



同佳國際健康產業集團有限公司

Common Splendor International Health Industry Group Limited

2017年報

ANNUAL REPORT

股份代號
Stock Code

286

專注生命健康

Focus On Life And Health



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* Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

* 倘中英文版本出現歧義，概以英文版本為準。

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Cheung Wai Kuen (*Chairman*)
Mr. Cheng Hau Yan (*Deputy Chairman*)
Mr. Ye Jiong Xian (*Chief Executive Officer*)

Non-executive Directors

Mr. Bai Ying Hai (Resigned on 5 June 2017)
Mr. Hou Kai Wen (Appointed on 5 June 2017)
Mr. Lin Jiang

Independent Non-executive Directors

Mr. Lam Chi Wing
Mr. Mai Yang Guang
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

AUDIT COMMITTEE

Mr. Wong Yiu Kit, Ernest (*Chairman*)
(Appointed on 20 September 2017)
Mr. Lam Chi Wing
Mr. Mai Yang Guang
Mr. Yau Chi Ming (Resigned on 1 July 2017)

NOMINATION COMMITTEE

Mr. Mai Yang Guang (*Chairman*)
Mr. Lam Chi Wing
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

REMUNERATION COMMITTEE

Mr. Mai Yang Guang (*Chairman*)
Mr. Lam Chi Wing
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

COMPANY SECRETARY

Mr. Wong Wing Cheung (Appointed on 24 December 2017)

Mr. Lam King Ho (Ceased to act from 24 December 2017)

AUDITOR

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31st Floor, Gloucester Tower
The Landmark, 11 Pedder Street
Central, Hong Kong

董事

執行董事

張偉權先生(主席)
鄭孝仁先生(副主席)
葉炯賢先生(行政總裁)

非執行董事

白英海先生(於二零一七年六月五日辭任)
侯凱文先生(於二零一七年六月五日獲委任)
林江先生

獨立非執行董事

林至穎先生
麥楊光先生
黃耀傑先生(於二零一七年九月二十日獲委任)
丘志明先生(於二零一七年七月一日辭任)

審核委員會

黃耀傑先生(主席)
(於二零一七年九月二十日獲委任)
林至穎先生
麥楊光先生
丘志明先生(於二零一七年七月一日辭任)

提名委員會

麥楊光先生(主席)
林至穎先生
黃耀傑先生(於二零一七年九月二十日獲委任)
丘志明先生(於二零一七年七月一日辭任)

薪酬委員會

麥楊光先生(主席)
林至穎先生
黃耀傑先生(於二零一七年九月二十日獲委任)
丘志明先生(於二零一七年七月一日辭任)

公司秘書

黃永祥先生(於二零一七年十二月二十四日
獲委任)
林景濠先生(於二零一七年十二月二十四日
離任)

核數師

國衛會計師事務所有限公司
執業會計師
香港中環
畢打街11號置地廣場
告羅士打大廈31樓

CORPORATE INFORMATION (Continued)

公司資料(續)

PRINCIPAL BANKERS

Chong Hing Bank Limited
The Bank of East Asia Limited
Wing Lung Bank Limited

PLACE OF INCORPORATION

Bermuda

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL OFFICE

Rooms 2709–10, 27th Floor, North Tower
Concordia Plaza, 1 Science Museum Road
Tsim Sha Tsui, Kowloon, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

www.cs-ih.com

STOCK CODE

286

BOARD LOT

2,000 shares

INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:
Tel: (852) 2620 6623
Fax: (852) 2620 6679
E-mail: ir@cs-ih.com

主要往來銀行

創興銀行有限公司
東亞銀行有限公司
永隆銀行有限公司

註冊成立地點

百慕達

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要辦事處

香港九龍尖沙咀
科學館道1號康宏廣場
北座27樓2709–10室

主要過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

網址

www.cs-ih.com

股份代號

286

買賣單位

2,000股

投資者關係

有關投資者關係之查詢，請聯絡：
電話：(852) 2620 6623
傳真：(852) 2620 6679
電郵：ir@cs-ih.com

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

I am pleased to present the results of Common Splendor International Health Industry Group Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2017 (the "Year") to the shareholders of the Company (the "Shareholders").

PROSPECTS

The Group is committed to building itself into an international leading healthcare conglomerate. It is expected to focus on life healthcare and industrialization development in respect of human health solutions. By employing the development strategy of "global integration, global layout", the Group will continue to draw in top talent and technology, deploy services, products and various resources, and through acquisition and reorganization, in order to achieve rapid expansion in the life healthcare industry, as well as seeking various investment development opportunities from time to time in the healthcare field.

At present

Following the Group's adjustments to its development strategy in the recent years, the Group has already formed a complete business structure in the medical anti-aging sector, including "Medical Anti-aging" which mainly aims at inner and "Medical Beauty Anti-aging" which mainly aims at outer, and "Health Preservation Base" which covers traditional medical anti-aging. As long as China continues its economic growth, the wealthy population and the number of elites will continue to expand and their spending power will be strengthened. In addition to the basic clinical services, demand for better healthcare services is ever increasing. The Company believes that the Group has a good position in this arena and will gradually expand its businesses on such basis to cope with the demands of the market.

The Board continues to be optimistic on the outlook of the healthcare industry and will, from time to time, adjust the Group's development strategy according to the industry changes as and when needed. The Group's overall strategy is to gradually optimise its main business, and develop its core businesses while holding the largest possible stake in such core businesses. Non-core businesses and segments of the Group is expected to be held by way of investments and be adjusted as and when appropriate based on the principle of profit maximisation, including disposals or held as investment funds.

尊敬的股東：

本人欣然呈報同佳國際健康產業集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零一七年十二月三十一日止年度（「本年度」）之業績予本公司股東（「股東」）。

展望

本集團以打造國際一流的健康產業經營機構為目標，預期專注生命健康，致力於人類健康解決方案的產業化發展，以「全球整合，佈局全球」為發展戰略，不斷集合頂尖人才、技術、服務、產品及各項資源，及通過收購重組，快速建立生命健康核心業務，不時在大健康領域尋求各種投資發展機會。

目前

經過本集團近幾年的發展戰略上的調整，本集團目前在醫學抗衰老領域已形成較完整的業務體系，包括以內部為主的「醫學抗衰老」、以外部為主的「醫美抗衰老」業務，及涵蓋傳統醫學抗衰老的「養生基地」。中國經濟不斷發展，富裕階層及高端人群數目不斷增加，消費能力越來越強，除基礎的臨床醫療服務外，更高層次的健康服務需求也越來越大。本公司相信，本集團目前在此領域已取得良好的發展，將在此基礎上逐步擴大業務，迎合市場的需要。

董事會繼續看好健康產業未來的發展，也不時根據行業的變化且於有需要時調整本集團的發展策略，本集團整體戰略會逐步優化其主業，發展核心業務，而該核心業務將以最大可能持股量持有，本集團預期非核心業務分部以投資的方式佈局，將會以收益最大化為原則適時調整，以包括出售或通過發行投資基金方式持有。

CHAIRMAN'S STATEMENT (Continued) 主席報告(續)

APPRECIATION

I would like to take this opportunity to express my gratitude to the Shareholders for their continued support, and the directors of the Company (the "Directors") and those who have worked for the Group for their valuable contributions.

On behalf of the Board
Common Splendor International Health Industry Group Limited

Cheung Wai Kuen
Chairman

Hong Kong, 29 March 2018

致謝

本人謹此對股東之鼎力支持，以及本公司董事（「董事」）及竭誠為集團付出寶貴貢獻之人士致以衷心感謝。

承董事會命
同佳國際健康產業集團有限公司

主席
張偉權

香港，二零一八年三月二十九日

關於我們

同佳健康專注生命健康，致力於生命健康解決方案的產業化發展，以“全球整合，布局全球”為發展戰略，不斷集合全球頂尖人才、技術、服務、產品及各項資源，及通過并購重組，快速發展生命健康產業，目前已建立完整的醫學抗衰老業務體系，包括基于機體內部的生命抗衰老品牌「瑞昂生命」、基于機體外部的醫美抗衰老品牌「美得堡」、「醫美堂」、「醫診所」，基于傳統醫學的養生抗衰老品牌「羅浮山養生基地」；同時圍繞生命健康布局相關產業，參股愛帝宮月子中心、香港莊柏連鎖診所等優質企業。

同佳健康的發展目標是成為國際一流的健康產業經營機構；“生命健康 快樂無憂”是同佳人永恒的願景！

醫學抗衰老

生命抗衰老

瑞昂生命

醫美抗衰老

美得堡 醫美堂 醫診所

養生抗衰老

羅浮山
養生基地

.....

生命抗衰老品牌 「瑞昂生命」

瑞昂國際生命醫學集團致力於抗衰老醫學研究和應用，專注于生命抗衰老，以“機體淨化、功能調理、修復再生”BFR整體抗衰老技術為核心，精準及個性化提供血液淨化、細胞修復、基因修復等前沿抗衰老服務，注重身體內部的抗衰老幹預，其幹預目標是讓人體達到延緩衰老、減少疾病、健康長壽，讓人“保持身體巔峰、挑戰生命極限”，實現最佳生命狀態！目前已在廣州、深圳設置醫療機構營業（另外羅浮山中心正在籌建）。



為香港醫學美容界先驅翹楚，屢獲同業及傳媒嘉許及頒發專業認可獎狀。所有醫學美容療程，全由香港註冊醫生主理，提供醫美抗衰老注重皮膚等外部的衰老及美學幹預，其幹預目標是讓人體外觀年輕、美麗漂亮。現時分別于香港銅鑼灣及尖沙咀這兩個香港人流最多和地理最優越地區開設治療中心，并計劃大力進軍內地市場。

「美得堡醫美堂醫診所」

醫美抗衰老品牌



※部分內容為示意圖，不完全與實際內容一致

養生抗衰老品牌

「羅浮山養生基地」

專注一站式養生基地打造，為社會精英提供一站式養生服務，包括中醫養生、健康睡眠養生、食療養生、文化養生等，讓社會精英保持生命活力，實現健康長壽！首個養生基地已落戶中國5A級景區中國羅浮山。



※部分內容為示意圖，不完全與實際內容一致

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

RESULTS FOR THE YEAR

Revenue of the Group for the Year amounted to HK\$474,933,000 (2016: HK\$554,962,000), which represented a year on year decrease of HK\$80,029,000 or 14.4%. The decrease was mainly due to the net effect of (i) decrease in turnover of medical chemical materials from approximately HK\$270,200,000 to HK\$56,123,000; (ii) increase in sales revenue of the natural health food business from HK\$213,772,000 in 2016 to HK\$323,856,000 in 2017 and (iii) increase in loan interest income from HK\$18,862,000 in 2016 to HK\$23,897,000 in 2017.

Gross profit of the Group for the Year amounted to HK\$83,381,000 (2016: HK\$67,147,000), an increase of HK\$16,234,000 or 24.2% as compared to previous year. Gross profit margin for the Year had increased and was 17.6% for 2017 (2016: 12.1%). The increase in the Group's gross margin was mainly due to (i) the decrease in sales of low margin medical and healthcare related materials; (ii) increase in interest income in which the margin is higher; and (iii) income generated from the new subsidiaries of medical beauty anti-aging group.

Profit before income tax of the Group for the Year decreased by HK\$38,020,000 or 67.6% from HK\$56,259,000 in 2016 to HK\$18,239,000 in 2017. The decrease in profit was mainly due to (i) the increase of convertible notes, guaranteed notes and bonds payable resulting in an increase of finance costs amounting to approximately HK\$31,647,000 compared to 2016; and (ii) the absence of an one-off gain on disposal of an associate as compared to 2016, where the Group recorded a gain on disposal of an associate of HK\$28,999,000.

Profit attributable to the owners of the Company for the Year was approximately HK\$1,422,000 (2016: HK\$42,096,000), which represented an decrease of HK\$40,674,000 or 96.6%, as compared to 2016. This resulted in the decrease in basic and diluted earnings per share attributable to the owners of the Company of HK0.05 cents and HK0.05 cents respectively (2016: HK1.62 cents and HK1.62 cents respectively).

BUSINESS REVIEW

During the Year, the Group was principally engaged in the business of healthcare industry which included medical anti-aging and health preservation base, medical and healthcare industry investment management, trading of natural health food and investment and finance activities.

本年度業績

本年度本集團之收入為474,933,000港元(二零一六年: 554,962,000港元), 按年減少80,029,000港元或14.4%。減少主要由於以下的淨影響: (i)醫療化學材料的營業額由約270,200,000港元減至56,123,000港元; (ii)天然健康食品業務的銷售收入由二零一六年的213,772,000港元上升至二零一七年的323,856,000港元及(iii)貸款利息收入由二零一六年的18,862,000港元上升至二零一七年的23,897,000港元。

本集團本年度內毛利為83,381,000港元(二零一六年: 67,147,000港元), 較去年上升16,234,000港元或24.2%。本年度內毛利率上升, 於二零一七年為17.6%(二零一六年: 12.1%)。本集團毛利率上升乃主要由於(i)低利潤醫療及健康相關材料銷售減少; (ii)較高利潤的利息收入增加; 及(iii)醫美抗衰老集團的新附屬公司所產生的收入。

本集團本年度之所得稅前溢利減少38,020,000港元或67.6%, 由二零一六年的56,259,000港元減至二零一七年的18,239,000港元。溢利減少乃主要由於(i)增加可換股票據、擔保票據及應付債券引致財務成本較二零一六年增加約31,647,000港元; 及(ii)缺少對比二零一六年出售一間聯營公司的一次性收益, 而本集團錄得出售一間聯營公司收益28,999,000港元所致。

本年度內, 本公司擁有人應佔的溢利約為1,422,000港元(二零一六年: 42,096,000港元), 較二零一六年下降40,674,000港元或96.6%。這導致本公司擁有人應佔之每股基本及攤薄盈利分別減少0.05港仙及0.05港仙(二零一六年: 分別為1.62港仙及1.62港仙。)

業務回顧

本年度內, 本集團主要從事的健康產業業務包括醫學抗衰老及養生基地、醫療及健康產業投資管理、天然健康食品貿易, 以及投資及融資活動。

BUSINESS REVIEW (Continued)

Health Industry

Medical Anti-aging and Health Preservation Base

Realyoung Life is dedicated to life anti-aging business for high-end people “Body Purification, Functions Modulation and Repair and Reborn” trilogy life anti-aging. The Group’s business in health industry is expected to have a good prospect due to the elites’ desire for healthy and energetic lives nowadays.

The Group focuses on the health industry by setting up three Life Anti-aging Centres, namely, (i) Life Anti-aging Centre located in Guangzhou International Biological Island which has continued to remain in a competitive market position; (ii) Life Anti-aging Centre situated in Qiaocheng East Road, Nanshan District, Shenzhen which has begun operations; and (iii) Life Anti-aging Centre situated in Luofu Mountain, Guangdong which is currently under construction.

With a view to expand the Group’s business on life anti-aging, the Group had entered into a sale and purchase agreement to acquire a medical beauty anti-aging group in August 2017. As at the date of this announcement, The Group had two beauty centers and two medical centers providing clinical services in Hong Kong. The Company believes that the acquisition is mutually beneficial to the existing Medical Anti-aging business and the beauty anti-aging group resulting in more comprehensive and more competitive quality of health services provided to customers.

The Group has acquired a parcel of land with land development right in Luofu Mountain for the construction of a Health Preservation Base. The project is under progress. The Health Preservation Base is targeted at the high-end population. It will provide integrated health preservation services such as Chinese medical health preservation, sleeping health preservation, and diet health preservation. Relevant health preservation properties are expected to be available for lease or for sale.

During the Year, revenue from Medical Anti-aging and Healthcare Preservation Base amounted to approximately HK\$63,622,000 (2016: HK\$51,344,000), which represented an increase of approximately HK\$12,278,000 compared to 2016.

Medical and Healthcare Industry Investment Management

The Group focuses on the development of Life Healthcare Industry and adjusts for its composition of businesses from time to time in order to develop its core businesses. The Group would also divest certain investments to take profit and to enhance the Group’s income at appropriate times. Investment projects currently held by the Group includes JP Partners Medical Group, Fengshuo Bio Medical Tech Group and Aidigong Maternity Health Group. JP Partners Medical Group comprises six private medical centres in Hong Kong. Fengshuo Bio Medical Tech Group is principally engaged in the research of the dioscorea composita root extract technology’s commercial applications and production. Aidigong Maternity Health Group is mainly engaged in the operation of maternity health centres and the provision of material health services. Aidigong Maternity Health Group has established maternity health centres in Shenzhen Xiangmihu Resort, Shenzhen Yinhu and Beijing Shunyi District.

業務回顧(續)

健康產業

醫學抗衰老及養生基地

瑞昂生命專注生命抗衰老業務，為高端人群提供「機體淨化、功能調理、修復再生」三位一體的生命抗衰老服務。預期本集團的健康產業業務前景一片光明，乃由於時至今日，高端人群渴望健康和充滿活力的生活。

本集團專注於健康產業，方式為設立三間生命抗衰老中心：(i)廣州國際生物島的生命抗衰老中心，其繼續處於具有競爭力的市場地位；(ii)深圳南山區僑城東路的生命抗衰老中心，其已開始營業；及(iii)廣東羅浮山的生命抗衰老中心，其目前籌建中。

為拓展本集團的生命抗衰老業務，本集團於二零一七年八月訂立買賣協議以收購一間醫美抗衰老集團。於本公告日期，該集團在香港有兩間美容中心及兩間醫療中心，提供診療服務。本公司相信，收購事項對現有醫學抗衰老業務及醫美抗衰老集團互惠互利，為客戶提供更全面及更具競爭力的優質健康服務。

本集團已收購羅浮山一幅土地並擁有土地發展權，以興建養生基地，項目正在進行中。養生基地主要是面向高端人群，提供綜合養生服務，如中醫養生、睡眠養生、及食療養生等。預期相關的養生物業將以出租或出售的方式持有。

本年度，醫學抗衰老及養生基地收入達約63,622,000港元(二零一六年：51,344,000港元)，較二零一六年增加約12,278,000港元。

醫療及健康產業投資管理

本集團專注生命健康產業發展，對產業鏈適時進行佈局，以促進集團核心業務發展，也會在合適的時候退出相關佈局以獲取收益，增加集團盈利，本集團現持有的產業投資項目包括莊柏醫療集團、豐碩生物醫藥科技集團及愛帝宮現代母嬰健康管理集團。莊柏醫療集團主要包括六間位於香港的私人醫務中心，豐碩生物醫藥科技集團主要參與菊葉薯蕷及皂素領域的商業應用及生產的研究，愛帝宮現代母嬰健康管理集團主要業務為經營月子中心及母嬰健康管理，在深圳香密湖渡假村、深圳銀湖及北京順義區設有月子中心。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

BUSINESS REVIEW (Continued)

Health Industry (Continued)

Medical and Healthcare Industry Investment Management (Continued)

During the Year, revenue from medical and healthcare industry investment management amounted to approximately HK\$63,558,000 (2016: HK\$270,984,000), which represented a decrease of approximately HK\$207,426,000 as compared to 2016.

The Group will gradually reduce the development on this business as the industry chain of such business requires the Group to operate a health-related and medical-related products trading business, which will develop in stages while such business volume was historically unstable with a lower gross profit margin.

Natural Health Food Business

Trading of grain and oil is main business of the Group's natural health food segment. It has been shown a strong growth in revenue as a result of sustainable relationship between the Group and its customers. The Group's increase in revenue which has generated approximately HK\$213,772,000 in 2016 and further increased to approximately HK\$323,856,000 in 2017. However, the natural health food business belongs to the Company's complementary business in the health industry's industrial chain and is not a core business of the Group. However, the gross profit margin and sales are susceptible to market fluctuations. The Group's gross profit margin is too low and the Group will gradually reduce this business.

Investment and Finance

During the Year, the Group's accrued interest income amounting to approximately HK\$16,684,000 (2016: HK\$13,260,000) generated from the loan of Champion Dynasty Limited ("Champion Dynasty"). As at 31 December 2017, a money lender company, a wholly owned subsidiary of the Company, had loan receivables of HK\$40,200,000 (2016: HK\$58,200,000). Interest income from the money lending business amounted to approximately HK\$7,213,000 during the Year (2016: HK\$5,602,000).

During the Year, revenue from the Group's investment and finance segment amounted to approximately HK\$23,897,000 (2016: HK\$18,862,000), which represented an increase of HK\$5,035,000 or 26.7% as compared to 2016. As a result of an increase in interest expenses incurred during the Year, the performance of this segment had deteriorated during the Year from segment profit of approximately HK\$12,532,000 in 2016 to a segment loss of approximately HK\$21,398,000 in 2017. Revenue generated from this segment contributed approximately 5% to the Groups' total revenue.

業務回顧(續)

健康產業(續)

醫療及健康產業投資管理(續)

本年度，來自醫療及健康產業投資管理的收入約為63,558,000港元(二零一六年：270,984,000港元)，較二零一六年減少約207,426,000港元。

基於本業務的產業鏈配套需要本集團經營健康相關及醫療相關產品貿易業務(其將分階段進行)，但由於過往業務量不穩定及毛利率較低，因此本集團將逐步減少此項業務發展。

天然健康食品業務

糧食及油貿易為本集團天然健康食品分部的主要業務。由於本集團與客戶的可持續關係，其已於收入方面呈現強勁增長。其所產生的收入由二零一六年的約213,772,000港元進一步增至二零一七年的約323,856,000港元。然而，天然健康食品業務屬於本公司在健康產業的產業鏈補充業務之一，非集團核心業務；且毛利率及銷售容易受市場波動影響。由於毛利率太低，因此本集團將逐步減少此業務。

投資及融資

本年度內，本集團累計來自Champion Dynasty Limited (「Champion Dynasty」) 貸款之利息收入約為16,684,000港元(二零一六年：13,260,000港元)。於二零一七年十二月三十一日，一間放債公司(本公司的全資附屬公司)之貸款應收賬款為40,200,000港元(二零一六年：58,200,000港元)。本年度內，來自放債業務之利息收入約為7,213,000港元(二零一六年：5,602,000港元)。

本年度內，本集團投資及融資分部的收入約為23,897,000港元(二零一六年：18,862,000港元)，較二零一六年上升5,035,000港元或26.7%。由於本年度已產生的利息開支增加，本分部表現於本年度內倒退；由二零一六年的分部溢利約12,532,000港元倒退至二零一七年的分部虧損約21,398,000港元。本分部所產生的收入佔本集團的總收入約5%。

FINANCIAL HIGHLIGHTS

Net asset value

As at 31 December 2017, total net assets of the Group amounted to approximately HK\$978,211,000 (2016: HK\$667,550,000), representing an increase of HK\$310,661,000 or 46.5%, as compared to 2016. The increase was mainly due to (i) exchange differences on translating foreign operations arising during the Year of HK\$45,133,000; and the (ii) an issue of 400,000,000 shares of the Company at HK\$0.65 per share (which is the share price as at the date of completion) for an acquisition of subsidiaries.

As at 31 December 2017, net asset value per issued ordinary shares of the Company was HK\$0.33 (2016: HK\$0.26).

The current ratio (calculate as current assets to current liabilities) for the Year was 1.13 (2016: 5.04).

Equity

The number of issued ordinary shares of the Company as at 31 December 2017 was 2,996,255,008 (2016: 2,596,255,008).

During the Year, the Company had issued and allotted 400,000,000 shares at HK\$0.65 per share (which is the share price as at the date of completion) as part of consideration for the acquisition of a medical beauty group in October 2017, pursuant to the agreement dated 12 August 2017, details of which are disclosed in the announcements of the Company dated 12 August 2017, 24 August 2017, 9 September 2017 and 9 October 2017.

Liquidity and financial resources

As at 31 December 2017, the Group had HK\$1,000,000 unsecured convertible notes, HK\$12,204,000 bank and other borrowings, US\$10,000,000 (equivalent to approximately HK\$77,500,000) secured convertible notes, HK\$48,402,000 unsecured bonds and HK\$100,000,000 secured guaranteed notes, to provide general working capital to the Group and the development of the Group's healthcare business. Save as disclosed above, the Group did not have any other material borrowings as at 31 December 2017.

The Group has maintained a sound capital and cash position. Bank and cash balances as at 31 December 2017 amounted to approximately HK\$67,038,000 (2016: HK\$109,721,000). The majority of the Group's cash for the Year was denominated in Hong Kong Dollars and Renminbi.

During the Year, an unsecured convertible note bearing a principle amount of HK\$16,000,000 was redeemed on the date of maturity.

財務摘要

資產淨值

於二零一七年十二月三十一日，本集團資產淨值約為978,211,000港元(二零一六年：667,550,000港元)，較二零一六年增加310,661,000港元或46.5%。該增加主要歸因於(i)於本年度換算海外業務之匯兌差額45,133,000港元；及(ii)因收購附屬公司而發行400,000,000股本公司每股面值0.65港元(於完成日期的股價)之股份。

於二零一七年十二月三十一日，本公司每股已發行普通股的資產淨值為0.33港元(二零一六年：0.26港元)。

本年度內流動比率(按流動資產除以流動負債計算)為1.13(二零一六年：5.04)。

股本

於二零一七年十二月三十一日之本公司已發行普通股數目為2,996,255,008股(二零一六年：2,596,255,008股)。

於本年度內，本公司根據日期為二零一七年八月十二日的協議，於二零一七年十月按每股0.65港元(其乃於完成日期的股份價格)發行及配發400,000,000股股份作為收購醫學美容集團的部分代價，有關詳情已於本公司日期為二零一七年八月十二日、二零一七年八月二十四日及二零一七年十月九日之公告中披露。

流動資金及財務資源

於二零一七年十二月三十一日，本集團擁有1,000,000港元無抵押可換股票據、銀行及其他借款12,204,000港元、10,000,000美元(相等於約77,500,000港元)有抵押可換股票據、48,402,000港元無抵押債券及100,000,000港元有抵押的擔保票據，以作本集團一般營運資金及健康產業的發展。除上文所披露者外，於二零一七年十二月三十一日，本集團並無任何其他重大借款。

本集團維持充裕資本及現金狀況。於二零一七年十二月三十一日之銀行及現金結餘約為67,038,000港元(二零一六年：109,721,000港元)。本集團本年度之大部分現金以港元及人民幣計算。

本年度內，本金額為16,000,000港元的無抵押可換股票據於到期日贖回。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

FINANCIAL HIGHLIGHTS (Continued)

Pledge of assets

As at 31 December 2017, the entire issued share capital of a wholly owned subsidiary of the Company, Common Splendor Hong Kong Investment Fund Management Limited ("CSHK Investment Fund Management"), was charged to China Great Wall AMC (International) Holdings Co., Limited (formerly known as Great Wall Pan Asia International Investment Co., Limited) as a security for convertible notes issued by the Company in the principal amount of US\$10,000,000 (equivalent to approximately HK\$77,500,000). As at 31 December 2017, the entire issued capital of two wholly owned subsidiaries of the Company, namely Harvest Luck Investment Limited ("Harvest Luck") and Great King Limited ("Great King") were charged to Wan Tai Investments Limited, an indirect wholly owned company of CCB International (Holdings) Limited, as a security for guaranteed notes issued by the Company in the principal amount of HK\$100,000,000. As at 31 December 2017, the aggregated total assets of Harvest Luck, Great King and their subsidiaries amounted to approximately HK\$460,488,000. Save as disclosed above, no asset was pledged by the Group as at 31 December 2017.

Remuneration policies and share option scheme

As at 31 December 2017, the Group had around 270 employees excluding Directors (2016: around 340). The decrease in number of employees was due to the disposal of the Company's subsidiaries during the year. Total staff cost excluding Directors' emoluments was approximately HK\$12,468,000 (2016: HK\$12,736,000) for the Year.

There was 35,800,000 outstanding share options granted under the share options scheme on 11 October 2012 at the beginning of the Year. During the Year, 35,800,000 share options were lapsed. As at 31 December 2017, no share option was outstanding (2016: 35,800,000).

Capital commitment

As at 31 December 2017, the total capital commitment of the Group amounted to approximately RMB20,500,000 (equivalent to approximately HK\$24,615,000) (2016: Nil) which is related to the construction of Luofu Mountain Project.

Contingent liabilities

As at 31 December 2017, the Group did not have any material contingent liabilities (2016: Nil).

財務摘要(續)

資產抵押

於二零一七年十二月三十一日，本公司全資附屬公司同佳香港投資基金管理有限公司(「同佳香港投資基金管理」)之全部已發行股本已押記給中國長城資產(國際)控股有限公司(前稱長城環亞國際投資有限公司)作為本公司發行本金額10,000,000美元(相等於約77,500,000港元)可換股票據的抵押物。於二零一七年十二月三十一日，本公司兩間全資附屬公司吉盛投資有限公司(「吉盛」)及東帝有限公司(「東帝」)之全部已發行股本已押記給建銀國際(控股)有限公司的間接全資公司萬鈦投資有限公司，作為本公司發行本金額為100,000,000港元擔保票據的抵押物。於二零一七年十二月三十一日，吉盛、東帝及其附屬公司之總資產值合共約為460,488,000港元。除上文所披露者外，本集團於二零一七年十二月三十一日並無資產抵押。

薪酬政策及購股權計劃

於二零一七年十二月三十一日，本集團共約有270名僱員(不包括董事)(二零一六年：約340名)。僱員人數減少乃由於年內出售本公司附屬公司所致。本年度員工成本總額(不包括董事酬金)約為12,468,000港元(二零一六年：12,736,000港元)。

本年度初，於二零一二年十月十一日採納的購股權計劃下已授出但尚未行使的購股權數目為35,800,000份。本年度內，35,800,000份購股權已失效。於二零一七年十二月三十一日，概無尚未行使的購股權(二零一六年：35,800,000份)。

資本承擔

於二零一七年十二月三十一日，本集團的資本承擔總額約為人民幣20,500,000元(相等於約24,615,000港元)(二零一六年：無)，與羅浮山建造項目有關。

或然負債

於二零一七年十二月三十一日，本集團沒有任何重大或然負債(二零一六年：無)。

ACQUISITIONS AND DISPOSAL DURING THE YEAR AND PERFORMANCE OF AN ASSOCIATE

Disposal of subsidiaries

On 22 May 2017, the Group entered into a disposal agreement with Billion High Worldwide Investments Limited ("Billion High"), a non-controlling shareholder of a subsidiary of the Group, Zhao Long International Medical Investment Management Group Limited ("Zhao Long BVI"). Pursuant to the agreement, the Group agreed to dispose 70% equity interest of Zhao Long BVI (exclusive of the interests of Best Hunter Limited and its subsidiaries JP Partners Medical Group) at a consideration of HK\$68,000,000. The disposal has been completed during the Year. Please refer to the Company's announcement dated 22 May 2017 for information.

Acquisition of subsidiaries

On 12 August 2017, the Group has entered into a sale and purchase agreement with independent third parties. The Group agreed to acquire the entire issued capital of Golden Time Ventures Limited ("GTV") at a consideration of 400,000,000 shares of the Company at HK\$0.65 per share (which is the share price as at the date of completion) and HK\$50,000,000 in cash. As at the date of this report, GTV together with its subsidiaries has two beauty centres in Hong Kong located at Causeway Bay and Tsim Sha Tsui and two medical centres providing beauty clinical services in Tsim Sha Tsui and Shau Kei Wan. The acquisition has been completed on 9 September 2017. Please refer to the Company's announcements dated 12 August 2017, 24 August 2017, 9 September 2017 and 9 October 2017 for information.

Termination of an acquisition

Reference is made to the announcements of the Company dated 2 December 2016, 12 August 2017, 31 August 2017 and 1 November 2017 relating to the management businesses in the PRC (collectively, "CMCM Announcements"). As at 31 October 2017, the business model of Cherish Maternity and Child Medical Group (International) Limited ("CMCM") had not been adjusted to the satisfaction of the Company for parties to proceed with the transactions contemplated under the relevant share purchase agreement. Accordingly, pursuant to the supplemental agreement in connection to the acquisition, the acquisition was terminated and the Company will not issue any consideration shares, and any shares in CMCM that has been transferred to the Company was returned to the Vendors or their designated individuals or entities. Please refer to the CMCM Announcements for information.

本年度內收購及出售以及聯營公司表現

出售附屬公司

於二零一七年五月二十二日，本集團與億環球投資有限公司（「億高」）（本集團的附屬公司 Zhao Long International Medical Investment Management Group Limited（「Zhao Long BVI」）的非控股股東）訂立一份出售協議。根據該協議，本集團同意以68,000,000港元之代價出售 Zhao Long BVI 70%權益（不包括 Best Hunter Limited及其附屬公司莊柏醫療集團的權益）。出售已於本年度內完成。有關資料本公司日期為二零一七年五月二十二日之公告。

收購附屬公司

於二零一七年八月十二日，本集團已與獨立第三方訂立了一份買賣協議。本集團同意以400,000,000股每股面值0.65港元（其乃於完成日期的股份價格）之本公司股份及現金50,000,000港元之代價，收購金泰創投有限公司（「金泰創投」）全部已發行股本。於本報告日期，金泰創投及其附屬公司在香港銅鑼灣及尖沙咀設有兩家美容中心，及在尖沙咀及筲箕灣設有兩家醫療中心，提供美容診療服務。收購已於二零一七年九月九日完成。有關資料請參閱本公司日期為二零一七年八月十二日、二零一七年八月二十四日、二零一七年九月九日及二零一七年十月九日之公告。

終止收購事項

茲提述本公司日期為二零一六年十二月二日、二零一七年八月十二日、二零一七年八月三十一日及二零一七年十一月一日的公告，內容有關於中國的管理業務（統稱「愛氏婦幼醫療公告」）。於二零一七年十月三十一日，愛氏婦幼醫療集團（國際）有限公司（「愛氏婦幼醫療」）的商業模式尚未調整至本公司滿意的程度以進行有關購股協議項下擬進行的交易。因此，根據收購事項的補充協議，收購事項已被終止，本公司將不會發行任何代價股份，及已轉讓給本公司的任何愛氏婦幼醫療股份已轉回給賣方或其指定的個人或實體。有關資料請參閱愛氏婦幼醫療公告。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論與分析(續)

ACQUISITIONS AND DISPOSAL DURING THE YEAR AND PERFORMANCE OF AN ASSOCIATE (Continued)

Profit guarantee of an associate

Reference is made to the announcements of the Company dated 23 November 2015 and 28 March 2018. While the audited accounts of Guangdong Fengyuan Huake Bio Tech Company Limited (“**Guangdong Fengyuan**”) for the year ended 31 December 2017 is still in the process of being prepared in accordance with the PRC accounting standards, based on information currently available to the Company, including management accounts of Guangdong Fengyuan, it is expected that Guangdong Fengyuan will not be able to meet the Guarantee Profit. According to the Agreement, Mr. Zhao and the Vendor shall transfer certain amount of shares to the Purchaser according to the agreed formula stated above. The Company will further consider and negotiate, based on the audited accounts of Guangdong Fengyuan and, where applicable, take any appropriate actions for the compensation for any non-fulfillment of the Guarantee Profit. Further announcement(s) will be made by the Company as and when appropriate.

本年度內收購及出售以及聯營公司表現(續)

一間聯營公司的利潤保證

茲提述本公司日期為二零一五年十一月二十三日及二零一八年三月二十八日之公告。雖然廣東豐源華科生物科技有限公司(「**廣東豐源**」)截至二零一七年十二月三十一日止年度之經審核賬目仍根據中國會計準則編製中，根據本公司目前可得之資料(包括廣東豐源的管理賬目)，預期廣東豐源將未能符合保證利潤。根據該協議，趙先生及賣方需根據上述協定公式向買方轉讓若干數量的股份。本公司將根據廣東豐源之經審核賬目進一步考慮及磋商，並(如適用)採取任何適當行動就未能達成保證利潤要求作出賠償。本公司將於適當時候作出進一步公告。

DIRECTORS' REPORT

董事會報告

The Board is pleased to present to the Shareholders their report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL BUSINESS

The Company acts as an investment holding company. The principal business of its principal subsidiaries are set out in note 47 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the Year, which forms part of this directors' report, is set out in the Management Discussion and Analysis on page 10 of this report.

PROPERTY, PLANT AND EQUIPMENT

Details of investments in the property, plant and equipment of the Group during the Year are set out in note 16 to the consolidated financial statements.

REVENUE AND OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to profit for the Year from operations analysed by principal business are set out in notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Particulars of the Company's principal subsidiaries, associates and joint ventures as at 31 December 2017 are set out in notes 47, 19 and 20 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 102 of this report.

The Board does not recommend any payments of final dividend for the Year (2016: Nil).

董事會欣然向股東提呈董事會報告連同本集團本年度之經審核綜合財務報表。

主要業務

本公司為投資控股公司。其主要附屬公司之主要業務載於綜合財務報表附註47。

業務回顧

本集團本年度的業務回顧(為董事會報告的構成部分)載於本報告第10頁的管理層討論與分析。

物業、廠房及設備

本集團於本年度內物業、廠房及設備的投資詳情載於綜合財務報表附註16。

收入及營運分部資料

本集團以主要業務劃分之本年度收入及經營溢利分析載於綜合財務報表附註7及8。

附屬公司、聯營公司及合營企業

本公司於二零一七年十二月三十一日之主要附屬公司、聯營公司及合營企業之詳情分別載於綜合財務報表附註47、19及20。

業績及分配

本集團本年度之業績載於本報告第102頁之綜合損益及其他全面收益報表。

董事會不建議派付任何本年度末期股息(二零一六年：無)。

RISKS AND UNCERTAINTIES RELATING TO THE GROUP'S BUSINESS

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including business risks, operational risks, manpower and retention risks and financial risks. The Group's key risk exposures are summarised as follows:

Business risks Performance of the Group's core business will be affected by various factors, including but not limited to economic conditions, performance of the healthcare market, performance of our investments held. The Group proactively monitors industry trends, technology innovations and responsive to changes in consumer behaviour.

Operational risks Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Responsibility for managing operational risks basically rests with every function at divisional and departmental levels. Key functions in the Group are guided by their standard operating procedures, limits of authority and reporting framework. Our management will identify and assess key operational exposures regularly so that appropriate risk response can be taken.

Manpower and retention risks The Group may face the risk of not being able to attract and retain key personnel and talents with appropriate and required skills, experience and competence which would meet the business objectives of the Group. The Group will provide attractive remuneration package to suitable candidates and personnel.

Compliance risks The risk of loss resulting from breach of or non-compliance with applicable laws and regulations. The Group engages a legal advisory firm to provide relevant legal advice and compliance reviews on the Group's documentations and publications.

Financial risks

- (i) foreign currency risk
- (ii) interest rate risk
- (iii) credit risk

Details of the financial risk management are set out in note 5 to the consolidated financial statements.

有關本集團業務的風險及不確定因素

本集團的財務狀況、經營業績、業務及前景將受到多項風險及不確定因素的影響，包括業務風險、經營風險、人力及挽留風險以及財務風險。本集團面對的主要風險概述如下：

業務風險 本集團核心業務之表現將受到多項因素的影響，包括但不限於經濟狀況、健康市場表現、所持投資表現。本集團積極監察行業趨勢、技術創新及對應消費者行為變化。

經營風險 經營風險是因內部程序、人員及系統不足或失效或外界事件導致虧損的風險。管理經營風險的責任基本上設置於各部門的各職能。本集團的關鍵職能由其標準經營程序、權力限制及匯報框架引導。我們的管理層將定期鑒別及評估主要經營風險以採取適當風險回應。

人力及挽留風險 本集團可能面對無法吸引及挽留具備符合本集團業務目標的適當及必要技能、經驗及資歷的主要人員及人才的風險。本集團將向合適候選人及人員提供具吸引力的薪酬待遇。

合規風險 指因違反或不符合適用法例及規例而引致損失的風險。本集團委任法律顧問公司以提供相關法律意見及在本集團的文件及刊物內容上作合規審閱。

財務風險

- (i) 外幣風險
- (ii) 利率風險
- (iii) 信貸風險

財務風險管理詳情載於綜合財務報表附註5。

RISKS AND UNCERTAINTIES RELATING TO THE GROUP'S BUSINESS (Continued)

There may be other risks and uncertainties in addition to those mentioned above which are not known to the Group or which may not be material now but could turn out to be material in the future.

For procedures and information of the Group's risk management and internal control system, please refer to the section headed "RISK MANAGEMENT AND INTERNAL CONTROL" in the Corporate Governance Report.

有關本集團業務的風險及不確定因素(續)

除上述者外，可能有本集團目前未知或現時未必重大但日後可能轉變為重大的其他風險及不確定因素。

有關本集團風險管理及內部監控系統的程序及資料，請參閱企業管治報告「風險管理及內部監控」一節。

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to achieving environmental sustainability. Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. The Group encourages environmental protection and promotes awareness towards environmental protection to the employees. The Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, setting up recycling bins, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliance.

The Group endeavours to comply with the relevant laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, waste reduction and energy saving. The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of the Group's businesses to move towards adhering the 3Rs – Reduce, Recycle and Reuse and enhance environmental sustainability.

環境政策及表現

本集團致力於實現環境可持續性。我們保護環境的承諾充分體現於我們在日常業務營運中持續推行環保措施及意識。本集團鼓勵環保並向僱員宣傳環保意識。本集團遵守循環利用及減少使用的原則；實行綠色辦公室慣例，例如雙面打印及複印、設立回收桶、促進使用再生紙及關掉閒置照明設備與電器以減低能源消耗。

本集團致力於遵守環保相關法律及法規並採納有效措施實現資源的有效利用、減少廢物及節能。本集團將不時檢討其環保實務，並將考慮在本集團業務營運中實行進一步環保措施及慣例，以堅守減用、重造及重用(3R)原則並提高環境可持續性。

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. During the Year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

法律及法規的合規事宜

本集團設有合規程序以確保遵守適用法律、規則及規例，尤其是對本集團有重大影響者。本年度內，就本公司所知，本集團並無嚴重違反或不遵守適用法律及法規，因而對本集團業務及經營造成重大影響。

DIRECTORS' REPORT (Continued)

董事會報告(續)

COMPLIANCE WITH LAWS AND REGULATIONS (Continued)

As a listed company in Hong Kong, the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company continuously complies with the requirements under the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules") including the disclosure requirements, corporate governance provisions and Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") therein. Under the Securities and Futures Ordinance (Cap. 571) (the "SFO"), the Company is required to maintain a register of interests in shares and short positions and a register of directors' and chief executives' interests and short positions and is obliged to the disclosure requirement of inside information. The Board will monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on page 231 of this report.

SHARE CAPITAL AND SHARE OPTIONS

Movements in the share capital and share options of the Company during the Year are set out in notes 31 and 36 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the Year are set out on page 106 of this report.

As at 31 December 2017, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), was HK\$107,549,000 (2016: HK\$104,985,000).

TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders of the Company by reason of their holdings of Company's shares.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the Bye-laws of the Company (the "Bye-laws") and the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

法律及法規的合規事宜(續)

作為香港上市公司，本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市，本公司持續遵守聯交所證券上市規則(「上市規則」)的規定，包括披露規定、企業管治條文及上市發行人董事進行證券交易的標準守則(「標準守則」)。根據證券及期貨條例(第571章)(「證券及期貨條例」)，本公司須存置股份權益及淡倉登記冊以及董事及最高行政人員權益及淡倉登記冊，並須遵守內幕消息披露規定。董事會將監察本集團有關遵守法律及法規規定的政策及常規，並會定期檢討該等政策。適用法律、規則及法規如有任何變動，將會不時提請相關僱員及相關經營單位注意。

財務概要

本集團過往五年之業績、資產及負債概要載於本報告第231頁。

股本及購股權

本公司股本及購股權於本年度內之變動情況載於綜合財務報表附註31及36。

儲備

本集團儲備於本年度內之變動情況載於本報告第106頁。

於二零一七年十二月三十一日，根據百慕達一九八一年公司法(經修訂)之規定所計算，本公司可供分派儲備為107,549,000港元(二零一六年：104,985,000港元)。

稅務優惠

本公司沒有意識到本公司股東因持有本公司股份而享有任何稅務優惠。

優先購買權

本公司公司細則(「公司細則」)及百慕達法律下並無優先購買權，這將使本公司須按比例向現有股東提呈發售新股份。

DIRECTORS' REPORT (Continued)

董事會報告(續)

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

DIRECTORS

The Directors during the Year and up to the date of this report are:

Executive Directors

Mr. Cheung Wai Kuen ("Mr. Cheung") (*Chairman*)
Mr. Cheng Hau Yan ("Mr. Cheng") (*Deputy Chairman*)
Mr. Ye Jiong Xian ("Mr. Ye") (*Chief Executive Officer*)

Non-executive Directors

Mr. Bai Ying Hai ("Mr. Bai")
(Resigned on 5 June 2017)
Mr. Hou Kai Wen ("Mr. Hou")
(Appointed on 5 June 2017)
Mr. Lin Jiang ("Mr. Lin")

Independent Non-executive Directors

Mr. Lam Chi Wing ("Mr. Lam")
Mr. Mai Yang Guang ("Mr. Mai")
Mr. Wong Yiu Kit, Ernest ("Mr. Wong")
(Appointed on 20 September 2017)
Mr. Yau Chi Ming ("Mr. Yau")
(Resigned on 1 July 2017)

Pursuant to Bye-law 87 of the Bye-laws, Mr. Cheung and Mr. Cheng will retire from office by rotation at the forthcoming annual general meeting of the Company and being eligible, offer themselves for re-election as Directors.

Pursuant to Bye-law 86(2) of the Bye-laws, Mr. Hou and Mr. Wong will retire from office at the forthcoming annual general meeting of the Company and being eligible, offer themselves for re-election as a non-executive Director and an independent non-executive Director ("INED").

SERVICE CONTRACTS OF DIRECTORS

No Director being proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

購回、出售或贖回上市證券

本年度內，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

董事

本年度內及直至本報告日期止，董事為：

執行董事

張偉權先生(「張先生」)(主席)
鄭孝仁先生(「鄭先生」)(副主席)
葉炯賢先生(「葉先生」)(行政總裁)

非執行董事

白英海先生(「白先生」)
(於二零一七年六月五日辭任)
侯凱文先生(「侯先生」)
(於二零一七年六月五日獲委任)
林 江先生(「林先生」)

獨立非執行董事

林至穎先生(「林先生」)
麥楊光先生(「麥先生」)
黃耀傑先生(「黃先生」)
(於二零一七年九月二十日獲委任)
丘志明先生(「丘先生」)
(於二零一七年七月一日辭任)

根據公司細則第87條，張先生及鄭先生將於本公司應屆股東周年大會上輪席卸任，並符合資格及願意膺選連任為董事。

根據公司細則第86(2)條，侯先生及黃先生將於本公司應屆股東周年大會上卸任，並符合資格及願意膺選為非執行董事及獨立非執行董事(「獨立非執行董事」)。

董事之服務合約

擬於應屆股東周年大會上膺選連任之董事概無與本集團訂立不可於一年內終止且毋須支付賠償(法定賠償除外)之服務合約。

DIRECTORS' REPORT (Continued)

董事會報告(續)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

董事及最高行政人員於本公司及相聯法團之證券權益

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the shares of the Company, underlying shares of the Company and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) or pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or otherwise required to notify the Stock Exchange pursuant to the Model Code are as follows:

於二零一七年十二月三十一日，董事及本公司最高行政人員於本公司股份、本公司相關股份及本公司及其相聯法團(定義見證券及期貨條例第XV部所界定者)之債權證中，擁有根據證券及期貨條例第352條須記入本公司所備存的登記冊的權益及淡倉，或根據標準守則須知會聯交所的權益及淡倉如下：

Name of Directors 董事姓名	Number of shares 股份數目		Total 總數	Capacity 身份	Notes 附註	Percentage of issued share capital 佔已發行 股本百分比
	Ordinary shares of the Company 本公司 普通股	Underlying shares of the Company 本公司 相關股份				
Mr. Cheung 張先生	930,379,671	–	930,379,671 (L)	Interest of controlled corporation 受控制法團權益	1	31.05%
Mr. Cheng 鄭先生	4,300,000	–	4,300,000 (L)	Beneficial owner/Interest of spouse 實益擁有人／配偶權益	2	0.14%

Remark:

備註：

The letter "L" denotes the long position in shares of the Company.

字母[L]指於本公司股份中的好倉。

Notes:

附註：

- Mr. Cheung, through his controlled corporation, Champion Dynasty is deemed to be interested in 930,379,671 shares of the Company held by Champion Dynasty.
- Mr. Cheng owned 4,000,000 Shares and his spouse, being a staff of a subsidiary of the Company, owned 300,000 Shares. Pursuant to the SFO, Mr. Cheng was deemed to be interested in same parcel of Shares which his spouse was interested.

- 張先生透過其受控法團Champion Dynasty被視為於Champion Dynasty持有的930,379,671股本公司股份中擁有權益。
- 鄭先生擁有4,000,000股份，而其配偶(為本公司附屬公司的員工)擁有300,000股份。根據證券及期貨條例，鄭先生被視為於其配偶擁有權益的同一批股份中擁有權益。

Save for disclosed above, as at 31 December 2017, none of the Directors, chief executives of the Company, nor their associates, had or was deemed to have any interest or short position in the shares of the Company, underlying shares of the Company or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), that was required to be recorded in the register maintained by the Company under section 352 of the SFO, or otherwise notified the Company and the Stock Exchange pursuant to the Model Code.

除以上披露外，於二零一七年十二月三十一日，概無本公司董事、最高行政人員或彼等之聯繫人之本公司股份、本公司相關股份或本公司或其相聯法團之債券(定義見證券及期貨條例第XV部分)之債券擁有或被視為擁有任何權益或淡倉，而須按證券及期貨條例第352條而存置之登記冊，或根據標準守則須通知本公司及聯交所。

DIRECTORS' REPORT (Continued)

董事會報告(續)

SUBSTANTIAL SHAREHOLDER'S INTEREST IN THE SECURITIES OF THE COMPANY

主要股東於本公司之證券權益

As at 31 December 2017, so far as are known to any Director or chief executive of the Company, the following party (other than the Directors or chief executive of the Company) was recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

據各董事及本公司最高行政人員所知悉，於二零一七年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上之權益之人士（董事或本公司最高行政人員除外）如下：

Name of substantial Shareholder 主要股東名稱	Number of ordinary shares of the Company 本公司普通股股份數目	Capacity 身份	Notes 附註	Percentage of issued share capital 佔已發行股本百分比
Champion Dynasty	930,379,671(L)	Beneficial owner 實益擁有人	1	31.05%
Beauty Sunrise Investment Limited	300,000,000(L)	Beneficial owner 實益擁有人	2	10.01%
A Plus Capital Management Limited	155,914,000(L)	Investment manager 投資管理人	3	5.20%
Tiger Capital Fund Spc-Tiger Global SP	155,914,000(L)	Beneficial owner 實益擁有人	3	5.20%
Full House Asset Management Company Limited	155,914,000(L)	Investment manager 投資管理人		5.20%

Remark:

備註：

The letter "L" denotes the long position in shares of the Company.

字母「L」指於本公司股份中的長好倉

Notes:

附註：

- (1) Mr. Cheung is the sole director of Champion Dynasty and owned its entire issued capital.
- (2) According to the relevant Disclosure of Interest Notice ("DI Notice") in connection with the Company available on www.hkex.com.hk as at 31 December 2017, Beauty Sunrise Investment Limited is a company wholly owned by Ms. Zhang Wenli.
- (3) According to the relevant DI Notice in connection with the Company available on www.hkex.com.hk as at 31 December 2017, A Plus Capital Management Limited ("A Plus") is interested in 155,914,000 Shares as an investment manager, and A Plus is the immediate holding company of Tiger Capital Fund Spc-Tiger Global SP, which is a beneficial owner of 155,914,000 Shares..

- (1) 張先生為Champion Dynasty之唯一董事兼擁有其全部已發行股本之權益。
- (2) 根據於二零一七年十二月三十一日於www.hkex.com.hk有關本公司的可得相關權益披露通知（「權益披露通知」），Beauty Sunrise Investment Limited為一間由張文莉女士全資擁有的公司。
- (3) 根據於二零一七年十二月三十一日於www.hkex.com.hk有關本公司的可得相關權益披露通知，A Plus Capital Management Limited（「A Plus」）作為投資管理人於155,914,000股股份中擁有權益，而A Plus為Tiger Capital Fund Spc-Tiger Global SP的直接控股公司，Tiger Capital Fund Spc-Tiger Global SP為155,914,000股股份的實益擁有人。

DIRECTORS' REPORT (Continued)

董事會報告(續)

SUBSTANTIAL SHAREHOLDER'S INTEREST IN THE SECURITIES OF THE COMPANY (Continued)

All the interests stated above represent long position which included interests in shares of the Company and underlying shares of the Company. Save for disclosed above, as at 31 December 2017, the Directors were not aware of any persons (who were not directors or chief executive of the Company) who had an interest or short position in the shares of the Company, underlying shares or bonds of the Company of the Company or its associated corporations which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred to therein.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, none of the Directors was interested in any business which competed or was likely to compete, either directly or indirectly, with the Group's businesses.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company, its subsidiaries, its holding company or its holding company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save for disclosed in the "Continuing Connected Transactions" below, no Director nor any entity connected with a Director is or was materially interested, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group or to which the Company or any of its subsidiaries, its parent company and the subsidiaries of its parent company was a party during or at the end of the Year.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save for disclosed in the "Continuing Connected Transactions" below, no controlling Shareholder or its subsidiaries had a material interest, either directly or indirectly, in any contract of significance, whether for the provision of services or otherwise, to the business of the Group, to which the Company or any of its subsidiaries was a party during the Year.

主要股東於本公司之證券權益(續)

上述所有權益均為好倉(包括本公司股份及本公司相關股份之權益)。除以上披露外，於二零一七年十二月三十一日，董事並沒留意有任何人士(並不是本公司的董事或最高行政人員)持有本公司或其相聯法團之本公司股份權益或淡倉、本公司相關股份或債券，需於證券及期貨條例第十五部分的二及三組別披露或須記錄於本公司按證券及期貨條例第336條而存置之登記冊內。

董事於競爭業務之權益

本年度，董事概無於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

購買股份或債券之安排

本公司、其附屬公司、其控股公司或其控股公司之附屬公司概無於本年度內作出安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

董事於重大交易、安排或合約的利益

除下文「持續關連交易」所述者外，概無董事或任何與董事有關的實體現在或過往在任何對本集團業務而言屬重大，或本公司或其任何附屬公司、其母公司及母公司附屬公司於本年度內或本年度末為訂約方的交易、安排或合約中直接或間接擁有重大利益。

控股股東於合約的利益

除下文「持續關連交易」所述者外，概無控股股東或其附屬公司在任何對本集團業務而言屬重大且本公司或其任何附屬公司於本年度內為訂約方的合約(不論為提供服務或其他合約)中直接或間接擁有重大利益。

CONTINUING CONNECTED TRANSACTIONS

On 27 September 2012, the Company, as lender, entered into a loan agreement with Champion Dynasty, a controlling shareholder of the Company, as borrower, and Mr. Cheung, as an individual guarantor, and Guangdong Allad Commercial Development Company Limited* (廣東奧理德商業發展有限公司) (formerly known as Guangdong Allad Yiliao Touzi Company Limited* (廣東奧理德醫療投資有限公司)), as a corporate guarantor, to grant a three-year revolving loan facility of up to HK\$220,000,000 to Champion Dynasty at an interest rate of HIBOR plus 2.5% per annum (the "Loan Agreement"). The loan facility was approved by the independent Shareholders at the special general meeting held on 20 November 2012. The loan was repayable on demand.

On 2 October 2015, the Company, as lender, entered into a new facility agreement and agreed to renew the Loan Agreement with Champion Dynasty, as borrower, and Mr. Cheung, as individual guarantor, for a period of three years from 20 November 2015 to 19 November 2018 in relation to a three-year revolving loan facility of up to HK\$200,000,000 to Champion Dynasty at an interest rate of 10% per annum (the "Renewed Shareholder Loan Transaction"). The Renewed Shareholder Loan Transaction was approved by the independent Shareholders at the special general meeting held on 19 November 2015. The loan is repayable on demand.

Having reviewed the Renewed Shareholder Loan Transaction, the INED, pursuant to Rule 14A.55 of the Listing Rules on the requirement to carry out annual review on all continuing connected transactions, other than fully exempt continuing connected transactions under the Listing Rules (if any), confirmed that the Renewed Shareholder Loan Transaction was made in the ordinary and usual course of business of the Group, was made on normal commercial terms and in accordance with the relevant agreement governing on terms that was fair and reasonable and in the interests of the Shareholders as a whole.

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

持續關連交易

於二零一二年九月二十七日，本公司(作為貸方)與本公司之控股股東Champion Dynasty(作為借方)及張先生(作為個人擔保人)及廣東奧理德商業發展有限公司(前稱為廣東奧理德醫療投資有限公司)(作為公司擔保人)訂立一份貸款協議，向Champion Dynasty提供一筆最多220,000,000港元之三年期循環貸款融資，年利率為香港銀行同業拆息率加2.5厘(「貸款協議」)。該貸款融資已於二零一二年十一月二十日舉行之股東特別大會取得獨立股東批准。該貸款須於要求時償還。

於二零一五年十月二日，本公司(作為貸方)與Champion Dynasty(作為借方)及張先生(作為個人擔保人)就向Champion Dynasty提供一筆最多200,000,000港元之三年期、年利率10厘的循環貸款融資訂立一份新的融資協議及同意重續貸款協議，期限為二零一五年十一月二十日起至二零一八年十一月十九日止三年(「重續股東貸款交易」)。重續股東貸款交易已於二零一五年十一月十九日舉行之股東特別大會取得獨立股東批准。該貸款須於要求時償還。

在審閱重續股東貸款交易後，獨立非執行董事，根據上市規則第14A.55條就所有持續關連交易進行周年審閱之規定(除按上市規則完全豁免之持續關連交易外(如有))，確認重續股東貸款交易是本集團之一般日常業務，按照一般商業條款，並根據該交易之相關協議條款進行，而交易條款屬公平及合理，且符合股東之整體利益。

本公司之核數師(「獨立核數師」)受委聘就本集團之持續關連交易，按照香港會計師公會(「香港會計師公會」)所頒佈的香港核證工作準則第3000號「歷史財務資料審計或審閱以外的核證業務」，以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」出具報告。獨立核數師已按上市規則第14A.56條發出其無保留信函，包含其對有關持續關連交易作出之調查及結論。本公司已向聯交所呈交獨立核數師信函副本。

* For identification purpose only

DIRECTORS' REPORT (Continued)

董事會報告(續)

CONTINUING CONNECTED TRANSACTIONS (Continued)

Pursuant to Rule 14A.56 of the Listing Rules, the Independent Auditor confirmed that the Renewed Shareholder Loan Transaction:

- (i) had received the approvals of the Board;
- (ii) had been entered into in accordance with the relevant agreements governing the Renewed Shareholder Loan Transaction; and
- (iii) had not exceeded the caps disclosed in the previous circular of the Company dated 2 November 2015.

Save for mentioned above, there were no other discloseable non-exempted connected transactions or non-exempted continuing connected transactions under the Listing Rules during the Year.

Material related party transactions, including the said continuing connected transaction, entered into by the Group for the Year are disclosed in note 44 to the consolidated financial statements. Saved for disclosed above, none of such transactions constituted a connected transaction of the Company pursuant to Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules as and where applicable and relevant during the Year.

To the extent of the related party transactions as disclosed in note 44 to the consolidated financial statements which constituted continuing connected transactions, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31 December 2017, the Group had around 270 employees excluding Directors (2016: around 340). The total staff cost excluding Directors' emoluments was approximately HK\$12,468,000 (2016: HK\$12,736,000) during the Year. The Remuneration Committee was set up for reviewing the Group's overall emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

Remuneration package comprised salaries and year ended bonuses based on individual merits. The Company adopted a share option scheme on 11 October 2012 (the "2012 Scheme"). There was 35,800,000 outstanding share options granted under the 2012 Scheme at the beginning of the Year. During the Year, no share option was granted and 35,800,000 share options were lapsed. As at 31 December 2017, no share option was outstanding. Details of the 2012 Scheme are set out in note 36 to the consolidated financial statements.

持續關連交易(續)

獨立核數師已根據上市規則第14A.56條確認重續股東貸款交易：

- (i) 已經由董事會批准；
- (ii) 乃根據重續股東貸款交易之有關協議條款進行；及
- (iii) 並無超逾先前本公司日期為二零一五年十一月二日之通函所披露之上限。

除上文所述外，本年度內並無其他根據上市規則須作出披露之不獲豁免關連交易或不獲豁免持續關連交易。

本年度，由本集團進行之重大關聯方交易，包括上述持續關連交易，已於綜合財務報表附註44披露。除上述披露外，根據上市規則第14A章，沒有有關交易構成本公司的持續關連交易。本公司本年度內已遵守上市規則第14A章的披露規定。

於本年度內，倘綜合財務報表附註44所披露之關聯方交易構成持續關連交易，本公司已遵守上市規則第14A章下之有關規定。

酬金政策及購股權計劃

於二零一七年十二月三十一日，本集團有約270名僱員（不包括董事在內）（二零一六年：約340名）。本年度員工成本總額（不包括董事酬金）約為12,468,000港元（二零一六年：12,736,000港元）。成立薪酬委員會是檢討本集團全體董事及高級管理層酬金的總體薪酬政策及架構，考慮本集團營運業績，董事及高級管理層的個人表現及比較市場情況。

酬金待遇包括薪金及按個別表現釐定之年終花紅。本公司於二零一二年十月十一日採納了一項購股權計劃（「二零一二年計劃」）。本年度初，二零一二年計劃下有35,800,000份已授出購股權尚未行使。本年度內並無授出購股權，且35,800,000份購股權已失效。於二零一七年十二月三十一日，並無購股權發行在外。二零一二年計劃之詳情載於綜合財務報表附註36。

RETIREMENT BENEFIT SCHEMES

The Group operates the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme") for the Year. The MPF Scheme is defined contribution scheme and the assets of the scheme are managed by its trustee.

The MPF Scheme is available to all employees aged 18 to below 65 and with at least 60 days of continuous service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income. The statutory maximum level of relevant income for contribution purpose is HK\$30,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefit is required by law to be preserved until the retirement age of 65.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a percentage of its payroll costs to the central pension scheme. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the central pension scheme.

Particulars of contribution to the retirement benefit scheme for the Year are set out in note 38 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

According to the Bye-laws, among others, the Directors, acting in relation to any of the affairs of the Company shall be entitled to indemnified and secured harmless out of assets and profits of the Company from and against all, among others, actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain. The Company has taken out and maintained directors' and officers' liability insurance throughout the Year, which provides appropriate cover the certain legal actions brought against the Directors and officers.

退休福利計劃

本集團本年度參與香港法例第485章《強制性公積金計劃條例》所界定之公積金計劃(「強積金計劃」)。強積金計劃為界定供款計劃，該計劃之資產由其受託人管理。

強積金計劃可供所有18至65歲以下於香港連續受僱最少60日之本集團僱員參加。本集團根據員工之有關入息作出5%之供款。就供款而言，有關法定入息水平上限為每月30,000港元。不論其於本集團之服務年期，員工均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

本集團於中國大陸經營之附屬公司之僱員須參加由當地市政府所運作的中央退休金計劃。該等附屬公司須按其薪金成本的一定百分比向該中央退休金計劃供款。有關供款於根據該中央退休金計劃之規則須支付時計入損益。

本年度退休福利計劃供款之詳情載於綜合財務報表附註38。

獲准彌償條文

根據公司細則，(其中包括)就本公司任何事務行事的董事可從本公司的資產及利潤就該等人士或其中任何人士可能招致或蒙受的所有(其中包括)訴訟、費用、收費、損失、損害及開支獲得彌償並免就此受任何損害。本公司已於本年度全年取得及維持董事及高級職員的責任保險，這為針對董事及高級職員提起的若干法律訴訟提供了適當保障。

EQUITY-LINKED AGREEMENTS

On 24 December 2015, convertible notes in the aggregate principal amount of HK\$1,000,000 ("HKD Convertible Notes") were issued by the Company. Upon exercise in full of the subscription rights attaching to the HKD Convertible Notes at the conversion price of HK\$0.858 (subject to adjustment), a maximum of 1,165,501 ordinary shares of the Company will be issued, which no shares of the Company has been issued as at the date of this report under the HKD Convertible Notes. The conversion rights under the HKD Convertible Notes shall be exercisable during the conversion period commencing on the date falling on the 1st anniversary of the date of issue of the HKD Convertible Notes and ending on the date falling on the second anniversary of the date of issue of the Convertible Notes. The net proceeds from the issue of the HKD Convertible Notes amounts to HK\$1,000,000. Details of which have been disclosed in the Company's announcements dated 24 December 2016 and 11 January 2017. The HKD Convertible Notes was redeemed on 10 January 2018.

On 5 August 2016, convertible notes of US\$10 million ("USD Convertible Notes") were issued by the Company. Upon exercise in full of the subscription rights attaching to the USD Convertible Notes at the conversion price of HK\$0.70 (subject to adjustment), a maximum of 110,714,285 ordinary shares of the Company will be issued, which no shares of the Company has been issued as at the date of this report under the USD Convertible Notes. The conversion rights under the USD Convertible Notes shall be exercisable during the conversion period commencing on the date of the USD Convertible Notes and ending on 180 days prior to the maturity date of the USD Convertible Notes. The net proceeds from the issue of the USD Convertible Notes amounts to HK\$77,000,000. Details of which have been disclosed in the Company's announcements dated 5 August 2016 and 16 August 2016.

Please refer to notes 15 of the Company's consolidated financial statements for details and dilution effect of the convertible notes outstanding as at 31 December 2017.

The Group came across and negotiated investment opportunities related to the healthcare industry with potential mergers and acquisitions, while proactively raising fund necessary for the negotiation and identification of new investment opportunities, such proceeds may be applied to potential new investment opportunities and general working capital of the Group and for the development of existing healthcare business of the Group.

股票掛鈎協議

於二零一五年十二月二十四日，本公司發行本金總額1,000,000港元的可換股票據（「港元可換股票據」）。按換股價0.858港元（或會調整）悉數行使港元可換股票據所附認購權後，將發行本公司最多1,165,501股普通股，於本報告日期並無根據港元可換股票據發行任何本公司股份。港元可換股票據下的換股權可於自港元可換股票據發行日期滿一周年當日起至可換股票據發行日期滿兩周年當日止的換股期內行使。發行港元可換股票據所得款項淨額為1,000,000港元。詳情已於本公司日期為二零一六年十二月二十四日及二零一七年一月十一日的公告中披露。港元可換股票據於二零一八年一月十日獲贖回。

於二零一六年八月五日，本公司發行1,000萬美元的可換股票據（「美元可換股票據」）。按換股價0.70港元（或會調整）悉數行使美元可換股票據所附認購權後，將發行本公司最多110,714,285股普通股，於本報告日期並無根據美元可換股票據發行任何本公司股份。美元可換股票據下的換股權可於自美元可換股票據發行當日起至美元可換股票據的到期日前180日內行使。發行美元可換股票據所得款項淨額為77,000,000港元。詳情已於本公司日期為二零一六年八月五日及二零一六年八月十六日的公告中披露。

有關於二零一七年十二月三十一日發行在外可換股票據的詳情及攤薄影響，請參閱本公司綜合財務報表附註15。

本集團遇到並協商有關健康產業的投資機會，有可能進行併購，同時積極籌集必要資金以協商及物色新投資機會，有關所得款項可能用於潛在新投資機會及本集團一般營運資金以及用於發展本集團現有健康業務。

DIRECTORS' REPORT (Continued)

董事會報告(續)

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.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's largest customer and five largest customers amounted for approximately 14% (2016: 17%) and 33% (2016: 42%) respectively, of the Group's total turnover for the Year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for approximately 13% (2016: 36%) and 51% (2016: 68%) respectively, of the Group's total purchases for the Year.

None of the Directors, their close associates, or any Shareholders (which to the knowledge of the Directors owned more than 5% of the Company's issued shares) had beneficial interests in any of the Group's five largest customers and five largest suppliers during the Year.

RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group's success also depends on the support from key stakeholders which comprise employees, customers, suppliers, regulators and Shareholders. Employees are regarded as the most important and valuable assets of the Group. The Group maintains a good relationship with its employees and did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or suffer from any material labour dispute during the Year. The Group also understands the importance of maintaining a good relationship with its suppliers and customers to meet its short-term and long-term goals. It enjoys good relationships with suppliers and customers and strives to take an active part in the communities where they operate.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors at the latest practicable date prior to the issue of this annual report, the Company had maintained the prescribed amount of public float during the Year and up to the latest practicable date prior to the issue of this report as required under the Listing Rules.

管理合同

本年度無訂立或存在有關本公司整體或任何重要部分業務上的管理及行政合同。

主要客戶及供應商

本集團最大客戶及五大客戶之營業總額分別約佔本集團本年度營業總額之14%(二零一六年: 17%)及33%(二零一六年: 42%)。

本集團最大供應商及五大供應商之採購總額分別約佔本集團本年度採購總額之13%(二零一六年: 36%)及51%(二零一六年: 68%)。

董事、彼等之緊密聯繫人或任何股東(據董事所知擁有本公司已發行股份逾5%者)概無本年內擁有本集團任何五大客戶及五大供應商之權益。

與主要利益相關者的關係

本集團的成功是有賴主要利益相關者的支持，包括員工、顧客、供應商、執法者及股東。員工被視為本集團最重要及有價值的資產。本年度本集團與其員工保持良好的關係及並無於招聘遇到任何重要困難，亦無遇到任何重大僱員流失或任何重大勞資糾紛。本集團明白要達致短期及長期目標，與供應商及顧客保持良好關係的重要性。本集團與供應商和客戶的關係良好，並於積極參與他們運作的社區。

公眾持股量

根據本公司於出具本年報前的最後實際可行日期得悉的公開資料及董事所知悉，本公司本年度內及截至出具本報告前的最後實際可行日期已按上市規則規定維持指定數額之公眾持股量。

DIRECTORS' REPORT (Continued)

董事會報告(續)

AUDITORS

The consolidated financial statements for the Year were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as the Independent Auditors for the subsequent year will be proposed at the forthcoming annual general meeting. Therefore, the consolidated financial statements for the year ended 31 December 2015 to 31 December 2017 were audited by HLB Hodgson Impey Cheng Limited. There has been no other change in the Independent Auditor in any of the preceding three years.

On behalf of the Board

Common Splendor International Health Industry Group Limited

Cheung Wai Kuen

Chairman

Hong Kong, 29 March 2018

核數師

本年度之綜合財務報表已經由國衛會計師事務所有限公司審核，其任期於即將舉行之股東周年大會上屆滿。本公司於即將舉行之股東周年大會上提呈續聘國衛會計師事務所有限公司為末年獨立核數師之決議案。因此，自截至二零一五年十二月三十一日止年度至截至二零一七年十二月三十一日止年度之綜合財務報表已經由國衛會計師事務所有限公司審核。過去三年任何一年，獨立核數師概無其他變動。

承董事會命

同佳國際健康產業集團有限公司

主席

張偉權

香港，二零一八年三月二十九日

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層簡介

EXECUTIVE DIRECTORS

Mr. Cheung Wai Kuen, aged 44, joined the Company as executive Director in August 2012 and has been appointed as the chairman of the Board (the “Chairman”) in September 2012. He is also a director of certain subsidiaries of the Group. He has established a number of enterprises in various industries in the People’s Republic of China (the “PRC”) since 1997, including property investment, hospital and trading business. Mr. Cheung has over 15 years of experience in capital management and corporate management. He was appointed as an executive director of L’sea Resources International Holdings Limited (Stock Code: 195) on 4 December 2009. Mr. Cheung is a director of Champion Dynasty, a controlling shareholder of the Company.

Mr. Cheng Hau Yan, aged 71, joined the Company as executive Director in August 2012 and has been appointed as the deputy chairman of the Board (the “Deputy Chairman”) since September 2012. He is also a director of certain subsidiaries of the Group. He was the deputy division chief of the Finance and Planning Division of Yunnan Provincial Geology and Mining Bureau from October 1984 to March 1986, and deputy director of the Economic Commission of Kunming for the period from April 1986 to April 1988. From May 1988 to 1996, he was the president of the Yunnan Branch of Bank of Communications. Mr. Cheng was an executive director of Yunnan Enterprises Holdings Limited (Stock Code: 455) from April 1998 to March 2006, and west China regional director of the Chinese Estates Holdings Limited (Stock Code: 127) from 2006 to 2010. He was appointed as an independent non-executive director of L’sea Resources International Holdings Limited (Stock Code: 195) on 23 December 2009 and re-designated as executive director from December 2010 to September 2012. Mr. Cheng obtained a master of Business Administration degree from the Shanghai Jiao Tong University in 1983.

Mr. Ye Jiong Xian, aged 53, joined the Company as executive Director in December 2015 and has been appointed as the chief executive officer of the Company (the “CEO”) since December 2015. Mr. Ye is a chief surgeon, professor, doctor in management studies and doctoral advisor. He has nearly 30 years of experience in the fields of clinical medicine, teaching, scientific research and management. He once served as senior executives in a number of top class Grade A hospitals. Mr. Ye also held administrative positions with health care authorities for a number of years where he led the preparation work for setting up large general hospitals and won great awards in China. He was once sent to international universities such as the Harvard University to study where he accumulated rich experience in health care management. Mr. Ye is currently the executive member of Logistics Management Special Committee under the Chinese Hospital Association* (中國醫院協會醫院後勤管理專業委員會常務委員), the executive director of the Hospital Architecture System Research Branch under the Chinese Hospital Association* (中國醫院協會醫院建築系統研究分會常務理事), the editorial board member of the book titled Architecture and Equipment of Chinese Hospitals* (《中國醫院建築與裝備》) and the chief editor of the books titled Practices in Setting up Hospitals* (《醫院籌建務實》) and Norms for Etiquette of Medical Workers* (《醫務人員禮儀規範》).

* For identification purpose only

執行董事

張偉權先生，現年44歲，於二零一二年八月加入本公司，任職執行董事，並自二零一二年九月起為董事會主席（「主席」）。彼亦為本集團若干附屬公司之董事。彼自一九九七年起在中華人民共和國（「中國」）不同行業成立多間企業，從事業務包括物業投資、醫院及貿易。張先生在資本管理及企業管理方面具有逾十五年經驗。彼自二零零九年十二月四日起為利海資源國際控股有限公司（股份代號：195）執行董事。張先生是Champion Dynasty（即本公司的一名控股股東）之董事。

鄭孝仁先生，現年71歲，於二零一二年八月加入本公司，任職執行董事，並自二零一二年九月起為董事會副主席（「副主席」）。彼亦為本集團若干附屬公司之董事。彼於一九八四年十月至一九八六年三月期間出任雲南地質礦業局計劃財務處之副處長，並於一九八六年四月至一九八八年四月期間出任昆明市經濟委員會副主任。於一九八八年五月至一九九六年，彼為交通銀行雲南分行行長。於一九九八年四月至二零零六年三月，鄭先生亦曾擔任雲南實業控股有限公司（股份代號：455）之執行董事，並於二零零六年至二零一零年出任華人置業集團（股份代號：127）之華西地區主管。彼於二零零九年十二月二十三日獲委任為利海資源國際控股有限公司（股份代號：195）獨立非執行董事，並從二零一零年十二月至二零一二年九月調任為執行董事。鄭先生於一九八三年在上海交通大學取得工商管理碩士學位。

葉炯賢先生，現年53歲，於二零一五年十二月加入本公司，任職執行董事，並自二零一五年十二月獲委任為本公司行政總裁（「行政總裁」）。葉先生為外科主任醫師、教授、管理學博士，博士生導師。彼從事臨床醫學、教學、科研及管理工作近三十年，在多所甲級醫院擔任高級管理工作。葉先生在衛生管理部門也承擔行政管理工作多年，主持籌建大型綜合性醫院並中國獲得獎，曾獲派到哈佛大學等國際高等學府學習，積累了豐富的衛生管理經驗，現任中國醫院協會醫院後勤管理專業委員會常務委員、中國醫院協會醫院建築系統研究分會常務理事、《中國醫院建築與裝備》編委、《醫院籌建務實》及《醫務人員禮儀規範》著作主編。

* 僅供識別

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層簡介(續)

NON-EXECUTIVE DIRECTORS

Lin Jiang, aged 53, joined the Company as non-executive Director of the Company in February 2013. Mr. Lin has over 20 years of experience in economic and financial sectors. He has earned both a Bachelor's degree and a Master's degree in Economics from Sun Yat-sen University, along with a Doctor's degree from Jinan University in Economics, and completed his postdoctoral research on Applied Economics in Zhongnan University of Economics and Law. Mr. Lin is currently an associate dean of Institute of Free Trade Zone, Sun Yat-sen University, as well as an Economics professor in Lingnan College of Sun Yat-sen University. Moreover, he serves as an instructional committee member of Public Financial Class of High Education Institute of the Ministry of National Education * (國家教育部高等學校財政學類教學指導委員會), a part-time researcher for Cross-Strait Research Center* (海峽兩岸研究中心兼職研究員), an advisory member of Guangzhou Municipal Financial Experts Committee * (廣州市財政專家諮詢委員會), a specialist researcher of the Taiwan Affairs Offices of the People's Government of Guangdong Province and Guangdong Taiwan Research Centre* (廣東省人民政府台灣事務辦公室和廣東台灣研究中心), strategic consultant of Guangzhou People's Government, 3rd session (廣州市人民政府第三屆決策諮詢顧問) and a consultation expert of the Budget Committee of Guangzhou Municipal People's Congress, 15th session. In addition, Mr. Lin also serves as a consultant of the Company's wholly-owned subsidiary. He was then the deputy general manager for the financial division of China Merchant Group Limited.

Mr. Hou Kai Wen, aged 32, joined the Company as non-executive Director on 5 June 2017. Mr. Hou obtained a Bachelor's degree in Business Administration and Mathematics from Aston University in Birmingham, the United Kingdom in 2010. Subsequently, Mr. Hou obtained a Master's degree in International Accounting & Finance from London Cass Business School, City University in 2011. Mr. Hou joined the Banking Division of Guosen Securities Investment in May 2012, and he was principally responsible for initial public offering and capital markets related matters. He was involved in a number of healthcare and medical care related initial public offerings in the past. On February 2016, Mr. Hou joined China Great Wall AMC (International) Holdings Co., Ltd as a vice president, and since then, he was mainly responsible for investments in healthcare related businesses.

非執行董事

林江，現年53歲，於二零一三年二月加入本公司，任職本公司非執行董事。林先生於經濟金融領域累積超過二十多年經驗。彼持有中山大學經濟學學士學位及碩士學位、暨南大學經濟學博士學位及完成中南財經政法大學應用經濟學博士後研究工作。林先生現任中山大學自貿區綜合研究院副院長及彼也是中山大學嶺南學院經濟學教授。此外，彼現時為國家教育部高等學校財政學類教學指導委員會委員、海峽兩岸研究中心兼職研究員、廣州市財政專家諮詢委員會委員、廣東省人民政府台灣事務辦公室和廣東台灣研究中心特邀研究員、廣州市人民政府第三屆決策諮詢顧問、廣州市第十五屆人民代表大會預算委員會諮詢專家。再者，林先生是本公司一間全資附屬公司之顧問。彼曾在招商局集團有限公司擔任金融事業部副總經理。

侯凱文先生，現年32歲，於二零一七年六月五日加入本公司，任職非執行董事。侯先生於二零一零年取得英國伯明罕阿士頓大學工商管理及數學學士學位。其後，侯先生於二零一一年取得倫敦大學城市學院卡斯商學院國際會計及金融碩士學位。侯先生於二零一二年五月加入國信證券投資銀行部，而彼主要負責首次公開發售及資本市場相關事宜。彼過往曾參與多項保健及醫療相關首次公開發售。於二零一六年二月，侯先生加入中國長城資產(國際)控股有限公司，擔任副總裁，並自當時起主要負責多項健康相關業務之投資。

* For identification purpose only

* 僅供識別

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層簡介(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mai Yang Guang, aged 53, joined the Company as INED in February 2013. He is also the chairman of the nomination committee (the “Nomination Committee”) of the Company, the chairman of the remuneration committee (the “Remuneration Committee”) of the Company and a member of the audit committee (the “Audit Committee”) of the Company. Mr. Mai has over 20 years of experience in enterprise management in the PRC. He graduated from Thermal Engineering Department of Northeastern University in the PRC. Mr. Mai is the executive director and general manager of Shenzhen Xinyinji Enterprise Development Limited* (深圳市新銀基實業發展有限公司) and the chairman of board of directors and general manager of Shenzhen Haojiahua Investment Limited* (深圳市好嘉華投資有限公司).

Mr. Wong Yiu Kit, Ernest, aged 50, joined the Company as INED in September 2017. He is also the chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee. Mr. Wong has over 25 years of experience in venture capital, corporate finance, business development and general management. He served as the president and group chief financial officer of KVB Kunlun Holdings Limited (“KVB”) since November 2011 and as the chief financial officer and the company secretary of KVB’s subsidiary, KVB Kunlun Financial Group Limited, the shares of which are listed on the Stock Exchange (Stock Code: 6877) since October 2014. Mr. Wong also served as an independent non-executive director of Renheng Enterprise Holdings Limited (Stock Code: 3628), HongDa Financial Holding Ltd (Stock Code: 1822), Legend Strategy International Holdings Group Company Limited (Stock Code: 1355), Progressive Path Group Holdings Limited (Stock Code: 1581), China Regenerative Medicine International Limited (Stock Code: 8158) since October 2011, July 2014, November 2016, November 2016 and February 2017, respectively, each of the shares of such companies are listed on the Stock Exchange. Mr. Wong also served several positions at Adamas Finance Asia Limited, a company listed on the London Stock Exchange (LSE Stock Code: ADAM), including its executive director from May 2008 to February 2014, its chief financial officer from May 2008 to October 2011 and its non-executive director since February 2014.

獨立非執行董事

麥楊光先生，現年53歲，於二零一三年二月加入本公司，任職獨立非執行董事。彼亦為本公司之提名委員會(「提名委員會」)主席及本公司薪酬委員會(「薪酬委員會」)主席、本公司審核委員會(「審核委員會」)成員。麥先生於中國從事企業管理累積逾二十年經驗。彼畢業於中國東北大學熱能工程系。麥先生現任深圳市新銀基實業發展有限公司之執行董事兼總經理及深圳市好嘉華投資有限公司董事長兼總經理。

黃耀傑先生，現年50歲，於二零一七年九月加入本公司，任職獨立非執行董事。彼亦為審核委員會主席、薪酬委員會及提名委員會成員。黃先生於創業投資、企業財務、業務發展及一般管理方面擁有逾25年經驗。彼自二零一一年十一月起擔任KVB昆侖控股有限公司(「KVB」)的總裁及集團財務總監，並自二零一四年十月起擔任KVB的附屬公司昆侖國際金融集團有限公司(其股份於聯交所上市，股份代號：6877)的財務總監及公司秘書。黃先生亦分別自二零一一年十月起、二零一四年七月起、二零一六年十一月起、二零一六年十一月起及二零一七年二月起擔任仁恒實業控股有限公司(股份代號：3628)、弘達金融控股有限公司(股份代號：1822)、枋濬國際集團控股有限公司(股份代號：1355)、進昇集團控股有限公司(股份代號：1581)及中國再生醫學國際有限公司(股份代號：8158)的獨立非執行董事。該等公司的股份均於聯交所上市。黃先生亦於Adamas Finance Asia Limited(一間於倫敦證券交易所上市之公司，倫敦證券交易所股份編號：ADAM)擔任數職，包括自二零零八年五月至二零一四年二月期間擔任執行董事、自二零零八年五月至二零一一年十月期間擔任財務總監及自二零一四年二月起擔任非執行董事。

* For identification purpose only

* 僅供識別

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層簡介(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Wong obtained a bachelor's degree in business administration from The University of Hong Kong in 1991, a master's degree of science in investment management from The Hong Kong University of Science and Technology in 1998 and a master's degree of science in electronic engineering from the Chinese University of Hong Kong in 2008. Mr. Wong was admitted as a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales in November 1999, October 2002 and January 2018, respectively. He was admitted as a chartered financial analyst of the Institute of Chartered Financial Analysts in September 1998. He is a current member of the Hong Kong Securities Institute. He is also acting as the president of the Hong Kong University Graduates Association, the deputy chairman of the HKU Convocation, the court member of The University of Hong Kong, and a committee member of the Association of Chartered Certified Accountants Hong Kong.

Mr. Lam Chi Wing, aged 38, joined the Company as INED in March 2016. He is also a member of the Remuneration Committee, the Nomination Committee and the Audit Committee. Mr. Lam obtained a Bachelor of Business Administration degree in Accounting & Finance at the University of Hong Kong in 2003. Subsequently, Mr. Lam obtained a Master of Science degree in Knowledge Management at the Hong Kong Polytechnic University in 2006 and a Master of Business Administration degree at the Chinese University of Hong Kong in 2010. Mr. Lam is currently a doctoral candidate in Global Creative Industries of the University of Hong Kong.

Mr. Lam served at PricewaterhouseCoopers in 2003. Mr. Lam subsequently joined Li & Fung Group, which he served as Group Chief Representative and General Manager, Southern China of Li & Fung Development (China) Limited prior to his departure. Mr. Lam currently serves as director or consultant at a number of companies in Hong Kong and the PRC.

獨立非執行董事(續)

黃先生於一九九一年獲得香港大學工商管理學士學位，於一九九八年獲得香港科技大學投資管理學理學碩士學位，及於二零零八年獲得香港中文大學電子工程理學碩士學位。黃先生分別於一九九九年十一月、二零零二年十月及二零一八年一月獲認可為英國特許公認會計師公會、香港會計師公會及英格蘭及威爾斯特許會計師公會資深會員。彼於一九九八年九月獲認可為特許財務分析師學會之特許財務分析師。彼現時為香港證券專業學會會員。彼亦為香港大學畢業同學會會長、香港大學畢業生議會副主席、香港大學校董及特許公認會計師公會香港分會會員。

林至穎先生，現年38歲，於二零一六年三月加入本公司，任職獨立非執行董事，彼亦為審核委員會、薪酬委員會及提名委員會成員。林先生於二零零三年取得香港大學工商管理(會計及金融)學士學位。之後，林先生於二零零六年取得香港理工大學理學(知識管理)碩士學位及於二零一零年取得香港中文大學工商管理碩士學位。林先生現為香港大學文化創意產業博士研究生。

林先生於二零零三年任職於羅兵咸永道會計師事務所，期後林先生加入香港馮氏(利豐)集團，離任前為利豐發展(中國)有限公司華南首席代表兼總經理。林先生現為香港及中國數家公司的董事或顧問。

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* 僅供識別

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT (Continued) 董事及高級管理層簡介(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Lam is a member of the Twelfth Guangdong Committee of the Chinese People's Political Consultative Conference* (中國人民政治協商會議第十二屆廣東省委員), and the Eleventh & Twelfth Zhongshan Committee of the Chinese People's Political Consultative Conference* (中國人民政治協商會議第十一屆、十二屆中山市委員), a member of the Committee of the Chinese Association of Hong Kong & Macao Studies* (全國港澳研究會港區特邀代表), a member of the Expert Committee to the Second Ministry of Commerce Advisory Committee for Economic & Trade Policy* (第二屆國家商務部經貿政策諮詢委員會專家), a deputy committee of the Zhongshan Public Diplomacy Association* (中山市公共外交協會), a deputy director of the Hong Kong Guangdong Youth Association* (香港廣東青年總會), Vice Chairman of the Hong Kong Zhongshan Youth Association* (香港中山青年協會), a member of The Hong Kong Professionals And Senior Executives Association (香港專業及資深行政人員協會), a member of The Y. Elites Association Limited (香港菁英會成員) and a member of the Chinese Academy of Governance (HK) Industrial and Commercial Professionals Alumni Association Limited* (中國國家行政學院(香港)工商專業同學會成員). Mr. Lam served as a part-time member of the Central Policy Unit of the Government of Hong Kong from 2011 to 2012, and is currently serving as an advisory committee of the Sustainable Agricultural Development Fund of the Government of Hong Kong, a committee member of the Appeal Panel (Housing) of the Government of Hong Kong, and a committee member of China Commerce & Trade Advisory Committee of the Hong Kong Trade and Development Council (香港貿易發展局內地商貿諮詢委員會).

Mr. Lam is currently the Vice Chairman of the Youth Division of China Commerce & Economy Society* (中國商業經濟學會), Vice Chairman of the Guangdong Society of Commercial Economy* (廣東省商業經濟學會), Deputy Dean of the Guangdong Asia Pacific E-Commerce Institute* (廣東亞太電子商務研究院), Deputy Secretary-General of the Society of Guangdong Logistics and Supply Chain* (廣東省物流與供應鏈學會), Honorary Chairman of the Hong Kong Cross-Border E-Commerce Association (香港跨境電子商務協會).

Mr. Lam is currently an Adjunct Professor at the Renmin University of China School of Business (中國人民大學商學院), a research fellow at each of the China Business Model Research Centre of the China Financial Research Institute at Tsinghua University School of Economics & Management* (清華大學經管學院中國金融研究中心商業模式研究室), Sun Yat-sen University's Centre for Information Economy and Policy* (中山大學資訊經濟與政策研究中心), Guangdong University of Finance and Economics' Research Institute of Circulation Economy* (廣東財經大學流通經濟研究所), Jinan University's Modern Distribution Research Centre* (暨南大學現代流通研究中心) and Shenzhen University's Center for Basic Laws of Hong Kong and Macau Special Administrative Regions* (深圳大學港澳基本法研究中心).

* For identification purpose only

獨立非執行董事(續)

林先生為中國人民政治協商會議第十二屆廣東省委員、中國人民政治協商會議第十一屆、第十二屆中山市委員、全國港澳研究會港區特邀代表、第二屆國家商務部經貿政策諮詢委員會專家、中山市公共外交協會常務理事、香港廣東青年總會常務會董、香港中山青年協會副主席、香港專業及資深行政人員協會會員、香港菁英會成員、中國國家行政學院(香港)工商專業同學會成員。林先生於二零一一年至二零一二年期間為香港特別行政區政府中央政策組非全職顧問，現為香港特別行政區政府農業持續發展基金委員、香港特別行政區政府運輸及房屋局上訴委員會(房屋)委員、香港貿易發展局內地商貿諮詢委員會會員。

林先生現任中國商業經濟學會委員兼青年分會副會長、廣東省商業經濟學會副會長、廣東亞太電子商務研究院副院長、廣東省物流與供應鏈學會副秘書長、香港跨境電子商務協會榮譽會長。

林先生現任中國人民大學商學院客座教授、清華大學經管學院中國金融研究中心商業模式研究室特聘高級研究員、中山大學資訊經濟與政策研究中心特聘研究員、廣東財經大學流通經濟研究所兼職研究員、暨南大學現代流通研究中心特約研究員、深圳大學港澳基本法研究中心特約研究員。

* 僅供識別

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

董事及高級管理層簡介(續)

SENIOR MANAGEMENT

Various aspects of the business and operations of the Group are respectively under direct responsibilities of the executive Directors who are regarded as the senior management of the Group.

高級管理層

被視為本集團之高級管理層之執行董事分別直接負責本集團各方面之業務及營運。

COMPANY SECRETARY

Mr. Wong Wing Cheung, joined the Group in September 2017 and was appointed as the financial controller of the Group, the company secretary (the “Company Secretary”) and the authorized representative of the Company in December 2017. Mr. Wong is a practising member of the Hong Kong Institute of Certified Public Accountants and has over 12 years of experience in accounting, auditing and financial management. Mr. Wong graduated with a Bachelor’s Degree in Business Administration (Honours) in Accountancy from the City University of Hong Kong in November 2005. He worked in several audit firms during 2006 to 2015. He also provides consultancy service on financial and internal control of several companies including listed companies. Prior to joining the Company, Mr. Wong worked for China Beidahuang Industry Group Holdings Limited (stock code: 00039) as a group finance manager.

公司秘書

黃永祥先生，於二零一七年九月加入本集團，於二零一七年十二月獲委任為本集團財務總監、本公司之公司秘書（「公司秘書」）及授權代表。黃先生是香港會計師公會的執業會計師並於會計、審核及財務管理擁有逾十二年經驗。黃先生於二零零五年十一月在香港城市大學獲得工商管理榮譽學士（會計）學位。彼於二零零六年至二零一五年於多間會計師事務所任職。彼亦向數間公司（包括上市公司）就金融及內部控制提供顧問服務。在加入本公司前，黃先生於中國北大荒產業集團控股有限公司（股份代號：00039）擔任集團財務經理。

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

Save as disclosed in this annual report, there was no change to any of the information required to be disclosed in relation to any Director pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules for the Year.

關於董事資料變更

除本年報所披露外，本年度根據上市規則第13.51(2)條第(a)至(e)及(g)段披露任何有關董事的資料沒有任何變更。

* For identification purpose only

* 僅供識別

CORPORATE GOVERNANCE REPORT

企業管治報告

OBJECTIVE

The Board together with the Group is committed to maintain high standards of corporate governance so as to ensure high transparency and protection of the Shareholders' interests in general. The Board endeavours to ensure effective self-regulatory practices, to maintain sound internal control system and to absorb high calibre members to the Board.

The purpose of this Corporate Governance Report is to present to the Shareholders how the Company has applied the principles in the Corporate Governance Code (the "CG Code") under Appendix 14 to the Listing Rules throughout the Year.

BOARD OF DIRECTORS

The Board is responsible for directing the Group, formulating overall strategy, monitoring operational and financial performance of the Group and overseeing the performance of the management of the Group (the "Management"). Each Director acts in good faith for the best interest of the Company. The Directors are collectively and individually responsible to the Company for the manner in which the affairs of the Company are managed, controlled and operated. They had devoted sufficient time and attention to the Company's affairs during the Year.

Structure

The Board currently comprises three executive Directors, two non-executive Directors and three INEDs. The INEDs represent more than one-third of the Board. The members of the Board during the year and as at the date of this report as follows:

Executive Directors

Mr. Cheung Wai Kuen (*Chairman*)
Mr. Cheng Hau Yan (*Deputy Chairman*)
Mr. Ye Jiong Xian (*CEO*)

Non-executive Directors

Mr. Bai Ying Hai (Resigned on 5 June 2017)
Mr. Hou Kai Wen (Appointed on 5 June 2017)
Mr. Lin Jiang

Independent Non-executive Directors

Mr. Lam Chi Wing
Mr. Mai Yang Guang
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

理念

董事會連同本集團銳意維持高水平企業管治，以確保運作具高透明度及全面保障股東利益。董事會致力確保制訂有效之自我監管常規，以維持良好之內部監控制度及吸納卓越之成員加入董事會。

本企業管治報告之目的是向股東呈示本公司本年度全年如何應用上市規則附錄十四《企業管治守則》(「企管守則」)之原則。

董事會

董事會負責領導本集團、制訂整體策略、監察本集團之營運及財務表現，以及監督本集團之管理層(「管理層」)之表現。每名董事均以本公司之最佳利益為前題，以誠信態度履行職責。董事在管理、控制及經營本公司事務上，共同及個別向本公司負責。本年度內，彼等已付出足夠時間及專注力以處理本公司事務。

架構

董事會目前由三名執行董事、兩名非執行董事及三名獨立非執行董事組成。獨立非執行董事之人數超過董事會成員總數之三分之一。於本年度內及於本報告日期，董事會成員如下：

執行董事

張偉權先生(主席)
鄭孝仁先生(副主席)
葉炯賢先生(行政總裁)

非執行董事

白英海先生(於二零一七年六月五日辭任)
侯凱文先生(於二零一七年六月五日獲委任)
林江先生

獨立非執行董事

林至穎先生
麥楊光先生
黃耀傑先生(於二零一七年九月二十日獲委任)
丘志明先生(於二零一七年七月一日辭任)

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD OF DIRECTORS (Continued)

Structure (Continued)

The Directors' biographies are available on the Company's website. There is no personal relationship among members of the Board and in particular, between the Chairman and the CEO.

At least one of the INEDs has appropriate professional qualification as required by the Stock Exchange. The Company has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs are independent.

The Directors (including the non-executive Directors and the INEDs) were appointed for specific terms.

According to The International Tak Cheung Holdings Limited Act 1991 (the "Private Act", whereas "International Tak Cheung Holdings Limited" is the former name of the Company) under which the Company was exempted from certain compliances with the Bermuda Companies Act 1981 (the "Bermuda Companies Act"), the Directors shall not be required to be elected at each annual general meeting, but shall (save for any Chairman and managing Director) be subject to retirement by rotation in such manner and at such frequency as the Bye-laws may provide. Notwithstanding that no retirement by rotation is required for the managing director under the Private Act or the Bermuda Companies Act, Mr. Cheung, Mr. Cheng, and Mr. Ye as the Chairman, the Deputy Chairman and the CEO, respectively are willing to voluntarily retire from the directorships at annual general meetings of the Company at least once every three years by following the Bye-laws concerning the Directors' retirement by rotation, and being eligible, will offer themselves for re-election at the relevant annual general meetings.

Every Director is therefore subject to retirement by rotation either under the Bye-laws or voluntarily, and eligible for re-election at the annual general meetings of the Company at least once every three years.

董事會(續)

架構(續)

董事簡歷可於本公司網頁瀏覽。董事會成員之間，尤其主席與行政總裁之間，並無個人關係。

最少一名獨立非執行董事具備聯交所規定之合適專業資格。本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關獨立性之規定。本公司認為全體獨立非執行董事均為獨立人士。

董事(包括非執行董事及獨立非執行董事)均按指定任期獲委任。

根據The International Tak Cheung Holdings Limited Act 1991(「私人法例」，而「International Tak Cheung Holdings Limited」乃本公司之前稱)，本公司獲豁免若干一九八一年百慕達公司法(「百慕達公司法」)應遵守之規定，董事毋須於每次股東周年大會上選舉連任，但須(任何主席及董事總經理除外)根據公司細則所指定的方法及按時輪席卸任。儘管私人法例或百慕達公司法並無規定董事總經理輪席卸任，張先生、鄭先生及葉先生分別作為主席、副主席及行政總裁願意跟隨公司細則有關董事輪席卸任之規定，最少每三年於本公司之股東周年大會上自願卸任董事職務一次，並符合資格及願意於相關股東周年大會上膺選連任。

因此，每名董事須根據公司細則或自願最少每三年於本公司股東周年大會上輪席卸任一次，並符合資格重選連任。

BOARD OF DIRECTORS (Continued)

Assistance to Directors in Decision Making

Throughout their period in office, the Directors have been informed of the Group's businesses, the competitive and regulatory environments in which it operates and other changes affecting the Group and the industries it operates in as a whole. They have also been advised on appointment of their legal and other duties and obligations as directors of a listed company and updated on changes to the legal and governance requirements of the Group and upon themselves as the Directors.

The Directors are given access to independent professional advice at the Company's expense, when they deem it is necessary in order for them to carry out their responsibilities from time to time.

To enhance the Directors' consciousness on the importance of the directors' duties under common law (which is also generally applicable to Bermuda where the Company was incorporated) and to comply with the requirements of the Companies Ordinance (Cap. 622, Laws of Hong Kong), "A Guide on Directors' Duties" in which the general principles a director should follow in the performance of his functions and exercise of his powers was distributed to the Directors.

Conduct of Meetings

The Directors are consulted and properly briefed for matters to be included in the meetings' agenda. The Board is supplied with relevant information as well as reports relating to operational and financial performance of the Group before each regular Board meeting. At least 14 days' notice of a regular Board's meeting is given to all Directors to provide them with the opportunity to attend the meeting. Board papers are dispatched to all Directors at least 3 days before the meetings to ensure that they have sufficient time to review the papers and will be adequately prepared for the meeting. The Management is invited to attend the meetings to address to the Board members' queries. This enables the Board to have pertinent data and insight for reaching a comprehensive and informed evaluation as part of the Board decision-making process.

董事會(續)

給予董事決策之協助

於董事在任的整段期間，彼等已獲知有關本集團業務、經營所在地之競爭及規管環境，以及整體上影響本集團及其經營行業之其他變動的資料。彼等亦就委任為上市公司董事之法定及其他職能以及職責獲提供意見，並於彼等成為董事後獲更新有關本集團之法定及監管規定之變動。

董事可就其不時所履行之職責所需於彼等認為有需要時尋求獨立專業意見，費用概由本公司承擔。

為提高董事對普通法（一般亦適用於本公司之註冊地百慕達）下董事職責重要性及遵守公司條例（香港法例第622章）要求之意識，一份載有董事於執行職能及行使權力時應遵守之一般原則之「董事責任指引」已分發予董事。

會議之舉行

董事可獲諮詢及適量簡述會議議程內所載之事宜，並於每次定期董事會會議前獲提供有關本集團營運及財務表現之相關資料及報告。定期董事會會議通知於會議前最少十四日送交全體董事，供其選擇是否出席會議。董事會文件於會議舉行前最少三日發給全體董事，以確保彼等具備足夠時間審閱文件，並為會議作好充份準備。管理層獲邀出席會議以解答董事會成員之提問。此舉令董事會在作出全面而知情之評估時，具有相關數據及認知，有助董事會作出決策。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD OF DIRECTORS (Continued)

Conduct of Meetings (Continued)

The chairman of the meetings has delegated the responsibility to the Company Secretary for drawing up and approving the meeting's agenda for each Board's meeting, taking into account of any matter proposed by each Director for inclusion in the agenda.

The proceedings of the Board at its meetings are generally monitored by the chairman of the meetings who would ensure that sufficient time is allocated for discussion and consideration of each item on the agenda. Equal opportunities are given to each Director to express his views and concerns.

Each Director has to declare his interest and to abstain from voting on any Board resolution in which he or any of his associates has a material interest pursuant to the Bye-laws and the laws of Bermuda.

All Directors have full access to the advice and services of the Company Secretary to ensure the Board procedures, rules and regulations are followed. Draft and final versions of minutes of each Board meeting in sufficient details are sent to the Directors for comments and records within reasonable time after the meeting is held. The minutes of Board's meetings and of the Board committees' meetings are kept by the Company Secretary, which are open for inspection by the Directors on reasonable notice.

Ten Board meetings were held for the Year. The Company Secretary and the Management had attended the Board's meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting, finance and business.

董事會(續)

會議之舉行(續)

會議之主席已委派公司秘書負責在考慮各董事之任何建議事宜後，編撰及批核每次董事會會議之議程。

董事會之議事程序一般由會議之主席主持，以確保分配充裕之時間作出討論及考慮議程內之各個項目。各董事均獲平等機會表達其意見及關注事宜。

根據公司細則及百慕達法例，各董事均須申報其權益，並就其本身或其任何聯繫人士於當中擁有重大權益之任何董事決議案放棄投票。

全體董事有權全面尋求公司秘書之意見及服務，以確保遵守董事會程序、規則及規例。詳盡的各董事會會議記錄之初稿及最終稿將於舉行會議後之合理時間內，送交董事提供意見及記錄。董事會會議及董事會轄下委員會會議之記錄由公司秘書存置，並可由董事發出合理通知下供其查閱。

本年度董事會舉行共十次董事會會議。公司秘書及管理層均已出席董事會會議，匯報企業管治、風險管理、法規遵守、會計、財務及業務相關之事宜。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD OF DIRECTORS (Continued)

董事會(續)

Conduct of Meetings (Continued)

會議之舉行(續)

Individual attendance of each Director at the meetings for the Year was as follows:

本年度各董事於該等會議之個人出席率如下：

Directors	董事	Number of Board meetings attended/held (Percentage of attendance in total) 出席／舉行董事會會議次數(總出席率)	Number of general meetings attended/held (Percentage of attendance in total) 出席／舉行股東大會議次數(總出席率)
Executive Directors	執行董事		
Mr. Cheung Wai Kuen (<i>Chairman</i>)	張偉權先生(主席)	10/10 (100%)	1/1 (100%)
Mr. Cheng Hau Yan (<i>Deputy Chairman</i>)	鄭孝仁先生(副主席)	10/10 (100%)	1/1 (100%)
Mr. Ye Jiong Xian (<i>CEO</i>)	葉炯賢先生(行政總裁)	9/10 (90%)	1/1 (100%)
Non-executive Directors	非執行董事		
Mr. Bai Ying Hai (Resigned on 5 June 2017) (<i>Note 1</i>)	白英海先生(於二零一七年六月五日辭任)(附註1)	2/2 (100%)	0/1 (0%)
Mr. Hou Kai Wen (Appointed on 5 June 2017) (<i>Note 2</i>)	侯凱文先生(於二零一七年六月五日獲委任)(附註2)	6/8 (75%)	N/A
Mr. Lin Jiang	林江先生	10/10 (100%)	1/1 (100%)
Independent Non-executive Directors	獨立非執行董事		
Mr. Lam Chi Wing	林至穎先生	10/10 (100%)	1/1 (100%)
Mr. Mai Yang Guang	麥楊光先生	10/10 (100%)	0/1 (0%)
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017) (<i>Note 3</i>)	黃耀傑先生(於二零一七年九月二十日獲委任)(附註3)	4/4 (100%)	N/A
Mr. Yau Chi Ming (Resigned on 1 July 2017) (<i>Note 4</i>)	丘志明先生(於二零一七年七月一日辭任)(附註4)	2/2 (100%)	1/1 (100%)

Note 1: During Mr. Bai's term of service in 2017, two Board meetings were held.

附註1：白先生於二零一七年之在任期間，已舉行兩次董事會會議。

Note 2: During Mr. Hou's term of service in 2017, eight Board meetings and no general meeting were held.

附註2：侯先生於二零一七年之在任期間，已舉行八次董事會會議，而概無舉行股東大會。

Note 3: During Mr. Wong's term of service in 2017, four Board meetings and no general meeting were held.

附註3：黃先生於二零一七年之在任期間，已舉行四次董事會會議，而概無舉行股東大會。

Note 4: During Mr. Yau's term of service in 2017, two Board meetings were held.

附註4：丘先生於二零一七年之在任期間，已舉行兩次董事會會議。

BOARD OF DIRECTORS (Continued)

Work Performed

During the Year, besides attending the Board's meetings to consider and make decision on corporate governance, risk management, statutory compliance, accounting, finance and business matters, the Directors had brought independent opinion and judgement on the Company's strategy, performance and standards of conduct; had taken the leave where potential conflicts of interests arose; had served on Board's committees; had ensured that the Board maintained high standards of financial and other mandatory reporting; had carried out reviews on matters reported by the Board's committees, and had provided adequate checks and balance to safeguard the interests of the Shareholders as a whole and the Company in general.

During the Year, the INEDs had actively participated in the Board's meetings, brought independent judgements and given their comments to the information or reports submitted to the meetings.

Besides holding the Board's or committees' meetings, in order to make timely decision and ensure effective implementation of the Company's policies and practices, the Board had also adopted written resolutions signed by all Directors for making decisions on corporate affairs from time to time.

As part of the continuing process on supervising the Company's affairs, the Directors, acting through by the Audit Committee, had reviewed the adequacy of resources (of the Company's accounting and financial reporting function), qualifications and experience of the Directors, and their training programmes and budget during the Year.

Model Code for Securities Transactions

The Company has adopted the Model Code as a code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code regarding securities transaction throughout the Year.

董事會(續)

履行之工作

本年度內，除了出席董事會會議以考慮及決定企業管治、風險管理、法規遵守、會計、財務及業務事宜外，董事對本公司之策略、表現及操守準則作出獨立意見及判斷；在有潛在利益衝突時已告退席；出任董事會轄下委員會成員；已確保董事會維持高水平之財務及其他強制申報準則；已審閱董事會轄下委員會報告之事項；以及提供足夠審查及平衡，以全面保障本公司與股東的整體利益。

本年度內，獨立非執行董事積極參與董事會會議，就會議事項作出獨立判斷就在於會議上之資料或報告發表意見。

除了舉行董事會或委員會會議外，為了能及時作出決定及確保有效實施本公司之政策及實務，董事會亦不時採納獲全體董事簽署批准之書面決議案，為企業事務作出決定。

除作為持續監督本公司事務之程序外，董事已於本年度由審核委員會代行審閱本公司會計及財務匯報職能方面的資源、董事資歷及經驗與董事所接受的培訓課程及預算是否足夠。

進行證券交易之標準守則

本公司已採納標準守則作為董事進行證券交易的操守準則。全體董事經作出具體查詢後，全體董事確認，彼等本年度內一直遵守標準守則載列的有關證券交易所需標準。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the code provision A.2.1 of the CG Code, the roles of the Chairman and the CEO should be separate and performed by different individuals. During the Year, the Chairman of the Board and the CEO are separate positions held by Mr. Cheung and Mr. Ye, respectively, with clear distinction in responsibilities. The segregation is clearly established and set out in writing to ensure a clear distinction between the Chairman's responsibility to manage the Board and CEO's responsibility to manage the Group's businesses.

BOARD COMMITTEES

The Board has established the Audit Committee, the Nomination Committee and the Remuneration Committee with defined roles and terms of reference.

Audit Committee

Structure

The Audit Committee has been established with the role to assist the Board in establishing formal and transparent arrangements for considering how it will apply the financial reporting and the internal control principles and for maintaining an appropriate relationship with the Independent Auditor. It acts in an advisory capacity and makes recommendations to the Board.

All the Audit Committee's members possess diversified industry experience. The Audit Committee comprises all INEDs, namely:

Mr. Wong Yiu Kit, Ernest (*Chairman*)
(Appointed on 20 September 2017)
Mr. Lam Chi Wing
Mr. Mai Yang Guang
Mr. Yau Chi Ming (Resigned on 1 July 2017)

主席及行政總裁

根據企管守則之守則條文第A.2.1條，主席及行政總裁之角色須予分開，並由不同人士擔任。於本年度，董事會主席及行政總裁的職務是分開的，分別由張先生及葉先生擔任，且而清楚分其職責。此分配已清楚以書面訂立，並清楚劃分主席負責管理董事會，而行政總裁負責管理本集團業務。

董事會轄下委員會

董事會已成立審核委員會、提名委員會及薪酬委員會，並界定其角色及職權範圍。

審核委員會

架構

審核委員會已成立，其角色為協助董事會建立正式及具透明度之安排，讓董事會考慮如何應用財務匯報及內部監控原則，以及如何與獨立核數師維持恰當的關係。審核委員會具有顧問職能，並向董事會提供意見。

審核委員會全體成員均具備多元化的行業經驗。審核委員會由全體獨立非執行董事組成，彼等為：

黃耀傑先生(主席)
(於二零一七年九月二十日獲委任)
林至穎先生
麥楊光先生
丘志明先生(於二零一七年七月一日辭任)

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

Function

The Audit Committee's terms of reference can be found on the Company's website and the website of the Stock Exchange.

The major duties of the Audit Committee are summarised below:

- (i) to make recommendations to the Board on the appointment, re-appointment and removal of the Independent Auditor, review and monitor their independence and objectivity as well as the effectiveness of the audit process;
- (ii) to monitor the integrity of the interim and annual consolidated financial statements, reports and accounts and quarterly reports (if applicable) of the Company, and to review any significant financial reporting judgements contained in them; and
- (iii) to review and ensure the effectiveness of the Company's financial control, internal control and risk management systems.

Conduct of Meetings

The Audit Committee shall meet with the Independent Auditor at least twice each year. At least 7 days' notice has to be given prior to any meeting being held unless all members of Audit Committee unanimously waive such notice. The Company prepares and delivers an information memorandum that includes all relevant information about the meetings to the Audit Committee's members at least 3 days prior to such meetings. During the Year, the Audit Committee's members reviewed the information memorandum with due care and discussed with the financial controller of the Group (who is also the Company Secretary) and other Management (if necessary) during the meetings.

During the Year, the Audit Committee held three meetings with the presence of the Management. Minutes drafted by the Company Secretary were circulated to the Audit Committee's members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Audit Committee's members for records.

董事會轄下委員會(續)

審核委員會(續)

職能

有關審核委員會之職權範圍，可瀏覽本公司網頁。

審核委員會之主要職責概述如下：

- (i) 就委任、續聘及罷免獨立核數師向董事會提供意見、審閱及監控彼等之獨立性及客觀性，以及審核程序之有效性；
- (ii) 監察本公司中期及全年綜合財務報表、報告和賬目及季度報告(如適用)之完整性，以及審閱上述各項所載之任何重大財務報告之判斷；及
- (iii) 審閱及確保本公司財務監控、內部監控及風險管理系統之有效性。

會議之舉行

審核委員會成員與獨立核數師每年須最少開會兩次。除非全體審核委員會成員一致通過豁免通知之要求外，否則任何會議通知須最少於舉行前7天發出。本公司編製資料備忘錄，內容包括相關所有會議之所有資料，並有關會議前最少三日派發。本年度內，審核委員會成員謹慎地審閱資料備忘錄，並於會議上與本集團財務總監(彼亦為公司秘書)及其他管理層(如有需要)討論。

本年內，審核委員會舉行共三次會議，而管理層均有出席。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予審核委員會成員傳閱及給予意見。經簽署之會議記錄已由公司秘書存置，會議記錄副本亦已送交審核委員會成員以作記錄。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

Conduct of Meetings (Continued)

Individual attendance of each committee's member at the meetings for the Year was as follows:

Members	成員	Number of meetings attended/held (Percentage of attendance in total) 出席／舉行會議次數 (總出席率)
Mr. Wong Yiu Kit, Ernest (<i>Chairman</i>) (Appointed on 20 September 2017) (<i>Note 1</i>)	黃耀傑先生(主席)(於二零一七年九月二十日獲委任)(附註1)	0/0
Mr. Lam Chi Wing	林至穎先生	3/3 (100%)
Mr. Mai Yang Guang	麥楊光先生	3/3 (100%)
Mr. Yau Chi Ming (Resigned on 1 July 2017) (<i>Note 2</i>)	丘志明先生(於二零一七年七月一日辭任)(附註2)	2/2 (100%)

Note 1: During Mr. Wong's term of service in 2017, no Audit Committee meeting was held.

附註1：黃先生於二零一七年之在任期間，沒有舉行審核委員會會議。

Note 2: During Mr. Yau's term of service in 2017, two Audit Committee meetings were held.

附註2：丘先生於二零一七年之在任期間，舉行了兩次審核委員會會議。

Work Performed

The works performed by the members of Audit Committee in the Year were summarised below:

履行之工作

審核委員會成員本年度履行之工作概述如下：

- | | |
|--|---|
| <p>(i) reviewed and considered the Group accounts and financial statements for the year ended 31 December 2016, and interim report of 2017;</p> <p>(ii) reviewed, discussed and agreed with the Independent Auditor in respect of the audit fee for the Year; the terms of the engagement letters for the Year; and the nature, scope of audit and reporting obligations for the Year;</p> <p>(iii) reviewed and assessed the adequacy and effectiveness of the Group's financial reporting and controls, internal control procedures and risk management systems, and the Group's internal audit function;</p> <p>(iv) reviewed the corporate governance practices and monitored the progress of compliance of the CG Code;</p> | <p>(i) 審閱及考慮本集團截至二零一六年十二月三十一日止年度之賬目及財務報表，以及二零一七年之中期報告；</p> <p>(ii) 與獨立核數師審閱、討論及商定本年度核數費用；本年度委聘書之條款；及本年度核數之性質、範圍及申報責任；</p> <p>(iii) 審閱及評估本集團之財務匯報及監控、內部監控程序、風險管理系統及本集團內部審核功能是否足夠及有效；</p> <p>(iv) 檢討企業管治常規及監控遵循企管守則之進度；</p> |
|--|---|

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

Work Performed (Continued)

- (v) carried out annual review on the continuing connected transactions of the Company (including those fallen outside Rule 14A.33 of the Listing Rules and not required to be made public (if any)) and their financial implication in their capacity as INEDs;
- (vi) reviewed the overall performance of the Group for the year ended 31 December 2017;
- (vii) reviewed the adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget; and
- (viii) prepared and submitted to the Board an Audit Committee's report detailing the works performed by the Audit Committee during the Year, presented its findings and made recommendations for the Board's consideration.

Overall, the Audit Committee was satisfied with the condition of the Company, including the corporate governance practices, internal control system, the conduct of the continuing connected transactions and adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmes and budget.

On 29 March 2018, the Audit Committee reviewed the Group's accounts and draft consolidated financial statements for the Year. Details of this work will be given in corporate governance report for the financial year ended 31 December 2017 under the Listing Rules.

董事會轄下委員會(續)

審核委員會(續)

履行之工作(續)

- (v) 以獨立非執行董事之身份，對本公司之持續關連交易(包括上市規則第14A.33條所涵蓋的範圍以外及毋須向公眾披露者(如有))及其財務影響進行周年審閱；
- (vi) 審閱本集團截至二零一七年十二月三十一日止年度之整體表現；
- (vii) 審閱會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠；及
- (viii) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會本年度內已履行之工作，以及呈交其審核結果及向董事會提供建議以作考慮。

整體而言，審核委員會滿意本公司現狀，包括企業管治常規、內部監控制度、持續關連交易之進行，以及會計及財務匯報職能方面之資源、員工資歷及經驗與員工所接受的培訓課程及有關預算。

於二零一八年三月二十九日，審核委員會已審閱本集團本年度之賬目及綜合財務報表之草稿。有關此工作之詳情將根據上市規則刊載於截至二零一七年十二月三十一日止財政年度之企業管治報告內。

BOARD COMMITTEES (Continued)

Nomination Committee

Structure

The Nomination Committee has been established since 1 April 2012 with the role to lead the process and make recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing by the Company, as well as business development and requirements of the Company and to take approved action if within delegated authority.

The Nomination Committee comprises all INEDs, namely:

Mr. Mai Yang Guang (*Chairman*)
Mr. Lam Chi Wing
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

Function

The major duties of the Nomination Committee are summarised below:

- (i) to review the structure, size, composition and diversity (including evaluation of the skills, knowledge, professional experience, cultural and education background, gender and age of the Board members) of the Board at least annually and make recommendation on any proposed change to the Board to complement the Company's corporate strategy;
- (ii) to identify individual suitably qualified to become Board members and select or make recommendations to the Board on the selection of individual nominated for directorship;
- (iii) to assess the independence of INEDs;
- (iv) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman, the Deputy Chairman and the chief executive; and
- (v) to consult the Remuneration Committee about its remuneration proposals for the candidate to be appointed as a Director.

The Nomination Committee's terms of reference can be found on the Company's website and the website of the Stock Exchange.

董事會轄下委員會(續)

提名委員會

架構

提名委員會已於二零一二年四月一日成立，其角色為於是否需要額外委任董事或填補董事職務之臨時空缺時，在委任董事會成員之過程中作出領導及提出建議，並因應本公司面對之任何挑戰及機遇，以及在配合本公司之業務發展及需要下，於其獲授之權力範圍內採取認可之行動。

提名委員會由全體獨立非執行董事組成，彼等為：

麥楊光先生(主席)
林至穎先生
黃耀傑先生(於二零一七年九月二十日獲委任)
丘志明先生(於二零一七年七月一日辭任)

職能

提名委員會之主要職責概述如下：

- (i) 至少每年檢討董事會的架構、人數、組成及多元化(包括對董事會成員之技能、知識、專業經驗、文化及教育背景、性別及年齡作評估)，並就任何為配合本公司之企業策略而擬對董事會作出的變動提出建議；
- (ii) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (iii) 評核獨立非執行董事的獨立性；
- (iv) 就董事委任或重新委任，以及董事(尤其是主席、副主席及高級行政人員)繼任計劃向董事會提出建議；及
- (v) 就即將被委任為董事之人選之薪酬建議諮詢薪酬委員會。

有關提名委員會之職權範圍，可瀏覽本公司網頁及聯交所網頁。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Function (Continued)

The Nomination Committee would consult the executive Directors about its proposals on appointment of other Directors and seek internal and external professional advices if considered necessary.

Conduct of Meetings

During the Year, the Nomination Committee held four meetings to consider and approve the nomination of the non-executive Directors and INEDs for the Year.

Individual attendance of each committee's member at the meeting for the Year was as follows:

Members	成員	Number of meetings attended/held (Percentage of attendance in total)
		出席／舉行會議次數 (總出席率)
Mr. Mai Yang Guang (Chairman)	麥楊光先生(主席)	4/4 (100%)
Mr. Lam Chi Wing	林至穎先生	4/4 (100%)
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017) (Note 1)	黃耀傑先生(於二零一七年九月二十日獲委任)(附註1)	1/1 (100%)
Mr. Yau Chi Ming (Resigned on 1 July 2017) (Note 2)	丘志明先生(於二零一七年七月一日辭任)(附註2)	2/2 (100%)

Note 1: During Mr. Wong's term of service in 2017, one Nomination Committee meeting was held.

Note 2: During Mr. Yau's term of service in 2017, two Nomination Committee meetings were held.

The Nomination Committee shall meet at least once each year. At least 7 days' notice has been given prior to any meeting being held unless all members of the Nomination Committee unanimously waive such notice.

The Company prepared and delivered meeting papers that include all relevant information about the meeting to the Nomination Committee's members at least 3 days prior to such meeting. Minutes drafted by the Company Secretary were circulated to the Nomination Committee's members for comments within a reasonable time after this meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Nomination Committee's members for records.

董事會轄下委員會(續)

提名委員會(續)

職能(續)

提名委員會須就其他董事之提名建議諮詢執行董事，並在認為有需要時尋求內部及外界專業意見。

會議之舉行

本年度內，提名委員會舉行共四次會議，以考慮及批准本年度非執行董事及獨立非執行董事之提名。

本年度各委員會成員於該會議之個人出席率如下：

附註1：黃先生於二零一七年之在任期間，舉行了一次提名委員會會議。

附註2：丘先生於二零一七年之在任期間，舉行了兩次提名委員會會議。

提名委員會每年須最少開會一次。除非全體提名委員會成員一致通過豁免通知之要求外，否則任何會議通知須最少於舉行前七日發出。

本公司編製會議文件，內容包括所有會議相關資料，並於有關會議前最少三日派發予提名委員會成員。公司秘書草擬的會議記錄已於此次會議後一段合理時間內交予提名委員會成員傳閱及給予意見。經簽署之會議記錄由公司秘書存置，會議記錄副本亦已送交提名委員會成員以作記錄。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Conduct of Meetings (Continued)

The Nomination Committee reviewed the diversity of the Board against the measurable objectives in accordance with the diversity policy of the Board.

Board Diversity Policy

The Company recognises and embraces the benefit of having a diverse board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage and achieving long-term sustainable growth for the Group. Elements of Board's diversity policy include gender, age, cultural and educational background, professional experience, skills and knowledge of Directors. The Board said elements have substantially been included in the current Board composition.

Nomination Procedures, Process and Criteria

The Nomination Committee leads the process and makes recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing the Company, as well as business development and requirements of the Company. In evaluating and selecting candidate(s) for directorship, the Nomination Committee considers the character and integrity; skills and expertise; professional and educational background; potential time commitment for the Board and/or its committee responsibilities; and the elements of the Board's diversity policy etc. The Nomination Committee makes recommendation to the Board to appoint the appropriate person among the candidates nominated for directorship. Suitable candidate(s) shall be appointed by the Board in accordance with the Bye-laws and the Listing Rules.

董事會轄下委員會(續)

提名委員會(續)

會議之舉行(續)

提名委員會按照董事會多元化政策審閱了董事會多元化可計量的目標。

董事會多元化政策

本公司認同及相信多元化董事會帶來之裨益，並視董事會層面日益多元化為維持本集團競爭優勢及實現長遠可持續增長之必須元素。董事會多元化政策之元素包括董事之性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會目前之組成已大致包含上述董事會元素。

提名程序、過程及準則

提名委員會於需要額外委任董事或填補董事職務之臨時空缺時，會因應本公司面對之挑戰及機遇，以及在配合本公司之業務發展及需要下，作出領導及就委任向董事會提出建議。於評估及挑選董事職位之人選時，提名委員會會考慮其品格及誠信；技能及專長；專業及教育背景；履行董事會及／或其轄下委員會職責承諾之潛在時間；以及董事會多元化政策之元素等。提名委員會在董事職位之獲提名人選中挑選合適人選並向董事會提供建議。董事會根據公司細則及上市規則，委任合適之人士。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Continuous Professional Development of the Directors

During the Year and up to the date of this report, all Directors participated the following continuous professional development (CPD) to develop and refresh their knowledge and skills in compliance with code provision A.6.5 of the CG Code to ensure that their contribution to the Board remains informed and relevant. The Company is responsible for arranging and finding suitable training, placing an appropriate emphasis on the roles, functions and duties of the Directors.

董事會轄下委員會(續)

提名委員會(續)

董事之持續專業發展

於本年度及直至本報告之日，根據企管守則之守則條文第A.6.5條，所有董事已經參與以下持續專業發展(CPD)，以發展及更新他們的知識及技能，確保他們在董事會的參與是完整。本公司有責任安排及找尋適合地着重於董事的角色、職能及職責合適。

Directors	董事	Type of training 培訓類別 (See Remarks) (見備註)
Executive Directors	執行董事	
Mr. Cheung Wai Kuen (Chairman)	張偉權先生(主席)	B
Mr. Cheng Hau Yan (Deputy Chairman)	鄭孝仁先生(副主席)	B
Mr. Ye Jiong Xian (CEO)	葉炯賢先生(行政總裁)	A, B
Non-executive Directors	非執行董事	
Mr. Bai Ying Hai (Resigned on 5 June 2017)	白英海先生(於二零一七年六月五日辭任)	N/A 不適用
Mr. Hou Kai Wen (Appointed on 5 June 2017)	侯凱文先生(於二零一七年六月五日獲委任)	A, B
Mr. Lin Jiang	林江先生	A, B, C
Independent Non-executive Directors	獨立非執行董事	
Mr. Lam Chi Wing	林至穎先生	A, B, C
Mr. Mai Yang Guang	麥楊光先生	B
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017)	黃耀傑先生(於二零一七年九月二十日獲委任)	A, B
Mr. Yau Chi Ming (Resigned on 1 July 2017)	丘志明先生(於二零一七年七月一日辭任)	N/A 不適用

Remarks:

- A: attending seminars and/or training
B: reading Listing Rules, updates, articles and/or materials etc.
C: preparing and/or giving seminar presentations

備註:

- A: 參與講座及／或培訓
B: 閱讀上市規則、最新資訊、文章及／或材料等
C: 準備及／或提供講座材料

BOARD COMMITTEES (Continued)

Remuneration Committee

Structure

The Remuneration Committee has been established with the role to assist the Board in reviewing and determining the framework or policy for remuneration packages of the Directors and the senior management of the Group, overseeing any major changes in employee benefit structures and considering other topics as defined by the Board.

The Remuneration Committee comprises all INEDs, namely:

Mr. Mai Yang Guang (*Chairman*)
Mr. Lam Chi Wing
Mr. Wong Yiu Kit, Ernest (Appointed on 5 June 2017)
Mr. Yau Chi Ming (Resigned on 1 July 2017)

Function

The major duties of the Remuneration Committee are summarised below:

- (i) to set, review and make recommendations to the Board for approving the Group's overall remuneration policy and strategy;
- (ii) to set, review and approve performance-based remuneration and individual remuneration packages for the executive Directors and the Management including terms and conditions of employment as well as compensation payable due to loss or termination of office, and dismissal or removal for misconduct; and
- (iii) to make recommendations to the Board on the remuneration of non-executive Directors and INEDs.

The Remuneration Committee's terms of reference can be found on the Company's website and the website of the Stock Exchange.

The Remuneration Committee would consult the Chairman, the Deputy Chairman and/or the CEO about its proposals on remuneration of other executive Directors and seek internal and external professional advices if considered necessary.

董事會轄下委員會(續)

薪酬委員會

架構

薪酬委員會已成立，其角色為協助董事會檢討及釐定本集團董事及高級管理層薪酬待遇之框架或政策，監督僱員福利架構之任何重大變動，以及考慮董事會釐定之其他事項。

薪酬委員會由全體獨立非執行董事組成，彼等為：

麥楊光先生(主席)
林至穎先生
黃耀傑先生(於二零一七年六月五日獲委任)
丘志明先生(於二零一七年七月一日辭任)

職能

薪酬委員會之主要職責概述如下：

- (i) 制訂、檢討及建議董事會批准本集團之整體薪酬政策及策略；
- (ii) 制訂、檢討及批准以表現為考慮基礎之薪酬，以及執行董事及管理層之個別薪酬待遇，包括僱傭條款及條件，以及因離職或終止受僱及因行為不當而遭解僱或罷免所產生需支付之賠償；及
- (iii) 就非執行董事及獨立非執行董事之薪酬向董事會提供意見。

有關薪酬委員會之職權範圍，可瀏覽本公司網頁及聯交所網頁。

薪酬委員會須就其他執行董事之薪酬建議諮詢主席、副主席及／或行政總裁，並在其認為有需要時尋求內部及外界專業意見。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

Conduct of Meetings

During the Year, the Remuneration Committee held four meetings to consider and approve the annual remuneration of the Directors for the Year.

Individual attendance of each committee's member at the meeting for the Year was as follows:

董事會轄下委員會(續)

薪酬委員會(續)

會議之舉行

本年度內，薪酬委員會舉行共四次會議，以考慮及批准本年度董事之年度酬金。

本年度各委員會成員於該會議之個人出席率如下：

Members	成員	Number of meetings attended/held (Percentage of attendance in total)
		出席／舉行會議次數 (總出席率)
Mr. Mai Yang Guang (Chairman)	麥楊光先生(主席)	4/4 (100%)
Mr. Lam Chi Wing	林至穎先生	4/4 (100%)
Mr. Wong Yiu Kit, Ernest (Appointed on 20 September 2017) (Note 1)	黃耀傑先生(於二零一七年九月二十日獲委任)(附註1)	1/1 (100%)
Mr. Yau Chi Ming (Resigned on 1 July 2017) (Note 2)	丘志明先生(於二零一七年七月一日辭任)(附註2)	2/2 (100%)

Note 1: During Mr. Wong's term of service in 2017, one Remuneration Committee meeting was held.

附註1：黃先生於二零一七年之在任期間，舉行了一次薪酬委員會會議。

Note 2: During Mr. Yau's term of service in 2017, two Remuneration Committee meetings were held.

附註2：丘先生於二零一七年之在任期間，舉行了兩次薪酬委員會會議。

The Remuneration Committee shall meet at least once each year. As least 7 days' notice has to be given prior to any meeting being held unless all members of Remuneration Committee unanimously waive such notice.

薪酬委員會每年須最少開會一次。除非全體薪酬委員會成員一致通過豁免通知之要求外，否則任何會議通知須最少於舉行前七日發出。

The Company prepared and delivered meeting papers that include all relevant information about the meeting to the Remuneration Committee's members at least 3 days prior to such meeting. Minutes drafted by the Company Secretary were circulated to the Remuneration Committee's members for comments within a reasonable time after this meeting. Executed minutes were kept by the Company Secretary and copies of the minutes were sent to the Remuneration Committee's members for records.

本公司編製會議文件，內容包括所有會議相關資料，並於有關會議前最少三日派發予薪酬委員會成員。公司秘書草擬的會議記錄已於此次會議後一段合理時間內交予薪酬委員會成員傳閱及給予意見。經簽署之會議記錄由公司秘書存置，會議記錄副本亦已送交薪酬委員會成員以作記錄。

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

Remuneration Policy

After annual review in the aforesaid meeting, the Directors' emoluments remain unchanged. The Chairman and the Deputy Chairman are entitled to an annual remuneration of HK\$150,000. In addition, the Deputy Chairman and the CEO have entitled to monthly salary of HK\$120,000 and HK\$35,385 respectively, subject to annual review with reference to their duties and responsibilities as well as the prevailing market condition.

One of the non-executive Directors is entitled to an annual remuneration of HK\$150,000 as a position of Director and is also entitled to an annual consultancy fee of HK\$150,000 as adviser of the Group determined by the Board subject to annual review with reference to his duties and responsibilities as well as the prevailing market condition. The other non-executive Director is not entitled to annual remuneration but is entitled to, if any, discretionary bonus to be determined at the discretion of the Board and the remuneration committee of the Board.

The INEDs are not entitled to any other emoluments for holding office as the INEDs except for their entitlement of an annual remuneration of HK\$150,000 determined by the Board subject to annual review with reference to their duties and responsibilities as well as the prevailing market condition.

The Company aims to attract, retain and motivate talented and recognised staff, the Management and Directors of the Group by adoption of share option scheme. The Company adopted a share option scheme on 11 October 2012. As at 31 December 2016, the Company had granted an aggregate of 35,800,000 share options carrying the right to subscribe for the nominal ordinary shares of HK\$0.01 each of the Company, representing approximately 1.38% of total of 2,596,255,008 shares of issued share capital of the Company on 5 January 2016 (date of grant). During the Year, no share options had been granted and 35,800,000 share options were lapsed during the year.

Remuneration payable to the senior management and highest paid employees of the Company by band is disclosed in Note 12 of the consolidated financial statements of the Group in this report.

董事會轄下委員會(續)

薪酬委員會(續)

薪酬政策

於上述會議經年度審閱後，董事酬金維持不變。主席及副主席每年享有150,000港元之酬金，另外，副主席及行政總裁分別享有月薪120,000港元及35,385港元，有關酬金須參考彼等職務與責任以及當時市況而每年作出檢討。

其中一名非執行董事就擔任董事職位每年享有150,000港元之酬金。一名非執行董事就擔任本集團顧問每年享有150,000港元之顧問費用。有關酬金須由董事會參考彼之職務與責任以及當時市況而每年作出檢討。另一名非執行董事並無權享有年度薪酬，惟可享有酌情花紅(如有)，其由董事會及董事會轄下的薪酬委員會酌情釐定。

獨立非執行董事除每年享有150,000港元之酬金外，並無就擔任獨立非執行董事收取任何其他酬金。有關酬金須由董事會參考彼等之職務與責任以及當時市況而每年作出檢討。

本公司旨在通過採納購股權計劃，以吸引、保留及激勵有才能及獲肯定的本集團員工、管理層及董事。本公司於二零一二年十月十一日採納了一項購股權計劃。於二零一六年十二月三十一日，本公司合共授出35,800,000份附帶權利可認購本公司每股面值0.01港元普通股之購股權，相等於二零一六年一月五日(授出日期)本公司已發行股本共2,596,255,008股之約1.38%。本年內購股權授出沒有及35,800,000份購股權已於本年內失效。

本公司高級管理層及最高薪酬僱員按組別劃分的薪酬已在本報告內本集團綜合財務報表附註12中披露。

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code. During the Year, the Board has reviewed and monitored the Company's corporate governance policies and practices, training and CPD of Directors and senior management of the Group, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

MANAGEMENT FUNCTIONS

The executive Directors have defined clear directions on powers of management and delegated daily management and administration functions to the Management. The functions reserved to the Board and those delegated to the Management are reviewed from time to time. The Company would formalise the division of responsibility between the Board and the Management when the operational requirement of the Group justifies such division.

INDEPENDENT AUDITORS

HLB Hodgson Impey Cheng Limited was appointed as the Independent Auditors by the Shareholders at the 2017 annual general meeting of the Company held on 31 May 2017 (the "2017 AGM"). In order to maintain the independence and objectivity of the Independent Auditors (which for these purposes include any entity under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally), they will not be engaged for non-audit work unless it has been pre-approved by the Audit Committee pursuant to the Company's non-audit services policy.

Independent Auditors were engaged on an ad hoc basis to provide non-audit services, such as to provide a confirmation letter to the Board and a copy of this letter to the Stock Exchange to confirm, among others, that the continuing connected transaction had not exceeded the stipulated caps for the transaction, as part of the process for the annual review of the transaction as required under the Listing Rules during the Year. The fundamental policy of the Group is to ensure that the engagement of the Independent Auditors for non-audit services will not harm their independence or cause any bias on audit works for the presentation of the consolidated financial statements of the Group. During the Year, the fees for engaging HLB Hodgson Impey Cheng Limited to carry out works in connection with the annual review of a continuing connected transaction aggregated to HK\$50,000, pursuant to the requirements of the Listing Rules.

企業管治職能

董事會負責履行企管守則之守則條文第D.3.1條所載職能。本年度內，董事會已審閱及監察本公司的企業管治政策及慣例、本集團董事及高級管理層的培訓及持續專業發展、本公司關於法律及監管規定的合規情況、標準守則的合規情況及本公司關於企管守則的合規情況以及企業管治報告的披露。

管理層職能

執行董事就管理層的權力，並就指派管理層處理日常管理及行政職能給予清晰的指引。董事會所保留與委派予管理層之職能乃不時予以檢討。倘本集團之規模發展至須劃分董事會與管理層之職責時，本公司將制訂該等職責劃分。

獨立核數師

國衛會計師事務所有限公司於二零一七年五月三十一日舉行之本公司二零一七年股東周年大會（「二零一七年股東周年大會」）上已獲股東聘任為獨立核數師。為保持獨立核數師之獨立性及客觀性（就此而言包括與核數師行共同控制、擁有或管理之任何實體，或合理及知情第三方在接獲一切相關資料後合理認為在國家或國際方面屬核數師行一部分之任何實體），其將不會受聘進行非核數工作，除非已根據本公司之非審核服務政策獲審核委員會事先批准。

本年度內獨立核數師於特別情況下提供非審核之服務，如按上市規則規定提供確認書給予董事會及該信函副本給予聯交所，以確認（連同其他事項）持續關連交易並無超過該交易既定之上限，以作為該交易周年審閱之部分程序。本集團之基本政策乃確保獨立核數師對非審核服務之參與不會損害彼等獨立性或導致編製本集團綜合財務報表時構成審核偏頗。根據上市規則規定，本年度內，聘任國衛會計師事務所有限公司就持續關連交易周年審閱所進行之工作費用合計為50,000港元。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

INDEPENDENT AUDITORS (Continued)

At the 2017 AGM, HLB Hodgson Impey Cheng Limited was appointed by the Shareholders as the Independent Auditors. The audit fees for auditing the consolidated financial statements of the Group for the Year was HK\$1,500,000.

The accounts for the Year were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting. The Audit Committee recommended to the Board that HLB Hodgson Impey Cheng Limited will be nominated for re-appointment as the Independent Auditors at the forthcoming annual general meeting.

FINANCIAL REPORTING

The Company aims to present a clear, balanced and understandable assessment of its financial position and prospects. Financial results are announced as early as possible, with interim report and annual report as well as inside information announcements and financial disclosures published as required under the Listing Rules.

The Management provides explanation, information and progress update to the executive Directors and/or the Board in order for it to make an informed assessment of the financial and other issues put before the Board for approval and consideration.

Throughout the Year, the Directors had selected appropriate accounting policies and applied them consistently. The Directors acknowledge their responsibilities for preparing the financial accounts of the Group which give a true and fair view and are in accordance with generally accepted accounting standards published by the HKICPA. A statement by the HLB Hodgson Impey Cheng Limited about their reporting responsibilities for the Year is set out in the Independent Auditors' Report.

HLB Hodgson Impey Cheng Limited did not report for the Year that there was any material uncertainty relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern.

獨立核數師(續)

於二零一七年股東周年大會上，國衛會計師事務所有限公司已獲股東聘任為獨立核數師。本年度本集團綜合財務報表之審核費用為1,500,000港元。

本年度之賬目經由國衛會計師事務所有限公司審核，其於即將舉行之股東周年大會上任滿。審核委員會已向董事會建議，於即將舉行之股東周年大會上提名國衛會計師事務所有限公司續聘為獨立核數師。

財務報告

本公司旨在對其財務狀況及前景作出清晰、平衡及可理解評估之呈報。財務業績以盡早發布為基礎，而中期報告及年報，連同內幕消息公告及財務披露則根據上市規則之規定而發布。

管理層向執行董事及／或董事會提供解釋、資料及最新進度，讓董事會就財務及其他事項於提交董事會審批及考慮前，可作出知情評估。

本年度全年內，董事已選取合適之會計政策並貫徹應用。董事確認彼等之責任為編製本集團之財務賬目，賬目須真實而公平，並根據香港會計師公會頒佈而普遍被採用之會計準則編製。國衛會計師事務所有限公司就其本年度之報告責任所發出之聲明已載於獨立核數師報告內。

國衛會計師事務所有限公司並無就本年度有任何重大涉及可能對本集團持續經營能力存重大疑問之事件或狀況之重大不確定因素作出報告。

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, maintaining sound and effective risk management and internal control systems and reviewing their effectiveness to safeguard Shareholders' investment and the Group's assets. The management is responsible for setting the appropriate tone from the top, performing risk assessment, and owning the design, implementation and maintenance of internal control. Essential to this risk management and internal control systems are well defined policies and procedures that are properly documented and communicated to employees. To this end, the Company continues to allocate resources for internal control and risk management systems to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk or failure to achieve business objectives.

During the Year, the Group has implemented an internal audit function to review the financial condition, operational condition, risk management, compliance control and internal control of the Group. The Audit Committee assists the Board to fulfill its oversight role over the Group's risk management and internal control function by reviewing and evaluating the effectiveness of our overall risk management and internal control system at least annually. During the Year, the Board has reviewed the adequacy and effectiveness of the Group's risk management and internal control systems, through the Audit Committee.

The Group's risk management and internal control systems are embedded within our business processes so that it functions as an integral part of the overall operation of the Group. The system comprises a comprehensive organisation structure with assignment of definite accountabilities and delegation of corresponding authorities to each post. Based on our organisation structure, a reporting system has been developed including reporting channels from division heads of business units to the Board.

The risk management and internal control systems and accounting system of the Group are aimed at identifying and evaluating the Group's risk and formulate risk mitigation strategies, and to provide reasonable assurance that assets are safeguarded against unauthorised use or disposition, transactions are executed in accordance with the management's authorisation, and the accounting records are reliable for preparing financial information used within the business for publication, maintaining accountability for assets and liabilities and ensuring the business operations are in accordance with relevant legislation, regulations and internal guidelines.

董事會全面負責評估及釐定為達成本集團戰略目標所願承擔的風險性質及程度、維持穩健及有效的風險管理和內部監控系統並檢討其成效，以保障股東的投資及本集團資產。管理層負責從頂層為監控定調、進行風險評估，並設計、實施及維護內部監控。對風險管理及內部監控系統而言，屬重要的是明確妥善訂立書面政策和程序，並向僱員傳達。為此，本公司持續投放資源予內部監控及風險管理系統，為不會有重大的失實陳述或損失作出合理（而非絕對）的保證，並管理（而非消除）未能達到業務目標的風險。

於本年度內，本集團已實施內部審核職能，以審閱本集團的財務狀況、營運狀況、風險管理、合規監控及內部監控。審核委員會通過至少每年審閱及評估我們風險管理及內部監控系統的整體有效性，以協助董事會擔任其須監督本集團風險管理及內部監控職能的角色。於本年度內，董事會轄下審核委員會已審閱本集團風險管理及內部監控系統的充足性及有效性。

本集團的風險管理及內部監控系統嵌入於業務程序當中，使其成為本集團整體營運的組成部分。該系統乃由一個結合明確責任分配並向各職位授出相應權力的綜合組織架構組成。基於我們的組織架構，報告系統（包括業務單位的部門主管向董事會報告的渠道）已發展完善。

本集團的風險管理及內部監控系統以及會計系統乃旨在識別及評估本集團的風險及制定降低風險策略。同時，提供合理保證以確保資產獲得保障，避免未經授權使用或出售；確保交易乃根據管理層的授權進行；確保會計記錄可靠程度，足以用於編製以刊發業務所使用的財務資料並反映資產及負債的狀況；及確保業務的營運符合相關法律、法規及內部指引。

RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

The Group has an organisational structure with defined lines of responsibility and authority. Each department is accountable for its daily operations and is required to report to executive Directors on a regular basis. Policies and procedures are set for each department, which includes establishing and maintaining effective policies to enhance the ability of risks identification to which the Group are exposed and taking appropriate actions to manage such risks, establishing a structure with defined authorities and proper segregation of duties; monitoring the strategic plan and performance; designing an effective accounting and information system; controlling price sensitive information; and ensuring swift actions and timely communication with our stakeholders.

The Group's risk governance structure and the main responsibilities of each level of the structure are summarized below:

The Board is responsible to determine the business strategies and objectives of the Group, and evaluates and determines the nature and extent of risks it is willing to take in achieving the Group's strategic objectives; ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems; and oversees management in the design, implementation and monitoring of the risk management and internal control systems.

Audit Committee is responsible for assisting the Board to perform its responsibilities of risk management and internal control systems; overseeing the Group's risk management and internal control systems on an ongoing basis; reviewing the effectiveness of the Group's risk management and internal control systems at least annually, and such review should cover all material controls including financial, operational and compliance control; ensuring the adequacy of resources, staff qualifications and experience, training programmes and budget for the Group's accounting, internal audit and financial reporting functions; and considering major findings on risk management and internal control matters, and reports and makes recommendations to the Board.

The senior management designs, implements and maintains appropriate and effective risk management and internal control systems; identifies, evaluates and manages the risk that may potentially impact the major processes of the operations; monitors risk and take measures to mitigate risk in the day-to-day operations; gives prompt responses to and follow up the findings on risk management and internal control matters raised by the internal auditor or external risk management and internal control adviser; and provides confirmation to the Board and Audit Committee on the effectiveness of the risk management and internal control systems.

風險管理及內部監控(續)

本集團擁有一個可清楚界定職責及權力的組織架構。各部門須負責其日常運作，並須定期向執行董事報告。已為各部門設立多項政策及程序，包括制定及維持有效政策以改善識別本集團所面臨風險的能力，並採取適當措施以管理該等風險、建立設有明確權力及合適職責分配的架構、監察戰略計劃及表現、制定有效會計及資訊系統、管制股價敏感資料、確保行動迅速且及時與持份者溝通。

本集團的風險管治架構以及架構內各階層的主要職責概述如下：

董事會負責釐定本集團的業務策略及目標，並評估及確定其願意為實現集團策略目標而承受的風險性質及程度；確保本集團設立及維持適當有效的風險管理及內部監控體系；及監督管理層對風險管理及內部監控體系的设计、實施及監察。

審核委員會負責協助董事會履行風險管理及內部監控體系的職責；持續監察本集團的風險管理及內部監控體系；每年至少檢討一次本集團風險管理及內部監控體系的成效，而有關檢討應涵蓋全部重大監控，包括財務、營運及合規監控；確保本集團會計、內部審核及財務報告職能具備充足的資源、員工資歷及經驗、培訓計劃以及預算；及考慮風險管理及內部監控事宜的主要調查結果，並向董事會報告及提出建議。

高級管理層設計、實施以及維持適當有效的風險管理及內部監控體系；識別、評估及管理可能影響業務主要流程的風險；於日常營運中監控風險及採取措施以減輕風險；及時回應並跟進內部核數師或外聘風險管理及內部監控顧問提出的風險管理及內部監控事宜的調查結果；及向董事會及審核委員會確保風險管理及內部監控體系的成效。

RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

Internal auditor is responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems; and reports to the Audit Committee on the findings of the review and makes recommendations to the Board and management to improve the material systems deficiencies or control weaknesses identified.

The Board has conducted a review of the effectiveness of the risk management and internal control systems for the year ended 31 December 2017 and considers them effective and adequate.

Risk Management Procedures

In addition to the Board's responsibilities, the Company has developed a risk management process to identify, evaluate and manage significant risks and to resolve material internal control defects. Senior management is responsible for the annual risk reporting process. Internal auditor will meet with various members of the senior management to review and assess risks and discuss solutions to address material internal control defects, including any changes relevant to a given year. Risks are compiled, ratings are assigned and mitigation plans are documented. The risk assessment is reviewed by certain members of senior management and presented to the Audit Committee and the Board for their review.

Risks are evaluated by the Board and senior management based on (i) the severity of the impact of the risk on the Company's financial results; (ii) the probability that the risk will occur; and (iii) the velocity or speed at which a risk could occur.

Based on the risk evaluation, the Company will manage the risks as follows:

Establish risk context – internal audit establishes common risk assessment and criteria and sets up risk reference tables for the Group.

Risk identification – departments identify the risks that potentially impact the key process of their operations.

Risk assessment – departments assess and score the risks identified along with their impact on the business and the likelihood of their occurrence.

Risk treatment – departments assess effectiveness of existing controls and provide treatment plans when required.

風險管理及內部監控(續)

內部核數師負責審閱本集團風險管理及內部監控體系是否充足有效；及向審核委員會報告審閱結果，並向董事會及管理層提出建議，以改善重大體系缺陷或已識別的監控弱點。

董事會已對風險管理及內部監控體系於截至二零一七年十二月三十一日止年度的成效進行檢討並認為其屬有效及充足。

風險管理程序

除董事會的責任外，本公司已制定風險管理程序，以識別、評估及管理重大風險，並解決重大內部監控缺陷。高級管理層負責年度風險呈報程序。內部核數師將與高級管理層若干成員會面，檢討及評估風險，並探討重大內部監控缺陷的解決方案，包括有關年度適用的任何變動，對風險進行匯總、評級並記錄緩解計劃。風險評估乃由高級管理層若干成員進行審閱，並提呈審核委員會及董事會以供檢討。

董事會及高級管理層根據(i)本公司財務業績風險影響的嚴重程度；(ii)風險發生的概率；及(iii)風險可能發生的速率或速度評估風險。

本公司將根據風險評估結果按以下方式管理風險：

設定風險背景 – 內部審核為本集團設定通用的風險評估準則及制定風險參照。

風險識別 – 各部門識別對其營運重要程序具有潛在影響的風險。

風險評估 – 各部門就已識別的風險對其業務的影響及其發生的可能性作出評估及評分。

風險處理 – 各部門評估現有監控措施的成效，並在有需要時提供處理方案。

RISK MANAGEMENT AND INTERNAL CONTROL
(Continued)

Risk Management Procedures (Continued)

Risk reporting and monitoring – departments monitor risk mitigating activities. Risks are regularly reported at appropriate level within the Group and assurance is provided on the progress of treatment plans.

Principal Risks

The Group faces a number of principal risks and uncertainties that if not properly managed could create an exposure for the Group. Thorough risk assessment and mitigation help ensure these risks are well managed and governed effectively. Principal risks identified by the Group are disclosed in the Directors' Report under the section headed "Risks and Uncertainties Relating to the Group's Business".

Procedures and Controls over Handling and Dissemination of Inside Information

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Group has internal policy and procedures which strictly prohibit unauthorised use of inside information and has communicated to all staff; the Board is aware of its obligations to announce any inside information in accordance with the Listing Rules and conducts the affairs with reference to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012. In addition, only Directors and delegated officers can act as the Group's spokesperson and respond to external enquiries about the Group's affairs.

COMPANY SECRETARY

The Company Secretary is responsible for ensuring that Board procedures are followed and for facilitating information flows and communications among Directors as well as with Shareholders and the Management. The Company Secretary's biography is set out in the "Profiles of Directors and Senior Management" section of this report. During the Year, each of Mr. Wong Wing Cheung and Mr. Lam King Ho during their respective periods in 2017 acting as the Company Secretary. Mr. Wong Wing Cheung had undertaken not less than 15 hours of professional training in compliance with Rule 3.29 of the Listing Rules.

風險管理及內部監控(續)

風險管理程序(續)

風險匯報及監察 – 各部門監察風險紓減工作。本集團內相關管理層級別會獲定期匯報風險，而處理方案進度亦會獲提供保證。

主要風險

本集團面對多項主要風險及不明朗因素，倘沒有妥善管理，可能會為本集團帶來影響。全面的風險評估及紓減風險措施有助本集團確保該等風險得到適當管理及有效控制。本集團識別的主要風險已於董事會報告「有關本集團業務的風險及不確定因素」一節內披露。

處理及發佈內幕消息的程序及控制

關於處理及發佈內幕消息的程序和內部監控措施，本集團設有內部政策及程序嚴禁未經授權使用內幕消息，並已傳遞給所有員工。董事會明白根據上市規則發佈任何內幕消息的責任及按照證券及期貨事務監察委員會於二零一二年六月發表的《內幕消息披露指引》行事。此外，只有董事及授權職員才可擔任本集團的發言人及回應外界對本集團事務的諮詢。

公司秘書

公司秘書負責確保董事會程序已獲遵守及促進董事、股東及管理層間的信息流通及溝通。公司秘書的簡歷已載於本報告「董事及高級管理層簡介」一節。於本年度，黃永祥先生及林景濠先生各自於二零一七年有關期間擔任公司秘書。黃永祥先生已遵守上市規則第3.29條，參加不少於15小時的專業培訓。

SHAREHOLDERS' RIGHTS

The Company is committed to safeguarding the Shareholders' and the Company's interests as a whole and encourages the Shareholders to attend general meetings for participating in the important decisions of the Company for which the Shareholders' approval is required under the Listing Rules and the laws of Bermuda. The Company regards general meeting as an important event as it provides an important opportunity for direct communication between the Board and the Shareholders. Notices of the 2017 AGM, together with the annual report and circular, was sent to the Shareholders more than 20 clear business days before the meeting whereas notice of the special general meeting, together with circular, was sent to the Shareholders more than 10 clear business days before the meeting. These can allow more time for the Shareholders to digest information in the annual report and circulars, and to consider whether joining the meetings or not.

With the implementation of poll voting in lieu of show of hands at all general meetings of a listed company, shareholders can fully reflect their proprietary rights and interests by means of poll which is regarded as a fairer method of determination on business matters than voting on a show of hands at general meetings under the Listing Rules.

The Chairman acting as the chairman of the 2017 AGM, took the initiative to demand for a poll at the commencement of the meetings and explained the detailed procedures for conducting a poll to the Shareholders. All resolutions were put to vote and passed by poll under the scrutiny of the independent share registrar. The poll results were made public by means of public announcements which were uploaded to the websites of the Company and the Stock Exchange.

Statutory announcements, financial and other information of the Group are made available on the Company's website, which are regularly updated.

The Shareholders may put their enquires to the Board and also put forward proposals at general meetings by way of a written notice addressed to the Company Secretary at the principal office of the Company in Hong Kong.

The way in which Shareholders can convene a Special General Meeting ("SGM")

The Directors of the Company, notwithstanding anything in its bye-laws shall, on the requisition of Shareholders of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a SGM of the Company.

股東權利

本公司銳意保障股東及本公司之整體利益，並鼓勵股東出席股東大會，以參與上市規則及百慕達法例要求股東批准之重要決策。鑑於股東大會為董事會與股東直接溝通之重要機會，故本公司視股東大會為一項重要事項。二零一七年股東周年大會之通告，連同年報及通函，已在開會前，超過二十個完整營業日發送予股東，而股東特別大會之通告連同通函，已在開會前超過十個本公司營業日發送予股東，以讓股東有更多時間了解年報及通函之資料，及考慮是否參與會議。

根據上市規則，隨著上市公司於所有股東大會上以投票方式表決以代替舉手方式表決之落實，股東以投票方式表決能全面反映股東之財產權益及利益，且較於股東大會上以舉手方式表決以決定業務事宜被視為較公平的方法。

主席於二零一七年股東周年大會擔任會議主席時，於會議開始時主動要求以按股數投票方式表決，並向股東解釋進行按投票表決之詳細程序。在獨立股份過戶登記處之監察下，所有決議案以投票方式表決及通過。投票方式表決之結果以公開公告之方式上載至本公司及聯交所之網頁。

本集團之法定公告、財務及其他資料可於本公司網頁瀏覽，並定期更新。

股東可向董事會作出提問，並以書面通知方式致本公司於香港之主要辦事處向公司秘書提交於股東大會提呈之建議。

股東可召開股東特別大會（「股東特別大會」）之方式

即使公司細則另有規定，本公司董事須於收到本公司股東要求而該等股東於送達要求日期持有本公司截至該日附帶本公司股東大會投票權的實繳股本不少於十分一時，立即展開正式召開本公司股東特別大會程序。

SHAREHOLDERS' RIGHTS (Continued)

The way in which Shareholders can convene a Special General Meeting ("SGM") (Continued)

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited with the Company Secretary at the Company's principal place of business at Rooms 2709-10, 27th Floor, North Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong, and may consist of several documents in like form each signed by one or more requisitionists.

The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board of Directors to include the resolution in the agenda for the SGM.

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

The procedures for sending enquiries to the Board

The enquiries must be in writing with contact information of the requisitionists and deposited with the Company Secretary at the Company's principal place of business at Rooms 2709-10, 27th Floor, North Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The procedures for making proposals at Shareholders' Meetings

To put forward proposals at an Annual General Meeting ("AGM"), or SGM, the Shareholders should submit a written notice of those proposals with the detailed contact information to the Company Secretary at the Company's principal place of business at Rooms 2709-10, 27th Floor, North Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong. The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

The notice period to be given to all the Shareholders for consideration of the proposal raised by the Shareholders concerned at AGM or SGM varies according to the nature of the proposal, as follows:

- At least 21 days' notice (the notice period must include not less than 20 clear business days) in writing if the proposal constitutes a resolution of the Company in AGM

股東權利(續)

股東可召開股東特別大會(「股東特別大會」)之方式(續)

該要求須註明有關會議之目的，並須由要求人簽署及送達本公司主要營業地點(地址為香港九龍尖沙咀科學館道1號康宏廣場北座27樓2709-10室)遞交予公司秘書。該要求可由多份同樣格式之文件組成，各文件由一位或以上之要求人簽署。

本公司會向股份過戶登記處核實該要求，於獲得股份過戶登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。

倘董事於要求之送達日期二十一日內並無正式召開會議，要求人(或代表所有要求人總投票權超過一半以上之任何要求人)可自行召開會議，惟所召開之任何會議不得於上述日期起計三個月屆滿後舉行。

向董事會提出查詢的程序

有關查詢須以書面方式連同查詢人之聯絡資料送達本公司之主要營業地點(地址為香港九龍尖沙咀科學館道1號康宏廣場北座27樓2709-10室)遞交予公司秘書。

於股東大會上提出提案的程序

為於股東周年大會(「股東周年大會」)或股東特別大會上提出提案，股東須以書面提交該等提案，連同詳細聯絡資料，送達本公司之主要營業地點(地址為香港九龍尖沙咀科學館道1號康宏廣場北座27樓2709-10室)遞交予公司秘書。本公司會向股份過戶登記處核實該要求，於獲得股份過戶登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東大會的議程內加入有關決議案。

就上述股東提出於股東周年大會或股東特別大會上考慮之提案而向全體股東發出通告之通知期因應提案之性質有所不同，詳情如下：

- 倘有關提案構成本公司股東周年大會之決議案，則須至少二十一日之書面通知(通知期須包括不少於二十個完整營業日)

SHAREHOLDERS' RIGHTS (Continued)

The procedures for making proposals at Shareholders' Meetings (Continued)

- At least 21 days' notice (the notice period must include not less than 10 clear business days) in writing if the proposal constitutes a special resolution of the Company in SGM
- At least 14 days' notice (the notice period must include not less than 10 clear business days) in writing for all other SGM of the Company

To safeguard shareholder interests and rights, separate resolutions are proposed at shareholder meetings on each substantial issue, including the election of individual Directors.

All resolutions put forward at a shareholder meeting will be taken by poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Company and of the Stock Exchange after the shareholder meeting.

The Group will continue to maintain a close relationship with investors and develop greater understanding about the Group for international investors, to enhance investors' confidence in the Group.

— Right to put forward proposals at general meetings

There are no provisions allowing shareholders to purpose new resolutions at the general meetings. However, shareholders are requested to follow Bye-laws 89 of the Bye-laws of the Company for including a resolution at an SGM. The requirements and procedures are set out above. Pursuant to Bye-law 89 of the Bye-laws of the Company, no person other than a Director retiring at a meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless not less than seven clear days before the date appointed for the meeting there shall have been lodged at the Office or at the Registration Office notice in writing signed by some Members (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. The period for lodgment of the notice required under this Bye-law shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.

股東權利(續)

於股東大會上提出提案的程序(續)

- 倘有關提案構成本公司股東特別大會之特別決議案，則須至少二十一日之書面通知(通知期須包括不少於十個完整營業日)
- 就本公司所有其他股東特別大會而言，則須至少十四日之書面通知(通知期須包括不少於十個完整營業日)

為保障股東權益及權利，本公司就各重大事宜(包括選舉個別董事)於股東大會提呈獨立決議案。

股東大會上提呈之所有決議案將根據上市規則進行投票表決，且投票表決之結果將於股東大會結束後在本公司及聯交所網站上刊載。

本集團會繼續與投資者保持緊密關係，並讓國際投資者更深入了解本集團及加強投資者對本集團的信心。

— 於股東大會上提呈決議案的權利

概無條文允許股東於股東大會上提呈新決議案。然而，股東須根據本公司細則第89條以將決議案載入股東特別大會。該等規定及程序載於上文。根據本公司之公司細則第89條，除非大會指定日期前不少於七個完整日向辦事處或註冊辦事處送交合資格出席大會並於會上投票的若干股東(將獲推薦之人士除外)書面簽署通告，列明其有意建議有關人士參選，以及由將獲推薦之人士書面簽署表明其出選意願的通知，否則除非獲董事推薦參選，概無人士(於會上退任的董事除外)合資格於任何股東大會上獲委任為董事。根據此公司細則的規定，遞交通知的期間不得早於寄發有關選舉的指定大會通告翌日開始，且不得遲於該大會日期前七日結束，惟有關期間須最少為七日。

INVESTOR RELATIONS

Accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with the Shareholders, including institutional investors, is crucial. The Company considers good investor relations as a key part of its operations and continues to promote investor relations and enhances communications with the investors.

The Company maintains a corporate website (www.cs-ih.com) to make the Group's information, statutory announcements, and other financial and non-financial information available on the internet to facilitate its communication with the Shareholders.

The Company welcomes suggestions from investors and the Shareholders, and invites them to share their views and suggestions by contacting the Investor Relations Team at ir@cs-ih.com

投資者關係

問責制及透明度乃確保良好企業管治之不二法門。就此，與股東(包括機構投資者)定時溝通更屬不可或缺之部分。本公司認為良好投資者關係乃其運作之主要部分，並持續促進投資關係及加強與投資者之溝通。

本公司設有公司網頁(www.cs-ih.com)，使股東可透過互聯網取得本集團之資料、法定公告及其他財務和非財務資料，加強與股東之溝通。

本公司歡迎投資者及股東提出意見，並誠邀彼等通過ir@cs-ih.com聯繫投資者關係部分享彼等之意見及建議。

CHANGE IN CONSTITUTIONAL DOCUMENTS

There is no change in the memorandum of association and the Bye-laws for the Year.

變更憲制性文件

於本年度，組織章程大綱及公司細則並沒有任何變更。

CORPORATE GOVERNANCE CODE

The Company had fully applied the principles and complied with the requirements of the CG Code except as stated below, as set out in Appendix 14 of the Listing Rules throughout the Year. None of the Directors was aware of any information that would reasonably indicate that the Company was, during the Year, not compliant with the CG Code except for the deviations as follows:

Pursuant to Rule 3.10(1) of the Listing Rules, the Board must include at least three INEDs. Pursuant to Rule 3.21 of the Listing Rules, the Audit Committee must comprise a minimum of three members. Following the resignation of Mr. Yau Chi Ming as an INED on 1 July 2017, the number of INED and the number of members of the Audit Committee fell below the minimum requirements under Rule 3.10(1) and Rule 3.21 of the Listing Rules.

On 20 September 2017, the Company appointed Mr. Wong Yiu Kit, Ernest as an INED, a member of the Audit Committee and also a member of other board committees of the Company. Following the appointment of Mr. Wong as an INED and a member of the Audit Committee, the Company met the minimum requirements under Rule 3.10(1) and Rule 3.21 of the Listing Rules.

企業管治守則

本公司於本年度一直全面應用上市規則附錄十四企管守則之原則，並遵守該守則之規定，惟下文所述者除外。董事概不知悉有任何資料可合理指出本公司本年內並無遵守企管守則，惟以下偏離者除外：

根據上市規則第3.10(1)條，董事會必須包括至少三名獨立非執行董事。根據上市規則第3.21條，審核委員會必須包括至少三名成員。丘志明先生於二零一七年七月一日辭任獨立非執行董事後，獨立非執行董事及審核委員會成員人數將分別低於上市規則第3.10(1)條及第3.21條規定之下限規定。

於二零一七年九月二十日，本公司委任黃耀傑先生為獨立非執行董事、審核委員會成員以及本公司其他董事委員會之成員。繼黃先生獲委任為獨立非執行董事及審核委員會成員，本公司已遵守上市規則第3.10(1)條及第3.21條項下的最低人數規定。

CONCLUSION

Notwithstanding the deviation from the code provisions, the Company trusts that it has maintained a high standard of corporate governance during the Year. The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be given to review its corporate governance practices from time to time so to accommodate the changing circumstances. The Company will strive to maintain and strengthen the standard and quality of its corporate governance.

總結

儘管存在若干守則條文之偏離者，本公司相信本年度內已達到高水平之企業管治。本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以適應環境上之轉變。本公司將致力維持及加強其企業管治標準及質素。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Introduction, Environmental, Social and Governance Policies and Report

This Environmental, Social and Governance Report (the “ESG Report”) summarizes the environmental, social and governance initiatives, plans and performance of the Group and demonstrates its commitment to sustainable development.

The core business of the Group is principally engaged in management of healthcare investments, natural health food business and the provision of life healthcare services.

The Group’s vision is “to solve the health problems of people through our products and services so as to achieve Healthy, Happy and Secure Life”. To achieve this, the Group has implemented the principles of sustainable development at operational levels such as day-to-day operations, strategic planning and investment, adhered to the management policies of sustainable environmental, social and governance (“ESG”) development. We are also committed to treating the Group’s environmental, social and governance affairs of the Group effectively and responsibly, which becomes a core part of our business strategy, as we believe this is the key to our continued success in the future.

The ESG Governance Structure

During the reporting period, the Group established the ESG Task Force (the “Task Force”). The Task Force comprises core members from different departments of the Group and is responsible for collecting relevant information on our ESG aspects for the preparation of the ESG Report. The Task Force reports to the Board of Directors (the “Board”), assists in identifying and assessing the Group’s ESG risks, and assesses the effectiveness of the Group’s ESG internal control mechanism. The Task Force will also examine and assess our performance in different aspects such as health and safety, labour standards, and product responsibility in the ESG area. The Board sets the general direction of the Group’s ESG strategy and ensures the effectiveness of ESG risk control and internal control mechanism.

序言和環境、社會及管治方針與報告

本環境、社會及管治報告(「環境、社會及管治報告」)總結本集團在環境、社會及管治上的倡議、計劃及績效，並展示其在可持續發展方面的承諾。

本集團的核心業務主要從事健康投資管理業務、天然健康食品業務以及提供生命健康服務。

本集團的願景為「通過我們提供的產品和服務，解決人民健康問題，達致『生命健康，快樂無憂』」，為達此願景，本集團在日常營運、策略性規劃及投資等業務層面，貫徹落實可持續發展原則，秉承可持續發展的環境、社會及管治(「環境、社會及管治報告」)的管理方針，承諾有效及負責任地處理本集團的環境、社會及管治事務，並以此作為我們商業戰略的一個核心部分，因為我們相信這是讓我們在未來繼續取得成功的關鍵。

環境、社會及管治治理結構

在報告期內，本集團成立了環境、社會及管治工作小組(「工作小組」)。工作小組由本集團不同部門的核心成員組成，負責搜集我們在環境、社會及管治方面的相關資料以編製環境、社會及管治報告。工作小組會向董事會彙報，協助辨識和評估本集團的環境、社會及管治風險以及評估本集團環境、社會及管治內部控制機制的有效性。工作小組亦會檢查和評估我們在環境、社會及管治範疇內健康與安全、勞工標準、產品責任等不同方面的表現。董事會則會設定本集團環境、社會及管治戰略上的大方向，並確保環境、社會及管治風險控制及內部控制機制的有效性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

Scope of Reporting

Unless otherwise stated, this report mainly covers the principal subsidiaries of the Group providing life healthcare services, i.e. the two clinics under Realyoung International Life Medical Group Company Limited.

The Group continues to assess the significant ESG areas of different businesses or substantial subsidiaries to determine whether it is necessary to include them in the ESG reporting.

Reporting Framework

The ESG Report is prepared pursuant to the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (the “ESG Reporting Guide”).

The corporate governance practices of the Group are set out in the corporate governance report on page 38 to 64 of this report.

Reporting Period

The ESG Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 December 2017.

Stakeholder Engagement

The Group places emphasis on stakeholders and their opinions on the business and ESG issues of the Group. To understand and respond to stakeholders’ concerns, the Group communicates with key stakeholders (including employees, investors, customers, suppliers, government authorities, and local groups) through different channels, such as meetings, customer satisfaction surveys, electronic platforms, public events, etc. While formulating operational strategies and ESG measures, the Group considers the expectations of stakeholders and continuously improves its performance through mutual cooperation, thus creating greater value for society.

Materiality Assessment

The management and staff of the Group’s respective major functions have participated in the preparation of the ESG report to assist the Group in reviewing its operations and identifying relevant ESG issues and assess the importance of related matters to our business and each stakeholder. Based on the assessed significant ESG issues, a data collection questionnaire was prepared to collect information from relevant departments and business units of the Group.

報告範圍

除非另有所述，本報告主要涵蓋本集團提供生命健康服務之主要附屬公司，即瑞昂國際生命醫學集團有限公司旗下的兩個診所。

本集團會持續評估不同業務或主要附屬公司的重大環境、社會及管治範疇，以決定是否需納入環境、社會及管治報告範圍內。

報告框架

環境、社會及管治報告依照香港聯合交易所有限公司主板上市規則附錄二十七環境、社會及管治報告指引(「環境、社會及管治報告指引」)所編製。

有關本集團的企業管治常規刊載於本報告第38至64頁的企業管治報告內。

報告期間

環境、社會及管治報告詳述本集團於截至二零一七年十二月三十一日止年度取得的環境、社會及管治方面的活動、挑戰和採取的措施。

持份者參與

本集團重視持份者及其對本集團業務及環境、社會及管治事宜的意見。為了解及回應持份者關注事項，本集團與主要持份者(包括員工、投資者、客戶、供應商、政府機構及地區團體等)以不同管道溝通，例如會議、客戶滿意度調查、電子平台、公眾活動等。在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望，透過彼此合作使本集團不斷改善其表現，為社會締造更大價值。

重要範疇評估

本集團各主要職能的管理層與員工均有參與編製環境、社會及管治報告，以協助本集團檢討其運作情況及鑒別相關環境、社會及管治事宜，並評估相關事宜對我們的業務以及各持份者的重要性。根據經評估的環境、社會及管治重要事項，以編製資料收集問卷，向本集團相關部門及業務單位收集資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

The following table is a summary of the Group's material ESG issues included in this report:

下表為本報告所載本集團屬重大環境、社會及管治事宜之摘要：

Report Guide	報告指引	The ESG material aspects of the Group	本集團環境、社會及管治重要範疇	
A. Environmental	A. 環境			
A1. Emissions	A1. 排放物	Environmental Protection Policy and Compliance Issues	環境保護政策及合規事宜	P.68
		Exhaust Gas and Greenhouse Gas Emissions	廢氣及溫室氣體排放	P.69
		Discharge and Treatment of Waste and Wastewater	廢物及廢水排放及處理	P.70
A2. Use of Resources	A2. 資源使用	Energy Consumption	能源消耗	P.74
		Water Consumption	水源消耗	P.75
		Use of Packaging Materials (Not applicable)	包裝材料使用(不適用)	P.75
A3. The Environment and Natural Resources	A3. 環境及天然資源	Noise Management	噪音管理	P.76
B. Social	B. 社會			
B1. Employment	B1. 僱傭	Compensation and Benefits	薪酬福利	P.77
		Recruitment, Promotion, Incentive and Dismissal	招聘、晉升、獎勵及解聘	P.79
		Equal Opportunity	平等機會	P.80
B2. Health and Safety	B2. 健康與安全	Internal Health and Safety Management	內部健康與安全管理	P.81
		Occupational Safety Training	職業安全培訓	P.82
B3. Development and Training	B3. 發展及培訓	Training Management	培訓管理	P.83
		Training Course	培訓課程	P.83
B4. Labour Standards	B4. 勞工準則	Prevent Child and Forced Labour	防止童工或強制勞工	P.84
B5. Supply Chain Management	B5. 供應鏈管理	Supply Chain Environment and Social Risk Management	供應鏈環境及社會風險管理	P.86
		Fair and Open Procurement	公平及公開採購	P.86
B6. Product Responsibility	B6. 產品責任	Quality of Medical Service	醫療服務品質	P.87
		Customer Service	客戶服務	P.88
B7. Anti-corruption	B7. 反貪污	Prevent Corruption and Fraud	防止貪污及舞弊	P.89
B8. Community Investment	B8. 社區投資	Corporate Social Responsibility	企業社會責任	P.90

During the year ended 31 December 2017, the Group confirmed that it has established appropriate and effective management policies and control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

於截至二零一七年十二月三十一日止年度，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及監控系統，並確認所披露內容符合報告指引的要求。

Contact Us

We welcome stakeholders to provide their opinions and suggestions. You can provide valuable advice in respect of the ESG Report or our performance in sustainable development and email it to ir@cs-ih.com.

與我們聯絡

我們歡迎持份者提供意見及建議。閣下可就環境、社會及管治報告或我們在可持續發展方面的表現提供寶貴意見，並電郵至 ir@cs-ih.com。

A. Environmental

A1. Emissions

General Disclosure and Key Performance Indicators (“KPIs”)

Environmental Protection Policy and Compliance Issues

The Group adheres to the strategy of sustainable development in its operations, focuses on sound environmental management, and strives to protect the environment in order to fulfill the Group’s commitment on social responsibility.

The Group regularly follows the latest national and regional environmental protection laws and regulations, thereby focusing on strengthening environmental protection measures in order to comply with local government-related laws and regulations and fully implement environmental policies. The Group complies with applicable laws and regulations. The relevant laws in Mainland China include “the Water Pollution Prevention and Control Law of the People’s Republic of China” 《中華人民共和國水污染防治法》, “the Regulations on Urban Drainage and Sewage Treatment” 《城鎮排水與污水處理條例》, “the Regulations on the Administration of Medical Wastes” 《醫療廢物管理條例》, “the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes” 《中華人民共和國固體廢物污染環境防治法》, etc.

In the course of business operation of the Group, in addition to the general emission of greenhouse gases (“GHG”) and the discharge of domestic waste and sewage, medical waste is discharged during the provision of medical services which causes potential influence on the environment and may exposes the Group to relevant compliance risk. Therefore, the Group has formulated relevant rules and regulations for the effective control and orderly management of medical wastewater, medical waste, and other pollutants generated during operation, and supervising the implementation of environmental protection measures by various departments. Such measures aim to prevent and reduce pollutants against the environment, protect and improve the environment, and protect the health of employees, so as to achieve the environmental objectives and indicators of the Group.

A. 環境

A1. 排放物

一般披露和關鍵績效指標 (「關鍵績效指標」)

環境保護政策及合規事宜

本集團在營運上堅持可持續發展的戰略，重視良好的環境管理，努力保護環境，以落實本集團應承擔的社會責任。

本集團定期追蹤最新國家和地區環境保護法律法規，以此為依據專注於加強環境保護的措施，以遵守當地政府相關的法律法規和貫徹落實環境政策。本集團遵守適用法律法規，中國內地相關的法律包括《中華人民共和國水污染防治法》、《城鎮排水與污水處理條例》、《醫療廢物管理條例》、《中華人民共和國固體廢物污染環境防治法》等。

在本集團業務營運過程中，除了一般的溫室氣體排放以及生活垃圾污水的排放以外，提供醫療服務過程中亦會產生醫療廢棄物的排放，對環境造成潛在影響，亦可能會讓集團面對相關合規風險。因此，本集團制定了相關規章制度，對營運過程中產生的醫療廢水及和醫療廢棄物等污染物進行有效控制及有序管理，監督各部門對環境保護措施的實施情況，以防治和減少污染物對環境的污染，保護和改善環境，保障職工的健康，以此來實現集團的環境目標及指標。

The responsible persons in charge of the Group's environmental affairs supervise the implementation of the above measures and relevant environmental protection policies. Under the strict supervision and guidance, various departments endeavour to implement the environmental protection policies of the Group and ensure that all operation processes comply with legal requirements. The responsible persons at all levels of environmental protection continue to review the policies and implementation procedures of the Group and report back to the management appropriately. Suggestions would be made if necessary. When unexpected incident causes to abnormal discharge during operation, the responsible person should take emergency measures immediately to prevent the outspread of pollution and report to the management in a timely manner for efficient coordination.

During the year ended 31 December 2017, the Group did not have any violations of relevant local environmental laws and regulations in relation to exhaust gas and GHG emissions, water and land discharge, and the generation of hazardous and non-hazardous waste that have a significant impact on the Group.

Exhaust Gas and GHG Emissions

Exhaust Gas Emissions

Due to our business nature, the Group does not generate significant amount of exhaust gas emissions directly during its operations.

本集團環境事務相關負責人員會監督上述措施及相關環保政策的實施情況。讓各部門在嚴格的監察及指導下，盡其所能執行集團的環保政策，確保所有業務流程符合法律要求。各級環保事務負責人員會持續審視集團的政策及實行程式，並適當彙報予管理層，如有需要會提出建議措施。在營運過程中，出現突發事件造成排污異常，負責人應該立即採取應急措施，防止污染擴大，並及時向管理層彙報，以做好協調工作。

於截至二零一七年十二月三十一日止年度，本集團並沒有任何就空氣及溫室氣體排放、水及土地的排污以及有害及無害廢棄物產生、對本集團有重大影響的當地相關環境法律法規之違規事件。

廢氣及溫室氣體排放

廢氣排放

基於業務性質，本集團的營運過程中並不會直接產生大量廢氣排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

GHG Emissions

The principal GHG emissions of the Group are generated from purchased electricity. The Group actively adopts electricity conservation and energy saving measures as well as other measures to reduce GHG emissions, including:

- Actively adopt measures for environmental protection, energy conservation, and water saving. Relevant measures are described in “Electricity Management” and “Water Management” under Sections A2;
- Actively adopt paper saving measures in office. The relevant measures are described in the section “Other Waste Reduction Measures – Office Paper Management” in this chapter.

The overview of GHG emissions performance:

Indicator ¹	Total emissions in 2017 (calculated in tonnes)	Intensity – Total GHG emissions per employee (tonnes/employee) ²
指標 ¹	2017年排放總量 (以噸計算)	密度 – 每位僱員 溫室氣體排放總量 (噸/僱員) ²
Total GHG emissions 溫室氣體排放總量	92.65 tonnes 92.65噸	2.38 tonnes 2.38噸

Note:

1. The GHG emissions data are presented in terms of carbon dioxide equivalent, with reference to, but not limited to, the latest released emission factors of China's regional power grid basis.
2. During the reporting period, the number of employees of the subsidiaries covered by the ESG Report is 39, which would also be used for calculating other intensity data.

Discharge and Treatment of Waste and Wastewater

The Group adopts targeted treatment measures for the following types of solid waste:

溫室氣體排放

本集團的主要溫室氣體排放來源於外購電力。本集團積極採取節電、節能措施和其他措施，以減少溫室氣體排放，包括：

- 積極採取環保節能節水措施，相關措施將在A2部分中「用電管理」及「用水管理」兩節中說明；
- 在辦公室積極採取節約紙張措施，相關措施將在本章「其他減廢措施 – 辦公室用紙管理」一節中說明。

溫室氣體排放表現概述：

備註：

1. 溫室氣體排放數據乃按二氧化碳當量呈列，並參照包括但不限於最新發佈的中國區域電網基準線排放因子。
2. 於報告期內，本環境、社會及管治報告包涵蓋之附屬公司員工總數為39人，此數據亦作為計算其他密度數據的依據。

廢物及廢水排放及處理

對以下類別的固體廢棄物，本集團採取有針對性的處理措施：

Medical Wastes

The business of the Group shall comply with environmental laws and regulations, including the provisions for the treatment of medical waste. A comprehensive set of procedures has been established in accordance with the “Regulations on the Administration of Medical Wastes of Guangdong Province” 《廣東省醫療廢物管理條例》 and the “Measures for Medical Wastes Management of Medical and Health Institutions” 《醫療衛生機構醫療廢物管理辦法》. If medical waste is not properly disposed of, it will pose a risk to the environment and human health. Therefore, we are responsible to handle waste in statutory, safe and professional manner. For medical wastes such as syringe, infusion set, blood transfusion tool, pharmaceutical bottle, blood purification materials, cotton swab for disinfection, cotton swab and pad, indwelling needle, therapeutic sheet, waste medicines, etc., the Group has formulated and effectively implemented relevant written procedures for the treatment of medical wastes to ensure proper management and safe disposal of the wastes. The Group provides training to all frontline staff to ensure that all relevant staff are familiar with the relevant procedures. The relevant procedures and systems are as follows:

- Identification and separation of types of waste: separate and classify different types of waste from sources (ward, laboratory, inspection room, etc.) under the supervision of responsible personnel with clear operational guidelines and manuals and according to the “Classified Catalogue of Medical Wastes” 《醫療廢物分類目錄》;
- Transport and storage of wastes: Use puncture-proof and leak-proof container, bags are properly bundled and sealed, use special transport trolleys, store waste in covered areas away from normal access, and take safety measures to prevent unauthorized reuse;
- Identify the need for the use of personal protective equipment: identify and provide special clothing, gloves, masks and eye protection to employees responsible for waste transportation and disposal; and
- Proper disposal of wastes: Collect and follow-up disposal by qualified and licensed service providers specialized in the treatment of medical waste (including incineration, landfill or chemical/biochemical treatment of applicable waste types) at the final stage. Such wastes are generally not recyclable and reusable because of their hazardous nature.

醫療廢物

本集團業務須遵守環境法律法規，包括醫療廢物處理的規定，按照《廣東省醫療廢物管理條例》和《醫療衛生機構醫療廢物管理辦法》建立了一套完整的程序。倘並無妥善處理醫療廢物，會對環境及人體健康構成危險，因此我們有責任按法定、安全及專業方式處理廢物。對醫療廢物如注射器、輸液器、輸血器、配藥用藥瓶、血淨耗材、消毒用的棉簽、棉簽敷貼、留置針、治療巾、廢棄藥物等，本集團制定了並有效實施處理醫療廢物的相關書面程序，確保妥善管理及安全處置有關廢物。本集團向全體前線員工提供培訓，確保所有相關員工熟悉有關程序。相關程序及制度如下：

- 廢物類型的識別及分離：根據《醫療廢物分類目錄》以明確的操作指引及手冊在負責人員監督下從源頭(病房、化驗室、檢查室等)分離及分類不同類型廢物；
- 廢物運輸與儲存：使用防刺穿及防滲漏容器、袋子妥善地捆紮及密封、使用專用的運輸手推車、將廢物保存在遠離正常通道的有蓋區域，並採取安全措施防止未經授權再利用；
- 識別使用個人防護裝備的需要：識別並向負責廢物運輸及處置的員工提供特殊服裝、手套、口罩及眼睛保護；及
- 妥善處理廢物：最後由專業從事醫療廢物處理的合資格且持牌服務供應商(包括適用廢物類型的焚化、填埋或化學／生物化學處理)進行收集及後續處理。由於該等廢物具有害性，通常不可回收再利用。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

The overview of medical wastes discharge performance:

醫療廢物排放表現概述：

Total medical wastes discharge in 2017 (calculated in kg)	Intensity — Total medical wastes discharge per employee (kg/employee) 密度 – 每位僱員醫療廢物排放總量 (公斤／僱員)
1,116.5kg 1,116.5 公斤	28.63kg 28.63 公斤

Non-hazardous Wastes

In addition to medical waste, the Group generates general non-hazardous wastes during its operations, including paper, paper towels, masks, plastic gloves, disposable protective gowns, disposable shoe covers, and other uncontaminated containers. After collection and classification, such wastes will eventually be collected and disposed by property management company. Recyclable wastes (such as paper) will be recycled for reuse.

無害廢棄物

除醫療廢物外，本集團營運過程中亦會產生一般無害廢物，包括紙張、刷手紙、口罩、塑膠手套、一次性保護袍、一次性鞋套，以及其他未受污染的容器等。經收集及分類後，該類廢物最終會統一由物業管理商收集及處理，可循環再造的廢物（如紙張等）則會得到回收以再利用。

The overview of major non-hazardous wastes discharge performance:

主要無害廢物排放表現概述：

Category of waste 廢物類別	Total discharge in 2017 2017年排放總量	Intensity — Total non-hazardous wastes discharge per employee (unit/employee) 密度 – 每位僱員相關無害廢物排放總量 (單位／僱員)
Paper 紙張	37,500 sheets 37,500 張	961.54 sheets 961.54 張

During the year ended 31 December 2017, the Group did not measure the amount of general non-hazardous wastes other than paper. The Group will continue to improve its information collection and disclosure system in 2018 to enhance the transparency of information disclosure in respect of the discharge performance of the Group.

於截至二零一七年十二月三十一日止年度，本集團並沒有統計除紙張以外一般無害廢物的用量。本集團將於二零一八年繼續完善集團的信息收集及披露系統，以提高本集團排放表現的信息披露透明度。

Other Waste Reduction Measures — Office Paper Management

The Group is committed to establishing an electronic office. The office makes full use of the online system, while general business notices and data transmissions are conducted through the Internet system. Printing and copying are minimized to the largest extent to reduce paper usage. Office paper is used both sides. The office is responsible for supervising the amount of paper usage; waste paper is collected and disposed of by the administrative department and the office. Besides, the Group has been exploring opportunities to upgrade and strengthen clinic management and administrative information technology systems, such as planning to upgrade our electronic medical record software system to reduce the use of paper.

Wastewater Discharge and Treatment

The Group discharges operational water and medical wastewater during its daily operation process. After disinfection treatment, the discharged medical wastewater, together with employees' operational and domestic wastewater, are discharged into the municipal sewage pipeline network for processing in regional water purification plant. After wastewater inspection, the aggregate discharge effluent of the Group satisfied the level 3 standard requirement of the second time-period of "Discharge Limits of Water Pollutants" 《水污染物排放限值》(DB44/26-2001) of Guangdong Province.

Since the wastewater discharged by the Group is discharged into the municipal sewage pipeline network for processing in regional water purification plant, the amount of water consumption of the Group represents the wastewater discharge volume. The data of wastewater discharge volume will be described in the "Water Management" section in Part A2.

其他減廢措施－辦公室用紙管理

本集團致力於建立一個電子化的辦公室。辦公室內充分利用網上系統，一般事務性通知、資料傳送等通過網路系統進行，盡量避免列印及複印檔，減少使用紙張，辦公用紙盡量雙面使用。辦公室負責監督紙張用量；廢棄紙張由行政管理部及辦公室統一回收處理。此外，本集團一直探索升級及加強診所管理及行政資訊科技系統的機會，如計劃升級我們的電子醫療記錄軟體系統，以減少紙張的使用。

廢水排放及處理

本集團在日常運營過程中會排放辦公用水及醫療廢水，排放的醫療廢水經消毒處理後和員工辦公生活污水一併排入市政污水管網送區域水質淨化廠處理。經廢水檢測，本集團總排放口出水滿足廣東省標準《水污染物排放限值》(DB44/26-2001)第二時段三級標準要求。

由於本集團排放的廢水會經市政污水管網送區域水質淨化廠處理，因此本集團耗水量即為污水排放量，污水排放量數據將於A2部分中「用水管理」一節中說明。

A2. Use of Resources

General Disclosure and KPIs

The Group aims to actively promote the effective use of resources, real-time monitors the potential impact of business operations on the environment and promotes green office and operating environment with four basic principles, i.e. reduce, reuse, recycle and replace, thus minimizing the impact of the Group and its subsidiaries on the environment. The Group supervises the use of water, electricity and other resources, measures usage on monthly basis, focusingly administers major energy-consuming equipment, and standardizes equipment operation procedures to full and effective use of energy.

The Group strictly complies with the “Water Resource Law of the People’s Republic of China” 《中華人民共和國水法》, “Electric Power Law of the People’s Republic of China” 《中華人民共和國電力法》, “Energy Law of the People’s Republic of China” 《中華人民共和國能源法》, “Energy Conservation Law of the People’s Republic of China” 《中華人民共和國能源節約法》, and other relevant laws and regulations. During the year ended 31 December 2017, the Group was not aware of any material non-compliance of the above laws and regulations.

Energy Consumption

The major energy consumption of the Group during its daily operation is electricity consumption in our operation. The Group has formulated rules and regulations to achieve the goal of saving and using electricity effectively. The relevant specific measures are as follows:

- Use energy-saving equipment, appliances and lamps in office;
- Running idle equipment, unreasonable electric wiring distribution, etc. are forbidden;
- Employees are required to pull down the main gate switch, the water curtain wall switch and the electric switch of the front glass door before off duty, and pull them up the next morning;
- Employees are required to turn on electrical equipment, including lighting equipment, air conditioners, fans, etc. during business hours depending on actual needs, and encouraged to turn off the power when not in use or before off duty;

A2. 資源使用

一般披露和關鍵績效指標

本集團以積極推動有效使用資源為宗旨，即時監察業務營運對環境帶來的潛在影響，並通過減少、重用、回收及取代四個基本原則，推廣綠色辦公室及營運環境，將集團和子公司營運對環境的影響減至最低。本集團對水、電等資源使用進行監督，每月統計用量，對主要耗能設備進行重點管理，規範設備作業流程，以充分有效地利用能源。

本集團嚴格遵守《中華人民共和國水法》、《中華人民共和國電力法》、《中華人民共和國能源法》、《中華人民共和國能源節約法》以及其他相關法律及法規。於截至二零一七年十二月三十一日止年度，本集團並不知悉任何重大違反上述法律及法規的重大事宜。

能源消耗

在日常運營中，本集團的主要能源消耗為營運耗電。本集團制定了規章制度以達到節約用電及有效使用電力的目標，相關具體措施如下：

- 辦公室中要選用節電的設備、電器和燈具；
- 嚴禁設備空運轉、配電線路佈線不合理等現象；
- 要求員工在下班前必須拉下總閘開關、水幕牆開關及正門玻璃門的電動開關，次日早上再打開；
- 員工於上班時間按實際需要開啟用電設備，包括照明設備、空調機、風扇等，並鼓勵員工不使用時及下班前關掉電源；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

- Strictly regulate the use of air conditioners, the temperature shall not be lower than the default, and turn off the air conditioner in all VIP rooms and treatment rooms when they are not in use; and
- Enhance the maintenance and overhaul of equipment, maintain the best condition of all electronic equipment for effective use of electricity.

In addition, the Group installed LED energy-saving lamps in all lighting areas, and instils the consciousness of energy conservation and environmental protection into the work and life of every employee through posting power-saving slogans, etc. In addition, the Group has gradually replaced obsolete equipment with energy-saving certified alternatives to reduce energy consumption and consequent GHG emissions.

During the year ended 31 December 2017, the electricity consumption of the Group and its intensity were as follows:

- 嚴格規定空調的使用，溫度不得低於預設的溫度，平時關閉所有貴賓室和診療室的空調；及
- 加強對設備的維護檢修，將各電子設備保持最佳的狀態，有效地使用電力

另外，本集團在全部照明區域安裝LED節能燈，並通過張貼節電標語等方式，將節能環保意識滲透到每位員工的工作和生活中。此外，本集團亦逐步用節能認證的新設備替代過時的設備以減少能源消耗以及由此而來的溫室氣體排放。

於截至二零一七年十二月三十一日止年度，本集團耗電量和其密度為：

Type of energy	Electricity consumption	Intensity – generated amount per employee (unit/employee)
能源種類	用電量	密度 – 每位僱員產生用量 (單位/僱員)
Electricity	146,989 kWh	3,769 kWh
電力	146,989 千瓦時	3,769 千瓦時

Water Consumption and Use of Packaging Materials

The water consumption of the Group contains mainly of office water consumption and medical water consumption. We encourage all employees and customers to develop the habit of conserving water consciously. The Group has been strengthening its water-saving promotion, posting water-saving slogans, and guiding employees to use water reasonably.

水源消耗及包裝材料的使用

本集團的用水主要是辦公區用水及醫療用水。我們鼓勵所有員工和客戶養成自覺節約用水的習慣，本集團一直加強節水宣傳，張貼節水標語，引導員工合理用水。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

During the year ended 31 December 2017, the water consumption (i.e. wastewater discharge) of the Group and its intensity were as follows:

於截至二零一七年十二月三十一日止年度，本集團耗水量（即污水排放量）和其密度為：

Water consumption (calculated in tonnes)	Intensity – generated amount per employee (tonnes/employee)
用水量（以噸計算）	密度 – 每位僱員產生用量（噸／僱員）
1,332 tonnes	34.15 tonnes
1,332 噸	34.15 噸

In addition, due to our business nature, the Group does not produce any final products, nor does it have any industrial facilities. Therefore, it does not consume significant amount of packaging materials during its daily operation.

此外，基於業務性質，本集團不生產任何最終產品，亦沒有任何工業設施，因此在日常營運過程中並不會消耗大量包裝材料。

A3. The Environment and Natural Resources

General Disclosure and KPIs

The Group pursues the best practice with the environment and focuses on the business impact of the Group on the environment and natural resources. In addition to complying with environmental related regulations and international standards to appropriately protect the natural environment, the Group has integrated the concept of environmental protection into its internal management and daily operational activities and is committed to achieving environmental sustainability.

Noise Management

Noise may also be generated during the operation of the Group. Therefore, the Group has taken measures such as sound insulation, noise reduction and shockproof for sound-generating equipment. The office area and medical treatment area of the Group satisfy the relevant requirements of the “Emission Standard for Community Noise” 《社會生活環境噪聲排放標準》(GB12348–2008).

A3. 環境及天然資源

一般披露和關鍵績效指標

本集團追求與環境的最佳實務，著重集團業務對環境及天然資源的影響。除了遵循環境相關法規及國際準則，適切地保護自然環境外，集團亦將環境保護的概念融入內部管理及日常營運活動當中，致力達成環境永續之目標。

噪音管理

在本集團營運過程亦可能產生噪音，因此本集團已經對聲源設備採取了隔聲、降噪、防震等措施。本集團辦公區域及診療區域均符合《社會生活環境噪聲排放標準》(GB12348–2008)的相關要求。

B. Social

B1. Employment

General Disclosure

Employees are the largest and most valuable asset and the core competitive advantage of the Group; therefore, the success of the Group is highly dependent on its capability to attract, cultivate and retain employees. The Group adheres to a people-oriented approach, respects and safeguards the legitimate interests of every employee, standardizes labour employment management, protects employees' occupational health and safety. The Group also enhances democratic management, protects the vital interests of employees, and fully respects and values their enthusiasm, initiative and creativity in order to build a harmonious staff relationship.

The Group actively complied with laws and regulations, such as the "Labour Law of the People's Republic of China" 《中華人民共和國勞動法》 ("Labour Law") and the "Labour Contract Law of the People's Republic of China" 《中華人民共和國勞動合同法》 ("Labour Contract Law"). The Company has accordingly formulated a series of relevant personnel management policy to provide employees with a healthy, positive and motivative working atmosphere, and guides employees to actively integrate personal pursuits into the long-term development of the Group.

During the year ended 31 December 2017, the Group did not find any material non-compliance of laws and regulations in respect of human resources.

Compensation and Benefits

The Group has established a fair, equitable, reasonable, and competitive remuneration system for salary payments to employees based on the principle of fairness, competition, incentives, reasonableness, and legality. The remuneration of the employees of the Group comprises basic salary, performance bonus, overtime payment, position subsidy, related subsidies and other various bonuses. In addition, the Group conducts annual assessments in accordance to changes in macroeconomic factors (e.g. national policies and price levels), industry and regional remuneration levels, changes in the Group's development strategy, and the overall effectiveness of the Group, and makes corresponding adjustments to staff remuneration.

B. 社會

B1. 僱傭

一般披露

員工是本集團最大及具價值的資產和競爭優勢的核心，因此本集團的成功十分依賴於吸引、培養及留住員工的能力。本集團堅持以人為本，尊重和保障每一位員工的合法權益，規範勞動僱傭管理，保障員工職業健康安全，加強民主管理，維護員工切身利益，充分尊重和重視激發員工積極性、主動性和創造力，以構建和諧的勞動關係。

本集團積極遵守《中華人民共和國勞動法》(「《勞動法》」)、《中華人民共和國勞動合同法》(「《勞動合同法》」)等法律法規。本公司據此制定了一系列相關人事管理政策，為員工提供健康、陽光和向上的工作氛圍，引導員工積極將個人追求融入到本集團長遠發展之中。

於截至二零一七年十二月三十一日止年度，集團並未發現任何違反有關人力資源的法例和法規的重大事宜。

薪酬福利

本集團建立了一套公平、公正、合理且有競爭力的薪酬體系，基於公平、競爭、激勵、合理及合法原則，為員工發放薪酬。本集團員工薪酬由基本工資、績效工資、加班工資、崗位補貼、相關補貼和各種獎金等組成。此外，本集團每年對國家政策和物價水準等宏觀因素的變化、行業及地區薪資水準、集團發展戰略變化以及集團整體效益情況進行評估，並對員工薪酬等作相應調整。

The Group has signed and executed labour contracts with employees in accordance with the Labour Contract Law. The signing rate of the labour contracts is 100%. In accordance with the law, the Group legally pays “five social insurance and one housing fund” for its employees, namely endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund, to ensure that employees covered by social insurance.

The Group earnestly safeguards the legitimate interests of labour in accordance with the requirements of the national and local laws and regulations (e.g. the Labour Law), respects the rights of employees to rest and leave, and regulates their working hours and their rights for various types of rest times and holidays. In accordance with the Labour Law, we implement five-day work, weekend shift duty, eight working hours per day, and follow the “Regulation on Paid Annual Leave for Employees” 《職工帶薪年休假條例》 and other relevant regulations to implement the paid leave system for employees. Meanwhile, overtime wage is paid for labour exceeding statutory working hours in accordance with national laws and regulations.

The Group has been committed to providing thoughtful and comprehensive employee benefits and actively organizing various activities. On the one hand, it creates a warm family atmosphere with meticulous care to employees. On the other hand, it helps employees to enjoy work-life balance through such benefits. The relevant benefits and activities are as follows:

- Provide family vacation benefits such as marriage leave and maternity leave so that employees can spend time with their families;
- Deliver festive foods such as moon cakes and dumplings to employees during certain traditional festivals (such as Lunar New Year and Mid-Autumn Festival) in recognition of their contributions and dedicated work to the Group; and

本集團按照《勞動合同法》依法與員工簽訂並履行勞動合同，勞動合同簽約率為100%。本集團依法為員工繳納「五險一金」，即養老保險、醫療保險、失業保險、工傷保險、生育保險以及住房公積金，確保員工受到社會保險的保障。

本集團按照《勞動法》等國家和地方法律法規的要求切實保障勞動者合法權益，尊重員工的休息和休假的權利，規範員工的工作時間及其享有的各類休息時間和假期的權利。我們依據《勞動法》實行每週五天工作制，週末輪休，每天工作時間為八小時，並按照《職工帶薪年休假條例》等相關規定，實施員工帶薪休假制度，同時亦按照國家法律法規為超出法定工作時間的勞動支付超時工資報酬。

本集團一直致力於提供周到全面的員工福利，積極組織豐富多彩的活動，一方面營造溫暖的大家庭氛圍，讓員工感受到無微不至的關懷，另一方面亦透過這些福利幫助員工在工作與私人生活之間達致平衡。相關福利及活動如下：

- 提供家庭休假福利，例如結婚假及產假，以便員工與家人共度時光；
- 在某些傳統節日（比如農曆新年及中秋節），向員工分發月餅及糰子等節日食品，藉以致謝他們對本集團之貢獻及辛勤工作；及

- Organize various group activities for employees to create a dynamic company atmosphere, promote communication and interaction among colleagues, and enhance team spirit. During the reporting period, the activities organized by the Group included:
 - Visiting of Huolu Mountain Forest Park, Longdong, Guangzhou in April 2017;
 - Visiting of Lingnan Impression Park, Guangzhou in August 2017; and
 - To conduct 2017 annual company gathering.
- 為員工舉辦不同團體活動，以創造活躍的公司氛圍，促進同事之間的交流互動，增強團隊精神。在本報告期內，本集團舉辦的活動包括：
 - 2017年4月於廣州市龍洞火爐山森林公園徒步踏青；
 - 2017年8月到廣州嶺南印象園參觀；及
 - 舉辦2017年度的公司年會。

Recruitment, Promotion, Incentive and Dismissal

The Group has continuously established and improved its recruitment and selection system. In the recruitment process, we will standardize the hiring procedures and recruitment principles, adhere to the hiring principles of morality, knowledge, ability, experience and fitness applicable to job positions as well as the principles of justice, fairness, equality, and openness, so as to continuously attract talents.

The Group manages front-line employees and office staff separately, specifies the basis and process for staff promotion, transfer and demotion management, regulates the departure and dismissal process, and protects the interests of both employees and the company.

The Group has already implemented a reward system and also rewarded employees who have made outstanding contributions to the Group. The system is designed based on staffs' comments and rewards staff fairly, equitably and consistently. In addition, the Group regularly selects and rewards outstanding employees.

The Group has implemented a fair and open assessment system to provide employees with opportunities for promotion and development based on their work performance and internal assessment results so as to explore their potential at work. In order to optimize the allocation of human resources within the Group, to provide more opportunities and platforms for employees' career development and to meet the Group's needs of sustainable development, the Group establishes a reserve talent pool and arranges tailor-made trainings and leadership positions for key training targets. The Group gives priority to promote employees who contribute more than the others.

招聘、晉升、獎勵及解聘

本集團不斷建立和完善人才招聘選拔制度。在招聘過程中規範錄用流程和招聘原則，堅持品德優秀、學識、能力、經驗和體格適合於所任崗位的聘任原則，堅持公正、公平、平等及公開原則，從而不斷吸引和招攬優秀人才。

本集團對前線員工和辦公室入職進行分類管理，明確人員晉升、調動和降級管理的依據及流程，規範離職及解聘流程，保護員工和公司雙方的利益。

本集團已經落實了一套獎勵制度亦獎勵對集團有突出貢獻的員工。該制度的設計以員工意見為基準，公平、平等及一致地獎勵員工。此外，本集團定期進行優秀員工的評選，對於表現突出的員工進行獎勵。

本集團已經落實了一套公平公開的考核制度，按照員工的工作表現及內部考核結果，為員工提供晉升及發展的機會，以發掘其工作潛能。為實現集團內部人力資源的優化配置，為員工的職業發展提供更多的機會和平台，滿足集團可持續發展需求。本集團建立了後備人才庫，對重點培養對象安排有針對性的培訓和領導崗位鍛煉。本集團優先提拔貢獻良多的僱員。

Equal Opportunity

The Group strictly complies with national and local government regulations by adopting a fair, just and open recruitment process and developing relevant system files to eliminate discrimination in the recruitment process, whose employees faces no discrimination regardless of race, gender, colour, age, family background, ethnicity, ethnic tradition, religion, physical fitness and nationality and thus allowing them to enjoy fair treatment in every aspect including recruitment, salary, training and promotion, with an endeavour to attract professionals with diverse backgrounds to join the Group.

B2. Health and Safety

General Disclosure

The Group recognizes the importance of the health and safety of its employees, commits itself to providing employees with a healthy, safe and comfortable working environment and strives to eliminate potential health and safety hazards at workplaces. We enforce relevant laws and regulations such as the “Labour Law of the People’s Republic of China” 《中華人民共和國勞動法》, “PRC Production Safety Law” 《中華人民共和國安全生產法》, “Law of the PRC on Prevention and Control of Occupational Diseases” 《中華人民共和國職業病防治法》 and “Fire Protection Law of the PRC” 《中華人民共和國消防法》.

During the year ended 31 December 2017, the Group did not record any accidents that resulted in death or serious physical injury and no claims or compensation were paid to our employees due to such events. No material non-compliance of laws and regulations relevant to health and safety of employees were found.

平等機會

本集團嚴格遵守國家及地方政府各項法規，採取公平、公正、公開的招聘流程，制定了相關制度檔以杜絕招聘過程中的歧視現象，不因種族、性別、膚色、年齡、家庭背景、民族傳統、宗教、身體素質和國籍等因素歧視任何一位員工，讓員工在招聘、薪酬、培訓和晉升等各個階段享受公平待遇，以盡力羅致不同背景的專才加入本集團。

B2. 健康與安全

一般披露

本集團高度重視員工的健康與安全，致力於為員工提供健康、安全和舒適的工作環境，努力消除潛在工作場所健康及安全危害。我們嚴格執行《中華人民共和國勞動法》、《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》、《中華人民共和國消防法》等相關法律法規。

於截至二零一七年十二月三十一日止年度，集團並無錄得任何導致死亡或嚴重肢體受傷的意外事件、並無因該等事件而向我們的僱員支付索償或補償以及並未發現任何違反僱員健康與安全相關的法律法規的重大事宜。

Internal Health and Safety Management System

The Group has formulated a series of professional protection standards in accordance with laws and regulations such as the “Prevention and Treatment of Infectious Diseases Law of the PRC” 《中華人民共和國傳染病防治法》 and maintained a set of internal health and safety management systems, including but not limited to the “Policy on the Infectious Disease Prevention and Control” and “Policy on the Remaining Drugs Recycling Management”, etc., so as to ensure the health and safety of customers, the public and employees in our operation. The Group has set up relevant committees to supervise and inspect the Group’s work on infectious disease control and management. Specifically, the Group has established the following occupational safety measures for employees:

- For the prevention of infectious pathogens, laboratories and medical personnel should wear gloves, masks with anti-permeation function, goggles, face masks, or even isolation gowns or aprons with anti-permeation function;
- When infectious patients, or those in close contact with them is found among employees or clients, employees should take necessary measures of isolation, treatment and spread control, and report to the local disease control centre in a timely manner;
- To control the potential spread of infectious diseases in clinics or laboratories, regular sterilization should be conducted in both areas. Regular cleaning of air-conditioning systems and sanitization of carpets should be arranged while the cleanliness of the passageway and work environment should be maintained;
- A dangerous goods classification system in medical laboratories has been set up to classify and specify the hazards of chemicals, reagents, and equipment, and a comprehensive and systematic system has been established to manage dangerous goods and reduce their risk; and
- An operating license has been issued by China Food and Drug Administration to ensure the safety of relevant medical devices.

內部健康與安全管理制度

本集團根據《中華人民共和國傳染病防治法》等法律法規，制訂了一系列專業防護標準，並維持一系列內部健康及安全管理制度，包括但不限於《傳染病防治工作制度》、《剩餘藥品回收管理制度》等，以確保營運過程中客戶、公眾及員工的健康及安全。本集團有設立相關委員會負責監督、檢查本集團的傳染病防治管理工作。具體而言，本集團建立了以下員工職業安全的措施：

- 為預防感染病原物質，實驗室及醫務人員應戴手套、具有防滲透性能的口罩、防護眼鏡、面罩甚至具有防滲透性能的隔離衣或者圍裙；
- 在員工或客戶間發現傳染病人或病人的密切接觸者時，採取必要的隔離、治療及控制傳播措施，並及時向當地疾病控制中心報告；
- 為控制傳染性疾病在診所或實驗室的潛在傳播，對兩者進行定期消毒，並定期安排冷氣系統的清洗以及地毯的消毒處理，同時一直保持通道及工作環境的乾淨整潔；
- 在醫學實驗室設立危險品分類系統，把化學品、試劑、設備等分類並列明其危險性，並設立全面及系統化的制度以管理危險品及降低其風險程度；及
- 相關醫療機器已獲得「國家食品藥品監督管理局」發出經營許可證，以確保其安全性。

Occupational Safety Training

Medical safety and quality trainings

As medical work is exposed to greater occupational risks, the Group places special emphasis on prevention of occupational hazards and related trainings. The Group has formulated the “Policy on the Medical Quality and Safety Training”, safety operation procedures as the major content of occupational safety education are formulated based on medical treatment subjects and medical equipment. We implement “three-level” safety education for employees, including entry education, job education, and on-site education. We also provide employees with trainings and examinations on knowledge and skills about relevant policies and regulations for medical hygiene management, rules and regulations for group clinics, operating specifications for medical treatment and medical equipment, medical waste treatment and occupational protection, as well as medical safety work experience, so as to assist employees to become familiarized with rules and regulations of occupational health and safety and operational procedures, and strengthen their ability to control occupational hazards. In addition, we also made use of trainings, billboards, and pamphlets to raise our employees’ awareness of self-care. We will also organize a series of occupational health talks such as disease prevention lectures to enhance our employees’ health awareness.

Fire Safety Training

The Group has also formulated fire safety systems in accordance with the “Fire Protection Law of the PRC” 《中華人民共和國消防法》 and the “Administrative Regulations of Fire Control Supervision of Construction Works” 《建設工程消防監督管理規定》. By implementing the principle of “mainly prevention, combining prevention and elimination”, fire drills are conducted to popularize knowledge of fire prevention, staff’s awareness of fire prevention are raised and fire evacuation plans are improved to strengthen employees’ ability to escape from a fire scene. In addition, we also have first aid kits and fire extinguishers in workplace in response to emergencies.

職業安全培訓

醫療安全及質量培訓

由於醫務工作面臨較大的職業風險，本集團尤其重視職業危害的防護以及相關培訓。本集團制定了《醫療質量及安全培訓制度》，根據診療科目及醫療設備制定安全操作規程，作為職業安全教育的主要內容。我們對職工實行「三級」安全教育，包括入職教育、崗位教育及現場教育，對職工進行醫療衛生管理相關政策法規、集團診所規章制度、診療及醫療設備操作規範、醫療廢物處理和職業防護、以及醫療安全工作經驗等相關知識與技能的培訓和考試，幫助員工熟悉職業健康與安全的規章制度和操作流程，增強控制職業危害的能力。此外，我們亦有利用培訓、宣傳欄和發放小冊子等形式提高員工的自我保健意識。我們亦會組織一系列職業健康講座如疾病預防知識講座以提高員工的健康意識。

消防安全培訓

本集團亦根據《中華人民共和國消防法》和《建設工程消防監督管理規定》制定消防安全制度，貫徹「預防為主、防消結合」的原則，進行火警演練以普及防火知識、加強全體員工的防火意識和改進消防疏散計劃，提高員工在火災現場逃生的能力。此外，我們亦有在工作場所設置急救箱和滅火器以應對緊急情況。

B3. Development and Training

General Disclosure

The Group focuses on corporate internal management training and the establishment of development system. Through multiple training modes of induction training, management personnel training, technical personnel training and pre-post training, diverse needs of employees at all levels are fulfilled and their skills are enhanced such that they can continue to provide high-quality services to assist the Group's sustainable development while in turn supporting them in personal growth and development.

Training Management

The Group has developed training related procedures to regulate the training management of employees. The management regularly formulates training proposals and establishes corporate training files. The management regularly reviews the effectiveness of different training programs and courses to help improve the efficiency of the Group's training system. According to the training proposals, the Group evaluates and monitors the implementation of its training courses to provide appropriate training courses for different levels of employees.

Training Courses

The in-house corporate training of the Group includes various forms of training courses (including seminars and lectures), visits and inspections, business studies, distribution and posting of promotional materials, field rehearsals and self-study. Outsourcing training includes engaging tertiary institutions, research and development agencies, government agencies and industry management departments to provide lectures for the Group.

Newly recruited employees are required to receive short-term induction training. The contents mainly include the introduction of the Group and our business, the development and trend of medical anti-aging business, professional basic knowledge, internal corporate organizational structure and management system, and daily conduct standards. The company's business department will also arrange new employees to visit the Group's agencies in field so as to help them understand corporate culture and systems at a faster pace.

B3. 發展及培訓

一般披露

本集團注重企業內部管理培訓與發展體系的建立，通過入職培訓、管理人員培訓、技術人員培訓和崗前培訓等多元化培訓模式來滿足各級各類員工的不同需求，提升員工技能，使員工能夠持續提供高品質的服務，協助集團可持續發展，同時幫助員工個人成長及發展。

培訓管理

本集團制定了培訓相關程序以規範員工的培訓管理工作。由管理層定期擬定培訓計劃，建立企業培訓檔案。管理層會定期審視不同培訓方案及課程的有效性以協助提高集團培訓制度的效率。根據培訓計劃，本集團評估及監控其培訓課程的執行，以為不同級別的員工提供適當的培訓課程。

培訓課程

本集團企業內部培訓包括舉辦各類培訓班(含研修班、講座)、參觀考察、業務學習、發放和張貼宣傳資料、實地演習和自學等多種形式。委外培訓包括委託大專院校、研究及發展機構、政府機關和行業管理部門為集團提供講座。

新入職員工均需要接受短期的入職培訓，內容主要為對本集團及我們的業務的介紹、醫學抗衰老業務的發展與趨勢、專業基本知識、公司內部組織架構和管理制度及日常行為規範。新員工也會被所屬公司的業務部門安排本集團實地機構參觀，以幫助他們更快的瞭解企業的文化和制度。

The medical professionals of the Group can participate in academic activities related to their majors, including international academic conferences, academic forums in China, academic seminars, continuous medical education projects in China, and academic lectures by well-known local and overseas experts, etc.

The Group also recognizes the importance of occupational safety training and fire training to protect the personal safety of employees. The relevant policies have been described in detail in sections B2 “Occupational Safety Training” and “Fire Safety”.

B4. Labour Standards

General Disclosure

Prevent Child and Forced Labour

The Group has complied with the “Convention on the Abolition of Forced Labor” in respect of employment of labour (《廢止強迫勞動公約》), the “Labor Law of the People’s Republic of China” 《中華人民共和國勞動法》 in respect of the prevention of child labor, and the “Provisions on Prohibition of Child Labor” 《人民共和國禁止使用童工規定》, which has been enacted and implemented since 1 December 2002.

The Group strictly prohibits the employment of any child labor and forced labor. New employees are required to provide true and accurate personal data when they are employed. Recruiters should strictly review the entry data including medical examination reports, academic credentials, ID cards, household registration, degree certificates and other information. The Group has established comprehensive recruitment procedures to check the background of candidates in order to prevent any child labor or forced labor in operation.

The Group and its employees signed legal labor contracts in accordance with laws, and therefore there is no compulsory use of labor. For the use of false information or in violation of the provisions of the Group, the trial period shall be immediately terminated or the labor contract shall be terminated.

本集團的醫學專業人員可以參加與其專業有關的學術活動，包括國際學術會議、中國學術論壇、學術研習會、中國繼續醫學教育專案、國內外知名專家學術講座活動等等。

本集團亦極為重視職業安全培訓及消防培訓以保障員工個人安全，相關政策已經在B2部分「職業安全培訓」及「消防安全」一節詳細描述。

B4. 勞工準則

一般披露

防止童工或強制勞工

本集團已遵守有關僱用勞工《廢止強迫勞動公約》、有關防止童工的《中華人民共和國勞動法》，以及自二零零二年十二月一日起制定及執行的《人民共和國禁止使用童工規定》。

本集團嚴格禁止僱用任何童工及強制勞工。本集團要求新員工入職時提供真實準確的個人資料，招聘人員嚴格審查入職資料包括體檢報告、學歷證明、身份證、戶口、學位證等資料。本集團已建立需檢查候選人背景的完善的招聘流程，以防止經營中存在的任何童工或強制勞動。

本集團與員工依法簽訂合法勞動合同，因此並無強制使用勞工行為。對於使用虛假資料或違背本集團規定者立即終止試用期或解除勞動合同。

In addition, the Group's employees' overtime work complies with the principle of voluntariness so as to avoid violation of labor standards and effectively protect the rights and interests of employees. The Group also prohibits punitive measures, management methods and behaviors such as verbal abuse, physical punishment, violence, and mental oppression on employees for any reason.

During the year ended 31 December 2017, no material non-compliance of the laws and regulations related to the prevention of child labor or forced labor have been found by the Group.

B5. Supply Chain Management

General Disclosure

In addition to purchasing medical equipment and drugs according to the specifications of the required products, price trends of medical devices and drugs, and product demand, the Group also places great emphasis on the management of potential environmental and social risks in the supply chain. The Group has established a rigorous and regulated procurement system and supplier selection procedures, and puts forward requirements for suppliers on environmental and social risk control.

In the process of supply chain management, the Group strictly complies with the "Pharmaceutical Administration Law of the PRC"《中華人民共和國藥品管理法》, "Regulations for the Implementation of the Pharmaceutical Administration Law of the PRC"《中華人民共和國藥品管理法實施條例》, "Regulations for the Control of Narcotic Drugs and Psychotropic Drugs"《麻醉藥品和精神藥品管理條例》, the "Regulations on the Supervision and Administration of Medical Devices"《醫療器械監督管理條例》, and "Measures for Authorizing Management of Medical Device Operation Enterprises"《醫療器械經營企業授權管理辦法》and other relevant laws and regulations to minimize the potential environmental and social risks in the supply chain.

此外，本集團員工加班遵循自願原則，以避免違反勞工準則，切實維護員工權益。本集團亦禁止以任何理由對員工進行辱罵、體罰、暴力、精神壓迫等懲罰性措施、管理方法和行為。

於截至二零一七年十二月三十一日止年度，集團並未發現任何違反防止童工或強制勞工相關的法律法規的重大事宜。

B5. 供應鏈管理

一般披露

除了根據所需產品的規格、醫療器材及藥品的價格趨勢及產品需求採購醫療器材及藥品外，集團亦高度重視供應鏈中潛在環境和社會風險的管理。本集團建立了嚴格而規範的採購體系及供應商甄選流程，並對供應商提出了環境及社會風險控制方面的要求。

本集團在供應鏈管理過程中，嚴格遵守《中華人民共和國藥品管理法》、《中華人民共和國藥品管理法實施條例》、《麻醉藥品和精神藥品管理條例》、《醫療器械監督管理條例》、《醫療器械經營企業授權管理辦法》等相關法律法規，以最大限度的減少供應鏈中潛在的環境及社會風險。

Supply Chain Environment and Social Risk Management

The Group expects suppliers to meet our standards in many aspects such as environment, quality, society, corporate governance, and business ethics. We have formulated relevant regulatory documents on environmental, social and ethical standards requiring suppliers to bring a positive impact on environmental and social matters, whose major scope covers legal compliance, human rights protection, employee safety and health, social responsibility, business ethics and environmental protection.

Drugs

The review introduction and procurement of the drugs shall be discussed and concluded by the medical professionals of the Group.

Medical Equipment and Medical Consumables

The review introduction of medical equipment and medical consumables as well as the temporary purchase of licensed pharmaceuticals shall all subject to discussion and decision by medical professionals of the Group. The relevant medical equipment suppliers shall possess relevant qualifications such as the Operation Permit for Medical Device (醫療器械經營許可證), otherwise the Group will terminate its supply contract.

Fair and Open Procurement

The Group's procurement process strictly follows the relevant provisions of the "Tendering and Bidding Law of the People's Republic of China" 《中華人民共和國招標投標法》 and other relevant regulations, and is in an open, fair and impartial environment. The Group will not discriminate against any suppliers, and will not allow any corruption or bribery, and employees and other individuals who have interest in relevant suppliers will not be permitted to participate in related procurement activities. The Group focuses on the integrity of its suppliers and partners. We will only select suppliers and partners who have had good business records in the past and have not committed any serious law violations or violations of business ethics.

供應鏈環境及社會風險管理

本集團期望供應商能夠在環境、品質、社會、企業管治、商業道德等多方面符合我們的標準。我們就環境、社會及道德標準制定了相關規章檔，要求對供應商在環境及社會事宜上產生正面的影響，主要範疇包括營運合規合法、人權保障、員工安全與健康、社會責任、商業道德、及環境保護等。

藥品

藥物的評審引進以及採購均需經過本集團醫學方面的專業人士討論決定。

醫療設備及醫療耗材

醫療設備及醫療耗材的評審引進以及特許藥品的臨時採購均需經過本集團醫學方面的專業人士討論決定。相關醫療設備供應商必須擁有《醫療器械經營許可證》等相關資質，否則本集團會對其終止供應合同。

公平及公開採購

本集團採購過程嚴格參照《中華人民共和國招標投標法》等相關規定，在公開、公平、公正的條件下進行，不會對任何供應商有歧視性待遇，不允許任何貪污賄賂行為，與相關供應商有利益關係的員工及其他個人不會被允許參與相關採購活動。本集團關注供應商及合作夥伴的誠信。我們只會挑選過去營商紀錄良好，沒有任何嚴重違規或違反商業道德行為的供應商及合作夥伴。

B6. Product Responsibility

General Disclosure

The Group places great emphasis on the quality of medical services and corporate reputation. The Group employs professional medical teams with medical licenses to manage the Group's products and medical service quality by the standard of hospital management. We also actively ensure the quality of our services through internal controls and are committed to providing medical services that meet international industry standards. We have also been maintaining communication with our customers to ensure that we understand and cater to their needs and expectations. We also expect to grasp the degree of satisfaction of our customers so as to continuously improve our service quality. We strictly complies with relevant laws and regulations. According to the "Administrative Regulations on Medical Institutions" 《醫療機構管理條例》 and its provisions of implementation rules, all our medical institutions can only operate subject to obtaining a medical institution practicing license (醫療機構執業許可證). At the same time, we also actively comply with consumer protection laws and regulations such as the "Consumer Protection Law of the People's Republic of China" 《中華人民共和國消費者權益保護法》, the "Advertising Law of the People's Republic of China" 《中華人民共和國廣告法》, and the "Administrative Measures on Medical Advertisements" 《醫療廣告管理辦法》.

During the year ended 31 December 2017, the Group did not find any material non-compliance of the laws and regulations related to the quality of products and services.

Quality of Medical Service

The Group provides professional, high-quality and highly efficient services to different customers in various ways, actively creates value for customers, concerns, explores and responds to customer needs, and strives to provide customers with services beyond their expectations.

B6. 產品責任

一般披露

本集團十分重視醫療服務品質及企業信譽。本集團聘用具有醫生執照的專業醫務團隊，以管理醫院的標準管理本集團的產品及醫療服務品質。我們亦積極透過內部監控確保服務質素，致力提供符合國際行業標準的醫療服務。我們亦一直保持與顧客的溝通，確保理解和滿足顧客的需求和期望，並希望瞭解客戶的滿意情況，以對我們的服務品質不斷作出改進。我們嚴格遵守相關法律法規，根據《醫療機構管理條例》及其實施細則的規定，我們所有醫療機構必須獲取《醫療機構執業許可證》方可營運。同時，我們亦積極遵守《中華人民共和國消費者權益保護法》、《中華人民共和國廣告法》、《醫療廣告管理辦法》等消費者保護相關法律法規的規定。

於截至二零一七年十二月三十一日止年度，集團並未發現任何違反產品及服務品質相關的法律法規的重大事宜。

醫療服務品質

本集團通過多種方式為不同顧客提供專業、優質、高效服務，積極為客戶創造價值，關注、挖掘和回應客戶需求，努力為客戶提供超越預期的服務。

In order to maintain service quality, the Group has formulated the “Policy on the Medical Quality and Safety Training” for medical centres. Through employees’ training, we guarantee the quality and safety of medical services we provide to our customers, details of which is in Part B2 “Occupational Safety Training”. The Group also ensure the quality of medical services by improving staffs’ professional standards through continuous training of employees, especially medical staffs, details of which is described in Section B3 “Training Courses”.

During the year ended 31 December 2017, the Group joined the Guangzhou Bioindustry Alliance (廣州市生物產業聯盟) which is a local and non-profit social organization voluntarily formed by upstream and downstream enterprises in the city’s biological industry chain, scientific research institutes, universities, industry organizations, medical institutions, and investment and financing institutions, with an objective of integration of “government, enterprises, institutions, researchers and users (政產學研用)”, focusing on the significant needs of industry development, through government guidance and socialization to improve the biological ecological chain and promote the development of bio-pharmaceutical industry. The Group has joined the Alliance, which aims to leverage the group of top and highly influential expert consultants and university research resources backed by the Alliance platform so as to further consolidate our technological advantages and provide customers with more professional and qualified medical service.

Customer Service

Feedback collection and research

The Group has a dedicated customer service function to collect and analyze customer feedback. Through active extension of services and communication, Customer Service Division becomes an important constituent to ensure patients’ positive experience. We conduct customer satisfaction surveys through questionnaires, results of which are used to establish benchmarks that monitor changes in customer experience and satisfaction in areas of specific services delivery.

The Group also cooperates with third parties from time to time to conduct comprehensive surveys, analysis and studies, so as to organize, analyze and research relevant information on customer experience and satisfaction obtained from the above methods, thus demonstrating the improvement of our medical service standards.

為維持服務質素，本集團已為醫務中心制定《醫療質量及安全培訓制度》，通過對員工的培訓保證我們為客戶提供的醫療服務的質量及安全性，具體內容已經在B2部分「職業安全培訓」一節詳細說明。本集團亦通過對員工尤其是醫務工作人員的持續培訓提高他們的專業水準以確保醫療服務的質量，具體內容已經在B3部分「培訓課程」一節詳細說明。

本集團在截至二零一七年十二月三十一日止年度，加入了廣州市生物產業聯盟。廣州市生物產業聯盟是全市生物產業鏈上下游的企業、科研院所、高校、行業組織、醫療機構和投資融資機構自願組成的地方性、非營利性社會團體，以「政產學研用」一體為目標，聚焦行業發展重大需求，通過政府引導和社會化運作，完善生物生態鏈，促進生物醫藥產業大發展。本集團加入廣州市生物產業聯盟，志在背靠產業聯盟平台的高水準、高影響力專家顧問團以及大學科研資源，使我們的技術優勢得以進一步的鞏固，為客戶提供更專業、更優質的醫療服務。

客戶服務

意見收集及研究

本集團設有專責客戶服務職能以收集及分析客戶回饋。通過主動延伸服務及積極溝通，客戶服務部成為確保患者體驗積極的重要組成部分。我們會通過問卷方式進行客戶滿意度調查，有關結果用於建立監控特定服務提供領域內客戶體驗及滿意度變化的基準。

本集團亦會不時與第三方合作進行全面調查及分析研究，以整理、分析及研究從上述方式取得的客戶體驗及滿意度相關資料，從而說明我們提高醫療服務的水準。

Complaint management

Customers can file complaints by mail, telephone, or in person. The Group is committed to solving all patient complaints in the shortest time or on the spot (if possible). For material complaints that involve clinical safety or may affect health, the Group will immediately take actions actively to prevent or minimize the adverse impact on customers. We require that every complaint should be properly submitted to and handled by the responsible personnel and manager and prohibit staff from reaching a private settlement with the complainant.

B7. Anti-corruption

General Disclosure

Prevent Corruption and Fraud

The Group believes that a clean corporate culture is the key to our continued success. Therefore, we attach great importance to anti-corruption work and system building, commit ourselves to building a clean and transparent corporate culture, and pay special attention to the professional ethics of hospital staff. We strictly complies with the provisions of laws and regulations such as the “Company Law of the People’s Republic of China”《中華人民共和國公司法》, “The Bidding Law of the People’s Republic of China”《中華人民共和國招標投標法》, and “Interim Provisions on Prohibiting Commercial Bribery”《關於禁止商業賄賂行為的暫行規定》. In addition, we strictly complies with the relevant medical laws and regulations formulated by Chinese government departments, including the Code of Conduct for the Practitioners of Medical Institutions《醫療機構從業人員行為規範》, the Notice on Printing and Circulating of “Nine Prohibitions” for Enhancing the Construction of Medical Health Industry Style《關於印發加強醫療衛生行風建設「九不准」的通知》, and the Provisions on the Establishment of Adverse Records of Commercial Briberies in the Medical Purchase and Sales Industry《關於建立醫藥購銷領域商業賄賂不良記錄的規定》 etc. We implement a zero-tolerance policy on any accepted bribery of medical personnel. Any employee found to violate our anti-corruption and bribery policies will be dismissed.

During the year ended 31 December 2017, the Group did not find any material non-compliance of laws and regulations concerning the prevention of bribery, blackmail, fraud and money laundering.

投訴管理

客戶可通過郵件、電話或親自提交投訴。本集團致力於在最短時間內或當場(如可能)解決所有患者投訴。對於涉及臨床安全或可能影響健康的重大投訴,本集團將立即積極採取行動防止或盡量減少對客戶的不利影響。我們要求每一項投訴應通過負責人員及經理妥善提交及處理,禁止員工與投訴人達成私下和解。

B7. 反貪污

一般披露

防止貪污及舞弊

本集團相信廉潔的企業文化是我們持續成功的關鍵,因此我們極為重視反腐倡廉的工作及制度建設,致力於建設廉潔公開透明的企業文化,特別注重醫院工作人員的職業道德。我們嚴格遵守《中華人民共和國公司法》、《中華人民共和國招標投標法》和《關於禁止商業賄賂行為的暫行規定》等法律法規的規定。此外,我們嚴格遵守中國政府部門制定的醫療相關法律法規,包括《醫療機構從業人員行為規範》、《關於印發加強醫療衛生行風建設「九不准」的通知》和《關於建立醫藥購銷領域商業賄賂不良記錄的規定》等。我們針對醫務人員的任何收受賄賂行為實施零容忍政策,倘我們發現任何僱員違反我們的反貪污賄賂政策,其將會被解雇。

於截至二零一七年十二月三十一日止年度,本集團並未發現任何違反有關防止賄賂、勒索、欺詐及洗黑錢的法律法規的重大事宜。

B8. Community Investment

General Disclosure

Corporate Social Responsibility

The Group believes that the company is a social cell that grows with the nurturing of social maternity while shoulders the responsibility of returning to society. As a responsible medical service operator, the Group has always been committed to supporting various public welfare and community activities and hopes to give back to the community through the medical profession. The Group actively fulfills its social responsibilities as a corporate citizen and cultivates its employees' sense of social responsibility. Therefore, the Group encourages employees to participate in charity activities during their work and private time to make greater contributions to society. It has also been arranging for the Group's staff to participate in events such as charity events related to environmental issues, donations for students and social services. We believe that through personally participating in activities that contribute to the community, employees' civic awareness can be raised to establish the correct values.

B8. 社區投資

一般披露

企業社會責任

本集團相信，企業是社會的細胞，因社會母體的哺育而成長，同時也肩負回報社會的責任。作為負責任的醫療服務營運商，本集團一直致力支持各項公益及社區活動，並希望以醫療專業回饋社會。本集團積極履行作為企業公民的社會責任，培養員工的社會責任感，因此一直鼓勵員工於工作期間及私人時間參與社會公益活動，為社會作更大貢獻，亦一直安排集團員工參與環保公益、捐資助學和社會服務等活動。我們相信，借著親身參與回饋社會的活動，可以令員工的公民意識得以提升，以樹立正確的價值觀。

The ESG Reporting Guide Content Index of the
Stock Exchange of Hong Kong Limited

香港聯合交易所有限公司的《環
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Aspect A1: Emissions 層面A1：排放物			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Emissions — Environmental Protection Policy and Compliance Issues 排放物－環境保護的政策及合規事宜	P.68, 69
KPI A1.1 (“comply or explain”) 關鍵績效指標A1.1(「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions — Exhaust Gas and GHG Emissions, Discharge and Treatment of Waste and Wastewater 排放物－廢氣及溫室氣體排放、廢物及廢水排放及處理	P.69, 70
KPI A1.2 (“comply or explain”) 關鍵績效指標A1.2(「不遵守就解釋」)	GHG emissions in total (in tonnes) and intensity. 溫室氣體總排放量(以噸計算)及密度。	Emissions — Exhaust Gas and GHG Emissions 排放物－廢氣及溫室氣體排放	P.70
KPI A1.3 (“comply or explain”) 關鍵績效指標A1.3(「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	Emissions — Discharge and Treatment of Waste and Wastewater 排放物－廢物及廢水排放及處理	P.72
KPI A1.4 (“comply or explain”) 關鍵績效指標A1.4(「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	Emissions — Discharge and Treatment of Waste and Wastewater 排放物－廢物及廢水排放及處理	P.72
KPI A1.5 (“comply or explain”) 關鍵績效指標A1.5(「不遵守就解釋」)	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Emissions — Exhaust Gas and GHG Emissions 排放物－廢氣及溫室氣體排放	P.70
KPI A1.6 (“comply or explain”) 關鍵績效指標A1.6(「不遵守就解釋」)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Emissions — Discharge and Treatment of Waste and Wastewater 排放物－廢物及廢水排放及處理	P.70-73

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明	Page 頁數
Aspect A2: Use of Resources			
層面A2：資源使用			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources — Energy Consumption, Water Consumption	P.74
一般披露	有效使用資源(包括能源、水及其他原材料)的政策。	資源使用－能源消耗、水源消耗	
KPI A2.1 (“comply or explain”)	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources — Energy Consumption	P.75
關鍵績效指標A2.1(「不遵守就解釋」)	按類型劃分的直接及／或間接能源總耗量及密度。	資源使用－能源消耗	
KPI A2.2 (“comply or explain”)	Water consumption in total and intensity.	Use of Resources — Water Consumption	P.76
關鍵績效指標A2.2(「不遵守就解釋」)	總耗水量及密度。	資源使用－水源消耗	
KPI A2.3 (“comply or explain”)	Description of energy use efficiency initiatives and results achieved.	Use of Resources — Energy Consumption	P.74-75
關鍵績效指標A2.3(「不遵守就解釋」)	描述能源使用效益計劃及所得成果。	資源使用－能源消耗	
KPI A2.4 (“comply or explain”)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources — Water Consumption	P.75
關鍵績效指標A2.4(「不遵守就解釋」)	描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	資源使用－水源消耗	
KPI A2.5 (“comply or explain”)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced	Not applicable — explained	P.76
關鍵績效指標A2.5(「不遵守就解釋」)	製成品所用包裝材料的總量(以噸計算)及每生產單位佔量。	不適用－已解釋	
Aspect A3: The Environment and Natural Resources			
層面A3：環境及天然資源			
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	The Environment and Natural Resources	P.76
一般披露	減低發行人對環境及天然資源造成重大影響的政策。	環境及天然資源	
KPI A3.1 (“comply or explain”)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources — Noise Management	P.76
關鍵績效指標A3.1(「不遵守就解釋」)	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	環境及天然資源－噪音管理	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明	Page 頁數
Aspect B1: Employment 層面B1：僱傭			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment — Compensation and Benefits, Recruitment, Promotion, Incentive and Dismissal, Equal Opportunity	P.77-80
一般披露	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	僱傭－薪酬福利、招聘、晉升、獎勵及解聘、平等機會	
Aspect B2: Health and Safety 層面B2：健康與安全			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety — Internal Health and Safety Management System, Occupational Safety Training	P.80-82
一般披露	有關提供安全工作環境及保障僱員避免職業性危害的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	健康與安全－內部健康與安全管理、職業安全培訓	
Aspect B3: Development and Training 層面B3：發展及培訓			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training — Training Management, Training Course	P.83-84
一般披露	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	發展與培訓－培訓管理、培訓課程	
Aspect B4: Labour Standards 層面B4：勞工準則			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards — Prevent Child and Forced Labour	P.84-85
一般披露	有關防止童工或強制勞工的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	勞工準則－防止童工及強制勞工	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

Subject Areas, Aspects, General Disclosures and KPIs 層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明	Page 頁數
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management — Supply Chain Environment and Social Risk Management, Fair and Open Procurement 供應鏈管理－供應鏈環境及社會風險管理、公開及公平採購	P.85-86
Aspect B6: Product Responsibility 層面 B6：產品責任			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility — Quality of Medical Service, Customer Service 產品責任－醫療服務品質、客戶服務	P.87-89
Aspect B7: Anti-corruption 層面 B7：反貪污			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的：(a)政策；及(b)遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption — Prevent Corruption and Fraud 反貪污－防止貪污及舞弊	P.89
Aspect B8: Community Investment 層面 B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment — Corporate Social Responsibility 社區投資－企業社會責任	P.90

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



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TO THE SHAREHOLDERS OF COMMON SPLENDOR INTERNATIONAL HEALTH INDUSTRY GROUP LIMITED

(Incorporated in Bermuda with limited liability)

致同佳國際健康產業集團有限公司股東

(於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Common Splendor International Health Industry Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 102 to 230, which comprise the consolidated statement of financial position as at 31 December 2017, and, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the 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 Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

吾等已審核第102頁至第230頁所載同佳國際健康產業集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於二零一七年十二月三十一日之綜合財務狀況報表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等認為，綜合財務報表已根據香港會計師公會頒佈(「香港會計師公會」)的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度 貴集團的綜合財務表現及其綜合現金流量，並已按照香港《公司條例》的披露規定妥為編製。

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit 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.

意見基準

吾等已根據香港會計師公會頒佈的香港核數準則進行審核。吾等於該等準則下的責任於本報告「核數師有關審核綜合財務報表的責任」一節進一步闡述。按照香港會計師公會的《專業會計師道德守則》(「守則」)，吾等獨立於貴集團，並已按照守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證足以且適當地為吾等的意見提供基礎。

關鍵審核事宜

關鍵審核事宜為根據吾等的專業判斷，對吾等審核本年度綜合財務報表最為重要的事宜。此等事宜於吾等審核綜合財務報表及就此出具意見時一併處理，吾等不會就此等事宜另行提供意見。吾等於審核過程中如何處理下文所述各項事宜的描述乃以此為基準提供。

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

Key Audit Matters 關鍵審核事宜	How our audit address the key audit matters 吾等的審核如何處理關鍵審核事宜
<p>Acquisition of subsidiaries and the impairment assessment of intangible assets and goodwill 收購附屬公司及對無形資產及商譽的減值評估</p> <p>Refer to notes 3, 17, 18 and 39 in the Group's consolidated financial statements. 參照 貴集團綜合財務報表附註3、17、18及39。</p> <p>During the year ended 31 December 2017, the Group completed the acquisition of subsidiaries at a consideration of HK\$50,000,000 by cash and 400,000,000 shares of the Company. The acquisition requires the identification of assets acquired and the liabilities assumed and the consideration measured at their acquisition-date fair values, which require significant management judgement. 截至二零一七年十二月三十一日止年度，本集團完成收購附屬公司代價為現金50,000,000港元及400,000,000股 貴公司股份。收購要求確認所收購可識別資產及所承擔負債按其收購日期的公平值的對價，須進行管理層重大判斷。</p> <p>As at 31 December 2017, the Group had intangible assets and goodwill of approximately HK\$221,095,000 and HK\$229,010,000 respectively. 於二零一七年十二月三十一日，貴集團的無形資產及商譽分別約為221,095,000港元及229,010,000港元。</p> <p>For the purpose of assessing impairment, these assets were allocated to cash generating units ("CGUs") of health industry segment, and the recoverable amount of each CGU was determined by management and valuer based on value-in-use calculations using cash flow projections. In carrying out the impairment assessments, significant management judgement was involved in respect of the discount rates and the underlying cash flows. Management has concluded that there is no impairment in respect of the intangible assets and goodwill. 為進行減值測試，該等資產分配至現金產生單位（「現金產生單位」）的健康產業，各項現金產生單位的可收回金額乃由管理層及估值師按現金流預測的使用價值計算基準釐定。執行減值評估時，涉及有關折現率及相關現金流量的重大管理判斷。管理層的結論是無形資產及商譽沒有減值。</p>	<p>Our procedures in relation to management's impairment assessment of the Group's key businesses included: 吾等對管理層 貴集團的主要業務減值評估之程序包括：</p> <ul style="list-style-type: none">• Considering and challenging management's assessment of the appropriate accounting treatment, the identification and valuation of tangible and intangible assets and the allocation of purchase price to the assets and liabilities acquired; 考慮及質疑管理層就會計處理方法合適度的評估、對有形及無形資產進行識別及估值以及將購買價分配至所收購資產及負債；• Assessing management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's business; 評估管理層根據 貴集團的會計政策及吾等對 貴集團業務的理解識別現金產生單位；• Assessing the appropriateness of the valuation methodologies used and the key assumptions based on our knowledge of the business and the relevant industry; and 評估使用的估值方法的適用性以及吾等對業務和相關行業知識的重要假設；及• Checking, on a sampling basis, the accuracy and relevance of the input data used. 抽樣檢查準確性及對應輸入的資料。 <p>We found that the acquisition-date fair values of the identifiable assets acquired, the liabilities assumed, the consideration and the key assumptions were supported by the available evidence. 吾等發現已於收購日中所收購的可識別資產之公允價，所承擔的負債，代價和重要假設均得到合理證據支持。</p>

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

Key Audit Matters 關鍵審核事宜	How our audit address the key audit matters 吾等的審核如何處理關鍵審核事宜
<p>Impairment assessment on loan to a shareholder and short-term loans receivable</p>	
<p>借予股東款項及應收短期貸款賬項的減值評估</p>	
<p>Refer to notes 3, 25 and 26 in the Group's consolidated financial statements.</p>	
<p>參照 貴集團綜合財務報表附註3、25及26。</p>	
<p>As at 31 December 2017, the carrying amount of loan to a shareholder and short-term loans receivable were approximately HK\$49,143,000 and HK\$40,200,000 respectively.</p>	<p>Our procedures in relation to valuations of loan to a shareholder and short-term loans receivable included:</p>
<p>於二零一七年十二月三十一日，借予股東款項及應收短期貸款賬項的賬面值分別約為49,143,000港元及40,200,000港元。</p>	<p>吾等對借予股東款項及應收短期貸款賬項評估包括：</p>
<p>For the purpose of determining the allowance for loan to a shareholder and short-term loans receivable, the management considers the credit history including default or delay in payments, settlement records, subsequent settlements and aging analysis of the loan to a shareholder and short-term loans receivable.</p>	<ul style="list-style-type: none"> • Discussing the Group's procedures on credit limits and credit periods given to shareholder and customers with the management; 與 貴集團管理層討論有關授予客戶信貸限期及信貸期的程序；
<p>為判斷借予股東款項及應收短期貸款賬項的準備，管理層考慮包括借予股東款項及應收短期貸款賬項的違約或延期支付、還款記錄、期後還款及賬齡分析的信貸記錄。</p>	<ul style="list-style-type: none"> • Evaluating the management's impairment assessment of the loan to a shareholder and short-term loans receivable; and 評估管理層對借予股東貸款項及應收短期貸款賬項的減值評估；及
	<ul style="list-style-type: none"> • Checking, on a sample basis, the accuracy and relevance of information included in the impairment assessment of loan to a shareholder and short-term loans receivable. 抽樣檢查借予股東款項及應收短期貸款賬項的減值評估所包括的信息的準確性及相關性。
	<p>We considered management's conclusion to be consistent with the available information.</p>
	<p>吾等認為管理層的結論與可獲得的信息一致。</p>

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon. ("Other Information").

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

董事負責其他信息。其他信息包括年報所載的信息，但不包括綜合財務報表及我們的核數師報告（「其他信息」）。

吾等對綜合財務報表的意見並不涵蓋其他信息，吾等亦不對其他信息發表任何形式的鑒證結論。

審核綜合財務報表時，吾等的責任為閱讀其他信息，於此過程中，考慮其他信息是否與綜合財務報表或吾等於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。

倘若基於吾等已進行的工作，吾等認為其他資料有重大錯誤陳述，則吾等須報告有關事實。吾等並無任何相關報告。

貴公司董事及審核委員會有關綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製並真實兼公允地呈列的綜合財務報表，並為其認為必須為使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述的內部監控負責。

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

審核委員會的責任是監察貴集團的綜合財務報告程序。

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981 and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSA's, we exercise professional judgment 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 of the Company.
- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師有關審核綜合財務報表的責任

吾等的目標為合理確定整體綜合財務報表是否存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有吾等意見的核數師報告。吾等僅向閣下(作為整體)按照百慕達一九八一年公司法第90節報告，除此之外本報告別無其他目的。吾等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。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，吾等運用專業判斷，於整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。

INDEPENDENT AUDITORS' REPORT (Continued)

獨立核數師報告(續)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

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 year and are therefore the key audit matters. We describe these matters in our auditors' 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 director on the audit resulting in this independent auditors' report is Ng Ka Wah.

吾等與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷溝通。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)作溝通。

吾等從與審核委員會溝通的事項中，決定哪些事項對本年度綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

出具獨立核數師報告的審計業務董事為吳家華。

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Ng Ka Wah
Practising Certificate Number: P06417

Hong Kong, 29 March 2018

國衛會計師事務所有限公司
香港執業會計師

吳家華
執業證書編號：P06417

香港，二零一八年三月二十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	7	474,933	554,962
Cost of sales	銷售成本		(391,552)	(487,815)
Gross profit	毛利		83,381	67,147
Other income	其他收入	9	63	338
Share-based payment expenses	股權基礎支出		–	(3,836)
Administrative expenses	行政費用		(40,683)	(39,939)
Selling and distribution expenses	銷售及分銷費用		(4,305)	(4,934)
Share of result of associates	攤佔聯營公司之業績		8,822	14,105
Profit from operations	營運溢利		47,278	32,881
Fair value change on derivative financial liabilities	衍生金融負債公平值變動		(310)	1,758
Gain on disposal of subsidiaries	出售附屬公司收益		12,617	2,320
Gain on disposal of an associate	出售一間聯營公司收益		–	28,999
Finance cost	財務成本	10	(41,346)	(9,699)
Profit before income tax	除稅前溢利	11	18,239	56,259
Income tax expense	所得稅開支	13	(8,798)	(9,098)
Profit for the year	年度溢利		9,441	47,161
Other comprehensive income/(expense), net of income tax	其他全面收益／(開支)， 已扣除所得稅			
<i>Items that may be reclassified subsequent to profit or loss</i>	<i>其後可能重新分類至 損益的項目</i>			
Exchange differences on translating foreign operations	年內換算境外業務產生 之匯兌差額		45,133	(40,633)
Reclassification on disposal of interests in subsidiaries	出售附屬公司權益重分		(298)	455
Other comprehensive income/(expense) for the year, net of income tax	年度其他全面收益／ (開支)，已扣除所得稅		44,835	(40,178)
Total comprehensive income for the year	年度全面收益總額		54,276	6,983

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued) 綜合損益及其他全面收益表(續)

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year attributable to:	應佔年度溢利：		
Owners of the Company	本公司擁有人	1,422	42,096
Non-controlling interests	非控股權益	8,019	5,065
		9,441	47,161
Total comprehensive income for the year attributable to:	應佔年度全面收益總額：		
Owners of the Company	本公司擁有人	31,648	10,753
Non-controlling interests	非控股權益	22,628	(3,770)
		54,276	6,983
Earnings per share for the year attributable to owners of the Company	本公司擁有人之年度每股盈利		
Basic (HK cents per share)	基本(每股港仙)	0.05	1.62
Diluted (HK cents per share)	攤薄(每股港仙)	0.05	1.62

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	16	240,148	206,538
Intangible assets	無形資產	17	221,095	122,150
Goodwill	商譽	18	229,010	53,382
Interests in associates	於聯營公司之權益	19	211,272	127,128
Available-for-sale financial assets	待售金融資產	21	76,395	71,217
Deposits, prepayments and other receivables	按金、預付款項及其他 應收款項	22	70,247	21,066
			1,048,167	601,481
Current assets	流動資產			
Deposits, prepayments and other receivables	按金、預付款項及其他 應收款項	22	149,826	98,959
Trade receivables	應收貿易款項	23	12,771	8,695
Inventories	存貨	24	5,092	18,046
Loan to a shareholder	借予股東貸款	25	49,143	77,547
Short-term loans receivable	應收短期貸款賬項	26	40,200	58,200
Bank and cash balances	銀行及現金結餘	27	67,038	109,721
			324,070	371,168
Current liabilities	流動負債			
Trade payables	應付貿易款項	28	824	1,395
Accruals, deposits received and other payables	應計款項、已收按金及 其他應付款項	29	68,812	29,217
Obligation under a finance lease	融資租賃責任	30	6	6
Loan from associates	聯營公司借款	19	–	12,300
Bank and other borrowings	銀行及其他借貸	35	12,204	–
Convertible notes	可換股票據	32	75,480	15,039
Derivative financial liabilities	衍生金融負債	32	7,316	7,006
Guaranteed notes and bonds payable	擔保票據及應付債券	34	120,893	5,680
Tax payable	應付稅項		820	2,950
			286,355	73,593
Net current assets	流動資產淨值		37,715	297,575
Total assets less current liabilities	資產總額減流動負債		1,085,882	899,056

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

綜合財務狀況報表(續)

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	31	29,962	25,962
Reserves	儲備		735,371	437,954
Equity attributable to owners of the Company	本公司擁有人應佔股本權益		765,333	463,916
Non-controlling interests	非控股權益		212,878	203,634
Total equity	股本權益總額		978,211	667,550
Non-current liabilities	非流動負債			
Convertible notes	可換股票據	32	–	70,496
Deferred tax liabilities	遞延稅項負債	33	14,949	32
Obligation under a finance lease	融資租賃責任	30	25	–
Guaranteed notes and bonds payable	擔保票據及應付債券	34	92,697	160,978
			107,671	231,506
			1,085,882	899,056

The consolidated financial statements were approved and authorised for issue by the Board of Directors of the Company on 29 March 2018 and are signed on its behalf by:

綜合財務報表已獲本公司董事會於二零一八年三月二十九日批准及授權發佈，並由下列代表簽署：

Cheung Wai Kuen
張偉權
Director
董事

Cheng Hau Yan
鄭孝仁
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.

綜合財務報表附註乃綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Share capital	Share premium	Translation reserve	Statutory reserve	Share options reserve	Other reserve	Retained earnings	Sub-total	Attributable to non-controlling interests	Total equity
		股本	股份溢價	匯兌儲備	法定儲備	股份基礎儲備	其他儲備	保留溢利	小計	股東權益	股本權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	25,962	425,198	(14,129)	6,405	–	734	64,920	509,090	37,265	546,355
Profit for the year	年度溢利	–	–	–	–	–	–	42,096	42,096	5,065	47,161
Other comprehensive income	其他全面收益										
Exchange differences on translating foreign operations arising during the year	年內產生換算海外業務之匯兌差額	–	–	(31,594)	–	–	–	–	(31,594)	(8,824)	(40,418)
Share of other comprehensive expense of associates	股份聯營公司的其他綜合費用	–	–	(204)	–	–	–	–	(204)	(11)	(215)
Reclassification on disposal of interests in subsidiaries	出售附屬公司權益重分	–	–	455	–	–	–	–	455	–	455
Total comprehensive (expense)/ income for the year	年度全面(開支)/收益總額	–	–	(31,343)	–	–	–	42,096	10,753	(3,770)	6,983
Issue of share options	發行購股權	–	–	–	–	3,836	–	–	3,836	–	3,836
Acquisition of additional interests in subsidiaries (note 41(a))	收購附屬公司的額外權益(附註41(a))	–	–	–	–	–	(59,782)	–	(59,782)	(17,998)	(77,780)
Change in non-controlling interests arising from acquisition of subsidiaries (note 39(b))	收購附屬公司的非控制權益變動(附註39(b))	–	–	–	–	–	–	–	–	139,023	139,023
Change in non-controlling interests arising from disposal of subsidiaries (note 40(c))	出售附屬公司的非控制權益變動(附註40(c))	–	–	–	(163)	–	–	163	–	(56)	(56)
Disposal of partial interests in subsidiaries without lost of control (note 41(c))	出售附屬公司而損失部份控制權益(附註41(c))	–	–	–	–	–	19	–	19	49,170	49,189
Transfer to statutory reserve	轉撥至法定儲備	–	–	–	2,194	–	–	(2,194)	–	–	–
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及於二零一七年一月一日	25,962	425,198	(45,472)	8,436	3,836	(59,029)	104,985	463,916	203,634	667,550
Profit for the year	年度溢利	–	–	–	–	–	–	1,422	1,422	8,019	9,441
Other comprehensive income	其他全面收益										
Exchange differences on translating foreign operations arising during the year	年內產生換算海外業務之匯兌差額	–	–	28,843	–	–	–	–	28,843	14,609	43,452
Share of other comprehensive income of associates	股份聯營公司的其他綜合收益	–	–	1,681	–	–	–	–	1,681	–	1,681
Reclassification on disposal of interests in subsidiaries	出售附屬公司權益重分	–	–	(298)	–	–	–	–	(298)	–	(298)
Total comprehensive income for the year	年度全面收益總額	–	–	30,226	–	–	–	1,422	31,648	22,628	54,276
Acquisition of subsidiaries (note 39(a))	收購附屬公司(附註39(a))	4,000	256,000	–	–	–	–	–	260,000	20,247	280,247
Change in non-controlling interests arising from acquisition of subsidiaries (note 41(b))	收購附屬公司的非控制權益變動(附註41(b))	–	–	–	–	–	9,769	–	9,769	(9,769)	–
Disposal of subsidiaries (note 40(b))	出售附屬公司(附註40(b))	–	–	–	(334)	–	–	334	–	(23,862)	(23,862)
Lapse of share options	購股權失效	–	–	–	–	(3,836)	–	3,836	–	–	–
Transfer to statutory reserve	轉撥至法定儲備	–	–	–	3,028	–	–	(3,028)	–	–	–
At 31 December 2017	於二零一七年十二月三十一日	29,962	681,198	(15,246)	11,130	–	(49,260)	107,549	765,333	212,878	978,211

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

綜合權益變動表(續)

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

SHARE PREMIUM

The application of share premium is governed by Section 40 of the Companies Act 1981 of Bermuda (as amended). The share premium account may be distributed in the form of fully paid bonus shares.

股份溢價

股份溢價之運用受百慕達一九八一年公司法(經修訂)第40條規管。股份溢價賬可作為繳足股款之紅股方式分派。

TRANSLATION RESERVE

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (Hong Kong dollars ("HK\$")) are recognised directly in other comprehensive income and accumulated in the translation reserve. Such exchange differences accumulated in the translation reserve are reclassified to profit or loss on the disposal of the foreign operations.

匯兌儲備

本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元「港元」)相關之匯兌差額，直接於其他全面收益中確認及於匯兌儲備中累計。該等於匯兌儲備中累計之匯兌差額將於出售海外業務時重新分類至損益賬內。

STATUTORY RESERVE

The statutory reserve of the Group refers to the statutory reserve fund in the People's Republic of China (the "PRC"). Appropriations to such reserve fund are made out of profit after tax as recorded in the statutory financial statements of the PRC subsidiaries. The amount should not be less than 10% of the profit after tax as recorded in the statutory financial statements unless the aggregate amount exceeds 50% of the registered capital of the PRC subsidiaries. The statutory reserve can be used to make up prior year losses, if any, and can be applied in conversion into the PRC subsidiaries' capital by means of capitalisation issue.

法定儲備

本集團法定儲備指中華人民共和國(「中國」)的法定儲備金。有關儲備金撥自中國附屬公司法定財務報表所入賬除稅後溢利。該數額不得低於法定財務報表所入賬除稅後溢利的10%，惟總額超過中國附屬公司註冊資本的50%則除外。法定儲備可用於補足過往年度虧損(如有)，及可以資本化發行方式轉換為中國附屬公司的資本。

SHARE OPTIONS RESERVE

The share options reserve comprises the fair value of the share options granted which are yet to be exercised. The amount will either be transferred to the share premium account when the related options are exercised, or be transferred to retained profit when the related options being lapsed.

股權基礎儲備

股權基礎儲備包括已授出但尚未行使之購股權公平值。倘相關購股權獲行使時，有關金額將轉撥至股份溢價賬；或於相關購股權失效時，有關金額則轉撥至保留溢利。

OTHER RESERVE

Other reserve represents the difference between the consideration paid to obtain additional non-controlling interests in subsidiaries and its carrying amount on the date of acquisition.

其他儲備

其他儲備指考慮支付獲取額外的附屬公司非控股權益與收購日之賬面值的差額。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	來自經營業務之現金流量		
Profit before tax	除稅前溢利	18,239	56,259
Adjustments for:	對下列事項之調整：		
Interest income	利息收入	(23,921)	(18,888)
Interest expense	利息開支	41,346	9,699
Depreciation of property, plant and equipment	物業、機器及設備折舊	8,474	8,509
Gain on disposal of subsidiaries	出售附屬公司收益	(12,617)	(2,320)
Gain on disposal of associate	出售聯營公司收益	–	(28,999)
Impairment loss of available-for-sale financial assets	待售金融資產減值損失	–	755
Share of result of associates	攤佔聯營公司之業績	(8,822)	(14,105)
Share-based payment expenses	股權基礎支出	–	3,836
Fair value change on derivative financial instruments	衍生金融工具公平值變動	310	(1,758)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	23,009	12,988
(Increase)/decrease in trade receivables	應收貿易款項(增加)/減少	(4,720)	3,717
Decrease/(increase) in inventories	存貨減少/(增加)	13,788	(4,814)
(Increase)/decrease in deposits, prepayment and other receivables	按金、預付款項及其他應收款項(增加)/減少	(90,903)	25,828
Decrease in trade payables	應付貿易款項減少	(468)	(2,090)
Decrease in amount due to associates	應付聯營公司款項減少	–	(654)
Decrease/(increase) in loan from associates	聯營公司借款減少/(增加)	(12,300)	12,300
Increase/(decrease) in accruals, deposits received and other payables	應計款項、已收按金及其他應付款項增加/(減少)	32,743	(161,648)
Cash used in operating activities	用於經營業務之現金	(38,851)	(114,373)
Bank interest received	已收銀行利息	24	26
Income tax paid	已付所得稅	(10,845)	(10,097)
Net cash used in operating activities	用於經營業務之現金淨額	(49,672)	(124,444)
Cash flows from investing activities	來自投資業務之現金流量		
Purchase of property, plant and equipment	購買物業、機器及設備	(20,946)	(79,375)
Loan interest received	已收貸款利息	23,897	18,862
Dividend received from an associate	聯營公司的應收股息	2,650	–
Net cash outflow on acquisition of associate	收購聯營公司的現金流出淨額	(90,025)	–
Net cash outflow on acquisition of subsidiaries	收購附屬公司的現金流出淨額	(48,388)	(139,621)

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

綜合現金流量表(續)

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

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net cash outflow on acquisition of additional interest in subsidiaries	收購附屬公司的額外權益的現金流出淨額 41(a)	–	(77,780)
Net cash inflow on disposal of partial interest in subsidiaries	出售附屬公司的部分權益的現金流入淨額 41(c)	–	49,189
Net cash inflow on disposal of subsidiaries	出售附屬公司的現金流入淨額 40	67,899	2,999
Net cash inflow on disposal of associate	出售聯營公司的現金流入淨額	–	107,014
Changes in loan to a shareholder	借予股東貸款變動	28,404	109,615
Changes in short-term loans receivable	應收短期貸款賬項變動	18,000	16,000
Net cash (used in)/generated from investing activities	(用於)/來自投資業務之現金淨額	(18,509)	6,903
Cash flows from financing activities	來自融資業務之現金流量		
Proceeds from issue of convertible notes, net of related expenses	可換股票據之所得款項，扣除相關淨支出	–	75,780
Proceeds from issue of guaranteed notes and bonds, net of related expenses	擔保票據及債券之所得款項，扣除相關淨支出	48,402	166,148
Repayment of bonds payable	償還債券款項	(7,000)	–
Interest paid	已付利息	(24,021)	(1,486)
Repayment of convertible notes	償還可換股票據	(16,000)	–
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	12,204	–
Addition of obligation under a finance lease	融資租賃責任增加	38	–
Repayment of obligation under a finance lease	償還融資租賃責任	(13)	(7)
Net cash generated from financing activities	融資業務產生之現金淨額	13,610	240,435
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/增加淨額	(54,571)	122,894
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值項目	109,721	29,404
Effect of foreign exchange rate changes	匯率變動之影響	11,888	(42,577)
Cash and cash equivalents at the end of the year	年終之現金及現金等值項目	67,038	109,721
Analysis of the balance of cash and cash equivalents	現金及現金等值項目結餘分析		
Bank and cash balances	銀行及現金結餘	67,038	109,721

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company is an exempted company incorporated in Bermuda with limited liability and shares of the Company are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The directors of the Company consider its parent and ultimate holding company is Champion Dynasty Limited (a company incorporated in the British Virgin Islands with limited liability). The addresses of the Company's registered office and principal office in Hong Kong are disclosed in the "Corporate Information" section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company and its subsidiaries ("Group") and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The Company's principal activity is investment holding and the principal activities of its principal subsidiaries are set out in note 47.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) New and amended Hong Kong Financial Report Standards ("HKFRSs") adopted by the Group

In the current year, the Group has applied, for the first time, the following new and amended standards, amendments and interpretations (the "new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on or after 1 January 2017.

HKFRS 12 (Amendments)	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses

1. 一般資料

本公司為一間於百慕達註冊成立之受豁免有限公司及本公司股份於香港聯合交易所有限公司（「聯交所」）上市。本公司董事認為，其母公司及最終控股公司為英屬維爾京群島註冊成立之 Champion Dynasty Limited。本公司註冊辦事處及在香港之主要辦事處之地址於本年報「公司資料」一節中披露。

此綜合財務報表以港元（「港元」）呈列，港元亦為本公司與其附屬公司（「本集團」）之功能貨幣，除另有說明外，所有價值均四捨五入至最接近之千位數（千港元）。

本公司之主要業務為投資控股及其主要附屬公司之主要業務載於附註47。

2. 新訂及經修訂香港財務報告準則之應用

(a) 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之新訂準則及修訂及詮釋（「新訂及經修訂香港財務報告準則」），適用於本集團二零一七年一月一日或以後開始的財政年度。

香港財務報告準則第12號（修訂）	香港財務報告準則二零一四年至二零一六年週期之年度改進的一部分
香港會計準則第7號（修訂）	披露計劃
香港會計準則第12號（修訂）	就未變現虧損確認遞延稅項資產

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(a) New and amended Hong Kong Financial Report Standards (“HKFRSs”) adopted by the Group (Continued)

HKAS 7 (Amendments) Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 43 to the consolidated financial statements. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 43 to the consolidated financial statements, the application of these amendments has had no impact on the Group's consolidated financial statements.

Except as describe above, the application on the new and revised HKFRSs in the current year has had no material impact in the Group's financial performance and financial positions for the current and prior years and/or on the disclosures set out in these financial statements.

2. 新訂及經修訂香港財務報告準則之應用(續)

(a) 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第7號(修訂)披露計劃

本集團於本年度首次應用這些修訂。該修訂要求實體提供披露促使財務報表使用者能夠評估融資活動所產生的負債變動，包括現金及非現金變動。此外，該修訂本亦規定倘金融資產所得現金流量計入或未來現金流量將計入融資活動之現金流量，則須披露該等金融資產之變動。

具體而言，該修訂本規定須披露下列各項：(i) 融資現金流量之變動；(ii) 因取得或失去附屬公司或其他業務之控制權而產生之變動；(iii) 外幣匯率變動之影響；(iv) 公平值變動；及(v) 其他變動。

有關該等項目期初及期末結餘之對賬於綜合財務報表之附註43披露。符合該等修訂本之過渡條文，本集團並無披露去年之比較資料。除於綜合財務報表附註43額外披露之資料外，應用該等修訂本對本集團綜合財務報表並無造成影響。

除上文所述外，於本年度採用新訂及經修訂香港財務報告準則對本集團本年度及過往年度之財務表現及財務狀況及／或該等財務報表所載之披露事項並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs

The Group has not early applied the following new and amended HKFRSs that have been issued but are not yet effective:

HKFRS (Amendments)	Annual Improvement to HKFRSs 2015–2017 Cycle ²
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions ¹
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
HKFRS 9	Financial Instruments ¹
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation ²
HKFRS 10 and HKAS (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 15	Revenue from Contracts with Customers ¹
HKFRS 15 (Amendments)	Clarifications to HKFRS 15 Revenue from Contracts with Customers ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC) - Int 22	Foreign Currency Translations and Advance Consideration ¹
HK(IFRIC) - Int 23	Uncertainty over Income Tax Treatment ²

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則

本集團並無提早應用下列已發行但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則(修訂)	香港財務報告準則二零一五年至二零一七年周期之年度改進 ²
香港財務報告準則第2號(修訂)	以股權基礎支出交易的分類及計量 ¹
香港財務報告準則第4號(修訂)	應用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第9號(修訂)	負面賠償的預先付款特性 ²
香港財務報告準則第10號及香港會計準則(修訂)	投資者與其聯營公司或合營企業之資產出售或注資 ³
香港財務報告準則第15號	客戶合約收益 ¹
香港財務報告準則第15號(修訂)	香港財務報告準則第15號客戶合約收益之澄清 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及墊付代價 ¹
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性 ²

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKAS 28 (Amendments)	Long-term Interests in Associates and joint ventures ²
HKAS 28 (Amendments)	As part of the Annual Improvement to HKFRSs 2014–2016 Cycle ¹

HKAS 40 (Amendments)	Transfers of Investment Property ¹
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¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2021, or when apply HKFRS 15 and HKFRS 9.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category for certain simple debt instruments.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港會計準則第28號(修訂)	於聯營公司及合營企業的長期權益 ²
香港會計準則第28號(修訂)	香港財務報告準則二零一四年至二零一六年周期之年度改進的一部分 ¹
香港會計準則第40號(修訂)	轉讓投資物業 ¹

¹ 於二零一八年一月一日或之後開始之年度期間生效，容許提早採納。

² 於二零一九年一月一日或之後開始之年度期間生效，容許提早採納。

³ 於待釐定日期或之後開始之年度期間生效。

⁴ 於二零二一年一月一日或之後開始之年度期間，或於應用香港財務報告準則第15號及香港財務報告準則第9號時生效。

香港財務報告準則第9號 金融工具

於二零零九年頒佈的香港財務報告準則第9號對金融資產的分類及計量提出新要求。香港財務報告準則第9號隨後於二零一零年修訂並載有對金融負債的分類及計量及終止確認的要求，並於二零一三年修訂，以載入一般對沖會計的要求。於二零一四年頒佈之香港財務報告準則第9號另一個經修訂版本主要加入a)有關金融資產之減值要求；及b)藉為若干簡單債務工具引入「透過其他全面收益按公平值」(「透過其他全面收益按公平值」)列賬計量類別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKFRS 9 to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第9號 金融工具(續)

香港財務報告準則第9號之主要規定描述如下：

- 所有屬香港財務報告準則第9號範疇內之已確認金融資產其後均須按攤銷成本或公平值計量。尤其是，按商業模式持有而目的為收取合約現金流量之債務投資，以及僅為支付本金及未償還本金之利息之合約現金流量之債務投資，一般均於其後會計期間結束時按攤銷成本計量。於目的為同時收取合約現金流及出售財務資產之業務模式中持有之債務工具，以及財務資產合約條款令於特定日期產生之現金流純粹為支付本金及尚未償還本金之利息的債務工具，均按透過其他全面收入按公平值列賬之方式計量。所有其他債項投資及權益性投資均於其後報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收益表呈列股本投資(並非持作買賣)之其後公平值變動，而一般只有股息收入於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described as follows: (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss ("FVTPL"), HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable a financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39 Financial Instruments: Recognition and Measurement, the entire amount of the change in the fair value of the financial liability designated as FVTPL is presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第9號 金融工具(續)

香港財務報告準則第9號之主要規定描述如下：(續)

- 就計量指定為透過損益按公平值(「透過損益按公平值」)計算之金融負債而言，香港財務報告準則第9號要求因金融負債信貸風險有變而導致其公平值變動之款額須於其他全面收益表呈列，除非於其他全面收益表呈報該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因金融負債信貸風險而導致公平值變動其後不會重新分類至損益。根據香港會計準則第39號金融工具：確認及計量，指定為透過損益按公平值計算之金融負債之全部公平值變動款額均於損益中呈列。
- 就金融資產減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9 are described as follows:
(Continued)

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transaction eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate the following potential impacts on initial application of HKFRS 9:

- The financial assets held by the Group include equity instruments that are currently classified as available-for-sale financial assets carried at cost less impairment. These investments qualified for designation as measured at financial assets at FVOCI under HKFRS 9. The Group will measure these investments at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised as other comprehensive income and accumulated in the investment revaluation reserve. Upon initial application of HKFRS 9, the differences between the carrying amount at cost less impairment and fair value (net of deferred tax impact) relating to these investments would be adjusted to investments revaluation reserve as at 1 January 2018.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第9號 金融工具(續)

香港財務報告準則第9號之主要規定描述如下：(續)

- 一般對沖會計之新規定保留根據香港會計準則第39號目前可運用之三類對沖會計機制。根據香港財務報告準則第9號，已為合資格作對沖會計處理之各類交易提供更大的靈活性，特別是擴闊合資格作為對沖工具之工具類別以及合資格作對沖會計處理的非金融項目之風險成分類別。此外，追溯性定量成效測試已經剔除。新規定同時引入增加披露有關實體風險管理活動之規定。

本公司董事預期初步採納香港財務報告準則第9號會有以下潛在影響：

- 本集團所持有金融資產當中包括於當期分類為按成本扣除減值列賬之待售金融資產的股本工具。該投資根據香港財務報告準則第9號可指定為透過其他全面收益按公平值列賬之方式計量的金融資產。本集團將於後續報告期末按公平值計量該投資並將已確認公平值收益或虧損計量於其他全面收益為並累計於投資重估儲備。於初步採納香港財務報告準則第9號後，成本減減值之賬面值與有關該投資之公平值(扣除遞延稅項影響)之差額將於二零一八年一月一日調整為投資重估儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 9 Financial Instruments (Continued)

The directors of the Company anticipate the following potential impacts on initial application of HKFRS 9: (Continued)

- The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. It applies to the Group's financial assets classified at amortised cost. Based on the assessments undertaken to date, the Group does not expect significant increase or decrease in the loss allowance for trade debtors.
- The new standard introduces expanded disclosure requirements and changes in presentation. The nature and extent of the Group's disclosures about its financial instruments are expected to be changed, particularly in the year of the adoption of the new standard.

HKFRS 15 Revenue from Contracts with Customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第9號 金融工具(續)

本公司董事預期初步採納香港財務報告準則第9號會有以下潛在影響：(續)

- 新減值模式要求減值撥備根據預期信貸虧損確認而非僅根據香港會計準則第39號中按已產生信貸虧損計算。新減值模式適用於本集團按攤銷成本列賬的金融資產。根據迄今為止所進行的評估，本集團預計應收貿易款項的損失撥備不會顯著增加或減少。
- 新準則引入更多的披露要求和呈列上的變更。本集團披露其金融工具的性質和範圍預計將會改變，特別是在採用新準則的年份。

香港財務報告準則第15號 來自客戶合約的收益

於二零一四年七月，香港財務報告準則第15號獲頒佈，其制定一項單一全面模式供實體用作將來自客戶合約之收益入賬。香港財務報告準則第15號生效後將取代現時涵蓋香港會計準則第18號 收益、香港會計準則第11號 建築合約及相關詮釋之收益確認指引。

香港財務報告準則第15號之核心原則為實體所確認描述向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入五個確認收益之步驟：

- 第一步：確定與客戶訂立之合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarification to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate the following potential impacts on initial application of HKFRS 15:

- HKFRS 15 requires separate presentation on the Group's consolidated statement of financial position of the right to recover the goods from the customer and the refund obligation. Due to the large size and low value of the Group's products, the historical goods return rate is very low. The Group expects the financial impact of applying new HKFRS 15 to be immaterial.
- HKFRS 15 requires separate presentation of contract assets and contract liabilities in the Group's consolidated statement of financial position. This will result in some reclassifications as at 1 January 2018 in relation to contract liabilities which are currently included in other line items on the Group's consolidated statement of financial position.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第15號來自客戶合約的收益(續)

- 第二步：確定合約中之履約責任。
- 第三步：釐定交易價。
- 第四步：將交易價分配至合約中之履約責任。
- 第五步：於實體完成履約責任時(或就此)確認收益。

根據香港財務報告準則第15號，實體於完成履約責任時即於特定履約責任相關之商品或服務的「控制權」轉讓予客戶時(或就此)確認收益。香港財務報告準則第15號已新增多項有關處理特別情況的規範性指引。此外，香港財務報告準則第15號規定作出更全面的披露。

於二零一六年，香港會計師公會頒佈有關識別履約責任、委託人與代理的考量及許可證申請指引之香港財務報告準則第15號之澄清。

本公司董事預期初步採納香港財務報告準則第15號會有以下潛在影響：

- 香港財務報告準則第15號要求在本集團綜合財務狀況報表上單獨呈列向客戶追討貨品的權利及退款責任。由於本集團產品的規模龐大及價值低，歷史貨物退貨率偏低。本集團預計應用新香港財務報告準則第15號的財務影響並不重大。
- 香港財務報告準則第15號要求在本集團綜合財務狀況報表中單獨列報合約資產及合約負債。這將導致在2018年1月1日對目前包含在本集團其他綜合財務狀況報表項目中的合同負債進行一些重新分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號為租賃安排之識別以及對出租人及承租人之會計處理引入綜合模式。香港財務報告準則第16號於生效時將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。租賃負債初步按租賃付款(非當日支付)之現值計量。其後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂之影響作出調整。就現金流量分類而言，本集團現時將有關自用租賃土地及分類為投資物業之租賃土地的前期預付租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債之租賃付款將分配至本金及利息部分，並將呈列為融資現金流量。

根據香港會計準則第17號，本集團已就融資租賃安排及租賃土地(本集團為承租人)的預付租賃付款確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，視乎本集團是否單獨或於倘擁有資產時將予以呈列相應有關資產的同一項目內呈列使用權資產而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 16 Leases (Continued)

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$13,537,000 as disclosed in note 37. A preliminary assessment indicated that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new arrangements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors complete a detailed review.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance ("CO").

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instrument which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

2. 新訂及經修訂香港財務報告準則之應用(續)

(b) 已頒佈但尚未生效之新訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

相較承租人會計處理而言，香港財務報告準則第16號實質上沿用香港會計準則第17號內出租人會計處理之規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求詳盡之披露。

於二零一七年十二月三十一日，本集團擁有不可撤銷經營租賃承擔13,537,000港元(如附註37所披露)。初步評估顯示，該等安排將符合香港財務報告準則第16號項下租賃之定義，因此本集團將就所有該等租賃確認使用權資產及相應負債，除非有關租賃於應用香港財務報告準則第16號時符合低價值或短期租賃。此外，應用新安排可能導致上文所述計量、呈列及披露發生變動。然而，於董事完成詳盡審閱前，提供有關財務影響之合理估計並不切實際。

3. 主要會計政策概要

(a) 合規聲明

綜合財務報表已根據香港會計公會頒佈香港財務報告準則進行編製。此外，綜合財務報表包含上市規則所需之適用披露及遵守香港公司條例(「公司條例」)規定的披露要求。

(b) 編製基準

綜合財務報表乃按歷史成本法編製，惟按公平值計算之若干金融工具除外在每一報告期末，在下文所載的會計政策解釋交易性投資持有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation (Continued)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 主要會計政策概要(續)

(b) 編製基準(續)

歷史成本一般按貨物及服務交換代價之公平值計算。

公平值為於計量日市場參與者於有序交易中出售資產將收取或轉讓負債支付之價格，不論該價格是否可直接觀察或使用其他估值方法估計。於估計資產或負債之公平值時，本集團考慮該資產或負債的特點，猶如市場參與者於計量日定價資產或負債時考慮該等特點。於本綜合財務報表計量及／或披露之公平值是按此基準釐定，除非屬於香港財務報告準則第2號範圍內之以股權基礎支出交易、屬於香港會計準則第17號範圍內之租賃交易及與公平值比較之若干相似點(並非公平值)之計量，例如香港會計準則第2號存貨內之可變現淨值或香港會計準則第36號資產減值內之使用值。

此外，根據公平值計量之輸入變數的可觀察程度及其對整體公平值計量之重要性分為第一、第二或第三級，以作財務報告之用，敘述如下：

- 第一級的輸入值指實體能於計量日在活躍市場上得到相同的資產或負債的報價(未予調整)；
- 第二級的輸入值指輸入除包含在第一級的報價以外，可直接或間接觀察得到的資產或負債的輸入變數；及
- 第三級的輸入值指資產或負債不可觀察得到的輸入數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Group. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous patterns at previous shareholders' meetings.

3. 主要會計政策概要(續)

(c) 綜合賬目基準

綜合財務報表包括本公司及本集團所控制實體(包括結構性實體)之財務報表。於本公司符合以下各項時取得控制權：

- 可控制該投資對象之權力；
- 因參與投資對象從而承擔或享有不同回報的風險或權利；及
- 有能力運用其控制權以影響回報。

倘有事實或情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

當本集團被投資對象少於多數投票權時，投票權有足夠實踐能力直接可控制該投資對象之權力的相關單方面活動。本集團考慮所有相關事實和情況，並評估本集團對被投資單位的表決權是否足以發揮權力，包括：

- 本集團持有相對於其他持有投票權的人持股數量和分散的投票權的規模；
- 本集團、其他持有投票權的人或其他方面持有的潛在投票權；
- 其他合同安排產生的權利；及
- 任何額外的事實和情況，表明本集團在決策需要時具有或不具備指導相關活動的能力，包括以往股東大會以前模式的投票模式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(d) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

3. 主要會計政策概要(續)

(c) 綜合賬目基準(續)

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益報表內。

損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，將對附屬公司之財務報表作出調整，以使其會計政策與本集團之會計政策一致。

與本集團成員公司之間交易有關之所有集團內資產及負債、權益、收益、開支及現金流量已於綜合賬目時悉數對銷。

(d) 業務合併

收購業務按收購法入賬。於業務合併中轉讓之代價以公平值計量，公平值則按本集團所轉讓資產、由本集團向被收購人前擁有人所產生之負債以及本集團為換取被收購人之控制權而發行股本權益之收購日公平值總和計算。與收購有關之成本一般會於產生時在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 and HKAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangement of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策概要(續)

(d) 業務合併(續)

於收購日，已收購之可辨別資產及須承擔之負債按其公平值予以確認，惟：

- 遞延稅項資產或負債以及有關僱員福利安排之負債或資產已分別根據香港會計準則第12號及香港會計準則第19號確認及計量；
- 涉及被收購人以股權基礎支出安排或為取代被收購人之以股權基礎支出安排而訂立之本集團股權基礎支出安排之負債或股本工具按香港財務報告準則第2號於收購日予以計量；及
- 按香港財務報告準則第5號分類為待售資產的資產(或出售組別)按該準則予以計量。

商譽按轉讓代價、被收購人之任何非控股權益金額及收購人先前於被收購人持有之股本權益公平值(如有)之總額超出所收購可辨別資產扣除所承擔負債後於收購日期之金額之差額計量。倘經重新評估後，所收購可辨別資產扣除所承擔負債後於收購日期之金額超出轉讓代價、被收購人之任何非控股權益金額及收購人先前於被收購人持有之股本權益公平值(如有)之總額，則該差額即時在損益內確認為議價收購收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with the corresponding gain or loss being recognised in profit or loss.

3. 主要會計政策概要(續)

(d) 業務合併(續)

屬現時所有權權益且於清盤時讓持有人有權按比例分佔實體資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益乃按其公平值或(如適用)另一項香港財務報告準則規定的基準計量。

倘本集團在業務合併中轉讓之代價包括或然代價安排所產生之資產或負債，則或然代價按其收購日公平值計量，並視為業務合併中轉讓之部分代價。符合計量期間調整條件之或然代價公平值變動將會追溯調整，並相應調整商譽。計量期間調整指在「計量期間」(不能超過收購日起計一年)所獲取涉及於收購日已存在事實和情況之額外資料而引致的調整。

或然代價公平值變動倘不符合計量期間調整之條件，則其後續入賬須視乎或然代價如何分類而定。分類為股本權益之或然代價於後續報告日期不會重新計量，而其後續結算則會在股本權益中入賬。分類為資產或負債之或然代價在後續報告日期重新計量，相關收益或虧損會在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(e) 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.

3. 主要會計政策概要(續)

(d) 業務合併(續)

倘業務合併分階段完成，本集團將於收購日期(即本集團獲得控制權之日)將先前所持於被收購人之權益重新計量至公平值，而所產生之收益或虧損(如有)於損益內確認。於收購日期前因於被收購人之權益而產生且先前已於其他全面收益中確認之金額重新分類至損益，前提為該處理方法在該權益已出售之情況下屬恰當。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，則本集團會報告尚未完成會計處理項目之臨時金額。該等臨時金額會於計量期間予以調整，並確認額外資產或負債，以反映於收購日已存在而倘知悉將會影響該日已確認款額之事實與情況所取得之新資訊。

(e) 獨立財務報表

於附屬公司之投資乃按成本扣除減值列賬。成本包括投資直接應佔成本。附屬公司之業績乃由本公司按已收及應收股息列賬。

於收取該等投資股息時，倘股息超出附屬公司於宣派股息期間的全面收益總額，或倘獨立財務報表內的投資賬面值超出被投資方的資產淨值(包括商譽)在綜合財務報表的賬面值，則須對於附屬公司之投資進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of CGU) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(g) Interests in associates/joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities required unanimous consent of the parties sharing control.

3. 主要會計政策概要(續)

(f) 商譽

收購業務所產生之商譽按於收購業務當日確立之成本扣除累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至本集團各預期可受惠於合併之協同效益之現金產生單位(或多組現金產生單位)。

商譽所屬之現金產生單位會每年(或於有跡象顯示該單位可能出現減值時更頻密地)進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於損益確認。商譽之已確認減值虧損不會於往後期間撥回。

出售相關現金產生單位時，就出售釐定損益會計入商譽所佔金額。

(g) 於聯營公司／合營企業之權益

聯營公司為本集團對其有重大影響力的實體。重大影響力指參與投資對象財務及經營政策決策的權力，但並非對該等政策有控制權或共同控制權。

合營企業為對共同安排擁有共同控制權之各方對共同安排之資產淨值擁有權利之共同安排。共同控制為對一項安排控制權的合約協定分佔，而此僅於相關活動需要分佔控制權各方一致同意時方會存在。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Interests in associates/joint ventures (Continued)

The results and assets and liabilities of associates or joint venture are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5. Under the equity method, interests in associates or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds its interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's interest in associate or joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策概要(續)

(g) 於聯營公司／合營企業之權益(續)

聯營公司或合營企業之業績及資產與負債利用會計權益法計入綜合財務報表，惟倘投資或其部分分類為持作出售，在該情況下根據香港財務報告準則第5號入賬。根據權益法，於聯營公司或合營企業之權益初始按成本在綜合財務狀況報表確認，及隨後作出調整以確認本集團攤佔聯營公司或合營企業損益及其他全面收益。倘本集團攤佔聯營公司或合營企業之虧損高出其所佔該聯營公司或合營企業權益(包括任何實質上構成本集團於該聯營公司或合營企業之淨投資一部分之任何長期權益)，則本集團會終止確認其攤佔之其他虧損。額外攤佔之虧損僅在本集團已產生法定或推定責任或代表該聯營公司或合營企業付款的情況下方會確認。

於聯營公司或合營企業之投資乃自投資對象成為聯營公司或合營企業當日起按權益法入賬。收購於聯營公司或合營企業之投資時，投資成本超出本集團應佔該投資對象之可識別資產及負債之公平值淨額之任何金額會確認為商譽，並計入該投資之賬面值。本集團應佔可識別資產及負債之公平值淨額超出投資成本之任何金額(於重新評估後)即時在收購該投資之期間內於損益表確認。

應用香港會計準則的規定釐定有否必要就本集團所持聯營公司或合營企業權益確認任何減值虧損。倘必要，投資(包括商譽)的整個賬面值會根據香港會計準則第36號作為單一資產透過將其可收回數額(使用價值與公平值減出售成本之較高者)與賬面值比較進行減值測試，任何已確認減值虧損屬於投資賬面值的一部分。該減值虧損的任何撥回根據香港會計準則第36號確認，惟以投資其後所增加之可收回數額為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Interests in associates/joint ventures (Continued)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in associate or joint venture that are not related to the Group.

(h) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策概要(續)

(g) 於聯營公司／合營企業之權益(續)

當集團實體與本集團聯營公司或合營企業交易時，則僅於交易所產生損益與本集團於聯營公司或合營企業之權益無關時，方於本集團之綜合財務報表確認。

(h) 商譽以外之有形及無形資產減值

於各報告期末，本集團審閱其有形及無形資產賬面值，以釐定有否任何跡象顯示該等資產已出現減值虧損。如果存在任何此類跡象，則會對資產之可收回金額作出估計，以確定減值虧損之程度(如有)。倘無法估計單個資產之可收回金額，本集團會估計該資產所屬之現金產生單位之可收回金額。倘能識別合理一致之分配基礎，公司資產亦應分配至單個現金產生單位，否則應按能識別合理一致之分配基礎將公司資產分配至最小之現金產生單位組合。

可使用年期無限之無形資產及尚未使用之無形資產均於最少每年進行減值檢測，而不論有否任何跡象顯示資產可能出現減值。

可收回金額是指公平值減去銷售費用後之餘額與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量會採用稅前貼現率貼現為其現值，該稅前貼現率反映貨幣時間價值之當前市場評價及該資產特有之風險(未針對該風險調整估計未來現金流量)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Impairment of tangible and intangible assets other than goodwill (Continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(j) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other, than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the profit or loss.

3. 主要會計政策概要(續)

(h) 商譽以外之有形及無形資產減值(續)

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則將該資產(或現金產生單位)之賬面值減至其可收回金額。減值虧損則即時在損益內確認。

如減值虧損於其後撥回，資產(或現金產生單位)之賬面值會提高至其經修訂之估計可收回金額，惟所提高之賬面值不得高於在過往年度未有就資產(或現金產生單位)確認減值虧損之情況下之賬面值。減值虧損之撥回會即時在損益內確認。

(i) 存貨

存貨按成本與可變現淨值兩者之間較低者列賬。存貨成本採用加權平均法計算。可變現淨值指存貨估計售價減所有估計完成成本及銷售所須成本。

(j) 金融工具

當一個集團實體成為金融工具合約條文之一方，則確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(通過損益以反映公平值之金融資產及金融負債除外)直接應佔之交易成本乃於首次確認時加入金融資產或金融負債之公平值，或從金融資產或金融負債之公平值扣除(如適用)。收購透過損益按公平值計算之金融資產或金融負債直接應佔之交易成本即時於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of such category of financial assets are set out below:

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss.

Loans and receivables

Loans and receivables (including deposits and other receivables, trade receivables, amount due from a shareholder, loan to a shareholder, short-term loans receivable and bank and cash balances) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產

本集團之金融資產分類為以下兩個類別其中之一，包括貸款及應收款項及待售金融資產。分類視乎金融資產之性質及目的，並於初步確認時釐定。所有正常購買或銷售之金融資產，按交易日之基準確認及取消確認。正常購買或銷售金融資產是指按照市場規定或慣例須在一段期限內進行資產交付之金融資產買賣。有關該類金融資產所採納之會計政策載列如下：

實際利率法

實際利率法為一種計算債務工具攤銷成本與於有關期間內分配利息收入之方法。實際利率為於首次確認時將債務工具預計年期或(如適用)更短期間內將估計未來現金收入(包括所有已付或已收並構成實際利率一部分之費用及貼息、交易成本及其他溢價或折讓)準確貼現至賬面淨值之利率。

除分類為通過損益以反映公平值之金融資產外，債務工具之利息收入按實際利率計算確認。

貸款及應收款項

貸款及應收款項(包括按金及其他應收款項、應收貿易款項、應收股東款項、借予股東貸款、應收短期貸款賬項、以及銀行及現金結餘)為於交投活躍之市場內並無報價而附帶固定或可議定付款之非衍生金融資產。貸款及應收款項使用實際利率法按攤銷成本減任何減值計量。

利息收入使用實際利率法確認，惟確認利息屬無關重要之短期應收款項除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as any of the other categories under HKAS 39.

Debt securities held by the Group that are classified as available-for-sale financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method are recognised in profit or loss.

Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Available-for-sale financial assets equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For available-for-sale financial assets equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產(續)

待售金融資產

待售金融資產為指定作待售或並未分類為香港會計準則第39條項下任何其他類別之非衍生工具。

於各報告期末，本集團所持有分類作待售金融資產並在活躍市場買賣之債務證券按公平值計量。以實際利率法計算有關利息收入之待售貨幣金融資產賬面值變動乃於損益確認。

待售金融資產賬面值之其他變動於其他全面收益確認並於投資重估儲備中累計。倘投資出售或被認為減值時，過往於投資重估儲備中累計之盈虧，將重新分類到損益中。

如待售金融資產股本權益投資於活躍市場並無市場報價且其公平值不能可靠計量，及與股本權益投資掛鉤且必須以該等並無報價股本權益投資作交收之衍生工具，則於各報告期末按成本扣除任何已識別減值虧損計量。

金融資產減值

金融資產(通過損益以反映公平值者除外)，於各報告期末評估有否出現減值跡象。當於首次確認金融資產後發生一項或多項事件，導致有客觀證據顯示金融資產之估計未來現金流量已受到影響時，則金融資產視為已經減值。

就待售金融資產股本權益投資而言，倘證券公平值顯著或長期低於其成本，則被視為須作減值之客觀證據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產(續)

金融資產減值(續)

就所有其他金融資產而言，減值客觀證據可包括：

- 發行人或交易方出現嚴重財困；或
- 違反合約，如無力支付或拖欠利息或本金額；或
- 借款人有可能破產或進行財務重組；或
- 因財困而導致該項金融資產失去活躍市場。

就應收貿易款項等若干類別之金融資產而言，被評為不會個別減值之資產會彙集評估減值。一組應收款項之減值客觀證據可包括本集團過往之收款經驗、組合內還款時間超過平均信貸期之延遲還款數目增加，以及與無力支付應收款項有關之國家或地方之經濟環境之明顯變動。

就按攤銷成本列賬之金融資產而言，確認之減值虧損金額以資產之賬面值與按金融資產原實際利率貼現其估計未來現金流量之現值兩者之差額計算。

就按成本列賬之金融資產而言，減值虧損金額按資產之賬面值與按類似金融資產之現行市場回報率貼現其估計未來現金流量之現值兩者之差額計算。有關減值虧損將不會於往後期間撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融資產(續)

金融資產減值(續)

除應收貿易款項外，所有金融資產之賬面值會直接扣除其減值虧損，而應收貿易款項之賬面值會利用撥備賬進行扣減。當應收貿易款項被視為不可收回時，則會撇銷撥備賬。倘之前已撇銷之款項於其後收回，則會計入撥備賬。撥備賬之賬面值變動於損益確認。

當待售金融資產視為已減值，以往於其他全面收益確認之累計盈虧會重新分類至期內損益。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於確認後之期間有所減少，而有關減少可以客觀地與確認減值虧損後發生之事件有關，之前已確認之減值虧損可透過損益予以撥回，但於撥回減值虧損日期資產之賬面值不得超過該項資產原未確認減值時之攤銷成本。

就待售股本權益投資而言，先前於損益確認之減值虧損不會透過損益撥回。減值虧損後公平值之增加會於其他全面收益確認，並於投資重估儲備項下累計。就待售債務投資而言，倘該項投資之公平值增加可客觀地與確認減值虧損後之事件有關，則減值虧損將於其後經損益撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Convertible notes

If the conversion option of convertible notes exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible notes is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible notes based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in the income statement.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融負債及股本工具

分類為債務或股本

集團實體發行之債務及股本工具乃根據合約安排之內容及金融負債與股本工具之定義分類為金融負債或股本。

股本工具

股本工具為可證明於實體資產經扣除其所有負債後之剩餘權益之任何合約。本集團發行之股本工具按收取之所得款項扣除直接發行成本確認。

購回本公司本身之股本工具於股本權益確認及直接扣除。因購買、出售、發行或註銷本公司本身股本工具而產生之損益不會於損益內確認。

可換股票據

倘可換股票據的換股權具有嵌入式衍生工具之特徵，則應獨立於其負債部分。於首次確認時，可換股票據之衍生工具部分按公平值計量，並以衍生財務工具之一部份呈列。若所得款項超出首次確認為衍生工具部分的金額，基於收益的負債和衍生工具部分的分配可換股票據，則差額確認為負債部分。交易費用於工具首次確認時分配至可換股票據之負債與衍生工具部分。有關負債部分的交易費用部份首次確認為負債部分。有關衍生工具的部分則即時在損益賬內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when the financial liability is either held for trading or it is designated at fair value through profit or loss on initial recognition.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融負債及股本工具(續)

金融負債

金融負債分類為按公平值計入損益之金融負債或其他金融負債。

按公平值計入損益之金融負債

倘金融負債持作買賣或於初步確認時指定為按公平值計入損益，則分類為按公平值計入損益。

倘屬下列情況，金融負債分類為持作買賣：

- 主要用於在不久將來購回；或
- 於初步確認時構成本集團合併管理之已識別金融工具組合之一部份，且近期實際短期獲利；或
- 屬於未被指定之衍生工具，並可有效作為對沖工具。

倘屬下列情況，金融負債(持作買賣之金融負債除外)可於初步確認時指定為按公平值計入損益之金融負債：

- 有關指定可對銷或大幅減少可能出現之不一致計量或確認；或
- 金融負債為金融資產或金融負債組別或兩者之組成部份，而根據本集團之風險管理文件或投資策略，金融資產乃按照公平值基準管理及評估表現，且有關分類資料會以該基準向內部提供；或

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities (Continued)

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract to be designated at fair value through profit or loss.
- Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities (including trade payables, accruals, deposits received and other payables, convertible notes, loan from associates, amount due to associates, guaranteed notes and bonds payable and obligation under a finance lease) are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at fair value through profit or loss.

3. 主要會計政策概要(續)

(j) 金融工具(續)

金融負債及股本工具(續)

金融負債(續)

- 其為包括一項或多項嵌入式衍生工具之合約之組成部份，而香港會計準則第39號金融工具：確認及計量容許將全部合併合約指定為按公平值計入損益。
- 按公平值計入損益之金融負債以公平值列賬，重新計量產生之任何收益或虧損於損益中確認。

其他金融負債

其他金融負債(包括應付貿易款項、應計款項、已收按金及其他應付款項、可換股票據、聯營公司借款、應付聯營公司款項、擔保票據及應付債券，以及融資租賃責任)其後乃採用實際利率法按攤銷成本計算。

實際利率法

實際利率法為一種計算金融負債攤銷成本與於有關期間內分配利息開支之方法。實際利率為於首次確認時將金融負債預計年期或(如適用)更短期間內將估計未來現金支出(包括所有已付或已收並構成實際利率一部分之費用及貼息、交易成本及其他溢價或折讓)準確貼現至賬面淨值之利率。

除分類為通過損益以公平值計算之金融負債外，利息開支按實際利率計算確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfer nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策概要(續)

(j) 金融工具(續)

取消確認

本集團僅於從資產中收取現金流量之合約權利到期，或於本集團已將金融資產及其擁有權之絕大部分風險及回報轉移至另一實體，方始取消確認金融資產。倘本集團既無轉移亦無保留擁有權之絕大部分風險及回報，且繼續控制之已轉讓資產，則會繼續確認有關資產(以本集團持續參與者為限)及確認相關負債。倘本集團保留已轉讓之金融資產擁有權之絕大部分風險及回報，則會繼續確認金融資產，並就已收所得款項確認作為抵押品之借貸。

於取消確認整項金融資產時，資產賬面值與已收及應收代價及已於其他全面收益確認及於股本權益累計之累計盈虧之總和之差額，於損益中確認。

於並非取消確認整項金融資產時，本集團分配金融資產前賬面值時會分為繼續確認及不再確認兩部分，基準為該等部分於轉讓日期之相對公平值。分配至不再確認部分之賬面值與就該部分收取之代價和獲分配且於其他全面收益確認之任何累計盈虧之總和之差額，會於損益確認。分配於其他全面收益確認之累計盈虧時會分為繼續確認及不再確認兩部分，基準為該等部分相對公平值。

當(及僅當)本集團於有關金融負債之責任獲解除、取消或到期，則會取消確認金融負債。取消確認之金融負債賬面值與已付及應付代價之差額乃於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the profit or loss in the reporting period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Construction in progress as at 31 December 2017 mainly represented the properties which are under construction in the PRC.

The above items of property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, as follows:

3. 主要會計政策概要(續)

(k) 物業、機器及設備

物業、機器及設備乃按成本減隨後累計折舊及隨後累計減值虧損(如有)在綜合財務狀況報表列賬。

資產成本包括購買價及將資產達致其使用狀況及地點作擬定用途之任何直接應佔費用。物業、機器及設備投產後產生之開支，如維修保養費，一般於產生之報告期間計入損益。倘有關開支明顯可提高日後使用物業、機器及設備預期將獲得之經濟利益，則有關開支將作為該項資產之額外成本撥充資本。

截至二零一七年十二月三十一日止在建工程主要為中國正在建設的房地產。

上述物業、機器及設備除在建工程外，以直線法計算其估計可使用年期及估計剩餘價值折舊，具體如下：

Leasehold improvements	租賃裝修	Over the shorter of lease terms and 5 years 租約期及五年之較短者
Office equipment	辦公室設備	30%
Furniture and fixture	傢俬及裝置	20%
Computer software	電腦軟件	30%
Equipment under finance lease	融資租賃設備	20%
Motor vehicle	汽車	25%
Medical equipment	醫療設備	10%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Property, plant and equipment (Continued)

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of land use rights provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

(l) Revenue recognition

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策概要(續)

(k) 物業、機器及設備(續)

根據融資租賃持有之資產乃於其估計可使用年期按與自有資產相同之基準折舊。然而，倘擁有權未能在租賃期完結前合理地確定，則資產須以其租賃期及其可使用年期之較短者折舊。

當出售時或當繼續使用資產預期不會產生任何未來經濟利益時，物業、機器及設備項目將取消確認。處置或報廢一項物業、機器及設備產生之盈虧，應按出售所得款項與該資產賬面值之差額予以確定，並於損益確認。

建築物正在開發為未來的自用目的

當建築物正在開發生產或行政用途時，施工期間提供的土地使用權攤銷將作為在建工程費用的一部分。正在建造的建築物以成本計量，減去任何確定的減值損失。建築物的折舊在可供使用時開始(即當他們處於必要的位置和條件，以能夠以管理運作的方式)。

(l) 收入確認

銷售貨品之收入在交付貨品及轉移所有權時確認，屆時下列全部條件將獲達成：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團並無保留一般與擁有權有關之銷售貨品持續管理權或實際控制權；
- 收入金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及有關交易產生或將產生之成本能夠可靠地計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Revenue recognition (Continued)

Revenue from provision of health management service is recognised when the services are rendered.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(m) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rate that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策概要(續)

(l) 收入確認(續)

提供健康管理服務的收入於服務提供時確認。

當本集團有可能獲得經濟利益，且收入金額能可靠地計量，則會確認金融資產之利息收入。利息收入乃就本金結餘按適用實際利率及時間比例計算。有關利率指於金融資產預計年期內將估計未來現金收入準確貼現至該資產於首次確認之賬面淨值之利率。

(m) 稅項

所得稅開支指當期應付稅項及遞延稅項之總和。

當期稅項

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益報表所報「稅前溢利」不同，此乃由於其他年度應課稅或可扣減之收入或開支項目，及永不課稅或扣減之項目。本集團之當期稅項負債於報告期末以已頒佈或實質頒佈之稅率計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Taxation (Continued)

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

3. 主要會計政策概要(續)

(m) 稅項(續)

遞延稅項

遞延稅項按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相關稅基兩者之暫時差異確認。遞延稅項負債通常會就所有應課稅暫時差異確認。遞延稅項資產通常會就所有可扣減暫時差異確認，惟其限於較可能取得應課稅溢利，並可用以抵銷可扣減暫時差異者。若暫時差異因商譽或因於一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中首次確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。

本集團會就於附屬公司及聯營公司之投資以及合營企業權益所產生之應課稅暫時差異確認遞延稅項負債，惟本集團有能力控制暫時差異之撥回及暫時差異不大可能於可見將來撥回則另作別論。與該等投資及權益有關之可扣減暫時差異產生之遞延稅項資產，僅於可能將有充足之應課稅溢利以使用暫時差異之利益以及預期於可見將來可撥回時，方予確認。

遞延稅項資產之賬面值於各報告期末均作檢討，並在不大有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項資產及負債以負債獲清償或資產獲變現之期間預期適用之稅率計量，並根據於報告期末已頒佈或實質上已頒佈之稅率(和稅法)計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Taxation (Continued)

Deferred tax (Continued)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(n) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses on a straight-line basis over the lease term.

3. 主要會計政策概要(續)

(m) 稅項(續)

遞延稅項(續)

遞延稅項負債及資產之計量反映隨本集團預期於報告期末時收回或償還其資產及負債賬面值所產生之稅務後果。

就計量遞延稅項負債或遞延稅項資產而言，利用公平值模式計量之投資物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於一個業務模式(其業務目標是隨著時間流逝(而非銷售)消耗該等投資物業大部分經濟利益)內持有時，有關假設會被推翻。

年內當期及遞延稅項

當期稅項及遞延稅項會於損益中確認，惟若有關項目於其他全面收益或直接於股本權益之中確認，則其當期稅項及遞延稅項亦會於其他全面收益或直接於股本權益中確認。若當期稅項或遞延稅項乃因首次就業務合併入賬而產生，則其稅務影響會納入業務合併之會計處理中。

(n) 租賃

凡租約條款規定將租賃資產擁有權之絕大部分風險及回報轉移至承租人之租約均列為融資租賃。所有其他租約分類為經營租賃。

本集團為出租人

經營租賃之租金收入會以直線法按有關租約年期確認。磋商及安排經營租賃時產生之初步直接成本會加入租賃資產之賬面值，並以直線法按租約年期確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Leasing (Continued)

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair values at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3. 主要會計政策概要(續)

(n) 租賃(續)

本集團作為承租人

根據融資租賃持有之資產乃於租賃開始時按公平值或(如較低)最低租賃付款現值確認為本集團之資產。對出租人負有之相應債項於綜合財務狀況報表內列作一項融資租賃責任。

租金款項會於融資費用及租約債務扣減中作出分配，以為負債結餘計算一個穩定利率。融資費用直接於損益確認，除非有關費用直接與合資格資產有關，在此情況下，則根據本集團借貸成本政策撥充資本。或然租金於產生期間確認為開支。

經營租賃付款於租期內按直線法確認為開支，惟倘有另一系統基準更能代表從租賃資產獲得經濟利益之時間模式則另當別論。經營租賃所產生之或然租金於其產生期間確認為開支。

倘就訂立經營租賃獲得租賃優惠，則有關優惠確認為負債。優惠利益總額乃按直線法確認為租金開支之扣減，惟倘有另一系統基準更能代表從租賃資產獲得經濟利益之時間模式則另當別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(p) Retirement benefits cost

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策概要(續)

(o) 外幣

在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣(外幣)進行之交易按交易日通用之匯率記錄。於報告期末，以外幣列值之貨幣項目以報告期末通用之匯率重新換算。以外幣列值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣列值並以歷史成本計量之非貨幣項目不會重新換算。

貨幣項目之匯兌差額乃於產生期間內於損益確認，惟以下各項例外：

- 當有關日後生產用途之在建資產外幣借貸匯兌差額被視為外幣借貸之利息成本調整時，匯兌差額將計入該等資產之成本內；
- 進行交易之匯兌差額為對沖若干外幣風險；及
- 應收或應付海外業務之貨幣項目匯兌差額，既無計劃結算，發生結算之可能性亦不大，故其構成海外業務投資淨額之一部分，並初步於其他全面收益確認及於償還貨幣項目時由股本權益重新分類至損益。

(p) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Share-based payment arrangements

Share-based payment transactions of the Company

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

(r) Provisions

Provisions are recognised when the Group has a present obligation (legal or constitutive) as a result of a past event, and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows where the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. 主要會計政策概要(續)

(q) 股權基礎支出安排

本公司股權基礎支出交易

對於須待指定歸屬條件獲履行後方始授出之購股權而言，獲提供服務之公平值乃參考所授購股權於授出日期之公平值釐定，在歸屬期以直線法確認為開支，股本權益(股權基礎儲備)則相應增加。

於報告期末，本集團修訂其預期最終歸屬之購股權估計數目。若原先估計數目有所修訂(如有)，則修訂估計之影響在損益確認，使累計開支反映經修訂估計，並於股權基礎儲備中作相應調整。

就於授出日即時歸屬之購股權而言，所授出購股權公平值隨即於損益中列為開支。

購股權行使時，先前於股權基礎儲備中確認之金額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使，則先前於股權基礎儲備中確認之金額將轉撥至保留盈利。

(r) 撥備

當本集團因過往事件而承擔現有法定或推定責任，導致本集團將有可能就該責任付款，而該責任款額能可靠地估計時確認撥備。

確認為撥備之款額乃於報告期末就支付現有責任所需之代價之最佳估計，當中已考慮涉及有關責任之風險及不確定因素。倘撥備使用估計支付現有責任之現金流進行計量，其賬面值即為該等現金流之現值(倘金錢之時間值影響屬重大)。

當預期可向第三方收回就撥備付款所需之部分或全部經濟利益，則會於實質上肯定將獲償付款項及應收款項金額能可靠地計量時，將應收款項確認為資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Related parties transactions

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

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

3. 主要會計政策概要(續)

(s) 關連人士交易

下列人士視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或與該人士關係密切的家庭成員與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員；或
- (b) 倘符合下列任何條件，即該實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員（即各母公司、附屬公司及同系附屬公司彼此間有關連）；
 - (ii) 一實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）；
 - (iii) 兩間實體均為同一第三方的合營企業；
 - (iv) 一實體為一第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Related parties transactions (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employees are also related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

A related party is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

3. 主要會計政策概要(續)

(s) 關連人士交易(續)

- (b) 倘符合下列任何條件，即該實體與本集團有關連：(續)
- (v) 該實體為本集團或與本集團相關之實體之僱員離職後福利計劃。如果本集團本身是一項計劃，則贊助僱員也與本集團有關；
 - (vi) 該實體受(a)項所述人士控制或共同控制；
 - (vii) 於(a)(i)項所述人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理人員；及
 - (viii) 該實體，或有部分團體的股東，向本集團或本集團的母公司提供關鍵管理人員服務。

交易被認為關連人士是指本公司與關連人士之間轉移資源、服務或責任，不論是否收取價款。

個別人士關係密切的家庭成員是指與該實體交易時預期可影響該個別人士或受該個別人士影響的家庭成員，包括：

- (a) 該人的子女和配偶或家庭伴侶；
- (b) 該人配偶或家庭伴侶的子女；及
- (c) 該人或該人的配偶或家庭伴侶的家屬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(u) Segment reporting

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

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

3. 主要會計政策概要(續)

(t) 或然負債及或然資產

或然負債乃來自過去事件所帶來之可能債務，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是過去事件所產生之現時債務，而由於不大可能導致經濟資源流失，或債務數額不能可靠地衡量而未予確認。或然負債雖未予確認，惟於綜合財務報表附註披露。倘資源外流可能性發生變動，以致經濟資源有可能流失時，則或然負債將會確認為撥備。

或然資產乃指因過往事件而可能獲得之資產，其存在僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不明確未來事件予以確定。或然資產雖未予確認，惟於經濟利益有可能流入時，於綜合財務報表附註中作出披露。當確定有關利益流入時，將會確認為資產。

(u) 分部呈報

經營分部及綜合財務報表內報告各分部項目的金額，乃從財務資料中識別，有關財務資料乃定期向本集團主要營運決策者提供用作本集團各項業務及地點分配資源並評估其表現。

個別重大的經營分部不會為財務報告目的而合計，除非有關分部具有類似經濟特性，並且具有類似的產品及服務性質、生產工序性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數準則可予合計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below.

Impairment of short-term loans receivable

The policy for impairment loss in respect of short-term loans receivable of the Group is based on the evaluation of collectability and ageing analysis of the receivables of short-term loans receivable and on the management of the Company's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance maybe required.

Impairment of goodwill and intangible asset

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill and intangible asset has been allocated. The value in use calculation requires the management of the Company to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value.

Impairment of trade and other receivables

The Group's management determines impairment of trade and other receivables on a regular basis. The estimate is based on the credit history of its customers and current market conditions. The management of the Group reassesses the impairment of trade and other receivables at the end of reporting period.

4. 重大會計判斷及估計不明確因素之主要來源

估計及判斷將不斷評估，按過往經驗及其他因素為準，包括於有關情況下被視為合理之預期日後事件。

本集團對未來作出估計及假設。顧名思義，會計估計很少等同相關實際情況。下文論述可能會導致於下個財政年度內對資產及負債之賬面值作出重大調整之巨大風險之估計及假設。

應收短期貸款減值

本集團有關應收短期貸款的減值虧損政策乃基於可收回性評估及應收短期貸款賬齡分析以及本公司管理層判斷。於評估此等應收款項之最終變現時需作出重大判斷，包括每名客戶之現行信用及過往收款記錄。倘本集團客戶之財政狀況惡化，以致彼等付款之能力降低，則可能須作出額外撥備。

商譽及無形資產之減值

釐定商譽及無形資產是否減值須對獲分配商譽之現金產生單位之使用價值作出估計。計算使用價值時，本公司管理層須估計預期產生自現金產生單位之未來現金流量及適當之貼現率以計算現值。

應收貿易及其他款項之減值

本集團管理層定期釐定應收貿易及其他應收款項之減值。估計乃基於其客戶的信貸紀錄及現行市況。本集團管理層於報告期末重新評估應收貿易及其他應收款項之減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues 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 impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair value measurements and valuation processes

Certain assets and liabilities of the Group are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. At the end of each reporting period, the Group works closely with the qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. The Group will first consider and adopt Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When Level 2 inputs are not available, the Group will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the directors of the Company.

Information about the valuation techniques and inputs used in the determination of the fair value of various assets and liabilities are disclosed in note 5(c).

4. 重大會計判斷及估計不明確因素之主要來源(續)

物業、機器及設備之可使用年期

根據香港會計準則第16號，本集團估計物業、機器及設備之可使用年期，以釐定須予記錄之折舊開支。可使用年期於收購資產時按過往經驗、預期用量、資產損耗及市場需求或資產提供之服務變動所產生的技術過時而作出估計。本集團亦每年審閱就可使用年期作出之假設以確保該等假設持續生效。

所得稅

本集團須繳納多個司法權區之所得稅。在確定全球所得稅之撥備時，本集團須作出重大判斷，部份交易之計算在日常業務過程中難以明確釐定最終稅務。本集團根據會否需要繳納額外稅項之估計，確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與最初入賬金額有所不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

公平值衡量及估值流程

本集團的部份資產及負債對財務報告公平值衡量，在估計資產或負債的公平值，本集團利用市場觀察數據來合選的範圍。其中第一級投入不合宜，本集團從第三方合資格的評估師進行估值。在每一報告期末，本集團與合資格的外聘評估師密切合作，為第2級及第3級公平值建立和確定合適的估值技術和投入。本集團將首先審議並通過在可觀察的報價在活躍市場中獲得第2級的投入。當第2級信息無法獲得，本集團將採用估值技術包括第3級的投入。凡在資產公平值發生重大變化，波動的原因將被報告給本公司董事。

關於各項資產和負債的公平值的判定使用估計技術和投入信息披露在附註5(c)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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 variable selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. The directors of the Company reassess the estimations at the end of reporting period.

4. 重大會計判斷及估計不明確因素之主要來源(續)

存貨可變淨值法

存貨可變淨值法是估計售價在日常業務過程中，完成及可變銷售費用減去估計的成本。估計是基於當前市場情況及類似性質的生產和銷售產品的歷史經驗。可以成為反應行業周期的客戶變化和競爭對手的行動變動的結果改變。本公司董事在報告期末重新評估其估計。

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Loan and receivables	貸款及應收款項	201,240	336,764
Available-for-sale financial assets	待售金融資產	76,395	71,217
Financial liabilities	金融負債		
Amortised cost	攤銷成本	370,941	295,111
Fair value through profit or loss	按公平值計入損益	7,316	7,006

5. 金融工具

(a) 金融工具類別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(a) Categories of financial instruments (Continued)

The Group's major financial instruments include available-for-sale financial assets, deposits and other receivables, trade receivables, loan to a shareholder, short-term loans receivable, bank and cash balances, trade payables, accruals, deposits received and other payables, convertible notes, bank and other borrowings, guaranteed notes and bonds payable and obligation under a finance lease. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these are set out below. The management of the Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the Group's risk exposure in respect of financial instruments or the manner in which it manages and measures the risks.

(b) Financial risk management objectives and policies

Foreign currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash and bank balance that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transaction relate. The currencies giving rise to this risk are primarily HK\$ and Renminbi ("RMB").

Certain cash and bank balances are denominated in RMB. The conversion of RMB into other currencies is subject to the rules and regulations of foreign exchange control promulgated by PRC. The Group is exposed to foreign exchange risk in respect of exchange fluctuation of HK\$ against RMB. The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The Group are not exposed to foreign currency risk in respect to HK\$ against the United States dollars (US\$) as long as this currency is pegged.

5. 金融工具(續)

(a) 金融工具類別(續)

本集團之主要金融工具包括待售金融資產、按金及其他應收款項、應收貿易款項、借予股東貸款、應收短期貸款、銀行及現金結餘、應付貿易款項、應計款項、已收按金及其他應付款項、可換股票據、銀行及其他借貸、擔保票據及應付債券及融資租賃責任。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。本公司管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

本集團有關金融工具之風險或管理及計量該等風險之方式並無變動。

(b) 金融風險管理目標及政策

外幣風險

本集團主要因買賣產生以外幣(即非交易相關營運的功能貨幣的貨幣)計值應收款項、應付款項及現金及銀行結餘而面對貨幣風險。產生該風險的貨幣主要為港元及人民幣(「人民幣」)。

若干現金及銀行結餘以人民幣計值。人民幣兌換為其他貨幣須遵守中國政府頒佈的外匯管制法規及規則。本集團面對港元兌人民幣匯兌波動的外匯風險。本集團現時並無任何外幣資產及負債之外幣對沖政策。本集團將密切監管其外幣風險，並於必要時考慮對沖重大外幣風險。

本集團並無就港元兌美元(「美元」)面臨外匯風險，因該兩種貨幣掛鈎。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	45,365	23,557	7,931	1,395

Sensitivity analysis

The following table details the Group sensitivity to a 5% increase and decrease in functional currency of the Group against the relevant foreign currencies. 5% represents the management of the Company's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the reporting date or a 5% change in foreign currency rates. A positive number below indicates a decrease in loss or an increase in profit where functional currency of the Group weakens 5% against the relevant foreign currency. For a 5% strengthen of functional currency of the Group against the relevant foreign currency, there would be an equal and opposite impact on the profit or loss, and the balance below would be negative.

5. 金融工具(續)

(b) 金融風險管理目標及政策(續)

外幣風險(續)

本集團以外幣計值之貨幣資產及負債於報告期末之賬面值如下：

敏感度分析

下表詳列本集團對其功能貨幣兌有關外幣升值及貶值5%之敏感度詳情。5%指本公司管理層評估外幣匯率變動的可能合理變動。敏感度分析僅包括以外幣計值的未償還貨幣項目，並於報告日期就外幣匯率的5%變動調整其換算。當功能貨幣相對於其他貨幣貶值5%時，下表中的正數表示虧損減少或溢利增加；當本集團的功能貨幣相對於相關貨幣升值5%時，會對損益產生一個相等或相反的影響，以下結餘也將變成負數。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Foreign currency risk (Continued)

Sensitivity analysis (Continued)

		Profit before tax 稅前溢利	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	1,872	1,108

Interest rate risk

The Group has interest-bearing assets and liabilities including time deposits and bank balances, short-term loans receivable, bank and other borrowings, convertible notes, bonds payable and guaranteed notes. Details of these financial instruments are disclosed in respective notes. The Group currently does not have interest rate hedging policy. However, the management of the Company monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of The Hong Kong Interbank Offered Rates ("HIBOR").

5. 金融工具(續)

(b) 金融風險管理目標及政策(續)

外幣風險(續)

敏感度分析(續)

利率風險

本集團擁有之計息資產包括定期存款及銀行結餘、應收短期貸款賬項、銀行及其他借貸、可換股票據、應付債券及擔保票據。該等金融工具之詳情於各附註披露。本集團現時並無採用任何利率對沖政策。然而，本公司管理層會監控利率風險，並於需要時考慮對沖重大利率風險。

本集團之現金流量利率風險主要集中於香港銀行同業拆息(「香港銀行同業拆息」)之波動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Interest rate risk (Continued)

Sensitivity analysis

If the floating rates had been 50 basis points (2016: 50 basis points) higher/lower and all other variables were held constant, the Group's:

Profit before tax for the year ended 31 December 2017 would increase/decrease by approximately HK\$246,000 (2016: HK\$645,000). This is mainly attributable to the Group's exposure to interest rates on its loan to a shareholder (2016: time deposits and loan to a shareholder).

Credit risk

The Group's credit risk is mainly attributable to trade receivables, loan to a shareholder, short-term loans receivable and bank and cash balances. The management of the Company has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables and short-term loans receivable, the credit periods usually are ranging from 30 days to 90 days depending on the nature of the business. Extension may be granted to major customers and each customer is granted a maximum credit limit. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and also taking into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Given the constant repayment history, the directors of the Company are of the opinion that the risk of default by these counter parties is not significant.

5. 金融工具(續)

(b) 金融風險管理目標及政策(續)

利率風險(續)

敏感度分析

在全部其他變數維持不變之情況下，倘浮動利率上升／降低50個基點(二零一六年：50個基點)，則本集團：

截至二零一七年十二月三十一日止年度之除稅前溢利將增加或減少約246,000港元(二零一六年：645,000港元)。此乃主要由於本集團所承受之定期存款及借予股東貸款(二零一六年：定期存款及借予股東貸款)之利率風險所致。

信貸風險

本集團信貸風險主要來自應收貿易款項、借予股東貸款、應收短期貸款以及銀行及現金結餘。本公司管理層設有信貸政策，持續監察面對的該等信貸風險。

對於應收貿易款項及應收短期貸款，信貸期通常介乎30日至90日，視乎業務性質而定。主要客戶可能獲延期，每個客戶獲授最高信貸限額。對於要求超過一定數額的信貸的所有客戶進行個別信貸評估。該等評估專注客戶過往到期付款的紀錄及現時付款的能力，亦考慮客戶特定資料及有關客戶經營所在經濟環境的資料。鑒於穩定的還款紀錄，本公司董事認為該等對手方違約的風險不大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Debtors with balances that are more than three months past due are requested to settle all outstanding balances before any further credit is granted and all overdue balances are reviewed regularly by the management of the Group. Normally, the Group does not obtain collateral from customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry and country in which customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, the Group has certain concentration of credit risk as 37.7% (2016: 38.6%) and 79.3% (2016: 75.0%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated and the Company statement of financial position after deducting any impairment allowance. The Group and the Company does not provide any guarantees which would expose the Group or the Company to credit risk.

The Group deposited its cash and cash equivalents with approved and reputable banks. Bankruptcy or insolvency of the bank may cause the Group's right with respect to cash and cash equivalents held to be delayed or limited. The management of the Group monitors the credit rating of these banks on an ongoing basis, and considers that the Group's exposure to credit risk at 31 December 2017 and 2016 were minimal.

Liquidity risk

The Group manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Group's liquidity requirements in the short and long term. The liquidity risk is under continuous monitoring by the management of the Group. The Group will raise bank borrowings whenever necessary.

5. 金融工具(續)

(b) 金融風險管理目標及政策(續)

信貸風險(續)

結餘逾期三個月以上的應收賬項須在進一步授出任何信貸前結算所有未償還結餘，管理層定期審查所有逾期結餘。一般而言，本集團並不從客戶獲得抵押品。本集團面對的信貸風險主要受各客戶而非客戶經營所在行業及國家的個別特徵影響，因此主要當本集團有重大個別客戶時會產生重大信貸集中風險。於報告期末，由於應收貿易款項總額37.7%(二零一六年：38.6%)及79.3%(二零一五年：75.0%)分別為應收本集團最大客戶及五大客戶款項，因此本集團有一定的信貸集中風險。

面對的最大信貸風險為綜合及公司財務狀況表中各金融資產的賬面值(於扣除任何減值撥備後)。本集團及本公司並不提供任何將會使本集團或本公司面對信貸風險的任何擔保。

本集團在經核准的信譽良好銀行存放現金及現金等值項目。銀行破產或無力償債可能導致本集團有關所持現金及現金等值項目的權利遭延遲或限制。管理層持續監察該等銀行的信貸評級，認為本集團於二零一七年及二零一六年十二月三十一日面對的信貸風險很小。

流動資金風險

本集團管理流動資金風險之方法為定期監察現時及預測之流動資金需要，並確保具備足夠流動現金及取得計劃來自主要金融機構之融資，以應付本集團之短期及長期流動資金需要。本集團管理層會持續監察流動資金風險，本集團將於必要時籌集銀行借貸。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following tables detail the Group's contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest dates on which the Group can be required to pay. The amounts disclosed in the table are based on the contractual undiscounted payments, are as follows:

		Weight average effective interest rate	On demand or less than 1 year	Between 1–5 years	Over 5 years	Total contractual undiscounted cash flows 已訂約未貼 現現金流量 總額	Total carrying amount
		加權平均 實際利率 HK\$'000 千港元	按要求或 少於一年 HK\$'000 千港元	一至五年 HK\$'000 千港元	超過五年 HK\$'000 千港元	賬面總值 HK\$'000 千港元	
At 31 December 2017	於二零一七年 十二月三十一日						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	應付貿易款項	–	824	–	–	824	824
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	–	68,812	–	–	68,812	68,812
Convertible notes	可換股票據	17.96%	89,001	–	–	89,001	75,480
Derivative financial liabilities	衍生金融負債	–	7,316	–	–	7,316	7,316
Guaranteed notes and bonds payable	擔保票據及應付債券	11.19%	135,111	102,338	–	237,449	213,590
Bank and other borrowings	銀行及其他借貸	7.80%	12,204	–	–	12,204	12,204
Obligation under a finance lease	融資租賃責任	12.74%	8	27	–	35	31
Total	總計		313,276	102,365	–	415,641	378,257
At 31 December 2016	於二零一六年 十二月三十一日						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	應付貿易款項	–	1,395	–	–	1,395	1,395
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	–	29,217	–	–	29,217	29,217
Convertible notes	可換股票據	17.82%	17,716	83,092	–	100,808	85,535
Derivative financial liabilities	衍生金融負債	–	7,006	–	–	7,006	7,006
Guaranteed notes and bonds payable	擔保票據及應付債券	12.35%	7,325	179,918	–	187,243	166,658
Loan from associates	聯營公司借款	9.00%	12,300	–	–	12,300	12,300
Obligation under a finance lease	融資租賃責任	5.98%	7	–	–	7	6
Total	總計		74,966	263,010	–	337,976	302,117

5. 金融工具(續)

(b) 金融風險管理目標及政策(續)

流動資金風險(續)

下表載列本集團非衍生金融負債之合約到期日詳情。各表乃根據本集團最早可被要求償還之日期，按金融負債之未貼現現金流量而編製。下表所披露款項乃基於以下合約未貼現付款：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments

Fair value of the Group's financial assets and financial liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair values of derivative instruments are calculated using quoted prices. When such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives; and
- the fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements are approximate to their fair values:

		2017 二零一七年		2016 二零一六年	
		Carrying Amount 賬面值 HK\$'000 千港元	Fair Value 公平值 HK\$'000 千港元	Carrying Amount 賬面值 HK\$'000 千港元	Fair Value 公平值 HK\$'000 千港元
Financial liabilities	金融負債				
Obligation under a finance lease (Note)	融資租賃責任 (附註)	31	31	6	6
Convertible notes	可換股票據	75,480	83,405	85,535	96,799

Note: The fair value of obligation under a finance lease is estimated to be approximately HK\$31,000 (2016: HK\$6,000) using 12.74% discount rate based on bank interest rate for instalment loan.

5. 金融工具(續)

(c) 金融工具之公平值

本集團金融資產及金融負債之公平值釐定如下：

- 具有標準條款及條件並於活躍市場買賣之金融資產及金融負債，乃分別參考所報市場買盤價及賣盤價釐定公平值；
- 衍生工具之公平值按報價計算。倘未能獲得有關價格，則以非期權衍生工具之工具期限的適用孳息曲線，以及期權衍生工具的期權定價模式進行貼現現金流量分析；及
- 其他金融資產及金融負債(不包括上述者)之公平值乃根據使用貼現現金流量分析之普遍採納定價模式釐定。

除下表所詳述者外，本公司董事認為綜合財務報表中已確認金融資產及金融負債之賬面值均與其公平值相若：

附註：按基於銀行分期貸款利率之12.74%貼現率計算，融資租賃責任之公平值估計約為31,000港元(二零一六年：6,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日				
Other financial liabilities	其他金融負債				
Derivative financial liabilities	衍生金融負債	-	-	7,316	7,316
At 31 December 2016	於二零一六年十二月三十一日				
Other financial liabilities	其他金融負債				
Derivative financial liabilities	衍生金融負債	-	-	7,006	7,006

The fair values of the financial liabilities included in level 3 category above represented convertible notes which have been determined in accordance with generally accept pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Fair value estimation

The following table presents the changes in convertible notes which are classified as level 3 instruments for the years ended 31 December 2017.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	7,006	1,582
Issue of the convertible notes	發行可換股票據	-	7,182
Fair value loss/(gain) recognised	已確認公平值虧損/(收益)	310	(1,758)
At 31 December	於十二月三十一日	7,316	7,006

5. 金融工具(續)

(c) 金融工具之公平值(續)

下表載列於初步確認後按公平值計量之金融工具分析，並根據其公平值可觀察程度分為第一至第三級別：

計入上文第三級類別之金融負債之公平值乃指可換股票據相關應付或然代價，並根據貼現現金流量分析按公認定價模式釐定，最重要輸入數據為影響對手方信貸風險之貼現率。

公平值估計

下表呈列截至二零一七年十二月三十一日止年度分類為第三級工具之可換股票據之變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Fair value estimation (Continued)

The fair values of the embedded derivatives in the convertible notes at 31 December 2017 and 2016 are calculated using the Binomial Pricing Model. The inputs into the model are as follows:

	31 December 2017 二零一七年 十二月三十一日		31 December 2016 二零一六年 十二月三十一日		
Principal amount ('000) 本金金額(千元)	HK\$1,000 1,000港元	USD10,000 10,000美元	HK\$16,000 16,000港元	HK\$1,000 1,000港元	USD10,000 10,000美元
Expected volatility (%) 預期波幅(%)	16.01	28.81	27.26	27.36	42.85
Expected life (years) 預期年期(年)	0.031	0.631	0.975	1.044	1.644
Expected dividend yield (%) 預期股息率(%)	0.00	0.00	0.00	0.00	0.00
Risk-free rate (%) 風險率(%)	1.295	1.41	0.85	0.86	0.88
Share price (HK\$) 股價(港元)	0.69	0.69	0.66	0.66	0.66

The Binomial Pricing Model requires the input of highly subjective assumptions, including the future share price, therefore the changes in subjective input assumptions can materially affect the fair value estimates.

For the year ended 31 December 2017, increase in share price of the Company by 10% would decrease the fair value of embedded derivatives in the convertible notes by approximately HK\$3,668,000 (2016: HK\$87,428,000). Decrease in share price by 10% would increase the fair value of embedded derivatives in the convertible notes by approximately HK\$3,203,000 (2016: HK\$7,233,000).

There is no transfer into and out of Level 3 for the years ended 31 December 2017 and 2016.

6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2016.

The capital structure of the Group consists of borrowings (comprising loan from associates, convertible notes and guaranteed notes, bonds payable and obligation under a finance lease) and equity (comprising share capital and reserves).

5. 金融工具(續)

(c) 金融工具之公平值(續)

公平值估計(續)

於二零一六年及二零一七年十二月三十一日，可換股票據內嵌入衍生工具的公平值是用二項式定價模式計算，根據模式計算如下。

二項式期權定價模式需運用高度主觀之假設，包括未來的股價，故此主觀假設之變動可對公平值估計造成重大影響。

截至二零一七年十二月三十一日，本公司的可換股票據衍生工具公平值將減少10%約3,668,000港元(二零一六年：87,428,000港元)對本公司股價上升。可換股票據衍生工具公平值將增加10%約3,203,000港元(二零一六年：7,233,000港元)對本公司股價降低。

截至二零一七年及二零一六年十二月三十一日，第三級工具沒有轉入及轉出。

6. 資本風險管理

本集團管理其資本以確保本集團將能夠繼續作持續經營，同時最大限度地通過債務和股本權益平衡的優化回報利益相關者。本集團的整體策略仍然是由二零一六年持平。

本集團的資本結構由借款(包括聯營公司借款、可換股票據及擔保票據、應付債券及融資租賃責任)和股本權益(包括股本和儲備)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

6. CAPITAL RISK MANAGEMENT (Continued)

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The gearing ratio at the end of the reporting period was as follows:

6. 資本風險管理(續)

本公司董事定期檢討資本架構。於過去審查後，本公司董事認為資本成本和風險與每類資本。在報告期末的資本負債率，結果如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total borrowings:	借款總額：		
Convertible notes (note 32)	可換股票據(附註32)	75,480	85,535
Bank and other borrowing (note 35)	銀行及其他借貸(附註35)	12,204	—
Loan from associates (note 19)	聯營公司借款(附註19)	—	12,300
Guaranteed notes and bonds payable (note 34)	擔保票據及應付債券(附註34)	213,590	166,658
		301,274	264,493
Total equity	股本權益總額	978,211	667,550
Gearing ratio	資產負債率	30.8%	39.6%

7. REVENUE

7. 收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue represents the aggregate amounts received and receivable analysed as follows:	收入指已收及應收之合計金額，分析如下：		
Health industry	健康產業	451,036	536,100
Interest income from investment and finance	投資及融資利息收入	23,897	18,862
		474,933	554,962

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

8. OPERATING SEGMENTS

The Group manages its businesses by divisions which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

Health industry – included medical anti-aging and health preservation base, medical and healthcare industry investment management and natural health food business

Investment and finance – investing and financing activities

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group during the year was as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A ¹	客戶 A ¹	68,673	N/A 不適用 ³
Customer B ²	客戶 B ²	N/A 不適用 ³	91,566
Customer C ²	客戶 C ²	N/A 不適用 ³	70,130

¹ Revenue from natural health food business

² Revenue from medical anti-aging and health preservation base business

³ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

8. 營運分部

本集團根據業務流程組織管理業務組別，以內部匯報給本集團最高行政管理人員，用以分配資源及考核業績的一致方式，本集團呈報下列兩項可呈報分部。

健康產業 – 包括醫學抗衰老及養生基地、醫療及健康產業投資管理以及天然健康食品業務

投資及融資 – 投資及融資活動

本集團可呈報分部以營運不同活動為策略業務單元。彼等受個別管理，此乃由於各業務擁有不同市場，且要求不同市場策略。

主要客戶之資料

本年內，來自佔本集團收入總額超過10%之客戶之收入如下：

¹ 收入來自天然健康食品業務

² 收入來自醫學抗衰老及養生基地業務

³ 所對應收入佔本集團收入總額未超過10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

8. OPERATING SEGMENTS (Continued)

Information about major customers (Continued)

Operating segment information is presented below:

Consolidated Statement of Profit or Loss and Other Comprehensive Income

8. 營運分部(續)

主要客戶之資料(續)

營運分部資料呈列如下：

綜合損益及其他全面收益表

		Health Industry 健康產業											
		Natural Health Food 天然健康食品				Medical Anti-aging and Health Preservation Base 醫學抗衰老及養生基地				Medical and Healthcare Industry Investment Management 醫療及健康產業投資管理			
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入												
Revenue from external customer	來自外部客戶之收入	323,856	213,772	63,622	51,344	63,558	270,984	451,036	536,100	23,897	18,862	474,933	554,962
Results	業績												
Segment results for reportable segment	可呈報分部之業績	185	1,509	26,964	18,485	22,153	38,392	49,302	58,386	(21,398)	12,532	27,904	70,918
Bank interest income	銀行利息收入	3	2	16	12	2	12	21	26	3	-	24	26
Unallocated expenses, net*	未分攤開支，淨額*											(9,689)	(14,685)
Income tax expense	所得稅開支	(356)	(389)	(2,304)	(6,833)	(6,138)	(1,876)	(8,798)	(9,098)	-	-	(8,798)	(9,098)
Profit for the year	年度溢利											9,441	47,161

* Unallocated expenses mainly include certain depreciation on property, plant and equipment, general office expenses and unallocated employee benefit expenses.

* 未分攤開支主要包括物業、廠房及設備、一般辦公室開支及未分攤僱員福利開支之若干折舊。

		Health Industry 健康產業											
		Natural Health Food 天然健康食品				Medical Anti-aging and Health Preservation Base 醫學抗衰老及養生基地				Medical and Healthcare Industry Investment Management 醫療及健康產業投資管理			
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Assets	資產												
Segment assets for reportable segments	可呈報分部之資產	78,737	31,704	1,080,982	401,332	25,520	366,569	1,185,239	799,605	136,489	140,965	1,321,728	940,570
Unallocated assets	未分攤之資產											50,509	32,079
Total assets	資產總額											1,372,237	972,649
Liabilities	負債												
Segment liabilities for reportable segments	可呈報分部之負債	31,364	9,112	43,689	16,423	5,829	2,050	80,882	27,585	301,386	273,425	382,268	301,010
Unallocated liabilities	未分攤之負債											11,758	4,089
Total liabilities	負債總額											394,026	305,099

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

8. OPERATING SEGMENTS (Continued)

Information about major customers (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the Year (2016: Nil).

Segment results represent the profit earned/(the loss incurred) by each segment without allocation of corporate expenses, bank interest income and income tax expense.

For the purposes of monitoring segment performance and allocating resources between segments:

All assets are allocated to reportable segments other than unallocated corporate assets which mainly include property, plant and equipment, prepayments and deposits and corporate bank balances.

All liabilities are allocated to reportable segments other than unallocated corporate liabilities which mainly include accruals, deposits received and other payables.

Geographical information

In determining the Group's geographical information, revenue information is based on the location of the customers, and asset information is based on the location of the assets.

8. 營運分部(續)

主要客戶之資料(續)

上文呈報分部收入指來自外部客戶之收入。本年度沒有內部分部銷售(二零一六年：無)。

分部業績指各分部賺取之溢利／(產生之虧損)，並未分攤企業開支、銀行利息收入及所得稅開支。

就監察分部表現及於分部間分攤資源而言：

除未分攤企業資產外(主要包括物業、機器及設備、預付款項及按金及企業銀行結餘)外，所有資產已分攤至可呈報分部。

除未分攤企業負債(主要包括應計款項、已收按金及其他預付款項)外，所有負債已分攤至可呈報分部。

地區資料

在決定本集團之地區資料時，收入資料由客戶所在地決定，資產資料則由資產所在地決定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

8. OPERATING SEGMENTS (Continued)

Geographical information (Continued)

The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

		Revenue from external customers 來自外部客戶之收入		Non-current assets* 非流動資產*	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The People's Republic of China (the "PRC")	中華人民共和國 (「中國」)	431,969	536,100	441,560	400,935
Hong Kong	香港	42,964	18,862	318,940	2,201

* Non-current assets excluded those relating to interests in associates and available-for-sale financial assets.

8. 營運分部(續)

地區資料(續)

本集團來自外部客戶之收入及有關其非流動資產之資料的地域位置，詳情如下：

* 非流動資產不包括有關於聯營公司所持有之權益及待售金融資產。

Other segment information

其他分部資料

		Health Industry 健康產業		Investment and Finance 投資及融資		Unallocated 未分配		Consolidated 綜合	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Depreciation of property, plant and equipment	物業、機器及設備折舊	8,474	8,509	-	-	-	-	8,474	8,509
Impairment loss of available-for-sale financial assets	待售金融資產減值損失	-	755	-	-	-	-	-	755
Share of result of associates	攤佔聯營公司之業績	8,822	14,105	-	-	-	-	8,822	14,105
Interests in associates	於聯營公司之權益	211,272	127,128	-	-	-	-	211,272	127,128
Capital expenditure*	資本開支*	27,560	79,375	-	-	-	-	27,560	79,375

* Capital expenditure consists of addition to property, plant and equipment and assets acquired from acquisition of subsidiaries.

* 資本開支包括物業、廠房及設備的添置及收購附屬公司的已收購資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

9. OTHER INCOME

9. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank interest income	銀行利息收入	24	26
Others	其他	39	312
		63	338

10. FINANCE COST

10. 財務成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on convertible notes (note 32)	可換股票據利息(附註32)	14,691	6,956
Interest on guaranteed notes and bonds payable (note 34)	擔保票據及應付債券利息(附註34)	25,894	1,861
Interest on bank and other borrowings	銀行及其他借貸利息	127	—
Interest on loan from associates	聯營公司借款利息	634	882
		41,346	9,699

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

11. PROFIT BEFORE INCOME TAX

11. 除稅前溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year has been arrived at after charging/(crediting):	年度溢利已扣除／(計入)：		
Total staff costs including remuneration of the directors of the Group:	僱員成本總額(包括本集團董事薪酬)：		
Salaries and other benefits	薪金及其他福利	14,658	13,041
Retirement benefit scheme contributions	退休福利計劃供款	808	483
Share-based payment expenses	股權基礎支出	—	3,836
		15,466	17,360
Auditors' remuneration for audit services	審核服務的核數師酬金	1,500	1,380
Auditors' remuneration for non-audit services	非審核服務的核數師酬金	50	50
Fair value changes on convertible notes	可換股票據公平值變動	310	(1,758)
Cost of inventories recognised as expenses*	確認為開支之存貨成本*	382,864	471,594
Exchange loss, net	匯兌虧損淨額	1	3
Depreciation of property, plant and equipment	物業、機器及設備折舊	8,474	8,509
Impairment loss of available-for-sale financial assets	待售金融資產減值損失	—	755
Operating lease rentals in respect of rented premises (excluding rented premise for director of the Company)	租用物業之經營租賃租金費用 (不包括本公司董事的租用物業)	8,515	7,340

* Included in "Cost of sales" of the consolidated statement of profit or loss and other comprehensive income

* 已計入綜合損益及其他全面收益報表內之「銷售成本」

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS

12. 董事、高級管理層及僱員酬金

(a) Directors' emoluments

Fees and other emoluments paid or payable to the directors of the Company for the years ended 31 December 2017 and 2016 were as follows:

For the year ended 31 December 2017

(a) 董事酬金

截至二零一七年及二零一六年十二月三十一日止年度，已付或應付予各董事之袍金及其他酬金如下：

截至二零一七年十二月三十一日止年度：

		Fees	Salaries and allowances	Contributions to retirement benefit scheme 供款至退休福利計劃	Share-based payment expenses 股權基礎支出	Total
		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	福利計劃 HK\$'000 千港元	股權基礎支出 HK\$'000 千港元	總額 HK\$'000 千港元
Executive directors	執行董事					
Mr. Cheung Wai Kuen (Chairman)	張偉權先生(主席)	150	-	-	-	150
Mr. Cheng Hau Yan (Deputy Chairman)	鄭孝仁先生(副主席)	150	1,560	18	-	1,728
Mr. Ye Jiong Xian (Chief Executive Officer)	葉炯賢先生(行政總裁)	-	460	18	-	478
Non-executive director:	非執行董事					
Mr. Lin Jiang	林江先生	150	150	-	-	300
Mr. Hou Kaiwen (note i)	侯凱文先生(附註i)	-	-	-	-	-
Mr. Bai Yinghai (note ii)	白英海先生(附註ii)	5	-	-	-	5
Independent non-executive directors:	獨立非執行董事					
Mr. Mai Yang Guang	麥楊光先生	150	-	-	-	150
Mr. Yau Chi Ming (note iii)	丘志明先生(附註iii)	150	-	-	-	150
Mr. Wong Yiu Kit (note iv)	黃耀傑先生(附註iv)	42	-	-	-	42
Mr. Lam Chi Wing (note v)	林至穎先生(附註v)	150	-	-	-	150
Total	總額	947	2,170	36	-	3,153

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

For the year ended 31 December 2016

		Fees	Salaries and allowances	Contributions to retirement benefit scheme	Share-based payment expenses	Total
		袍金	薪金及津貼	供款至退休福利計劃	股權基礎支出	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事					
Mr. Cheung Wai Kuen (Chairman)	張偉權先生(主席)	150	150	5	–	305
Mr. Cheng Hau Yan (Deputy Chairman)	鄭孝仁先生(副主席)	150	1,560	18	–	1,728
Mr. Ye Jiong Xian (Chief Executive Officer)	葉炯賢先生(行政總裁)	–	460	18	1,072	1,550
Non-executive director:	非執行董事					
Mr. Lin Jiang	林江先生	150	150	–	107	407
Mr. Bai Yinghai (note ii)	白英海先生(附註ii)	–	–	–	–	–
Independent non-executive directors:	獨立非執行董事					
Mr. Mai Yang Guang	麥楊光先生	150	–	–	107	257
Mr. Yau Chi Ming (note iii)	丘志明先生(附註iii)	150	–	–	107	257
Mr. Lam Chi Wing (note v)	林至穎先生(附註v)	120	–	–	–	120
Total	總額	870	2,320	41	1,393	4,624

No emoluments were paid by the Group to the directors of the Company, its chief executive officer and senior management of the highest paid individuals as a discretionary bonus or an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2017 and 2016.

None of the directors of the Company and chief executive officer of the Company agreed to receive or waived any emoluments in the years ended 31 December 2017 and 2016.

12. 董事、高級管理層及僱員酬金(續)

(a) 董事酬金(續)

截至二零一六年十二月三十一日止年度：

截至二零一七年及二零一六年十二月三十一日止年度，本集團概無支付任何薪酬予本公司董事、行政總裁及最高薪酬人士的高級管理層，以作為吸引加入本集團或於加入本集團時的酌情花紅或獎勵或作為離職的彌償。

本公司董事及行政總裁概無於截至二零一七年及二零一六年十二月三十一日止年度內同意收取或放棄收取任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

The share-based payment represents the fair value of share options granted to the directors of the Company under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 3.

At 31 December 2016, the directors of the Company held share options under the Company's share option scheme. No share option was held by directors as at 31 December 2017. Details of the share options are disclosed under the paragraph "Share option scheme" in the report of the directors of the Company and note 36.

Notes:

- (i) Mr. Hou Kaiwen was appointed as non-executive director of the Company with effect from 5 June 2017.
- (ii) Mr. Bai Yinghai was appointed as non-executive director of the Company with effect from 19 December 2016 and resigned as non-executive director of the Company with effect from 5 June 2017.
- (iii) Mr. Yau Chi Ming was resigned as independent non-executive director of the Company with effect from 1 July 2017.
- (iv) Mr. Wong Yiu Kit, Ernest was appointed as independent non-executive director of the Company with effect from 20 September 2017.
- (v) Mr. Lam Chi Wing was appointed as independent non-executive director of the Company with effect from 15 March 2016.

12. 董事、高級管理層及僱員酬金 (續)

(a) 董事酬金 (續)

股權基礎支出指根據本公司購股權計劃授予本公司董事之購股權的公平值。該等購股權的價值根據附註3所載本集團股權基礎支出交易的會計政策計量。

於二零一六年十二月三十一日，本公司董事根據本公司購股權計劃持有購股權。董事於二零一七年十二月三十一日概無持有購股權。購股權詳情於本公司董事報告及附註36「購股權計劃」一段披露。

附註：

- (i) 侯凱文先生已獲委任為非執行董事，自於二零一七年六月五日起生效。
- (ii) 白英海先生已獲委任為非執行董事，自於二零一六年十二月十九日生效及已辭任為非執行董事，自二零一七年六月五日起生效。
- (iii) 丘志明先生已辭任獨立非執行董事，自二零一七年七月一日起生效。
- (iv) 黃耀傑先生已獲委任為獨立非執行董事，自二零一七年九月二十日起生效。
- (v) 林至穎先生已獲委任為獨立非執行董事，自二零一六年三月十五日起生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

12. DIRECTORS', SENIOR MANAGEMENT'S AND EMPLOYEES' EMOLUMENTS (Continued)

12. 董事、高級管理層及僱員酬金 (續)

(b) Five highest paid employees

Of the five individuals with the highest emoluments in the Group, two (2016: three) were directors of the Company whose emoluments were included in note 12(a) above. The emoluments of the remaining three (2016: two) individuals were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other allowances	薪金及其他津貼	2,445	1,888
Contribution to retirement benefits scheme	供款至退休福利計劃	54	36
Share-based payment expenses	股權基礎支出	–	107
		2,499	2,031

Their emoluments were within the following bands:

彼等之酬金在以下範圍內：

		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	1	1

At the end of the reporting period, there was no forfeited contribution, which arose upon employees leaving the retirement benefits scheme and which are available to reduce the contribution payable in the futures years.

於報告期末，並無因僱員離開退休福利計劃而產生的沒收貢獻，這可用於減少未來年度的應付供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

13. INCOME TAX EXPENSE

13. 所得稅開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Income tax expense comprises	所得稅開支包括		
Current tax:	當期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	(7,894)	(8,126)
Hong Kong Profits Tax	香港利得稅	—	(972)
Under-provision in prior year	上一年度撥備不足	(821)	—
Deferred tax	遞延稅項	(83)	—
		(8,798)	(9,098)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years. No Hong Kong Profits Tax is payable on the profit for the year arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward.

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

香港利得稅乃根據兩個年度之估計應課稅溢利按稅率16.5%計算。由於應課稅溢利全額由承前稅項虧損所抵銷，因此於香港所產生的年度溢利毋須繳付應付香港利得稅。

根據中國企業所得稅法(「企業所得稅法」)及其實施條例，中國附屬公司的稅率自二零零八年一月一日起為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

13. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

13. 所得稅開支(續)

本年度之所得稅開支與綜合損益及其他全面收益表之除稅前溢利對賬如下：

		2017 二零一七年		2016 二零一六年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before tax	除稅前溢利	18,239		56,259	
Tax at the Hong Kong Profits Tax rate of 16.5% (2016: 16.5%)	按香港利得稅稅率 16.5%(二零一六年： 16.5%)計算之稅項	(3,009)	(16.5)	(9,283)	(16.5)
Tax effect of share of result of associates	攤佔聯營公司之業績 之稅務影響	1,456	8.0	2,327	4.1
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅 收入之稅務影響	3,995	21.9	3,855	6.8
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣減 開支之稅務影響	(6,395)	(35.1)	(2,491)	(4.4)
Tax effect of tax losses not recognised	未確認之稅務虧損之 稅務影響	(1,057)	(5.8)	(1,454)	(2.6)
Tax effect of utilisation of tax losses previously not recognised	動用未確認稅項虧損 之稅務影響	104	0.6	430	0.8
Under provision in prior year	過往年度撥備不足	(821)	(4.5)	—	—
Estimated tax effect of temporary differences	估計暫時差異的稅務 影響	(83)	(0.4)	—	—
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營 的附屬公司不同 稅率之稅務影響	(2,988)	(16.4)	(2,482)	(4.4)
Income tax expense	所得稅開支	(8,798)	(48.2)	(9,098)	(16.2)

14. DIVIDENDS

The directors of the Company do not recommend any payments of interim and final dividend for the year (2016: Nil).

14. 股息

本公司董事不建議就本年度派付任何中期及末期股息(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Earnings</i>	<i>盈利</i>		
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	每股基本及攤薄盈利之盈利 (年度本公司擁有人應佔溢利)	1,422	42,096
<i>Number of shares ('000)</i>	<i>股份數目(千股)</i>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	用以計算每股基本及攤薄盈利之普通股加權平均數	2,671,871	2,596,255

Diluted earnings per share does not assume:

- (i) the exercise of the Company's outstanding options as the exercise price of those options were higher than the average market price of the Company's shares for the corresponding period; and
- (ii) the conversion of convertible notes since their assumed conversion had an anti-dilutive effect.

每股攤薄盈利並無假設：

- (i) 本公司尚未行使之購股權獲行使，原因是該等購股權的行使價高於本公司股份於相關期間的平均市價；及
- (ii) 可換股票據自其假設起具有反攤薄影響。

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綜合財務報表附註(續)

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

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、機器及設備

		Leasehold improvements	Office equipment	Furniture and fixture	Computer software	Equipment under finance lease 融資租賃設備	Motor vehicle	Medical equipment	Construction in progress	Total
		租賃裝修 HK\$'000 千港元	辦公室設備 HK\$'000 千港元	傢俬及裝置 HK\$'000 千港元	電腦軟件 HK\$'000 千港元	設備 HK\$'000 千港元	汽車 HK\$'000 千港元	醫療設備 HK\$'000 千港元	在建工程 HK\$'000 千港元	總額 HK\$'000 千港元
Cost:	成本：									
At 1 January 2016	於二零一六年一月一日	9,361	2,555	913	207	33	2,951	2,282	–	18,302
Additions	增加	11,437	205	339	64	–	2,212	1,484	63,634	79,375
Acquisition of subsidiaries (note 39(b))	收購附屬公司(附註39(b))	–	–	–	–	–	–	–	139,585	139,585
Disposal of subsidiaries (note 40(c))	出售附屬公司(附註40(c))	(1,216)	(1,627)	–	–	–	–	–	–	(2,843)
Exchange alignment	匯率調整	(965)	(156)	(66)	(7)	–	(85)	(192)	(14,367)	(15,838)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	18,617	977	1,186	264	33	5,078	3,574	188,852	218,581
Additions	增加	4,421	543	11	1	33	–	1,334	14,603	20,946
Acquisition of subsidiaries (note 39(a))	收購附屬公司(附註39(a))	1,388	–	464	–	–	–	4,762	–	6,614
Disposal of subsidiaries (note 40(b))	出售附屬公司(附註40(b))	–	–	–	–	–	(861)	–	–	(861)
Written off	撇銷	–	(16)	–	–	(33)	–	–	–	(49)
Exchange alignment	匯率調整	1,057	149	82	11	–	92	266	14,582	16,239
At 31 December 2017	於二零一七年十二月三十一日	25,483	1,653	1,743	276	33	4,309	9,936	218,037	261,470
Accumulated depreciation and impairment:	累計折舊及減值：									
At 1 January 2016	於二零一六年一月一日	3,565	953	300	145	21	708	180	–	5,872
Charge for the year	年度支出	6,210	750	205	55	7	960	322	–	8,509
Disposal of subsidiaries (note 40(c))	出售附屬公司(附註40(c))	(697)	(934)	–	–	–	–	–	–	(1,631)
Exchange alignment	匯率調整	(575)	(71)	(18)	(4)	–	(17)	(22)	–	(707)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	8,503	698	487	196	28	1,651	480	–	12,043
Charge for the year	年度支出	4,289	711	267	9	8	956	2,234	–	8,474
Disposal of subsidiaries (note 40(b))	出售附屬公司(附註40(b))	–	–	–	–	–	(191)	–	–	(191)
Written off	撇銷	–	(16)	–	–	(33)	–	–	–	(49)
Exchange alignment	匯率調整	853	70	33	–	–	34	55	–	1,045
At 31 December 2017	於二零一七年十二月三十一日	13,645	1,463	787	205	3	2,450	2,769	–	21,322
Carrying amounts:	賬面值：									
At 31 December 2017	於二零一七年十二月三十一日	11,838	190	956	71	30	1,859	7,167	218,037	240,148
At 31 December 2016	於二零一六年十二月三十一日	10,114	279	699	68	5	3,427	3,094	188,852	206,538

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綜合財務報表附註(續)

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

17. INTANGIBLE ASSETS

17. 無形資產

		Land Development Right 土地開發權 HK\$'000 千港元	Trademark 商標 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	—	—	—
Acquisition of subsidiaries (note 39(b))	收購附屬公司 (附註39(b))	130,421	—	130,421
Exchange alignment	匯兌調整	(8,271)	—	(8,271)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	122,150	—	122,150
Acquisition of subsidiaries (note 39(a))	收購附屬公司 (附註39(a))	—	89,900	89,900
Exchange alignment	匯兌調整	9,045	—	9,045
At 31 December 2017	於二零一七年十二月三十一日	131,195	89,900	221,095

The land development right was acquired by the Company through the acquisition of 100% equity interests of Harvest Luck Investment Limited ("Harvest Luck") during the year ended 31 December 2016. The management of the Group considered that the legal rights of the land development rights is capable of being renewed indefinitely at insignificant cost and it is expected to generate positive cash flows indefinitely. The development rights will not be amortised until its useful life is determined to be finite upon reassessment of its useful life annually by the management. Instead, it will be tested for impairment and whenever there is an indication that it may be impaired.

The trademark was acquired by the Company through the acquisition of 100% equity interests of Golden Time Ventures Limited ("Golden Time Ventures") during the year ended 31 December 2017. The management of the Group considered that the trademark is expected to generate positive cash flows indefinitely and therefore it has indefinite useful lives. The trademark will not be amortised until its useful life is determined to be finite upon reassessment of its useful life annually by the management. Instead, it will be tested for impairment and whenever there is an indication that it may be impaired.

土地開發權乃本公司於截至二零一六年十二月三十一日止年度收購吉盛投資有限公司(「吉盛」)100%股權而獲得。本集團管理層認為，土地開發權的合法權利可按極低成本無限期地予以重續且預期會無限期地產生正現金流。管理層於每年重新評估其可使用年期時釐定為有限時，方予以攤銷，惟開發權在有跡象顯示可能已減值時將作減值測試。

截至二零一七年十二月三十一日止年度，本公司透過收購金泰創投有限公司(「金泰創投」)的100%股權取得商標。本集團管理層認為，商標將無限期地產生正面現金流量，故並無可使用年期。管理層於每年重新評估商標可使用年期時釐定為有限時，方將其予以攤銷，惟須就減值及有證據顯示其可能減值進行測試。

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綜合財務報表附註(續)

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

17. INTANGIBLE ASSETS (Continued)

Impairment testing of intangible assets

For the purpose of impairment testing, intangible asset has been allocated to the following CGU. The carrying amount of intangible asset (net of accumulated impairment losses) at 31 December 2017 was allocated as follow:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Health industry	健康產業	221,095	122,150

For impairment testing, please refer to note 18 for details.

17. 無形資產(續)

無形資產減值測試

為進行減值測試，無形資產已分配至以下現金產生單位。於二零一七年十二月三十一日，無形資產之賬面值(扣除累計減值虧損)分配如下：

18. GOODWILL

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost	成本		
At 1 January	於一月一日	53,382	53,382
Acquisition of subsidiaries (note 39(a))	收購附屬公司(附註39(a))	229,010	—
Disposal of subsidiaries (note 40(b))	出售附屬公司(附註40(b))	(53,382)	—
At 31 December	於十二月三十一日	229,010	53,382
Accumulated impairment losses	累計減值虧損		
At 1 January and 31 December	於一月一日至十二月三十一日	—	—
Carrying amounts	賬面值		
At 31 December	於十二月三十一日	229,010	53,382

Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the following CGU. The carrying amount of goodwill (net of accumulated impairment losses) at 31 December 2017 and 2016 was allocated as follow:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Health industry	健康產業	229,010	53,382

商譽減值測試

為進行減值測試，商譽已分配至以下現金產生單位。於二零一七年及二零一六年十二月三十一日，商譽之賬面值(扣除累計減值虧損)分配如下：

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綜合財務報表附註(續)

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

18. GOODWILL (Continued)

Health industry

The recoverable amount of the “Medical Anti-aging and Health Preservation Base” (2016: “Medical and Healthcare Industry Investment Management”) segment as a CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors of the Company covering a five-year period, and a pre-tax discount rate of 12.21% per annum (2016: 12.79%). Cash flows beyond that five-year period have been extrapolated using a terminal growth rate of relevant industries. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Key assumptions included gross margin and discount rate which were determined by valuer and confirmed by the directors of the Company based on past performance and its expectation for market development. The values assigned to key assumptions are based on historical experience, current market condition, approved forecasts and consistent with external information sources. The directors of the Company believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the goodwill generated from the relevant CGU exceed the aggregated its recoverable amount.

18. 商譽(續)

健康產業

作為現金產生單位的「醫學抗衰老及養生基地」(2016:「醫療及健康產業投資管理」)分部的可收回金額乃按使用價值計算基準釐定。現金流量預測所採用估值乃基於本公司董事所批准的五年期財務預算，其稅前貼現率每年12.21%(二零一六年:12.79%)。超過該五年期的現金流量採用相關行業終極增長率。該增長率乃基於相關行業增長預測及不超過相關行業的平均長期增長率。主要假設包括本公司董事基於過往表現及其對市場發展的預期所釐定的毛利率及貼現率。賦予主要假設的數值乃基於過往經驗、目前市況、經批准的預測及與外部資料來源的一致性。本公司董事相信，在計算可收回金額所依據的主要假設條件下任何合理可能變動，將不會導致相關現金產生單位的商譽的賬面價值超過其可收回金額總額。

19. INTERESTS IN ASSOCIATES

19. 於聯營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interests in associates, included in non-current assets:	於聯營公司之權益，包括在非流動資產：		
Share of net assets	應佔聯營公司淨資產	96,405	79,325
Goodwill on acquisition recognised by the Group	本集團收購聯營公司所產生的商譽	114,867	47,803
Interests in associates	於聯營公司之權益	211,272	127,128
Loan from associates	聯營公司借款	—	(12,300)
Dividend from the associate during the year	年內聯營公司股息	2,650	—

Notes:

- (a) On 14 November 2017, the Group acquired 49% equity interests in Shenzhen Wanqi Marine Bio Tech Company Limited (“Shenzhen Wanqi”) at consideration of HK\$90,025,000.
- (b) Loan from associates are unsecured, interest rate of 9% per annum and repayable on demand.

附註：

- (a) 於二零一七年十一月十四日，本集團收購深圳市萬騏海洋生物科技有限公司(「深圳萬騏」)之49%股權，代價為90,025,000港元。
- (b) 聯營公司借款為無抵押、年利率9%及須按要求還款。

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綜合財務報表附註(續)

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

19. INTERESTS IN ASSOCIATES (Continued)

- (c) In March 2016, the Group, through its wholly-owned subsidiary, together with Ms. Zhu Yufei ("Ms. Zhu") and other shareholders of Shenzhen Aidigong Modern Maternity Health Management Co., Ltd., ("Aidigong") entered into an agreement with Perennial Healthcare Pte Ltd. in which (i) the Group agreed to disposal of 14.26% equity interests in Aidigong at a consideration of RMB92,690,000 (equivalent to approximately HK\$107,014,000) and the fair value of residual interest of Aidigong of approximately HK\$69,930,000; (ii) Ms. Zhu agreed to dispose 2.41% equity interests in Aidigong; and (iii) Ms. Zhu made a contribution of RMB27,080,000 (equivalent to approximately of HK\$31,265,000) to Aidigong. Upon completion of the above transactions, the Group's interests in Aidigong will be decreased from 26.22% to 11.48% and result Aidigong became an equity investment and were classified as available-for-sale financial assets of the Group. The Group then recognised a gain on disposal of an associate of approximately HK\$28,999,000 in the consolidated statement of profit or loss for the year.
- (d) In May 2017, the equity interests of Allad Ophthalmology Group with carrying amount of approximately HK\$17,124,000 was disposed through the disposal of a Group's partially-owned subsidiary, Zhao Long International Management Group Limited ("Zhao Long BVI") (note 40(b)).

19. 於聯營公司之權益(續)

- (c) 於二零一六年三月，本集團，透過其全資附屬公司，連同朱昱霏女士(「朱女士」)及其他深圳愛帝宮現代母嬰健康管理有限公司(「愛帝宮」)股東，與Perennial Healthcare Pte Ltd. 訂立協議，據此(i)本集團同意出售愛帝宮14.26%股權，作價人民幣92,690,000元(相等於約107,014,000港元)和愛帝宮剩餘權益的公平值約為69,930,000港元；(ii)朱女士同意出售愛帝宮2.41%股權；及(iii)朱女士以人民幣27,080,000元(相等於約31,265,000港元)注資愛帝宮。上述交易完成後，本集團原持有愛帝宮的26.22%股權降至11.48%，而愛帝宮成為本集團的股權投資及分類為待售金融資產。本集團亦於本年度的綜合損益表內記帳出售聯營公司收益約28,999,000港元。
- (d) 於二零一七年五月，奧理德視光集團賬面值約為17,124,000港元之股權通過出售本集團部分擁有之附屬公司Zhao Long International Management Group Limited(「Zhao Long BVI」)而出售(附註40(b))。

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19. INTERESTS IN ASSOCIATES (Continued)

Details of the Group's associates, which are held indirectly by the Company at the end of reporting period, are as follows:

19. 於聯營公司之權益(續)

本公司間接持有之本集團聯營公司於報告期末的詳情如下：

Name of associate	Form of business and structure	Place of incorporation	Class of registered capital held	Proportion of ownership interest and voting rights interest held by the Group	Principal activities
聯營公司名稱	業務組建形式	註冊成立地點	所持註冊股本類別	本集團所持所有權權益及投票權比例	主要業務
Guangdong Fengyuan Huake Bio Tech Company Limited*	Incorporated	The PRC	Registered capital	22.72%	Research, development and manufacturing of pharmaceutical products
廣東豐源華科生物科技股份有限公司	註冊成立	中國	註冊股本		研究，發展和製造製藥產品
Yangxi Fengyuan Huake Agriculture Integrated Development Company Limited*	Incorporated	The PRC	Registered capital	22.72%	Research, development and manufacturing of pharmaceutical products
陽西豐源華科農業綜合開發有限公司	註冊成立	中國	註冊股本		研究，發展和製造製藥產品
Shanyang Fengyuan Huake Bio Tech Limited*	Incorporated	The PRC	Registered capital	22.72%	Research, development and manufacturing of pharmaceutical products
山陽豐源華科生物科技股份有限公司	註冊成立	中國	註冊股本		研究，發展和製造製藥產品
Shenzhen Wanqi Marine Bio Tech Company Limited*	Incorporated	The PRC	Registered capital	49.00%	Research, development and manufacturing of pharmaceutical products
深圳市萬騏海洋生物科技股份有限公司	註冊成立	中國	註冊股本		研究，發展和製造製藥產品
Dragon Pride Enterprises Limited	Incorporated	The British Virgin Islands	Registered	26.50%	Investment holding
傲龍企業有限公司	註冊成立	英屬維爾京群島	註冊		投資控股
JP Partners Medical Centre Limited	Incorporated	Hong Kong	Ordinary	26.50%	Provision of medical services
莊柏醫務中心有限公司	註冊成立	香港	普通股		提供醫療服務
JP Partners Medical Limited	Incorporated	Hong Kong	Ordinary	26.50%	Provision of medical services
莊柏醫療有限公司	註冊成立	香港	普通股		提供醫療服務
Grand Glacier Group Limited	Incorporated	The British Virgin Islands	Registered	26.50%	Provision of medical services
浩川集團有限公司	註冊成立	英屬維爾京群島	註冊		提供醫療服務
The Grand HD Endoscopy Centre Limited	Incorporated	Hong Kong	Ordinary	26.50%	Provision of medical services
高清腸胃內視鏡中心有限公司	註冊成立	香港	普通股		提供醫療服務
Endoscopy Centre for Stomach Cancer and Colon Cancer Limited	Incorporated	Hong Kong	Ordinary	26.50%	Provision of medical services
胃癌腸癌內視鏡中心有限公司	註冊成立	香港	普通股		提供醫療服務

* For identification purpose only

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

19. INTERESTS IN ASSOCIATES (Continued)

Material associate disclosures

The following table illustrates the summarised financial information of the material associate and have been adjusted to reflect the fair values of identifiable assets and liabilities at the completion dates of acquisition by the Group, and reconciled to the carrying amount in the consolidated financial statements:

Shenzhen Wanqi

		2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	17,226
Current liabilities	流動負債	(1,987)
Net assets attributable to shareholders of the associates	歸屬於聯營公司股東的淨資產	15,239
Reconciliation to the Group's investments in the associates	本公司對聯營公司的投資	
Proportion of the Group's ownership interest in the Shenzhen Wanqi	本集團於深圳萬騏之擁有權權益比例	49%
Group's share of net assets of the associates, excluding goodwill	本集團於聯營公司的淨資產中所佔的股權，不包括商譽	7,467
Goodwill on acquisition recognised by the Group	本集團認購的商譽	82,714
Carrying amount of the Group's interests in the Shenzhen Wanqi	本集團於深圳萬騏權益之賬面值	90,181

19. 於聯營公司之權益(續)

重大聯營公司披露

下列表示了重大聯營公司的財務資料概要，並已作調整以反映於本集團完成收購當日可識別資產及負債之公平值，並與綜合財務報表之賬面值對賬：

深圳萬騏

There is no commitment and contingent liability under the associates.

聯營公司沒有承擔及或然負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

19. INTERESTS IN ASSOCIATES (Continued)

Material associate disclosures (Continued)

Shenzhen Wanqi (Continued)

Other disclosures

19. 於聯營公司之權益(續)

重大聯營公司披露(續)

深圳萬騏(續)

其他披露

		2017 二零一七年 HK\$'000 千港元
Revenue	收入	10,429
Profit for the period	期間溢利	1,039
Profit for the period attributable to shareholders of the associate	歸屬於聯營公司股東的期間溢利	1,039
Other comprehensive income for the period	期間其他全面收益	42
Other comprehensive income for the period attributable to shareholders of the associates	歸屬於聯營公司股東的期間其他全面收益	42
Share of the associates' profit for the period	期間聯營公司股權溢利	509
Share of the associates' other comprehensive income for the year	年度聯營公司股權其他全面收益	21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

19. INTERESTS IN ASSOCIATES (Continued)

19. 於聯營公司之權益(續)

Material associate disclosures (Continued)

重大聯營公司披露(續)

Fengyuan Group

豐源集團

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	流動資產	191,615	193,154
Non-current assets	非流動資產	29,654	28,430
Current liabilities	流動負債	(70,757)	(105,432)
Net assets	淨資產	150,512	116,152
Less: Non-controlling interests	減：非控股權益	(7,947)	(6,133)
Net assets attributable to shareholders of the associates	歸屬於聯營公司股東的淨資產	142,565	110,019
Reconciliation to the Group's investments in the associates	本公司對聯營公司的投資		
Proportion of the Group's ownership interest in the Fengyuan Group	本集團於豐源集團之擁有權權益比例	22.72%	22.72%
Group's share of net assets of the associates, excluding goodwill	本集團於聯營公司的淨資產中所佔的股權，不包括商譽	32,391	24,996
Goodwill on acquisition recognised by the Group	本集團認購的商譽	17,943	17,943
Other reconciling items	其他協調項目	51,737	42,069
Carrying amount of the Group's interests in the Fengyuan Group	本集團於豐源集團權益之賬面值	102,071	85,008

Notes:

附註：

(i) Other reconciling items mainly represented (i) additional capital injection attributable by the Group in 2016 and (ii) exchange differences on translating foreign operations.

(i) 其他協調項目主要為(i)本集團於二零一六年應佔額外資金注資及(ii)換算海外業務匯兌差額。

(ii) There is no commitment and contingent liabilities under the associates.

(ii) 聯營公司沒有承擔及或然負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

19. INTERESTS IN ASSOCIATES (Continued)

Material associate disclosures (Continued)

Fengyuan Group (Continued)

Other disclosures

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收入	60,714	50,892
Profit for the year	年度溢利	24,746	15,094
Profit for the year attributable to shareholders of the associate	歸屬於聯營公司股東的年度溢利	23,439	14,615
Other comprehensive income/(expense) for the year	年度其他全面收益／(開支)	7,307	(201)
Other comprehensive income/(expense) for the year attributable to shareholders of the associates	歸屬於聯營公司股東的年度其他全面收益／(開支)	6,921	(163)
Share of the associates' profit for the year	年度聯營公司股權溢利	5,622	3,429
Share of the associates' other comprehensive income/(expense) for the year	年度聯營公司股權其他全面收益／(開支)	1,660	(46)

The following tables illustrate the aggregate financial information of the Group's associates that are not individually material:

19. 於聯營公司之權益(續)

重大聯營公司披露(續)

豐源集團(續)

其他披露

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of the associates' profit for the year	本年度聯營公司股權的溢利	2,691	10,676
Share of the associates' other comprehensive expense for the year	年度聯營公司股權其他全面開支	—	(158)
Share of net assets of the associates, excluding goodwill recognised by the Group	聯營公司股權的淨資產，不包括本集團認可商譽	4,810	12,260
Goodwill on acquisition recognised by the Group	本集團收購認可商譽	14,210	29,860

下列表示了本集團聯營公司不屬於個別重大的財務資料：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

20. INTERESTS IN JOINT VENTURES

Details of the Group's interest are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investments in joint ventures	於合營企業投資之成本		
Unlisted outside Hong Kong	於香港境外非上市	73,235	73,235
Amounts due from joint ventures	應收合營企業款項	60,330	60,330
Impairment loss recognised	已確認減值虧損	133,565 (133,565)	133,565 (133,565)
		—	—

20. 於合營企業之權益

本集團權益詳情如下：

Details of the Group's joint ventures, which are held indirectly by the Company at the end of reporting period, are as follows:

本公司間接持有之本集團合營企業於報告期末之詳情如下：

Name of joint venture	Form of business and structure	Place of incorporation	Class of shares held	Proportion of ownership interest and voting rights held by the Group 本集團所持所有權益及投票權比例	Principal activities 主要業務
合營企業名稱	業務組建形式	註冊成立地點	所持股份類別		
Golden Royce Investment Limited	Incorporated	Hong Kong	Ordinary	40%	Dormant
金萊斯投資有限公司	註冊成立	香港	普通股		暫無營業

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

21. 待售金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted shares: Equity securities incorporated in the PRC (notes (a) and (b))	非上市股份： 於中國註冊成立的股本 證券(附註(a)及(b))	76,395	71,217

Notes:

- (a) Included in the Group's available-for-sale financial assets of approximately HK\$1,287,000 (2016: HK\$1,287,000) were unlisted equity investment in a private entity engaged in research and development of pharmaceuticals products. The balances were stated at cost less impairment loss at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company consider that their fair values cannot be measured reliably. During the year ended 31 December 2017, the Group identified no impairment loss related to the unlisted equity securities (2016: HK\$755,000).
- (b) Included in the Group's available-for-sale financial assets of approximately HK\$75,108,000 (2016: HK\$69,930,000) were unlisted equity investment in Aidigong. The balances were stated at cost less impairment because it did not have a quote market price in an active market, the range of reasonable fair value estimates is so significant for these investments and the directors of the Company considered the fair value cannot be measured reliably. During the year ended 31 December 2017, the Group identified no impairment loss related to these investments.

附註：

- (a) 包括在本集團之待售金融資產約1,287,000港元(二零一六年：1,287,000港元)，為投資於一家藥物研究及開發的私人企業之非上市股權。因其合理公平值估計的範圍太大，以致本公司董事認為彼等公平值無法可靠計量，於報告期末的餘額以成本減去減值虧損列賬。截至二零一七年十二月三十一日止年度內，本集團識別有關非上市股本證券並無減值虧損(二零一六年：755,000港元)。
- (b) 包括在本集團之待售金融資產約75,108,000港元(二零一六年：69,930,000港元)為於愛帝宮非上市股權的投資。因其於活躍市場並無市場報價，其合理公平值估計的範圍太大，以及本公司董事認為彼等公平值無法可靠計量，於報告期末的餘額以成本減去減值虧損列賬。截至二零一七年十二月三十一日止年度內，本集團並無識別有關非上市股本證券的減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

22. 按金、預付款項及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposits	按金	3,443	1,220
Prepayments (note i)	預付款項(附註(i))	187,985	73,150
Other receivables (note ii)	其他應收款(附註(ii))	28,645	45,655
		220,073	120,025
Analysed for reporting purposes as:	為報告目的所作的分析：		
Non-current	非即期	70,247	21,066
Current	即期	149,826	98,959
		220,073	120,025

The directors of the Company consider that carrying amounts of deposits paid and other receivables approximate to their fair values.

本公司董事認為已付按金及其他應收款之賬面值與公平值相若。

Notes:

附註：

- (i) The prepayments mainly comprised of (i) prepaid land cost situated at Luofu Mountain in Guangdong Province of approximately HK\$21,613,000, (ii) prepaid construction and development costs for Luofu Mountain projects of approximately HK\$73,060,000 and (iii) prepaid cost for procurement of raw material and finished goods for health industry business of approximately HK\$75,435,000 (2016: HK\$21,066,000, HK\$35,726,000 and HK\$9,097,000 respectively).
- (ii) As at 31 December 2017, the other receivables mainly comprised of advance for cooperative medical research and development projects of approximately HK\$14,505,000. As at 31 December 2016, the other receivables mainly comprised of advance for construction works of approximately HK\$33,538,000.

- (i) 預付款項主要包括(i)位於廣東省羅浮山的預付土地成本約為21,613,000港元、(ii)羅浮山項目的建築及開發成本約為73,060,000港元及(iii)就健康產業業務採購原材料及製成品之預付款約75,435,000港元(二零一六年：分別為21,066,000港元、35,726,000港元及9,097,000港元)。
- (ii) 於二零一七年十二月三十一日，其他應收預付款項主要包括合作醫療研究和開發項目的預付款約達14,505,000港元。於二零一六年十二月三十一日，其他應收款項主要包括建築工程預付款項約達33,538,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

23. TRADE RECEIVABLES

The Group generally allows an average credit period ranging from 30 to 90 days (2016: 30 to 90 days) to its trade customers. The following is an aged analysis of trade receivables (net of allowance for doubtful debts), at the end of the reporting period:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	零至三十日	12,352	8,377
31 to 60 days	三十一至六十日	–	167
121 to 180 days	一百二十一至一百八十日	62	–
181 to 365 days	一百八十一至三百六十五日	251	12
Over 365 days	三百六十五日以上	106	139
		12,771	8,695

Trade receivables of HK\$419,000 (2016: HK\$151,000) were neither past due but not impaired. The outstanding amounts were contract bound. The management have assessed the credit history of the aforesaid trade receivables and concluded that there is no adverse change on the credit quality of these customers and considered these trade receivables are recoverable.

The Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade receivables.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group or with sound financial background. For any significant amounts past due, the Group would actively seek repayment from the debtors and the Group would enforce its legal right to the contractually due amount when considered necessary. There have been no disputes over the balances due from these customers, therefore the balances are considered fully recoverable. The Group does not hold any collateral over these balances.

23. 應收貿易款項

本集團一般允許其貿易客戶介乎30至90日(二零一六年: 30至90日)的平均信貸期。應收貿易款項(扣除呆賬撥備)於報告期末之賬齡分析如下:

貿易應收款項419,000港元(二零一六年: 151,000港元)既未逾期亦未減值。該等尚未償還金額受合約約束。管理層已評估上述貿易應收款之信貸記錄,認為該等客戶之信貸質素並無不利變動且認為該等貿易應收款項將可收回。

本集團已制訂明確之信貸政策,以評估每名交易對手之信貸質素。本集團密切監察收款情況,務求盡量減低有關該等應收貿易款項之信貸風險。

逾期但未減值的應收款項與眾多同本集團保持良好往績記錄或擁有穩健財務背景的獨立客戶有關。對於逾期的大筆款項,本集團將積極向債務人追討欠款,而本集團在必要時會對合約到期款項執行其法律權利。由於並無就該等應收客戶結餘引起糾紛,故該等結餘被視為可全數收回。本集團並無就該等結餘持有任何抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

24. INVENTORIES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finished goods	製成品	5,092	18,046

The directors of the Company have assessed the net realisable values and condition of the Group's inventories as at 31 December 2017 and have considered no write-down of obsolete inventories to be made (2016: HK\$Nil).

24. 存貨

本公司董事已對於二零一七年十二月三十一日本集團存貨之可變現淨值及其狀況作出評估，認為沒有積壓存貨需進行降價(二零一六年：零港元)。

25. LOAN TO A SHAREHOLDER

On 27 September 2012, the Company, as lender, entered into a loan agreement with Champion Dynasty, as borrower, and Mr. Cheung Wai Kuen, as an individual guarantor, and Guangdong Allad Commercial Development Company Limited* (廣東奧理德商業發展有限公司), as a corporate guarantor, to grant a three-year revolving loan facility of up to HK\$220,000,000 to Champion Dynasty at an interest rate of HIBOR plus 2.5% per annum. The loan was carried with the term of repayable on demand clause.

On 2 October 2015, the Company, as lender, renewed the loan agreement with Champion Dynasty, as borrower, and Mr. Cheung Wai Kuen, as an individual guarantor, to grant a three-year revolving loan facility of up to HK\$200,000,000 to Champion Dynasty at an interest rate of 10% per annum. The loan was carried with the term of repayable on demand clause.

On 21 December 2016, the Company entered into a supplemental agreement to increase the interest rate of the three-year revolving facility from 10% per annum to 11% per annum.

25. 借予股東貸款

於二零一二年九月二十七日，本公司(作為貸方)與Champion Dynasty(作為借方)及張偉權先生(作為個人擔保人)及廣東奧理德商業發展有限公司(作為公司擔保人)訂立一份貸款協議，向Champion Dynasty提供一筆最多220,000,000港元之三年期循環貸款融資，此貸款之年利率為香港銀行同業拆息加2.5%。該筆貸款乃訂有按要求償還條款。

於二零一五年十月二日，本公司(作為貸方)與Champion Dynasty(作為借方)及張偉權先生(作為個人擔保人)重新訂立一份貸款協議，向Champion Dynasty提供一筆最多200,000,000港元之三年期循環貸款融資，此貸款之年利率為10%。該筆貸款經要求償還條款進行。

於二零一六年十二月二十一日，本公司訂立一份補充協議，以增加三年期循環貸款利息，由年利率10%增加至11%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

25. LOAN TO A SHAREHOLDER (Continued)

Details of the loan were set out in the Company's circular dated 2 November 2015 and announcement dated 21 December 2016.

Name of a shareholder 股東名稱	Maximum amount outstanding during the year 年內最高未償還金額 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Champion Dynasty	162,291	49,143	77,547

25. 借予股東貸款(續)

貸款詳情已載列於本公司日期為二零一五年十一月二日之通函及日期為二零一六年十二月二十一日之公告。

26. SHORT-TERM LOANS RECEIVABLE

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loans receivable With no guarantee (note (i))	應收貸款 無擔保(附註(i))	40,200	58,200
Carrying amount within one year (note (ii))	一年內應收賬面值(附註(ii))	40,200	58,200

Notes:

- (i) Loans receivable are denominated in Hong Kong dollars and carried at fixed effective interest of 12% (2016: 8% to 10%) per annum.
- (ii) The following is an aged analysis for the loans receivable at the end of the reporting period:

附註：

- (i) 應收貸款以港元計值，並按12%(二零一六年：8%至10%)的固定實際年利率計息。
- (ii) 於報告期末應收貸款的賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
31 to 60 days	31至60日	10,000	—
61 to 90 days	61至90日	—	17,000
Over 90 days	90日以上	30,200	41,200
		40,200	58,200

Total short-term loans receivable at 31 December 2017 and 2016 was not past due. The amount due are based on the scheduled repayment dates set out in the loan agreements. All loans are repayable within one year.

於二零一七年及二零一六年十二月三十一日的短期貸款總額並無逾期。到期款項乃根據貸款協議所載原定償還日期計算。所有貸款須於一年以內償還。

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綜合財務報表附註(續)

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

27. BANK AND CASH BALANCES

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term time deposits are denominated in HK\$ and RMB which made for varying periods between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates.

The time deposits carry interests at prevailing market deposit rates and mature within one month. The Group does not hold collateral over the balances.

At 31 December 2017, the Group's bank and cash balances denominated in RMB are approximately HK\$30,387,000 (2016: HK\$14,862,000).

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

27. 銀行及現金結餘

銀行現金按基於每日銀行存款利率的浮動利率賺取利息。短期定期存款以港元及人民幣計值，期限介乎一日至三個月，視乎本集團即時現金需求而定，並按相關短期定期存款利率賺取利息。

定期存款按當時之市場存款利率計息，並於一個月內到期。本集團並無就結餘持有抵押品。

於二零一七年十二月三十一日，本集團之銀行及現金結餘按人民幣計值，約為30,387,000港元(二零一六年：14,862,000港元)。

人民幣並不可自由兌換為其他貨幣，然而，根據中國大陸的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲允許透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

28. TRADE PAYABLES

The following is an aged analysis of trade payables, based on the invoice date:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	零至三十日	732	—
181 to 365 days	一百八十一至三百六十五日	58	1,333
Over 365 days	三百六十五日以上	34	62
		824	1,395

The average credit period granted by suppliers ranges from 0 to 30 days.

28. 應付貿易款項

根據票據日期計算之應付貿易款項之賬齡分析如下：

各供應商授予的平均信貸期一般介乎0至30日。

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綜合財務報表附註(續)

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

29. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accruals	應計款項	10,777	6,203
Other payables (note (i))	其他應付款項(附註(i))	18,302	21,483
Receipt in advance (note (ii))	預收款項(附註(ii))	39,733	1,531
		68,812	29,217

Notes:

- (i) Other payables mainly comprised of approximately (a) HK\$Nil (2016: HK\$3,354,000) consideration payable to third parties for potential land acquisition; (b) HK\$5,737,000 (2016: HK\$10,182,000) temporary received from third parties for development of the Luofu Mountain project; and (c) HK\$9,355,000 (2016: HK\$4,036,000) interest payable for the convertible notes, guaranteed notes and bonds payable.
- (ii) Receipt in advance mainly comprised of (a) HK\$28,742,000 (2016: HK\$1,500,000) of deposits received from customers on sales of raw materials and finished goods of natural health food under healthy industry business and (b) HK\$6,600,000 (2016: HK\$Nil) of deferred income for medical beauty business.

附註：

- (i) 其他應付款項主要包括約為(a)收取第三方作為潛在土地收購款約零港元(二零一六年：3,354,000港元)；(b)暫時收取第三方作為羅浮山發展項目之款項約5,737,000港元(二零一六年：10,182,000港元)；及(c)可換股票據、擔保票據及應付債券的應付利息約9,355,000港元(二零一六年：4,036,000港元)。
- (ii) 預收款項主要包括(a)健康產業業務項下就銷售天然健康食品原材料及製成品收取客戶之按金28,742,000港元(二零一六年：1,500,000港元)；及(b)醫療美容業務之遞延收入6,600,000港元(二零一六年：零港元)。

30. OBLIGATION UNDER A FINANCE LEASE

The Group leased an office equipment under a finance lease. The lease term is 5 years. Interest rate underlying all obligations under a finance lease is fixed at 12.74% per annum. The Group could purchase the equipment for a nominal amount at the end of the lease terms. Lease is on fixed repayment basis and no arrangements have been entered into for contingent rental payments.

30. 融資租賃責任

本集團根據融資租賃租賃其一項辦公室設備。租期為五年。融資租賃所有責任之有關利率已固定為每年12.74%。本集團可於租賃期末以面值購買設備。租賃按固定還款基準，並無就或然租金付款訂立任何安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

30. OBLIGATION UNDER A FINANCE LEASE (Continued)

30. 融資租賃責任(續)

At the end of the reporting period, the total future minimum lease payments under finance lease and present value were as follows:

於報告期末，融資租賃之未來最低租賃付款總額及現值如下：

		Minimum lease payments 最低租賃付款		Present value of minimum lease payment 最低租賃付款之現值	
		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元
Amounts payable under a finance lease within one year	根據融資租賃應付款項一年內	35	6	31	6
Less: future finance charges	減：日後融資費用	35 (4)	6 —	31 —	6 —
Present value of lease obligation	租賃責任之現值	31	6	31	6
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於十二個月內到期清償之款項(呈列作流動負債)			(6)	(6)
Amount due for settlement after 12 months	於十二個月後到期清償之款項			25	—

The Group's obligation under a finance lease is secured by the lessor's charge over the leased asset with the carrying amount of approximately HK\$31,000 (2016: HK\$6,000).

本集團的融資租賃責任由出租人對所租賃資產之押記作抵押，該資產賬面值約為31,000港元(二零一六年：6,000港元)。

All obligation under a finance lease is denominated in Hong Kong dollar.

所有融資租賃責任以港元計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 each Authorised: At 1 January 2016, 31 December 2016 1 January 2017 and 31 December 2017	每股面值0.01港元之普通股 法定股本： 於二零一六年一月一日、 二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	80,000,000	800,000
Issued and fully paid: At 1 January 2016, 31 December 2016 and 1 January 2017	已發行及繳足股本： 於二零一六年一月一日、 二零一六年十二月三十一日及 二零一七年一月一日	2,596,255	25,962
Issued in consideration for the acquisition of a subsidiary (note)	發行以支付收購附屬公司之 代價(附註)	400,000	4,000
and 31 December 2017	二零一七年十二月三十一日	2,996,255	29,962

Note: During the year, 400,000,000 ordinary shares of the Company were issued in relation to acquisition of Golden Time Ventures (note 39(a)).

附註：於本年內，本公司就收購金泰創投(附註39(a))而發行400,000,000股普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

32. CONVERTIBLE NOTES

32. 可換股票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Liability component	負債部分		
Current liabilities	流動負債	75,480	15,039
Non-current liabilities	非流動負債	–	70,496
Derivative component	衍生工具	75,480 7,316	85,535 7,006
		82,796	92,541

On 11 January 2016 and 5 August 2016, the Company issued convertible notes due on the second anniversary of the date of issuance with a principal amount of HK\$1,000,000 and USD10,000,000 and both carried at interest rate of 9% coupon rate per annum (the “2016 CBs”). The convertible notes were issued for general working capital of the Group and for the development of existing healthcare business of the Group. The convertible notes were recognised as liabilities and derivative embedded components upon initial recognition, and are convertible into fully paid ordinary shares with a par value of HK\$0.01 each of the Company at an initial conversion price of HK\$0.858 and HK\$0.70 respectively. The effective interest rates are ranging from 17.62% to 39.44%.

於二零一六年一月十一日及二零一六年八月五日，本公司發行兩年期本金額為1,000,000港元及10,000,000美元的可換股票據，其票面年利率均為9%（「2016年可換股票據」）。發行可換股票據為本集團一般營運資金及發展現有之健康產業之用。可換股票據按負債及嵌入衍生工具作為初始確認值，並按初始換股價分別為0.858港元及0.70港元兌換本公司每股面值0.01港元之全額已繳普通股股份。有效利率為17.62%至39.44%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

32. CONVERTIBLE NOTES (Continued)

On 17 December 2015, the Company issued convertible notes due on the second anniversary of the date of issuance with a principal amount of HK\$16,000,000, which carried 9% coupon rate per annum respectively (the "2015 CB"). The convertible notes were issued for general working capital of the Group and for the development of existing healthcare business of the Group. The convertible notes were recognised as liabilities and derivative embedded components upon initial recognition, and are convertible into fully paid ordinary shares with a par value of HK\$0.01 each of the Company at an initial conversion price of HK\$0.858. The effective interest rate is 17.37%.

On 18 December 2017, the Company had repaid the 2015 CB without conversion on the maturity date.

On issuance of the convertible notes, the fair value of the derivative component, representing the embedded derivative of the conversion option, is determined using an option pricing model and this amount is carried as a derivative component of the liability until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the liability component and is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The derivative component is measured at fair value on the issue date and any subsequent changes in fair value of the derivative component are recognised in the consolidated income statement.

32. 可換股票據(續)

於二零一五年十二月十七日，本公司發行兩年期本金額為16,000,000港元的可換股票據，其票面年利率均為9%（「2015年可換股票據」）。發行可換股票據為本集團一般營運資金及發展現有之健康產業之用。可換股票據按負債及嵌入衍生工具作為初始確認值，並可以初始換股價0.858港元兌換本公司每股面值0.01港元之金額已繳普通股股份。有效利率為17.37%。

於二零一七年十二月十八日，本公司已償還二零一五年可換股票據，於到期日並無轉換。

在發行可換股票據，衍生工具部分的公平值（即轉換期權的嵌入式衍生工具），是使用的期權定價模型而確定，而該所得的餘額分配給負債部分，直至轉換或贖回進行的攤餘成本基礎上的責任。衍生金融工具是在發行日和衍生工具部分之公平值的後續變動公平值計量，在綜合利潤表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

32. CONVERTIBLE NOTES (Continued)

The convertible notes recognised in the statement of financial position were calculation as follows:

32. 可換股票據(續)

財務狀況表中確認的可轉換票據的計算如下：

		2015 CB 2015年 可換股票據 HK\$'000 千港元	2016 CBs 2016年 可換股票據 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Liability component	負債部分			
At 1 January 2016	於二零一六年一月一日	14,152	–	14,152
Issued of convertible notes	發行可換股票據	–	68,598	68,598
Interest expenses (note 10)	利息開支(附註10)	2,385	4,571	6,956
Interest paid	已付利息	(1,498)	(2,673)	(4,171)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	15,039	70,496	85,535
Interest expenses (note 10)	利息開支(附註10)	2,401	12,290	14,691
Interest paid	已付利息	(1,440)	(7,306)	(8,746)
Repayment of convertible notes	償還可換股債券	(16,000)	–	(16,000)
At 31 December 2017	於二零一七年十二月三十一日	–	75,480	75,480
Derivative component	衍生工具			
At 1 January 2016	於二零一六年一月一日	1,582	–	1,582
Issued of convertible notes	發行可換股票據	–	7,182	7,182
Fair value adjustment	公平值調整	(1,462)	(296)	(1,758)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	120	6,886	7,006
Fair value adjustment	公平值調整	(120)	430	310
At 31 December 2017	於二零一七年十二月三十一日	–	7,316	7,316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

33. DEFERRED TAX LIABILITIES

The following was the major deferred tax liabilities provided (assets recognised) by the Group and movements thereon during the current and prior reporting periods:

33. 遞延稅項負債

以下為本集團於本報告期間及過往報告期間作出撥備之主要遞延稅項負債(已確認資產)及其變動：

		Intangible assets 無形資產 HK\$'000 千港元	Property, plant and equipment 物業、機器及 設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	–	32	32
Credit to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他全面收益表抵免	–	–	–
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	–	32	32
Charge to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他全面收益表中抵扣	–	83	83
Acquisition of subsidiaries	收購附屬公司	14,834	–	14,834
31 December 2017	二零一七年十二月三十一日	14,834	115	14,949

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits earned by the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At 31 December 2017, the Group has unused tax losses of approximately HK\$609,612,000 (2016: HK\$666,190,000) available for offset against future profits. No deferred tax assets have been recognised due to the unpredictability of future profit streams. All unused tax losses may be carried forward indefinitely.

根據中國企業所得稅法，就中國附屬公司自二零零八年一月一日起所賺取溢利宣派的股息須繳納預扣稅。由於本集團可控制暫時差額撥回的時間及暫時差額於可預見未來可能不會撥回，因此並無就中國附屬公司所賺取溢利應佔的暫時差額在綜合財務報表計提遞延稅項。

於二零一七年十二月三十一日，本集團可用作對銷未來溢利但尚未動用之稅項虧損約為609,612,000港元(二零一六年：666,190,000港元)。由於未能預測日後溢利來源，故本集團並無確認遞延稅項資產。所有未動用之稅項虧損可無限期結轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

34. GUARANTEED NOTES AND BONDS PAYABLE 34. 擔保票據及應付債券

Guaranteed notes:

On 21 December 2016, the Company issued guaranteed notes due 15 August 2018 with an aggregate principal amount of HK\$100,000,000. As at 31 December 2017, the net proceeds of the issued guaranteed notes received by the Company were approximately HK\$99,479,000, with total issue cost amounting to approximately HK\$521,000 guaranteed notes are interest bearing at 11% per annum.

During the year ended 31 December 2017, the effective interest rate for the guaranteed notes is 11.61% per annum (2016: 11.61% per annum). The Group recognised approximately HK\$11,250,000 (2016: HK\$330,000) (note 10) of interest expense on the guaranteed notes for the year ended 31 December 2017.

The carrying amount of the guaranteed notes as at 31 December 2017 was approximately HK\$99,710,000 (2016: HK\$99,494,000).

The obligations of the Company under the guaranteed notes are guaranteed by (i) the shares of Sassoon Global Limited and Harvest Luck; and (ii) undertaking granted from Champion Dynasty and Mr. Cheung Wai Kuen. Details of the information were set out in the Company's announcements dated 15 December 2016.

Long-term and short-term bonds payable:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	67,164	–
Initial recognition, net of related expenses	初始確認，扣除相關支出	48,402	66,669
Repayment	償還	(7,000)	–
Imputed interest expenses (note 10)	估計利息費用(附註10)	14,644	1,531
Interest paid	已付利息	(4,148)	–
Interest payable	應付利息	(5,182)	(1,036)
At 31 December	於十二月三十一日	113,880	67,164
Current liabilities	流動負債	21,183	5,680
Non-current liabilities	非流動負債	92,697	61,484
		113,880	67,164

擔保票據：

於二零一六年十二月三十一日，本公司發行累計金額100,000,000港元，於二零一八年八月十五日到期之擔保票據。於二零一七年十二月三十一日，本公司收取發行擔保票據的淨額約為99,479,000港元，發行成本約為521,000港元。擔保票據年利率為11%。

截至二零一七年十二月三十一日止年度，擔保票據的實際利率為每年11.61%（二零一六年：每年11.61%）。本集團於截至二零一七年十二月三十一日止年度確認約11,250,000港元（二零一六年：330,000港元）的擔保票據利息開支（附註10）。

於二零一七年十二月三十一日的擔保票據賬面值約為99,710,000港元（二零一六年：99,494,000）。

本公司於擔保票據的擔保義務以下方面(i) Sassoon Global Limited及吉盛之股份；及(ii)Champion Dynasty和張偉權先生倘若承諾。詳細資料已於本公司二零一六年十二月十五日公告上披露。

長期及短期應付債券：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

34. GUARANTEED NOTES AND BONDS PAYABLE (Continued)

Long-term and short-term bonds payable: (Continued)

- (a) During the year ended 31 December 2016, the Company issued long-term bonds due between July 2018 and December 2019 with an aggregate principal amount of HK\$67,600,000. As at 31 December 2016, the carrying amount of the long-term bonds were approximately HK\$60,989,000. The long-term bonds are interest bearing at 6% per annum. The net proceeds were used for general capital of the Group.

During the year ended 31 December 2017, the Company issued new long-term bonds due between January 2019 and November 2020 with an aggregate principal amount of HK\$49,000,000. As at 31 December 2017, the aggregate carrying amount of the long-term bonds were approximately HK\$48,453,000. The long-term bonds are interest bearing at 6% per annum. The net proceeds were used for general capital of the Group.

The long-term bonds are subsequently measured at amortised cost. The effective interest rates are ranging from 10.39% to 10.40% per annum. Imputed interest of approximately HK\$12,989,000 (2016: HK\$1,512,000) (note 10) was recognised in profit or loss during the year.

- (b) On 7 December 2016, the Company issued a short-term bonds due in December 2017 with the aggregate principal amount of HK\$7,000,000. As at 31 December 2016, the carrying amount of short-term bonds were approximately HK\$5,680,000. The short-term bonds are interest bearing at 4% per annum. The net proceeds were used for general capital of the Group.

During the year ended 31 December 2017, HK\$7,000,000 of principal of the short-term bond issued in 2016 was repaid. On 7 December 2017, the Company issued a short-term bond with the aggregate principal amount of HK\$5,000,000 due in December 2018. As at 31 December 2017, the carrying amount of the short-term bond was approximately HK\$4,438,000. The short-term bond is interest bearing at 4% per annum. The net proceeds were used for general capital of the Group.

The short-term bonds are subsequently measured at amortised cost. The effective interest rate are 20.28% per annum. Imputed interest of approximately HK\$1,655,000 (2016: HK\$19,000) (note 10) was recognised in profit or loss during the year.

34. 擔保票據及應付債券(續)

長期及短期應付債券：(續)

- (a) 截至二零一六年十二月三十一日止年度，本公司發行於二零一八年七月至二零一九年十二月到期的長期債券，本金總額為67,600,000港元。於二零一六年十二月三十一日，長期債券的賬面值約為60,989,000港元。長期債券附息每年6%。所得款項淨額用作本集團一般資金。

截至二零一七年十二月三十一日止年度，本公司發行於二零一九年一月至二零二零年十一月到期的長期債券，本金總額為49,000,000港元。於二零一七年十二月三十一日，長期債券的合計賬面值約為48,453,000港元。長期債券附息每年6%。所得款項淨額用作本集團一般資金。

長期債券既而以攤餘成本計量。實際年利率於10.39%至10.40%之間，估計利息約為12,989,000港元(二零一六年：1,512,000港元)(附註10)於本年度計入損益。

- (b) 於二零一六年十二月七日，本公司發行累計本金額為7,000,000港元，於二零一七年十二月到期之短期債券。於二零一六年十二月三十一日短期債券的賬面值約為5,680,000港元。短期債券年利率為4%，其收益用作本公司的一般營運資金。

截至二零一七年十二月三十一日止年度，於二零一六年發行的短期債券本金7,000,000港元已獲償還。於二零一七年十二月七日，本公司發行於二零一八年十二月到期的短期債券，本金總額為5,000,000港元。於二零一七年十二月三十一日，短期債券的賬面值約為4,438,000港元。短期債券附息每年4%。所得款項淨額用作本集團一般資金。

短期債券既而以攤餘成本計量。實際年利率為20.28%，估計利息約為1,655,000港元(二零一六年：19,000港元)(附註10)於本年度計入損益。

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綜合財務報表附註(續)

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

35. BANK AND OTHER BORROWINGS

35. 銀行及其他借貸

Bank and other borrowings comprised of:

銀行及其他借貸包括：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings, unsecured (note (i))	銀行借貸，無抵押(附註(i))	7,204	—
Other borrowings, unsecured (note (ii))	其他借貸，無抵押(附註(ii))	5,000	—
Total borrowings	總借貸	12,204	—

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount repayable: Within one year or on demand	可償還的賬面值： 一年內或按要求	12,204	—

Notes:

附註：

- (i) The bank borrowings with carrying amount of approximately HK\$7,204,000 are carried at fixed rate. The annual interest rate of the above loan was 6.96%. The principal is repayable within one year.
- (ii) At 31 December 2017, the other borrowings of HK\$5,000,000 was provided by an independent third party. The interest rate was charged at 9.00% per annum. The principal is repayable within one year.

- (i) 賬面值達約7,204,000港元的銀行借貸均以固定利率計息。上述貸款年利率為6.96%。本金可於一年內償還。
- (ii) 於二零一七年十二月三十一日，其他借貸5,000,000港元乃由一名獨立第三方提供。年利率已按9.00%收取。本金可於一年內償還。

The Group's borrowings are denominated in the following currencies:

本集團借貸乃以下列貨幣計值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong Dollar	港元	5,000	—
RMB	人民幣	7,204	—
		12,204	—

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綜合財務報表附註(續)

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

36. SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 11 October 2012.

The major terms of the Share Option Scheme are summarised as follows:

- (a) The primary purpose of the Share Option Scheme is to provide incentives or rewards to eligible participants for their contribution to the Group.
- (b) The Share Option Scheme will expire on 10 October 2022.
- (c) The eligible participants include:
 - (1) any employee (whether full time or part time, including any executive director of the Company and non-executive director of the Company) of any member of the Company, any of its subsidiaries or any entity (“Invested Entity”);
 - (2) any independent non-executive directors of the Company of any member of the Group or any Invested Entity;
 - (3) any supplier of goods or services to any member of the Group or any Invested Entity;
 - (4) any customer of any member of the Group or any Invested Entity;
 - (5) any person or entity that provides research, development or other support (technical or otherwise) to any member of the Group or any Invested Entity;
 - (6) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
 - (7) any adviser or consultant (professional or otherwise) to any area of business or business development of any member of the Group or any Invested Entity; and

36. 購股權計劃

本公司根據其於二零一二年十月十一日舉行之股東周年大會上通過之一項普通決議案採納一項購股權計劃(「購股權計劃」)。

購股權計劃之主要條款概述如下：

- (a) 購股權計劃旨在就合資格參與者向本集團所作之貢獻，向彼等提供獎勵或回報。
- (b) 購股權計劃將於二零二二年十月十日屆滿。
- (c) 合資格參與者包括：
 - (1) 本公司任何成員公司或其任何附屬公司或任何實體(「所投資公司」)之任何僱員(不論是全職或兼職，包括任何本公司執行董事及本公司非執行董事)；
 - (2) 本集團任何成員公司或任何所投資公司之任何本公司獨立非執行董事；
 - (3) 本集團任何成員公司或任何所投資公司供應貨物或提供服務之任何供應商；
 - (4) 本集團任何成員公司或任何所投資公司之任何客戶；
 - (5) 本集團任何成員公司或任何所投資公司提供研發或其他方面的支援(不論是否屬技術性質)的任何人士或公司；
 - (6) 本集團任何成員公司或任何所投資公司之任何股東或本集團任何成員公司或任何所投資公司發行之任何證券之任何持有人；
 - (7) 本集團任何成員公司或任何所投資公司之任何業務範疇或業務發展方面之任何諮詢人或顧問(不論是否屬專業性質)；及

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36. SHARE OPTION SCHEME (Continued)

(c) The eligible participants include: (Continued)

- (8) any other group or classes of participants who have contributed or may contribute by way of joint ventures, business alliance or other business arrangement to the development and growth of the Group.

and, for the purpose of the Share Option Scheme, any grant may be made to any company controlled by one or more eligible participants.

(d) Maximum number of Shares:

- (1) The overall limit on the number of share which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not exceed 30% of the shares in issues from time to time. The total number of shares available for issue under the Share Option Scheme is 259,625,000 Shares, which represent 8.66% of the total issued share capital of the Company as at the date of the report.
- (2) Subject to the above overall limit, the total number of shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all other share option scheme of the Group must not, in aggregate, exceed 10% of the shares in issue as at the date of approval of the Share Option Scheme (the "General Scheme Limit"). The Company may refresh the General Scheme Limit subject to approval of the shareholders in general meeting, provided that the General Scheme Limit as refreshed must not exceed 10% of the shares in issue as at the date of the approval of the refreshed limit.

(e) A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of the grant of share options. Share options may be exercised at any time during the period to be determined and identified by the board of directors of the Company, but in any event no later than ten years from the date of grant but subject to the early termination of the Share Option Scheme.

36. 購股權計劃(續)

(c) 合資格參與者包括：(續)

- (8) 以合營企業、業務聯盟或其他業務安排的方式，將本集團之發展及成長作出(或可能作出)貢獻之任何其他組別或級別的參與者。

而就購股權計劃而言，亦可向一名或以上合資格參與者控制之任何公司授出。

(d) 股份之最高數目：

- (1) 根據購股權計劃及本集團之任何其他購股權計劃已授出但尚待行使之任何尚未行使購股權獲行使時可發行之股份數目之整體限額，不得超過不時已發行股份之30%。購股權計劃可供發行股份總數為259,625,000股，即本公司截至報告日期已發行股本總額8.66%。
- (2) 根據上述整體限額，因根據購股權計劃及本集團任何其他購股權計劃將予授出之所有購股權獲行使而可能發行之股份總數，合共不得超過於購股權計劃獲通過當日已發行股份之10%（「一般計劃限額」）。本公司可於股東大會上獲股東批准之情況下更新一般計劃限額，惟經更新之一般計劃限額不得超過更新限額獲批當日之已發行股份10%。

(e) 承授人須於接納所授購股權時支付1.00港元之不可退回象徵式代價。購股權可於本公司董事會釐定及識別之期間內隨時行使，惟於任何情況下最遲為授出日期起計十年，惟視乎購股權計劃有否提早終止而定。

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綜合財務報表附註(續)

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

36. SHARE OPTION SCHEME (Continued)

- (f) The subscription prices for shares under the Share Option Scheme shall be a price determined by the board of directors of the Company, but shall not be less than the highest of:
- (1) the closing price of the shares at stated in the Stock Exchange's daily quotations sheets on the date of offer for the grant;
 - (2) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer for the grant; and
 - (3) the nominal value of the shares.
- (g) Share options granted should be accepted within 21 days from date of offer.
- (h) Share options granted vested at the date of grant.
- (i) Share options are valid for a period from 18 December 2012 to 10 October 2022 (both days inclusive) with remaining life of approximately 4.5 years as at the date of this report and can be exercisable in full or in part. The share options granted can be exercised since 18 December 2012 until they are exercised or lapsed.

On 18 December 2012, the Company granted an aggregate of 168,000,000 share options, carrying the right to subscribe for the ordinary shares at HK\$0.01 each in the share capital of the Company, under the Share Option Scheme adopted by the Company on 11 October 2012 to a director of the Company, and certain employees and consultants of the Group.

36. 購股權計劃(續)

- (f) 購股權計劃項下之股份認購價須由本公司董事會釐定，惟不得低於以下三者其中之最高者：
- (1) 股份於授出之要約日期於聯交所每日報價表所列股份收市價；
 - (2) 股份於緊接授出之要約日期前五個營業日於聯交所刊發之每日報價表所列之平均收市價；及
 - (3) 股份之面值。
- (g) 授出之購股權須於要約日期起計21日內接納。
- (h) 所授出之購股權於授出日期歸屬。
- (i) 購股權之有效期由二零一二年十二月十八日起至二零二二年十月十日止(包括首尾兩天在內)，於本報告日期餘下年期約4.5年，並可行使全部或部分。所授出購股權可由二零一二年十二月十八日起行使，直至其獲行使或失效。

於二零一二年十二月十八日，根據本公司於二零一二年十月十一日採納之購股權計劃，本公司已向一位本公司董事及本集團若干僱員及顧問授出合共168,000,000份購股權，附有認購本公司股本中每股面值0.01港元之普通股之權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

36. SHARE OPTION SCHEME (Continued)

On 5 November 2014, the Company granted an aggregate of 16,680,000 share options, carrying the right to subscribe for the ordinary share at HK\$0.01 each in the share capital of the Company, under the Share Option adopted by the Company on 11 October 2012 to directors of the Company, and certain employees and consultants of the Group.

On 5 January 2016, the Company granted an aggregate of 35,800,000 share options, carrying the right to subscribe for the ordinary share at HK\$0.01 each in the share capital of the Company, under the Share Option Scheme adopted by the Company on 11 October 2012 to directors of the Company, and certain employees and consultants of the Group.

Details of the share options were as follows:

36. 購股權計劃(續)

於二零一四年十一月五日，根據本公司於二零一二年十月十一日採納之購股權計劃，本公司已向本公司董事及本集團若干僱員及顧問授出合共16,680,000份購股權，附有認購本公司股本中每股面值0.01港元之普通股之權利。

於二零一六年一月五日，根據本公司於二零一二年十月十一日採納之購股權計劃，本公司已向本公司董事及本集團若干僱員及顧問授出合共35,800,000份購股權，附有認購本公司股本中每股面值0.01港元之普通股之權利。

該等購股權之詳情如下：

Grant date 授出日期	Exercise period 行使期間	Exercise price 行使價	Fair value at grant date 授出日期之公平值
18 December 2012 二零一二年十二月十八日	18 December 2012 to 10 October 2022 二零一二年十二月十八日至 二零二二年十月十日	HK\$0.315 0.315港元	HK\$0.186 0.186港元
5 November 2014 二零一四年十一月五日	5 November 2014 to 4 November 2015 二零一四年十一月五日至 二零一五年十一月四日	HK\$0.750 0.750港元	HK\$0.0495 0.0495港元
5 January 2016 二零一六年一月五日	5 January 2016 to 4 January 2017 二零一六年一月五日至 二零一七年一月四日	HK\$0.750 0.750港元	HK\$0.1071 0.1071港元

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綜合財務報表附註(續)

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36. SHARE OPTION SCHEME (Continued)

The fair value of the share options granted on 18 December 2012, 5 November 2014 and 5 January 2016 are determined using a binomial option pricing model by an independent professional valuer. The following table lists the significant inputs to the model used at the date of grant.

Grant date		18 December 2012	5 November 2014	5 January 2016
授出日期		二零一二年 十二月十八日	二零一四年 十一月五日	二零一六年 一月五日
Grant date share price (HK\$)	授出日期股價(港元)	0.315	0.55	0.67
Exercise price (HK\$)	行使價(港元)	0.315	0.75	0.75
Expected volatility (%)	預期波幅(%)	93.04	48.99	52.38
Share option life (years)	購股權年期(年)	9.8	1.0	1.0
Dividend yield (%)	股息率(%)	1.504	0.00	0.000
Risk-free interest rate (%)	無風險利率(%)	0.665	0.13	0.111

Expected volatility was determined by using the historical volatility of the Company's share price over certain historical periods. The expected life used in the model has been adjusted, based on the management of the Company's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

At the end of the reporting period, the number of shares in respect of which may be issued upon exercise of share options granted and remain outstanding under the Share Option Scheme was nil (2016: 35,800,000), representing 0% (2016: 1.38%) of the shares of the Company in issue at that date.

36. 購股權計劃(續)

於二零一二年十二月十八日、二零一四年十一月五日及二零一六年一月五日授出之購股權公平值乃由專業評估師按二項式期權定價模式釐定。下表載列於授出日期所用模式之重要輸入參數。

預期波幅透過採用過往一定期間本公司股價的過往波幅釐定。模式所用預期年期按本公司管理層的最佳估計就不可轉讓性、行使限制及行為考慮因素作出調整。

於報告期末，根據購股權計劃已授出及尚未行使之購股權獲行使後可能發行之股份數目為0股(二零一六年：35,800,000股)，相當於本公司於該日之已發行股份之0%(二零一六年：1.38%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

36. SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the Share Option Scheme during the year:

2017

Name of categories of participants		Outstanding as at 1 January 2017 於二零一七年一月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding as at 31 December 2017 於二零一七年十二月三十一日
參與者類別名稱		尚未行使				尚未行使
Directors	董事					
Mr. Ye Jiong Xian	葉炯賢先生	10,000,000	-	-	(10,000,000)	-
Mr. Lin Jiang	林江先生	1,000,000	-	-	(1,000,000)	-
Mr. Mai Yang Guang	麥楊光先生	1,000,000	-	-	(1,000,000)	-
Mr. Yau Chi Ming	丘志明先生	1,000,000	-	-	(1,000,000)	-
Consultants	顧問					
In aggregate	總計	12,700,000	-	-	(12,700,000)	-
Employees	僱員					
In aggregate	總計	10,100,000	-	-	(10,100,000)	-
		35,800,000	-	-	(35,800,000)	-
Exercisable at the end of the year	於年終可行使					-
Weighted average exercise price	加權平均行使價		-			-

36. 購股權計劃(續)

本年內購股權計劃項下尚未行使之購股權如下：

二零一七年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

36. SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the Share Option Scheme during the year: (Continued)

2016

		Outstanding as at 1 January 2016 於二零一六年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Outstanding as at 31 December 2016 於二零一六年 十二月三十一日 尚未行使
Name of categories of participants	參與者類別名稱					
Directors	董事					
Mr. Ye Jiong Xian	葉炯賢先生	–	10,000,000	–	–	10,000,000
Mr. Lin Jiang	林江先生	–	1,000,000	–	–	1,000,000
Mr. Mai Yang Guang	麥楊光先生	–	1,000,000	–	–	1,000,000
Mr. Yau Chi Ming	丘志明先生	–	1,000,000	–	–	1,000,000
Consultants	顧問					
In aggregate	總計	–	12,700,000	–	–	12,700,000
Employees	僱員					
In aggregate	總計	–	10,100,000	–	–	10,100,000
		–	35,800,000	–	–	35,800,000
Exercisable at the end of the year	於年終可行使					35,800,000
Weighted average exercise price	加權平均行使價		HK\$0.75 0.75港元			HK\$0.75 0.75港元

During the year ended 31 December 2017, no share options were exercised (2016: Nil).

36. 購股權計劃(續)

本年內購股權計劃項下尚未行使之購股權如下：(續)

二零一六年

截至二零一七年十二月三十一日年度，無購股權可予行使(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

37. COMMITMENTS

(a) Operating leases commitment

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises with lease terms which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內到期	6,246	7,307
In the second to fifth year inclusive	兩年至五年內到期	7,291	5,207
Over five years	五年後到期	—	4,879
		13,537	17,393

Rentals are fixed and no arrangement has been entered into for contingent rental payment.

(b) Capital commitment

As at 31 December 2017, the Group had a capital commitment amounted to approximately RMB20,500,000 (equivalent to approximately HK\$24,615,000) (2016: Nil) which is related to the construction of Luofu Mountain Project.

37. 承擔

(a) 經營租賃承擔

於報告期末，本集團在有關租賃物業之不可撤銷經營租賃下之未來最低租約付款承擔到期情況如下：

租金為固定，並無就或然租金付款訂立任何安排。

(b) 資本承擔

於二零一七年十二月三十一日，本集團的資本承擔總額約為人民幣20,500,000元（相等於約24,615,000港元）（二零一六年：無），與羅浮山建造項目有關。

38. RETIREMENT BENEFIT SCHEME

The Group operates the Mandatory Provident Fund Scheme ("MPF Scheme"). Contributions to the MPF Scheme are based on a percentage of employees' salaries ranging from 5% to 10%, depending upon the length of service of the employees. From 1 December 2000, newly joined employees are compulsorily required to join the MPF Scheme. The employer and its employees are each required to make contributions to the scheme at rates specified in the rules of the MPF Scheme.

The employees employed in the PRC subsidiaries are members of the state-managed retirement benefits schemes operated by the China government. The PRC subsidiaries are required to contribute to the retirement benefits schemes based on a certain percentage of their payroll to fund the benefits. The only obligation of the Group with respect to these retirement benefits schemes is to make the required contributions under the schemes.

The total costs charged to the consolidated statement of profit or loss and other comprehensive income approximately HK\$808,000 (2016: HK\$483,000) represented contributions payable to these schemes by the Group for the year.

38. 退休福利計劃

本集團參與強制性公積金計劃（「強積金計劃」）。本集團向強積金計劃作出僱員薪酬之5%至10%供款（視乎僱員服務年資而定）。由二零零零年十二月一日起加入本集團之新僱員均須參加強積金計劃。僱主及僱員均需為強積金計劃規則內列明之比率供款。

中國附屬公司所僱用僱員為中國政府經營的國家管理退休福利計劃的成員。中國附屬公司須按彼等工資的一定比例向退休福利計劃供款以撥付福利。本集團有關該等退休福利計劃的唯一責任為根據計劃作出規定供款。

於綜合損益及其他全面收益表扣除之總成本約為808,000港元（二零一六年：483,000港元），即本集團於本年度向該等計劃應付之供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

39. ACQUISITION OF SUBSIDIARIES

(a) Acquisition of Golden Time Ventures

In August 2017, the Group, through its wholly-owned subsidiary, entered into an agreement with One Heart Global Limited, Red Summit Limited, Outstanding Global Investments Limited, Ultimate Winner Ventures Limited, Wealth Choice Global Limited, Fortune Sky Developments Limited and Ever Edge International Limited in relation to acquisition of the entire equity interests in Golden Time Ventures at a consideration of HK\$50,000,000 in cash and 400,000,000 of shares of the Company. Golden Time Ventures and its 80% non-wholly owned subsidiaries (collectively, the "Golden Time Ventures Group") mainly operate in provision of beauty clinical services. The acquisition was completed on 9 September 2017.

The acquisition has been accounted for using the acquisition method.

Acquisition-related costs amounting to HK\$369,000 have been recognised as an expense in the period, within the "administrative expenses" line item in the consolidated statement of profit or loss and other comprehensive income.

39. 收購附屬公司

(a) 收購金泰創投有限公司

於二零一七年八月，本集團(透過其全資附屬公司)與一心環球有限公司、紅峰有限公司、出色環球投資有限公司、至勝創投有限公司、裕選環球有限公司、運天發展有限公司及恆利國際有限公司訂立協議，內容有關收購金泰創投全部股權，代價為現金50,000,000港元及本公司股份400,000,000股。金泰創投及其擁有80%股權之非全資附屬公司(統稱「金泰創投集團」)主要從事提供美容診所服務。收購事項於二零一七年九月九日完成。

收購事項已按收購法入賬。

收購相關成本369,000港元已於期內在綜合損益及其他全面收益表項下「行政開支」項目中確認為開支。

		HK\$'000 千港元
Fair value of the assets acquired and liabilities recognised at the date of acquisition	於收購日期已確認收購資產及負債之公平值	
Bank and cash balances	銀行及現金結餘	1,612
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	6,614
Trademark (note 17)	商標(附註17)	89,900
Inventory	存貨	2,170
Trade and other receivables and prepayments	應收貿易及其他款項以及預付款項	23,874
Trade and other payables	應付貿易及其他款項	(8,099)
Deferred tax liabilities	遞延稅項負債	(14,834)
Net assets acquired	收購資產淨值	101,237
Non-controlling interests	非控股權益	(20,247)
Goodwill (note 18)	商譽(附註18)	229,010
Consideration comprised of cash and shares of the Company	代價，包括本公司現金及股份	310,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

39. ACQUISITION OF SUBSIDIARIES (Continued)

39. 收購附屬公司(續)

(a) Acquisition of Golden Time Ventures (Continued)

(a) 收購金泰創投(續)

The consideration of the acquisition is satisfied as follows:

收購代價乃以下列方式償付：

		HK\$'000 千港元
Consideration satisfied by	代價以下列方式償付：	
Cash	現金	50,000
Consideration share (note)	代價股份(附註)	260,000
Total consideration	合計代價	310,000

		HK\$'000 千港元
Net cash outflow in respect of acquisition of subsidiaries	收購附屬公司的現金流出淨額	
Consideration paid	已付代價	50,000
Cash and cash equivalent balance acquired	已收購現金及現金等價物結餘	(1,612)
Net cash outflow	現金流出淨額	48,388

Note: Include in the consideration was an allotment and issue of 400,000,000 new ordinary shares of the Company at the contract price of HK\$0.63 per share. The fair value of the ordinary shares issued was determined by referring to the publish price of HK\$0.65 per share on the completion date.

附註：代價包括按合約價每股0.63港元配發及發行本公司400,000,000股新普通股。已發行普通股之公平值乃經參考於完成日期刊發價每股0.65港元後釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

39. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Acquisition of Golden Time Ventures (Continued)

Impact of acquisition on the results of the Group

Included in the profit the year ended 31 December 2017 is approximately profit of HK\$7,022,000 attributable to the Golden Time Ventures Group. Revenue for the period includes approximately HK\$20,352,000.

Had this acquisition been effected at 1 January 2017, the revenue of the Group would have been approximately HK\$487,509,000, and the profit for the year would have been approximately HK\$10,965,000. The directors of the Company consider these “pro-forma” numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

The non-controlling interests were recognised at their proportionate share of the recognised amounts of acquirees's identifiable net assets.

(b) Acquisition of Harvest Luck Investment Limited

In June 2016, the Group, through its wholly-owned subsidiary, entered into an agreement with Sassoon Global Limited in relation to acquisition of the entire equity interests in Harvest Luck at a consideration of RMB121,224,000 (equivalent to approximately HK\$144,697,000). Harvest Luck and its 51% non-wholly owned subsidiaries (collectively, the “Harvest Luck Group”) mainly held a parcel of land in the PRC with a land development rights of a PRC Grade 5A scenic area in Luofu Mountain, Guangdong, the PRC. The acquisition was completed on 23 June 2016.

The acquisition has been accounted for using the assets acquisition method.

39. 收購附屬公司(續)

(a) 收購金泰創投(續)

收購事項對本集團業績的影響

截至二零一七年十二月三十一日止年度的溢利包括金泰創投集團應佔溢利約7,022,000港元。期內收益約為20,352,000港元。

該收購事項於二零一七年一月一日已生效，本集團收益約為487,509,000港元，而年內溢利約為10,965,000港元。本公司董事認為，該等「備考」數字反映按年度基準合併集團業績與於未來期間提供參考比較數字所採用的方法接近。

非控股權益乃按彼等佔被收購人可供識別資產淨值已確認金額的相關份額予以確認。

(b) 收購吉盛投資有限公司

於二零一六年六月，本集團透過其全資附屬公司與Sassoon Global Limited就收購吉盛的全部股權訂立協議，代價為人民幣121,224,000元（相等於約144,697,000港元）。吉盛及其51%非全資附屬公司（統稱為「吉盛集團」）主要持有中國一幅土地的中國廣東羅浮山中國5A級風景名勝區的土地發展權。收購事項於二零一六年六月二十三日完成。

收購事項已按資產收購法入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

39. ACQUISITION OF SUBSIDIARIES (Continued)

39. 收購附屬公司(續)

(b) Acquisition of Harvest Luck Investment Limited (Continued)

(b) 收購吉盛投資有限公司(續)

Acquisition-related costs amounting to HK\$69,000 have been recognised as an expense in the period, within the "administrative expenses" line item in the consolidated statement of profit or loss and other comprehensive income.

收購相關成本達69,000港元，已於期內於綜合損益及其他全面收益表「行政開支」一項中確認為開支。

		HK\$'000 千港元
Fair value of the assets acquired and liabilities recognised at the date of acquisition	於收購日期確認已收購資產及負債的公平值	
Bank and cash balances	銀行及現金結餘	5,076
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	139,585
Deposit and prepayments	按金及預付款項	88,309
Intangible asset (note 17)	無形資產(附註17)	130,421
Other payables	其他應付款項	(79,671)
Net assets acquired	已收購淨資產	283,720
Non-controlling interests	非控股權益	(139,023)
Consideration transferred	已轉讓代價	144,697
		HK\$'000 千港元
Net cash outflow in respect of acquisition of subsidiaries	收購附屬公司的現金流出淨額	
Consideration paid	已付代價	144,697
Cash and cash equivalent balance acquired	已收購現金及現金等價物結餘	(5,076)
Net cash outflow	現金流出淨額	139,621

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

40. DISPOSAL OF SUBSIDIARIES

(a) Disposal of Shenzhen Weijingfang Bio Tech Food Company Limited

In May 2017, the Group, through its partially-owned subsidiary Guangdong Weijingfang entered into an agreement with 深圳市前海慧谷農業發展有限公司 in which the Group agreed to disposal of 87% equity interests in Shenzhen Weijingfang Bio Tech Food Company Limited ("Shenzhen Weijingfang") at a consideration of RMB1 (equivalent to approximately HK\$1). The carrying amount of Shenzhen Weijingfang residual interest was approximately HK\$4,000. Upon completion of the above transaction, the Group's interests in Shenzhen Weijingfang was decreased from 100% to 13% and result of Shenzhen Weijingfang became an equity investment and were classified as available-for-sale financial assets of the Group. The Group then recognised HK\$4,000 loss on disposal of a subsidiary in the consolidated statement of profit or loss for the year. Summary of the effect of the disposal of the subsidiary is as follows:

		HK\$'000 千港元
Consideration:	代價：	
Cash received	已收取現金	—
Analysis of assets and liabilities over which control was lost:	已失去控制權的資產及負債分析：	
Bank and cash balances	銀行及現金結餘	4
Net assets disposed of	出售資產淨值	4
Loss on disposal:	出售虧損：	
Consideration	代價	—
Net assets disposed of	出售資產淨值	(4)
Loss on disposal of a subsidiary	出售附屬公司虧損	(4)

		HK\$'000 千港元
Net cash outflow arising on disposal:	因出售而產生的現金流出淨額：	
Cash consideration received	已收取現金代價	—
Less: bank balances and cash disposed of	減：出售銀行結餘及現金	(4)
		(4)

40. 出售附屬公司

(a) 出售深圳唯菁坊生物科技食品有限公司

於二零一七年五月，本集團透過其部分擁有附屬公司（「廣東維菁坊」）與深圳市前海慧谷農業發展有限公司訂立協議，其中本集團同意出售深圳唯菁坊生物科技食品有限公司（「深圳唯菁坊」）87%股權，代價為人民幣1元（相等於約1港元）。深圳唯菁坊剩餘權益的賬面值約為4,000港元。完成上述交易後，本集團於深圳唯菁坊的權益已由100%減少至13%，而引致深圳唯菁坊成為股權投資，並分類為本集團可供出售金融資產。本集團其後於年內綜合損益表中就出售附屬公司確認4,000港元的虧損。出售附屬公司的影響概要如下：

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綜合財務報表附註(續)

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

40. DISPOSAL OF SUBSIDIARIES (Continued)

40. 出售附屬公司(續)

(b) Disposal of Zhao Long International Medical Investment Management Group Limited

On 22 May 2017, the Group entered into a disposal agreement with Billion High Worldwide Investment Limited ("Billion High"), a non-controlling shareholder of a subsidiary of the Company, Zhao Long BVI. Pursuant to the agreement, the Group agreed to dispose 70% equity interest of Zhao Long BVI at a consideration of HK\$68 million in cash. Details of which have been disclosed in the Company's announcement on 22 May 2017. Summary of the effect of the disposal of the subsidiary is as follows:

(b) 出售Zhao Long International Medical Investment Management Group Limited

於二零一七年五月二十二日，本集團與億高環球投資有限公司(「億高」)(本集團的附屬公司Zhao Long BVI的非控股股東)簽訂一份出售協議。根據該協議，本集團同意以6,800萬港元之代價向億高出售Zhao Long BVI 70%權益。相關詳細資料已於本公司二零一七年五月二十二日之公告中披露。出售附屬公司之影響概述如下：

		HK\$'000 千港元
Consideration:	代價：	
Cash received	已收取現金	68,000
Analysis of assets and liabilities over which control was lost:	已失去控制權的資產及負債分析：	
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	670
Goodwill (note 18)	商譽(附註18)	53,382
Investments in associates	於聯營公司的投資	17,124
Trade and other receivables	貿易及其他應收款項	14,597
Tax recoverable	應收稅項	132
Bank and cash balances	銀行及現金結餘	97
Trade and other payables	貿易及其他應付款項	(6,463)
Net assets disposed of	出售資產淨值	79,539
Gain on disposal:	出售收益：	
Consideration	代價	68,000
Net assets disposed of	出售資產淨值	(79,539)
Non-controlling interests	非控股權益	23,862
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiaries	就附屬公司淨資產由權益重新分類至失去附屬公司控制權的損益的累計匯兌差額	298
Gain on disposal of subsidiaries	出售附屬公司收益	12,621
Net cash inflow arising on disposal:	因出售而產生的現金流入淨額：	
Cash consideration received	已收取現金代價	68,000
Less: bank balances and cash disposed of	減：出售銀行結餘及現金	(97)
		67,903

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

40. DISPOSAL OF SUBSIDIARIES (Continued)

40. 出售附屬公司(續)

(c) Disposal of 同佳(北京)少兒健康科技有限公司

On 24 November 2016, the Group disposed of 80% equity interests in 同佳(北京)少兒健康科技有限公司 and its subsidiaries (the "Disposal Group"), which carried out advantage growth for children and teenagers business, at a consideration of HK\$3,000,000. Summary of the effect of the disposal of the subsidiaries is as follows:

(c) 出售同佳(北京)少兒健康科技有限公司

於二零一六年十一月二十四日，本集團出售從事少兒優勢成長業務的同佳(北京)少兒健康科技有限公司及其附屬公司80%權益(「出售集團」)，代價為3,000,000港元。出售附屬公司之影響概述如下：

		HK\$'000 千港元
Consideration:	代價：	
Cash received	已收取現金	3,000
Analysis of assets and liabilities over which control was lost:	已失去控制權的資產及負債分析：	
Property, plant and equipment (note 16)	物業、廠房及設備(附註16)	1,212
Trade and other receivables	貿易及其他應收款項	1,035
Bank and cash balances	銀行及現金結餘	1
Trade and other payables	貿易及其他應付款項	(1,967)
Net assets disposed of	出售資產淨值	281
Gain on disposal:	出售收益：	
Consideration	代價	3,000
Net assets disposed of	出售資產淨值	(281)
Non-controlling interests	非控股權益	56
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiaries	就附屬公司淨資產由權益重新分類至失去附屬公司控制權的損益的累計匯兌差額	(455)
Gain on disposal of subsidiaries	出售附屬公司收益	2,320
Net cash inflow arising on disposal:	因出售而產生的現金流入淨額：	
Cash consideration received	已收取現金代價	3,000
Less: bank balances and cash disposed of	減：出售銀行結餘及現金	(1)
		2,999

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

41. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

- (a) On 21 June 2016, the Company acquired an additional 37.8% of the issued capital of Realyoung International Life Medical Group Company Limited ("Realyoung Life Medical") (formerly known as Common Splendor International Life Health Science Group Limited) and its subsidiaries for an aggregate purchase consideration of approximately HK\$77,780,000. The carrying amount of the non-controlling interests in Realyoung Life Medical was approximately HK\$17,998,000. Upon completion of the acquisition, the Group owned 99.5% equity interest in Realyoung Life Medical Group and a decrease in equity attributable to owners of the Company of approximately HK\$59,782,000.
- (b) On 2 November 2017, the Company acquired an additional of 0.5% equity interest of Realyoung Life Medical Group at a consideration of US\$5 (equivalent to approximately HK\$40). The carrying amount of the non-controlling interests in Realyoung Life Medical Group was approximately HK\$9,769,000. Upon completion of the acquisition, Realyoung Life Medical Group became wholly-owned subsidiaries of the Group and result an increase in equity attributable to owners of the Company of approximately HK\$9,769,000.
- (c) During the year ended 31 December 2016, the Company disposed 44% of the issued capital of 東莞同佳投資管理合夥企業有限公司 for an aggregate sell consideration of approximately HK\$49,189,000. The carrying amount of the non-controlling interests in 東莞同佳投資管理合夥企業有限公司 was approximately HK\$49,170,000. Upon completion of the disposal, the Group owned 56% equity interest in 東莞同佳投資管理合夥企業有限公司 and an increase in equity attributable to owners of the Company of approximately HK\$19,000.

41. 非控股權益交易

- (a) 於二零一六年六月二十一日，本公司收購瑞昂國際生命醫學集團有限公司(「瑞昂生命醫學」)(前稱為同佳國際生命健康科技集團有限公司)及其附屬公司之總額約77,780,000港元之全部已發行股本之37.8%。瑞昂生命醫學的非控股權益賬面值約為17,998,000港元。收購事項完成後，本集團擁有瑞昂生命醫學集團99.5%股權，歸屬於本公司擁有人應佔股本權益減少約59,782,000港元。
- (b) 於二零一七年十一月二日，本公司收購瑞昂生命醫學集團的額外0.5%股權，代價為5美元(相等於約40港元)。瑞昂生命醫學集團的非控股權益賬面值約為9,769,000港元。完成收購事項後，瑞昂生命醫學集團成為本集團的全資附屬公司，導致本公司擁有人應佔權益增加約9,769,000港元。
- (c) 於截至二零一六年十二月三十一日止年度內，本公司出售東莞同佳投資管理合夥企業有限公司之總額約49,189,000港元之全部已發行股本之44%。東莞同佳投資管理合夥企業有限公司的非控股權益賬面值約為49,170,000港元。出售事項完成後，本集團擁有東莞同佳投資管理合夥企業有限公司56%股權，歸屬於本公司擁有人應佔股本權益減少約19,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

42. MAJOR NON-CASH TRANSACTIONS

During the current year, the Group entered into the following non-cash investing and financing activities which are not reflected in the consolidated statement of cash flow:

- the Group acquired HK\$38,000 of equipment under a finance lease in 2017 (2016: HK\$Nil).
- the Group acquired Golden Time Ventures with issue of 400,000,000 of the Company's shares as part of consideration in note 39(a).

42. 重大非現金交易

於本年度，本集團進行以下並無於綜合現金流量表中反映的非現金投資及融資活動：

- 本集團根據二零一七年融資租賃收購設備38,000港元(二零一六年：零港元)。
- 誠按附註39(a)所示，本集團已收購金泰創投以400,000,000股之本公司股份，作為代價的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

43. 融資活動產生之負債對賬

		Bank and other borrowings (note 35) 銀行及 其他借貸 (附註35) HK\$'000 千港元	Obligation under a finance lease (note 30) 融資 租賃責任 (附註30) HK\$'000 千港元	Guaranteed notes and bonds payable (note 34) 擔保票據及 應付債券 (附註34) HK\$'000 千港元	Convertible notes (note 32) 可換股票據 (附註32) HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2017	於二零一七年 一月一日	—	6	166,658	85,535	252,199
Proceeds from borrowings and bonds	借貸及債券 所得款	12,204	—	48,402	—	60,606
Repayment of bond payable	償還應付債券	—	—	(7,000)	—	(7,000)
Repayment of convertible note	償還可換股票據	—	—	—	(16,000)	(16,000)
Repayment of obligation under a finance lease	償還融資租賃責任	—	(13)	—	—	(13)
Interest paid	已付利息	—	—	(15,148)	(8,746)	(23,894)
Non-cash changes	非現金變動					
Interest payable	應付利息	—	—	(5,216)	—	(5,216)
Imputed interest expenses	估計利息費用	—	—	25,894	14,691	40,585
New finance lease	新增之融資租賃 責任	—	38	—	—	38
At 31 December 2017	於二零一七年 十二月三十一日	12,204	31	213,590	75,480	301,305

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

44. MATERIAL RELATED PARTIES TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in the consolidated financial statements, the Group and the Company had the following material transactions with related parties during the year:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest income on loan to a shareholder (note)	借予股東貸款之利息收入 (附註)	16,788	13,260
Salaries and other allowances paid to a spouse of a director of the Company	向一名本公司董事配偶支付之薪金及其他津貼	884	866
Contributions to retirement benefit scheme paid to a spouse of a director of the Company	向一名本公司董事配偶作出供款至退休福利計劃	18	18

Note: At 31 December 2017 and 2016, the Group lent to Champion Dynasty with the sum of HK\$48,875,000 and HK\$77,291,000 which bearing interest rate at 11% and 10% per annum respectively.

Pursuant to Rules 14A.25 and 14A.31 of the Listing Rules, the loan to a shareholder constitutes financial assistance and a continuing connected transaction of the Company. An ordinary resolution was passed at the special general meeting of the Company held on 19 November 2015 to approve the renewal of the loan and the annual cap amounts.

Balances with related parties:

Details of the balances with related parties at the end of reporting period are set out in notes 19 and 25.

Key management personnel emoluments:

Remuneration for key management personnel is disclosed in note 12.

44. 重大關連人士交易

除財務報表其他部分所詳述交易及結餘外，本集團及本公司於本年度與關連人士進行以下重大交易：

附註：於二零一七年至二零一六年十二月三十一日，本集團借予Champion Dynasty一筆分別為48,875,000港元及77,291,000港元貸款，該筆貸款按年利率分別為11%及10%計息。

根據規則14A.25條及14A.31上市規則，借予股東貸款構成財政援助和一項持續關連該公司的交易。本公司於二零一五年十一月十九日召開股東大會批准貸款及年度上限金額的續約。

與關連人士之交易結餘：

於報告期末，與關連人士之交易結餘詳情載於附註19及25。

主要管理人員酬金：

主要管理人員酬金於附註12內披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

45. 本公司財務狀況報表之資料

The Company's statement of financial position at 31 December 2017 and 2016 are as follows:

本公司於二零一七年及二零一六年十二月三十一日之財務狀況報表如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current asset	非流動資產		
Interests in subsidiaries	於附屬公司之權益	798,684	530,457
Current assets	流動資產		
Deposits, prepayment and other receivables	按金、預付款項及其他應收款項	14,052	2,604
Loan to a shareholder	借予股東貸款	49,143	77,547
Bank and cash balances	銀行及現金結餘	32,470	64,510
		95,665	144,661
Current liabilities	流動負債		
Accruals, deposits received and other payables	應計款項、已收按金及其他應付款項	10,425	5,956
Convertible notes	可換股票據	75,480	15,039
Derivative financial liabilities	衍生金融負債	7,316	7,006
Loan from associates	聯營公司借款	–	12,300
Guaranteed notes and bonds payable	擔保票據及應付債券	120,893	5,680
Other borrowings	其他借貸	5,000	–
		219,114	45,981
Net current (liabilities)/assets	流動(負債)/資產淨值	(123,449)	98,680
Total assets less current liabilities	資產總額減流動負債	675,235	629,137
Capital and reserves	資本及儲備		
Share capital	股本	29,962	25,962
Reserves	儲備	544,593	361,270
Total equity	股本權益總額	574,555	387,232

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

45. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

The Company's statement of financial position at 31 December 2017 and 2016 are as follows:

45. 本公司財務狀況報表之資料 (續)

本公司於二零一七年及二零一六年十二月三十一日之財務狀況報表如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債		
Amount due to subsidiaries	應付附屬公司款項	7,983	10,431
Convertible notes	可換股票據	–	70,496
Guaranteed notes and bonds payable	擔保票據及應付債券	92,697	160,978
		100,680	241,905
		675,235	629,137

The financial statement were approved and authorised for issue by the board of directors of the Company on 29 March 2018 and signed on its behalf by:

財務報表已本公司董事會於二零一八年三月二十九日批准及授權發佈，並由下列代表簽署：

Cheung Wai Kuen
張偉權
Director
董事

Cheng Hau Yan
鄭孝仁
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

46. RESERVES OF THE COMPANY

46. 公司儲備

		Share capital 股本資本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Share options reserve 購股權 儲備 HK\$'000 千港元	Accumulated losses 累積損失 HK\$'000 千港元	Total equity 股本權益 總額 HK\$'000 千港元
At 1 January 2016	於二零一六年 一月一日	25,962	425,198	–	(65,453)	385,707
Loss for the year	年度虧損	–	–	–	(2,311)	(2,311)
Total comprehensive income for the year	綜合全年收益總額	–	–	–	(2,311)	(2,311)
Issue of share option	發行購股權	–	–	3,836	–	3,836
At 31 December 2016 and 1 January 2017	於二零一六年 十二月三十一日 及二零一七年 一月一日	25,962	425,198	3,836	(67,764)	387,232
Loss for the year	本年度虧損	–	–	–	(72,677)	(72,677)
Total comprehensive income for the year	綜合全年收益總額	–	–	–	(72,677)	(72,677)
Lapse of share option	購股權失效	–	–	(3,836)	3,836	–
Acquisition of subsidiaries	收購附屬公司	4,000	256,000	–	–	260,000
At 31 December 2017	於二零一七年 十二月三十一日	29,962	681,198	–	(136,605)	574,555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

47. INTERESTS IN SUBSIDIARIES

Details of the Group's major subsidiaries at the end of the reporting period are as follows.

47. 於附屬公司之權益

有關本集團於報告期末之重大附屬公司之詳情載列如下。

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operation 註冊成立/經營地點	Class of shares/ registered capital held 所持股份/ 註冊資本類別	Fully paid share capital/ registered capital 繳足股本/註冊資本	Proportion of nominal value of paid capital/ registered capital held by the Company 本公司所持繳足股本/註冊資本面值之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
G-Prop Services Limited	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	—	100%	Investment and finance 投資及融資
Golden Circle Investment Limited 金元投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	—	100%	Provision of management services 提供管理服務
Guangdong Common Splendor Supply Chain Management Limited* 廣東同佳供應鏈管理有限公司	The PRC 中國	Registered as limited liability company 註冊為有限責任公司	HK\$187,282,375/ HK\$300,000,000 187,282,375港元/ 300,000,000港元	—	100%	Precision life healthcare services 精準生命健康服務
Guangdong Fengshuo Bio Medical Tech Company Limited* 廣東豐碩生物醫藥科技有限公司	The PRC 中國	Registered as limited liability company 註冊為有限責任公司	RMB75,000,000/ RMB75,000,000 75,000,000人民幣/ 75,000,000人民幣	—	100%	Bio-medical technology 生物醫藥科技
Guangdong Weijingfang Food Limited* ("Guangdong Weijingfang") 廣東維菁坊食品有限公司 (「廣東維菁坊」)	The PRC 中國	Registered as limited liability company 註冊為有限責任公司	RMB15,000,000/ RMB30,000,000 15,000,000人民幣/ 30,000,000人民幣	—	51%	Natural health food trading 天然健康食品貿易
Realyoung International Life Medical Group (Hong Kong) Company Limited 瑞昂國際生命醫學集團(香港)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	—	100%	Precision life healthcare services 精準生命健康服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

47. INTERESTS IN SUBSIDIARIES (Continued)

47. 於附屬公司之權益(續)

Name of subsidiaries	Place of incorporation/ operation	Class of shares/ registered capital held	Fully paid share capital/ registered capital	Proportion of nominal value of paid capital/ registered capital held by the Company		Principal activities
附屬公司名稱	註冊成立/經營地點	所持股份/ 註冊資本類別	繳足股本/註冊資本	本公司所持繳足股本/註冊資本面值之百分比		主要業務
				Directly 直接	Indirectly 間接	
Guangzhou Common Splendor Health Technology Limited*	The PRC	Registered	HK\$7,734,289/ HK\$30,000,000	–	100%	Precision life healthcare services
廣州同佳醫療科技有限公司	中國	註冊	7,734,289 港元/ 30,000,000 港元			精準生命健康服務
Guangzhou Realyoung Health Technology Limited*	The PRC	Registered	RMB7,900,000/ RMB10,000,000	–	100%	Precision life healthcare services
廣州瑞昂健康醫療科技有限公司	中國	註冊	人民幣 7,900,000 元/ 人民幣 10,000,000 元			精準生命健康服務
Huizhou Chuangxing Zhangliang Property Limited*	The PRC	Registered	RMB1,000,000/ RMB1,000,000	–	100%	Precision life healthcare services
惠州市創興中量置業有限公司	中國	註冊	人民幣 1,000,000 元/ 人民幣 1,000,000 元			精準生命健康服務
Huizhou Eastern Zhongliang Investment Limited*	The PRC	Registered	RMB10,000,000/ RMB10,000,000	–	100%	Precision life healthcare services
惠州市東方中量投資有限公司	中國	註冊	人民幣 10,000,000 元/ 人民幣 10,000,000 元			精準生命健康服務
Huizhou Zhangliang Health Services Limited*	The PRC	Registered	N/A/ RMB10,000,000	–	100%	Precision life healthcare services
惠州市中量健康服務有限公司	中國	註冊	不適用/ 人民幣 10,000,000 元			精準生命健康服務
eAesthetic Holdings Limited	Hong Kong	Ordinary	HK\$1	–	100%	Aesthetic and beauty treatment
醫美堂控股有限公司	香港	普通股	1 港元			美學及美容治療
eClinix Holdings Limited	Hong Kong	Ordinary	HK\$1	–	100%	Aesthetic and beauty treatment
醫診所控股有限公司	香港	普通股	1 港元			美學及美容治療
Medik Pro Aesthetics & Anti Aging Institution Limited	Hong Kong	Ordinary	HK\$100,000	–	100%	Aesthetic and beauty treatment
美得堡醫學抗衰老中心有限公司	香港	普通股	100,000 港元			美學及美容治療

* For identification purpose only

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

47. INTERESTS IN SUBSIDIARIES (Continued)

None of the subsidiaries had issued any debt securities subsisting at the end of the reporting period or at any time during the reporting period.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally, affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

47. 於附屬公司之權益(續)

於報告期末或於報告期內任何時間，並無附屬公司發行任何仍然有效之債務證券。

上表載列本公司董事認為主要影響本集團業績或資產的附屬公司。本公司董事認為，提供其他附屬公司詳情將導致篇幅過於冗長。

下表列示持有重大非控股權益的本集團非全資附屬公司的詳情：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operation 註冊成立／經營地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持所有權 權益及投票權比例		Profit/(loss) allocated to non-controlling interests 分配至非控股權益的 溢利／(虧損)		Accumulated non-controlling interests 累計非控股權益	
		2017 二零一七年 %	2016 二零一六年 %	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Guangdong Weijingfang 廣東維青坊	Registered as limited liability company in the PRC 為於中國註冊成立的有限責任公司	49.00	49.00	(30)	549	10,308	9,604
Guangdong Common Splendor Zhongliang Healthcare Industry Limited 廣東同佳中量健康產業有限公司	Registered as limited liability company in the PRC 為於中國註冊成立的有限責任公司	49.00	49.00	(401)	(831)	138,566	129,401
Individually immaterial subsidiaries with non-controlling interests 擁有非控制權益之個別非重大附屬公司				8,450	5,347	64,004	64,629
				8,019	5,065	212,878	203,634

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

47. INTERESTS IN SUBSIDIARIES (Continued)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

47. 於附屬公司之權益(續)

有關持有重大非控股權益之本集團各附屬公司的概要財務資料如下。下文的概要財務資料指本集團內公司間抵銷前的數額。

		Guangdong Common Splendor Zhongliang Healthcare Industry 廣東同佳中量 健康產業	Guangdong Weijingfang 廣東維菁坊
		HK\$'000	HK\$'000
At 31 December 2017	於二零一七年 十二月三十一日	千港元	千港元
Current assets	流動資產	78,506	111,045
Non-current assets	非流動資產	57	349,270
Current liabilities	流動負債	(57,526)	(177,528)
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益	10,729	144,221
Non-controlling interest	非控股權益	10,308	138,566

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

47. INTERESTS IN SUBSIDIARIES (Continued)

47. 於附屬公司之權益(續)

For the year ended 31 December 2017		Guangdong Weijingfang 廣東維普坊 HK\$'000 千港元	Guangdong Common Splendor Zhongliang Healthcare Industry 廣東同佳 中量健康產業 HK\$'000 千港元
截至二零一七年 十二月三十一日止年度			
Revenue	收入	323,862	—
Expenses	開支	(322,809)	(826)
Loss for the year	年度虧損	(62)	(819)
Loss attributable to the owners of the Company	本公司擁有人應佔虧損	(32)	(418)
Loss attributable to non-controlling interest	非控股權益應佔虧損	(30)	(401)
Loss for the year	本年度虧損	(62)	(819)
Other comprehensive income attributable to the owners of the Company	本公司擁有人應佔其他全面收益	741	7,373
Other comprehensive income attributable to non-controlling interest	非控股權益應佔其他全面收益	711	7,084
Other comprehensive income	其他全面收益	1,452	14,457
Total comprehensive income attributable to the owners of the Company	本公司擁有人應佔全面收益總額	709	6,955
Total comprehensive income attributable to non-controlling interest	非控股權益應佔全面收益總額	681	6,683
Total comprehensive income	全面收益總額	1,390	13,638
Net cash (outflow)/inflow from operating activities	經營業務之現金(流出)/流入淨額	(3,577)	13,563
Net cash outflow from investing activities	投資業務之現金流出淨額	—	(14,612)
Net cash inflow from financing activities	融資業務之現金流入淨額	2,401	—
Net cash outflow	現金流出淨額	(1,176)	(1,049)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

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

48. EVENTS AFTER REPORTING PERIOD

The Group had the following transaction after the end of the reporting period:

On 10 January 2018, the Company repaid the 2016 CBs in the principal amount of HK\$1,000,000. Details of the repayment was set out in the Company's announcement dated 10 January 2018.

48. 報告期後事項

本集團於報告期末後有以下交易：

於二零一八年一月十日，本公司償還本金額為1,000,000港元的二零一六年可換股票據。償還詳情載於本公司日期為二零一八年一月十日的公告。

49. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

49. 比較數字

若干比較數字已重新分類以符合本年度的呈列。

50. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors of the Company on 29 March 2018.

50. 授權刊發綜合財務報表

本公司董事會已於二零一八年三月二十九日批准及授權刊發綜合財務報表。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

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

Summary of the results, assets and liabilities of the Group for the last five years are as follows:

本集團過去五年之業績、資產與負債概要如下：

RESULTS

業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元 (restated) (經重列) (note (a)) (附註(a))
Continuing operations	持續經營業務					
Revenue	收入	474,933	554,962	530,290	359,818	8,527
Profit/(loss) before tax	除稅前溢利／(虧損)	18,239	56,259	49,052	32,957	(3,334)
Income tax (expense)/credit	所得稅(開支)／抵扣	(8,798)	(9,098)	(6,946)	(7,627)	21
Profit/(loss) for the year from continuing operations	年度來自持續經營業務之溢利／(虧損)	9,441	47,161	42,106	25,330	(3,313)
Discontinued operation	已終止經營業務					
Profit for the year from discontinued operations	年度來自已終止經營業務之溢利	—	—	—	7,063	12,365
Profit for the year	年度溢利	9,441	47,161	42,106	32,393	9,052
Profit for the year attributable to:	應佔年度溢利：					
Owners of the Company	本公司擁有人	1,422	42,096	34,009	27,505	9,052
Non-controlling interest	非控股權益	8,019	5,065	8,097	4,888	—
		9,441	47,161	42,106	32,393	9,052
Earning per share (HK cents)	每股盈利(港仙)					
Basic	基本	0.05	1.62	1.36	1.13	0.37
Diluted	攤薄	0.05	1.62	1.36	1.06	0.36
Final and interim dividend per share (HK cents)	每股末期及中期股息(港仙)	—	—	—	—	—
Special dividend per share (HK cents)	每股特別股息(港仙)	—	—	—	—	—

FIVE-YEAR FINANCIAL SUMMARY (Continued)

五年財務概要(續)

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

ASSETS AND LIABILITIES

資產及負債

		At 31 December 於十二月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Total assets	資產總額	1,372,237	972,649	672,631	559,257	409,243
Total liabilities	負債總額	(394,026)	(305,099)	(126,276)	(101,468)	(1,784)
		978,211	667,550	546,355	457,789	407,459
Net asset value per share attributable to owners of the Company (HK\$)	本公司擁有人應佔每股資產 淨值(港元)	0.33	0.26	0.21	0.18	0.17
Number of share issued	已發行股份數目	2,996,255,008	2,596,255,008	2,596,255,008	2,428,255,008	2,428,255,008

Note:

附註：

(a) Figures for the year 2013 have been reclassified in conform with the presentation of discontinued operation in 2014.

(a) 二零一三年之數據重列，以反映二零一四年所呈報之已終止經營業務。



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