operations on an exclusive and royalty-free basis for a perpetual term commencing from 1 January 2007 to the extent permissible under the Listing Rules of The Stock Exchange of Hong Kong Limited (the "HKSE"), relevant laws and regulations.

#### 33. 關聯方交易(續)

##### (d) 與關聯方的年末結餘如下：

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
Trade receivables	貿易應收款項	110,107	54,224
Other receivables	其他應收款項	—	390
Total	總計	110,107	54,614
		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Liabilities</b>	<b>負債</b>		
Trade payables	貿易應付款項	218	—
Other payables and accrual	其他應付款項及應計費用	258	4,045
Total	總計	476	4,045

與關聯方的所有結餘的性質均屬於無抵押、免息及短期。

##### (e) 免費商標許可協議

於 2015 年 12 月 1 日，本集團與四川海底撈就四川海底撈已在中國以四川海底撈名義註冊的若干商標和正在中國辦理註冊的若干商標訂立兩份商標許可協議(統稱「商標許可協議」)，據此，四川海底撈同意按獨家及免特許權使用費基準許可本集團在香港聯交所上市規則及相關法律法規允許的情況下於其業務營運永久使用該等商標，自 2007 年 1 月 1 日開始。

## 34. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

## 34. 本公司資產負債表及儲備變動

## Balance sheet of the Company

## 本公司資產負債表

		As at 31 December 於 12 月 31 日	
		2017 2017 年 RMB' 000 人民幣千元	2016 2016 年 RMB' 000 人民幣千元
<b>Assets</b>	<b>資產</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司的投資	1,130,000	1,130,000
<b>Current assets</b>	<b>流動資產</b>		
Other receivables	其他應收款項	165,408	139,508
Cash and cash equivalents	現金及現金等價物	700,426	819,096
<b>Total current assets</b>	<b>流動資產總值</b>	<b>865,834</b>	<b>958,604</b>
<b>Total assets</b>	<b>資產總值</b>	<b>1,995,834</b>	<b>2,088,604</b>
<b>Equity</b>	<b>權益</b>		
<b>Equity attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔權益</b>		
Share capital	股本	68	68
Shares held for employee share scheme	僱員股份計劃持有的股份	(5)	(5)
Reserves	儲備	1,992,436	2,087,927
<b>Total equity</b>	<b>權益總額</b>	<b>1,992,499</b>	<b>2,087,990</b>
<b>Liabilities</b>	<b>負債</b>		
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	3,335	614
<b>Total liabilities</b>	<b>負債總額</b>	<b>3,335</b>	<b>614</b>
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>	<b>1,995,834</b>	<b>2,088,604</b>

The balance sheet of the Company was approved by the Board of Directors on 21 March 2018 and was signed on its behalf

本公司資產負債表已於2018年3月21日獲董事會批准，並已代其簽署。

DANG CHUNXIANG

黨春香  
Director  
董事

SUN SHENG FENG

孫勝峰  
Director  
董事

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 34. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

##### Reserve movement of the Company

		Share premium	Share-based payment reserve	Capital reserve	Retained earnings/ (Accumulated losses)	Total
		股份溢價	以股份為基礎的付款儲備	資本儲備	保留盈利／(累計虧損)	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2016	於2016年1月1日	17,649	—	1,130,000	1,404	1,149,053
Profit for the year	年內溢利	—	—	—	831	831
Issuance of new ordinary shares (Note 17(c))	發行新普通股(附註17(c))	759,284	—	—	—	759,284
Capitalisation issue (Note 17(b))	資本化發行(附註17(b))	(16)	—	—	—	(16)
Share issuance costs	股份發行成本	(39,093)	—	—	—	(39,093)
Conversion of Redeemable convertible preferred shares	轉換可贖回可轉換優先股	221,927	—	—	—	221,927
Share-based payment expense (Note 20)	以股份為基礎的付款開支(附註20)	—	102	—	—	102
Shares repurchased	購回股份	(4,161)	—	—	—	(4,161)
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>	<b>955,590</b>	<b>102</b>	<b>1,130,000</b>	<b>2,235</b>	<b>2,087,927</b>
As at 1 January 2017	於2017年1月1日	955,590	102	1,130,000	2,235	2,087,927
Loss for the year	年內虧損	—	—	—	(67,359)	(67,359)
Share-based payment expense (Note 20)	以股份為基礎的付款開支(附註20)	—	8,510	—	—	8,510
Dividends declared/paid	已宣派／已付股息	(36,642)	—	—	—	(36,642)
<b>As at 31 December 2017</b>	<b>於2017年12月31日</b>	<b>918,948</b>	<b>8,612</b>	<b>1,130,000</b>	<b>(65,124)</b>	<b>1,992,436</b>

#### 34. 本公司資產負債表及儲備變動(續)

##### 本公司儲備變動



## 35. BENEFITS AND INTERESTS OF DIRECTORS

## (a) Directors' and chief executives' emoluments

During the year end 31 December 2017, there were no director fees paid/payable. The remuneration of the directors for the years ended 31 December 2017 and 2016 is set out below:

		Salaries, bonus, allowance and benefits 薪金、花紅、津貼及福利	
		2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元
<b>Name</b>	<b>姓名</b>		
<b>Executive directors</b>	<b>執行董事</b>		
Ms. Dang Chunxiang (黨春香)	黨春香女士	1,285	785
Mr. Sun Shengfeng (孫勝峰)	孫勝峰先生	1,033	749
<b>Non-executive directors</b>	<b>非執行董事</b>		
Mr. Gou Yiqun (苟軼群)	苟軼群先生	—	—
Mr. Zhang Yong (張勇)	張勇先生	—	—
Mr. Shi Yonghong (施永宏)	施永宏先生	—	—
Mr. Pan Di (潘迪)	潘迪先生	—	—
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Yau Ka Chi (邱家賜) (e)	邱家賜先生(e)	173	86
Mr. Qian Mingxing (錢明星) (e)	錢明星先生(e)	173	86
Ms. Ye Shujun (葉蜀君) (e)	葉蜀君女士(e)	173	86
<b>Chief executives</b>	<b>主要行政人員</b>		
Mr. Du Zhuang (杜壯)	杜壯先生	849	607
Mr. Xu Hai (徐海)	徐海先生	736	518
		<b>4,422</b>	<b>2,917</b>

Ms. Dang Chunxiang and Mr. Sun Shengfeng were appointed as executive directors on 7 March 2016. Mr. Gou Yiqun, Mr. Zhang Yong, Mr. Shi Yonghong and Mr. Pan Di were appointed as non-executive directors on 7 March 2016. Mr. Yau Ka Chi, Mr. Qian Mingxing, Ms. Ye Shujun were appointed as independent non-executive directors on 20 June 2016. Mr. Du Zhuang and Mr. Xu Hai were appointed as chief executive on 7 March 2016.

## 35. 董事利益及權益

## (a) 董事及主要行政人員酬金

截至2017年12月31日止年度，概無已付／應付董事袍金。董事於截至2017年及2016年12月31日止年度的薪酬如下：

黨春香女士及孫勝峰先生於2016年3月7日獲委任為執行董事。苟軼群先生、張勇先生、施永宏先生、及潘迪先生於2016年3月7日獲委任為非執行董事。邱家賜先生、錢明星先生及葉蜀君女士於2016年6月20日獲委任為獨立非執行董事。杜壯先生及徐海先生於2016年3月7日獲委任為主要行政人員。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

#### 35. BENEFITS AND INTERESTS OF DIRECTORS

- (b) No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as a compensation for loss of office as director.
- (c) No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking.
- (d) No payment was made to directors as compensation for the early termination of the appointment during the year ended 31 December 2017.
- (e) No payment was made to the former employer of directors for making available the services of them as a director of the Company.
- (f) There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the year ended 31 December 2017.
- (g) Save for the disclosure in the connected transactions section of the prospectus and the circular of the Company dated 18 October 2017, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 December 2017.

#### 35. 董事利益及權益(續)

- (b) 概無本公司任何董事放棄收取酬金，且本集團並無向本公司任何董事支付任何酬金，作為彼等加入本集團時或加入本集團後的獎勵或作為失去董事職位的補償。
- (c) 概無董事就彼等有關本公司或其附屬公司事務管理的其他服務而收取或應收取任何退休福利。
- (d) 截至2017年12月31日止年度，本公司並無就提前終止任期向董事作出任何付款作為補償。
- (e) 本公司並無就董事提供董事服務而向其前任僱員作出任何付款。
- (f) 截至2017年12月31日止年度，概無以董事、有關董事的受控制法人團體及關聯實體為受益人的貸款、準貸款及其他交易。
- (g) 除招股章程關連交易及本公司日期為2017年10月18日的通函內的披露事項外，本公司概無參與訂立或於截至2017年12月31日止年度結束時或截至2017年12月31日止年度任何時間內存續、致使董事擁有重大權益(無論是直接或間接)且與貴集團業務有關的任何重大交易、安排及合約。

