



Rui Kang Pharmaceutical Group Investments Limited

銳康藥業集團投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(於開曼群島註冊成立並在百慕達繼續營業之有限公司)

Stock Code 股份代號: 8037

ANNUAL REPORT **2016** 年報



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本報告乃遵照創業板證券上市規則的規定而提供有關銳康藥業集團投資有限公司（「本公司」）的資料。本公司各董事（「董事」）願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬真確及完整，且無誤導或欺詐成分及本報告並無遺漏任何其他事項，致使本公告所載任何陳述或本報告有所誤導。

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# CORPORATE INFORMATION

## 公司資料

### EXECUTIVE DIRECTORS

Mr. Chan Ka Chung (*appointed as Chairman and Executive Director on 1 October 2016*)  
Mr. Leung Pak Hou Anson  
Ms. Chen Miaoping (*Chief Executive Officer*)  
Mr. Cheung Wai Kwan (*appointed as Executive Director on 1 October 2016*)  
Mr. Cheung Hung (*resigned as Chairman and Executive Director on 1 October 2016*)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ho Fung Shan Bob  
Mr. Leung Ka Fai  
Mr. Yuen Chun Fai

### AUDIT COMMITTEE

Mr. Yuen Chun Fai (*Committee Chairman*)  
Mr. Ho Fung Shan Bob  
Mr. Leung Ka Fai

### NOMINATION COMMITTEE

Mr. Chan Ka Chung (*appointed as Committee Chairman and committee member on 1 October 2016*)  
Mr. Yuen Chun Fai  
Mr. Ho Fung Shan Bob  
Mr. Leung Ka Fai  
Mr. Cheung Hung (*resigned as Committee Chairman and committee member on 1 October 2016*)

### REMUNERATION COMMITTEE

Mr. Yuen Chun Fai (*Committee Chairman*)  
Mr. Chan Ka Chung (*appointed as committee member on 1 October 2016*)  
Mr. Ho Fung Shan Bob  
Mr. Leung Ka Fai  
Mr. Leung Pak Hou Anson

### COMPLIANCE OFFICER

Mr. Leung Pak Hou Anson

### 執行董事

陳嘉忠先生(於二零一六年十月一日獲委任為主席及執行董事)  
梁伯豪先生  
陳妙嫻女士(行政總裁)  
張衛軍先生(於二零一六年十月一日獲委任為執行董事)  
張鴻先生(於二零一六年十月一日辭任主席及執行董事)

### 獨立非執行董事

何峯山先生  
梁家輝先生  
阮駿暉先生

### 審核委員會

阮駿暉先生(委員會主席)  
何峯山先生  
梁家輝先生

### 提名委員會

陳嘉忠先生(於二零一六年十月一日獲委任為委員會主席及委員會成員)  
阮駿暉先生  
何峯山先生  
梁家輝先生  
張鴻先生(於二零一六年十月一日辭任委員會主席及委員會成員)

### 薪酬委員會

阮駿暉先生(委員會主席)  
陳嘉忠先生(於二零一六年十月一日獲委任為委員會成員)  
何峯山先生  
梁家輝先生  
梁伯豪先生

### 合規總監

梁伯豪先生

# CORPORATE INFORMATION

## 公司資料

### COMPANY SECRETARY

Mr. Fung Wing Sang, HKICPA (*appointed on 28 February 2017*)

Mr. Lei Kin Keong, HKICPA & HKICS (*resigned on 28 February 2017*)

### AUTHORISED REPRESENTATIVES

Mr. Leung Pak Hou Anson

Mr. Fung Wing Sang  
(*appointed on 28 February 2017*)

Mr. Lei Kin Keong  
(*resigned on 28 February 2017*)

### AUDITOR

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

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

26/F., Times Tower  
391-407 Jaffe Road  
Wan Chai  
Hong Kong

### 公司秘書

馮永生先生，HKICPA  
(於二零一七年二月二十八日獲委任)

李健強先生，HKICPA及HKICS  
(於二零一七年二月二十八日辭任)

### 授權代表

梁伯豪先生  
馮永生先生  
(於二零一七年二月二十八日獲委任)

李健強先生  
(於二零一七年二月二十八日辭任)

### 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

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 總辦事處兼香港主要營業地點

香港  
灣仔  
謝斐道391-407號  
新時代中心26樓

# CORPORATE INFORMATION

## 公司資料

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 主要股份過戶登記處

Codan Services Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-04, 33/F.  
Two Chinachem Exchange Square  
338 King's Road  
North Point  
Hong Kong

### 股份過戶登記處香港分處

聯合證券登記有限公司  
香港  
北角  
英皇道338號  
華懋交易廣場2期  
33樓3301-04室

### PRINCIPAL BANKERS

Bank of Guiyang Co. Ltd.  
Bank of China (Hong Kong) Limited  
Dah Sing Bank, Limited  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Shanghai Commercial Bank Limited

### 主要往來銀行

貴陽銀行股份有限公司  
中國銀行(香港)有限公司  
大新銀行有限公司  
恒生銀行有限公司  
香港上海滙豐銀行有限公司  
上海商業銀行有限公司

### COMPANY WEBSITE

[www.ruikang.com.hk](http://www.ruikang.com.hk)

### 網站

[www.ruikang.com.hk](http://www.ruikang.com.hk)

### STOCK CODE

8037

### 股份代號

8037

# CHAIRMAN'S STATEMENT

## 主席報告書

*Dear Shareholders,*

On behalf of Rui Kang Pharmaceutical Group Investments Limited (“**Company**”) and its subsidiaries (collectively, the “**Group**”), I am pleased to present the annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2016 (“**2016 Year**”) to the shareholders of the Company.

### FINANCIAL RESULTS

The 2016 Year was a challenging year for the Group. The Group recorded a loss from continuing and discontinued operations of approximately HK\$60,092,000 for the 2016 Year (year ended 31 December 2015 (“**2015 Year**”): HK\$67,760,000).

The Group’s loss from continuing operations attributable to owners of the Company for the 2016 Year amounted to approximately HK\$85,677,000 (2015 Year: HK\$54,160,000). This was mainly attributable to (i) one-off non-cash impairment loss on goodwill of approximately HK\$27,669,000 in respect of the Group’s subsidiaries in the provision of medical laboratory testing services and health check services segment; (ii) a significant net loss of approximately HK\$25,679,000 on financial assets at fair value through profit or loss (2015 Year: HK\$9,094,000); (iii) the recognition of an impairment loss on trade receivables of approximately HK\$5,075,000 (2015 Year: HK\$224,000); and (iv) the write-off of certain property, plant and equipment of approximately HK\$6,134,000 (2015 Year: HK\$7,503,000).

*親愛的股東：*

本人謹代表銳康藥業集團投資有限公司（「**本公司**」）及其附屬公司（合稱「**本集團**」）欣然向股東提呈本集團截至二零一六年十二月三十一日止年度（「**二零一六年度**」）的年度報告及經審核綜合財務報表。

### 財務業績

二零一六年度對於本集團而言，是充滿挑戰的一年。於二零一六年度，本集團錄得持續及已終止經營業務虧損約60,092,000港元（截至二零一五年十二月三十一日止年度（「**二零一五年度**」）：67,760,000港元）。

本集團於二零一六年度之本公司擁有人應佔持續經營業務虧損約為85,677,000港元（二零一五年度：54,160,000港元），主要由於(i)有關本集團附屬公司提供醫學實驗室檢測服務及健康檢查服務分部之一次性商譽非現金減值虧損約27,669,000港元；(ii)透過損益按公平值列賬之大額金融資產虧損淨額約25,679,000港元（二零一五年度：9,094,000港元）；(iii)確認貿易應收賬款之減值虧損約5,075,000港元（二零一五年度：224,000港元）；及(iv)撇銷若干物業、廠房及設備約6,134,000港元（二零一五年度：7,503,000港元）。

# CHAIRMAN'S STATEMENT

## 主席報告書

The reason for the impairment loss on goodwill was mainly due to (i) the intensifying competition in the medical laboratory testing services and health check services in Hong Kong and the weak consumption sentiments in Hong Kong which have direct impacts on the revenue and profitability of the Group as the number of tests from doctors and corporate client reduced significantly. Based on the expected future market conditions and management's latest business plans and industry environment, impairment loss on goodwill of approximately HK\$27,669,000 was recognised during the 2016 Year. For details of the key assumptions used for calculating the recoverable amount of this cash generating unit, please refer to note 20 to the consolidated financial statements.

### DIVIDEND

The Directors do not recommend the payment of a dividend for the 2016 Year (2015 Year: HK\$Nil).

### REVIEW OF OPERATIONS

#### Discontinued Operation

The discontinued operation represented the disposal of the entire equity interest in Wallfaith Company Limited and its subsidiaries (collectively, the "Wallfaith Group") which principally engaged in (i) manufacture and sale of commodities including but not limited to dietary products, cosmetics, body products and health supplement wine; and (ii) trading of dental materials and equipment in the People's Republic of China ("PRC"). On 17 December 2015, the Company entered into a sale and purchase agreement to dispose of entire equity interests in Wallfaith Group at the consideration of HK\$15,000,000. The disposal of the Wallfaith Group was completed on 16 March 2016 and the Group ceased to hold any equity interests in the Wallfaith Group.

出現商譽減值虧損之原因主要在於(i)香港醫學實驗室檢測服務及健康檢查服務競爭激烈，加上香港消費氣氛薄弱，隨著醫生及企業客戶進行檢測之數目大幅下降，對本集團收入及盈利能力均造成直接影響。根據預期未來市況及管理層之最新業務計劃及業內環境，於二零一六年年已確認商譽減值虧損27,669,000港元。有關用作計算現金產生單位可收回金額之主要假設，請參閱綜合財務報表附註20。

### 股息

董事不建議就二零一六年年派付股息(二零一五年年度：零港元)。

### 業務回顧

#### 已終止經營業務

已終止經營業務指出售Wallfaith Company Limited及其附屬公司(統稱「Wallfaith集團」)之全部股權。Wallfaith集團主要於中華人民共和國(「中國」)從事(i)製造及銷售商品(包括(但不限於)膳食產品、化妝品、護膚產品及保健酒);及(ii)買賣牙科材料及設備。於二零一五年十二月十七日，本公司訂立買賣協議，以出售Wallfaith集團之全部股權，代價為15,000,000港元。出售Wallfaith集團已於二零一六年三月十六日完成，而本集團不再於Wallfaith集團持有任何股權。



# CHAIRMAN'S STATEMENT

## 主席報告書

The Wallfaith Group had recorded net profit from the discontinued operation for the 2016 Year of approximately HK\$35,526,000 (2015 Year: net loss of approximately HK\$8,109,000). The significant turnaround from loss to profit from discontinued operation was mainly attributable to the gain on disposal of discontinued operation of approximately HK\$34,230,000 upon the completion of the disposal of the Wallfaith Group (including a one-off non-cash reclassification of exchange reserve from equity to profit or loss amounting to approximately HK\$24,802,000).

### Continuing Operations

#### *Medical laboratory testing services and health check services in Hong Kong*

On 16 December 2015, the Group completed the acquisition of the entire issued share capital of DVF Holdco (Cayman) Limited and its subsidiaries (collectively, the “DVF Group”) which are engaged in the provision of medical laboratory testing services and health check services in Hong Kong. The Group has offered a wide spectrum of quality health check diagnostic services through three health check centers and one medical testing central laboratory. During the 2016 Year, the operating and financial performance of the DVF Group tumbled due to keen competition in the medical laboratory testing services and health check services industry, as the market reached a saturation stage with constant joining of new competitors. The Group has been looking for new customers and will provide special package discounts to existing customers in order to maintain the market shares in the forthcoming year.

The Group has acquired high-end equipment and has employed experts specialised in molecular genetic testing to establish a molecular laboratory which has commenced operation since October 2015. As the molecular laboratory is still in the infancy stage, its positive contribution to the segment of the provision of medical laboratory testing services and health check services may be minimal in the short term.

Wallfaith集團於二零一六年年終錄得已終止經營業務純利約35,526,000港元(二零一五年年終：虧損淨額約8,109,000港元)。來自已終止經營業務由虧損大幅扭轉為溢利主要因為於完成出售Wallfaith集團時產生出售已終止經營業務收益約34,230,000港元所致(包括匯兌儲備由權益一次性非現金重新分類至損益合共約24,802,000港元)。

### 持續經營業務

#### *於香港之醫學實驗室檢測服務及健康檢查服務*

於二零一五年十二月十六日，本集團完成收購DVF Holdco (Cayman) Limited 及其附屬公司(統稱「DVF集團」)全部已發行股本，而該等公司乃於香港提供醫學實驗室檢測服務及健康檢查服務。本集團一直透過三個健康檢查中心及一個醫學檢測中央實驗室提供各式各樣的優質健康檢查診斷服務。於二零一六年年終，由於醫學實驗室檢測服務及健康檢查服務行業競爭激烈，市場達到飽和但新競爭對手仍相繼加入，導致DVF集團之經營及財務表現衰落。本集團一直物色新客戶，並將向現有客戶提供特別折扣計劃，務求在來年保持其市場份額。

本集團已購置高端設備，以及聘請分子遺傳學檢測專家建立分子遺傳學實驗室，並已於二零一五年十月起投入運作。由於分子實驗室仍處於起步階段，短期內對提供醫學實驗室檢測服務及健康檢查服務分部作出之正面貢獻可能甚少。

# CHAIRMAN'S STATEMENT

## 主席報告書

Although immediate turnaround of financial performance may seem remote given the medical laboratory testing services and health check service business remains challenging with great uncertainties and fierce competition in the next few years, with the assistance of an experienced new management team, a number of initiatives are underway which will bring fresh impetus to the Group's operations and its future development.

### **Healthcare and skincare products market in Hong Kong**

Competition within Hong Kong's healthcare and skincare product markets is extremely intense and the market has shrunk due to the reduction in Chinese tourist's average spending recently. The sales performance of the healthcare and skincare products business of the Group in Hong Kong has been impacted significantly.

### **Pharmaceutical products market in the PRC**

During the 2016 Year, the manufacturing plant held by a subsidiary in Guizhou Province, 貴州雙升製藥有限公司 (in English, for identification purpose only, Guizhou Shuang Sheng Pharmaceutical Co., Ltd.) ("**Shuang Sheng**") was expanding and Shuang Sheng has commenced to submit the tenders of new rebranded product of 七味薑黃搽劑 (in English, for identification purpose only, Qiwei Jianghuang Chaji) in several provinces and main cities in the PRC. Up to the date of this report, Shuang Sheng successfully won 8 tenders. The Group expects that the financial performance of Shuang Sheng will improve gradually in the coming years as the Group has planned to diversify the products and advance the products into the market of different provinces and main cities in the PRC but it takes time to implement such plans.

儘管基於醫學實驗室檢測服務及健康檢查服務業務依然充滿挑戰，未來數年存在重大不明朗因素及激烈競爭，財務表現難以即刻好轉，但在經驗豐富的新管理團隊協助下，已在推行多項建議，並將為本集團營運及未來發展注入全新動力。

### **香港之保健及皮膚護理產品市場**

香港保健及皮膚護理產品市場內之競爭十分激烈，而近期中國遊客平均消費減少已令市場萎縮。本集團於香港之保健及皮膚護理產品業務銷售表現一直受到重大影響。

### **中國醫藥產品市場**

於二零一六年年，貴州省附屬公司貴州雙升製藥有限公司（「**雙升**」）持有之製造廠房進行擴充，而雙升已開始在中國多個省份及主要城市為重新命名產品七味薑黃搽劑提交標書。截至本報告日期，雙升8次成功中標。本集團預期，由於本集團已計劃使產品多元化，並且將產品推進中國不同省份及主要城市的市場，雙升之財務表現將於往後年度逐步改善，惟實行上述計劃需要時間。

# CHAIRMAN'S STATEMENT

## 主席報告書

### Securities investment in listed securities

Given high uncertainty of the stock market in Hong Kong and Australia, the Group recorded a net loss on financial assets at fair value through profit or loss of approximately HK\$25,679,000 for the 2016 Year (2015 Year: HK\$9,094,000). The Board will remain cautious in the allocation of internal resources in order to identify and seize appropriate securities investment opportunities and generate the securities gain to the Group.

### BUSINESS PROSPECTS

Looking forward, the Group will continue to focus on the provision of medical laboratory testing services and health check services in Hong Kong and the manufacture and sale of health related and pharmaceutical products in PRC and Hong Kong. In order to expand the scope of its business and bring new dynamics for revenue growth, the Group will continue to look for potential acquisition projects for further development of the Group's existing business segments and expand the trading of pharmaceutical intermediates to overseas.

The Group expects that the business will continue to encounter challenges including (i) the increase in labour costs, rental expenses and raw material costs in health related and pharmaceutical products industry in the PRC and Hong Kong and the medical laboratory testing services and health check services in Hong Kong; (ii) the weak consumption sentiments in health related and pharmaceutical products in the PRC and Hong Kong; and (iii) the fierce competition in the healthcare related products industry and medical laboratory testing services and health check services in Hong Kong with continuing discounts and promotion programmes, directly affecting on the profitability of the Group.

### 上市證券之證券投資

鑑於香港及澳洲股票市場十分不明朗，本集團於二零一六年度錄得透過損益按公平值列賬之金融資產虧損淨額約25,679,000港元（二零一五年度：9,094,000港元）。董事會在分配內部資源時將維持審慎，物色並把握適當之證券投資機會，務求為本集團帶來證券收益。

### 業務展望

展望將來，本集團將繼續專注於香港提供醫學實驗室檢測服務及健康檢查服務，以及於中國及香港製造及銷售保健相關及醫藥產品。為了拓展業務範圍並且為收益增長注入新動力，本集團將繼續物色潛在收購項目以進一步發展現有業務分部，並拓展海外醫藥中間體貿易。

本集團預期將繼續面對種種業務挑戰，包括(i)中國及香港之保健相關及醫藥產品行業以及香港醫學實驗室檢測服務及健康檢查服務之員工成本、租金開支及原材料成本上漲；(ii)中國及香港對保健相關及醫藥產品之消費意欲薄弱；及(iii)香港保健相關產品行業及醫學實驗室檢測服務及健康檢查服務競爭激烈，持續推出折扣及推廣計劃對本集團盈利能力造成直接影響。

# CHAIRMAN'S STATEMENT

## 主席報告書

In order to tackle the challenges, the Group will continue to enlarge the customer base and product and service lists by (i) negotiating with potential suppliers in overseas and Hong Kong for the exclusive distribution agreements of the healthcare related products; (ii) strengthening the cooperation with overseas molecular laboratory companies as distributor to promote the specialty tests in Hong Kong; and (iii) increasing the number of distribution channels for the products and services of the Group. The Group will consider streamlining its business portfolio through disposal of under-performing business if necessary.

### APPRECIATION

I would like to take this opportunity to express my sincere thanks and gratitude to all our business partners and shareholders for their continuing trust and support in the Group. I would also like to thank all staff and members of the Board for their dedicated efforts and contributions to the Group over the past year.

**Chan Ka Chung**

*Chairman*

Hong Kong, 20 March 2017

為了應付挑戰，本集團將繼續透過以下方式擴大客戶群以及產品與服務清單：(i)與海外及香港的潛在供應商磋商保健相關產品之獨家分銷協議；(ii)鞏固與海外分子實驗室公司作為分銷商之合作，於香港推廣專業測試；及(iii)增加本集團產品及服務之分銷渠道數目。本集團將考慮在必要時出售表現未達標之業務，藉此精簡其業務組合。

### 鳴謝

本人欲藉此機會對我們所有業務夥伴及股東一直信任及支持本集團表示衷心感謝及感激，亦同時答謝全體員工及董事會成員在過去一年對本集團付出之努力與貢獻。

**陳嘉忠**

*主席*

香港，二零一七年三月二十日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

During the year ended 31 December 2016 (“**2016 Year**”), the principal activities of the Group are (i) manufacture, research and development, sale and distribution of health related and pharmaceutical products in the PRC and Hong Kong, (ii) provision of medical laboratory testing services and health check services in Hong Kong, and (iii) trading of securities in Hong Kong. The manufacture and sale of consumer cosmetics and health supplement wine, and trading of dental materials and equipment in the PRC were regarded as discontinued operation.

#### Discontinued operation

On 17 December 2015, the Company entered into a sale and purchase agreement to dispose of the entire equity interests in Wallfaith Company Limited (“**Wallfaith**”) and its subsidiaries (collectively, the “**Wallfaith Group**”). The manufacture and sale of consumer cosmetics and health supplement wine, and trading of dental materials and equipment in the PRC were regarded as discontinued operation, which included the manufacturing plant and sale corporations in Suzhou and Shanghai. Upon the completion of the disposal of the Wallfaith Group on 16 March 2016, the Group ceased to hold any equity interests in the Wallfaith Group.

The Group generated a profit from discontinued operation of approximately HK\$35,526,000 from 1 January 2016 to 16 March 2016, as compared with loss of approximately HK\$8,109,000 for the year ended 31 December 2015 (“**2015 Year**”). The significant turnaround from loss to profit from discontinued operation was mainly attributable to the gain on disposal of discontinued operation of approximately HK\$34,230,000 upon the completion of the disposal of the Wallfaith Group (including a one-off non-cash reclassification of exchange reserve from equity to profit or loss amounting to approximately HK\$24,802,000).

### 財務回顧

於截至二零一六年十二月三十一日止年度（「二零一六年度」），本集團的主要業務為(i)在中國及香港製造、研發、銷售及分銷保健相關及醫藥產品；(ii)於香港提供醫學實驗室檢測服務及健康檢查服務；及(iii)於香港買賣證券。於中國製造及銷售日用化妝品及保健酒以及買賣牙科材料及設備被視作已終止經營業務。

#### 已終止經營業務

於二零一五年十二月十七日，本公司訂立買賣協議，以出售Wallfaith Company Limited（「**Wallfaith**」）及其附屬公司（統稱「**Wallfaith集團**」）全部股權。於中國製造及銷售日用化妝品及保健酒以及買賣牙科材料及設備被視作已終止經營業務，包括於蘇州及上海的製造廠房及銷售企業。於二零一六年三月十六日完成出售Wallfaith集團時，本集團不再持有Wallfaith集團任何股權。

由二零一六年一月一日至二零一六年三月十六日，本集團來自已終止經營業務產生溢利約35,526,000港元，截至二零一五年十二月三十一日止年度（「二零一五年度」）則約為8,109,000港元虧損。來自已終止經營業務由虧損扭轉為溢利主要因為於完成出售Wallfaith集團時產生出售已終止經營業務收益約34,230,000港元所致（包括匯兌儲備由權益一次性非現金重新分類至損益合共約24,802,000港元）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Turnover

During the 2016 Year, the Group achieved a turnover of approximately HK\$86,565,000 (2015 Year: HK\$34,127,000) from continuing operations, representing a significant increase of approximately 1.54 times as compared with the turnover for the 2015 Year. The overall increase in the turnover was mainly due to the contribution of provision of medical laboratory testing services and health check services by DVF Holdco (Cayman) Limited (“**DVF**”) and its subsidiaries (collectively, the “**DVF Group**”), which was acquired by the Group in December 2015, as its full year’s turnover has been recognised in the 2016 Year. However, such increase was partially offset by the deconsolidation of the results of a then subsidiary of the Company, 廣州獅馬龍藥業有限公司 (In English, for identification purpose only, Guangzhou Shimalong Pharmaceutical Co., Ltd.) (“**Shimalong**”), which is principally engaged in the sale of medicated oil products in the PRC, on 30 January 2015 (“**Deconsolidation**”) as a result of the disposal of 70% of the issued share capital of Magical Bloom Limited and its subsidiaries. The Deconsolidation led to a decrease in turnover in the manufacture and sale of health related and pharmaceutical products segment. During the period from 1 January 2015 to 30 January 2015, Shimalong generated a turnover of approximately HK\$6,613,000.

### 營業額

本集團於二零一六年年度實現持續經營業務之營業額約為86,565,000港元(二零一五年年度: 34,127,000港元), 較二零一五年年度營業額顯著增加約1.54倍。營業額整體增加主要來自DVF Holdco (Cayman) Limited (「**DVF**」) 及其附屬公司(統稱「**DVF集團**」) 提供醫療實驗室檢測服務及健康檢查服務所貢獻, DVF集團乃本集團於二零一五年十二月收購所得, 其整個年度的營業額已於二零一六年年度確認。然而, 有關增加因為出售妙盛有限公司及其附屬公司70%已發行股本而於二零一五年一月三十日取消綜合計算本公司當時附屬公司廣州獅馬龍藥業有限公司(「**獅馬龍**」) 業績(「**取消綜合計算**」) 所部份抵銷, 而獅馬龍主要在中國從事藥油產品銷售。取消綜合計算已導致製造及銷售保健相關及醫藥產品分部之營業額減少。於二零一五年一月一日至二零一五年一月三十日期間, 獅馬龍產生合共約6,613,000港元之營業額。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **Manufacture and sale of health related and pharmaceutical products**

Manufacture and sale of health related and pharmaceutical products segment recorded a slight improvement in total turnover during the 2016 Year as compared with 2015 Year. The total turnover of this segment increased slightly from approximately HK\$26,718,000 for the 2015 Year to approximately HK\$26,846,000 for the 2016 Year mainly due to contribution of the new extended business portfolio, i.e. trading of pharmaceutical intermediates to overseas, of approximately HK\$10,115,000 (2015 Year: HK\$Nil) in the fourth quarter of 2016, and offset by (i) the Deconsolidation, which led to a decrease in sale of medicated oil products including CMALO Wood Lock Oil, CMALO Red Flower Oil and Strong Haling Oil by Shimalong, no turnover of Shimalong was recognised in the 2016 Year while one month of turnover of Shimalong of approximately HK\$6,613,000 was recognised in the 2015 Year; and (ii) decrease of turnover generated by 貴州雙升製藥有限公司 (in English, for identification purpose only, Guizhou Shuang Sheng Pharmaceutical Co., Ltd.) (“**Shuang Sheng**”) from approximately HK\$15,897,000 in the 2015 Year to approximately HK\$13,292,000 in the 2016 Year due to fact that the existing main product, 薑黃消瘰搽劑 (in English, for identification purpose only, Jianghuang Xiaocuo Chaiji), will be gradually phased out.

### **Provision of medical laboratory testing services and health check services**

The Group has established a foothold in the provision of medical laboratory testing services and health check services industry since the fourth quarter of 2015. The provision of medical laboratory testing services and health check services segment recorded a total turnover of approximately HK\$57,048,000 during the 2016 Year (2015 Year: HK\$7,384,000), which was mainly attributable to the contribution made by the DVF Group, which was acquired by the Group in December 2015, as its full year's turnover has been recognised in the 2016 Year.

### **製造及銷售保健相關及醫藥產品**

與二零一五年年度比較，製造及銷售保健相關及醫藥產品分部在二零一六年年度錄得總營業額輕微改善。此分部的總營業額由二零一五年年度約26,718,000港元輕微上升至二零一六年年度約26,846,000港元，主要因為二零一六年第四季度新拓展業務組合（即從事海外醫藥中間體貿易）帶來約10,115,000港元（二零一五年年度：零港元）之貢獻，並已被(i)取消綜合計算導致獅馬龍的藥油產品（包括獅馬龍活絡油、獅馬龍紅花油及雙龍驅風油）銷售減少，於二零一六年年度並無確認獅馬龍營業額，而於二零一五年年度則確認一個月獅馬龍營業額約6,613,000港元；及(ii)貴州雙升製藥有限公司（「**雙升**」）產生的營業額由二零一五年年度約15,897,000港元減少至二零一六年年度約13,292,000港元，原因為現有的主要產品薑黃消瘰搽劑將逐漸淡出市場。

### **提供醫學實驗室檢測服務及健康檢查服務**

本集團已於二零一五年第四季度開始駐足提供醫學實驗室檢測服務及健康檢查服務之行業。提供醫學實驗室檢測服務及健康檢查服務分部於二零一六年年度錄得總營業額約57,048,000港元（二零一五年年度：7,384,000港元），主要來自DVF集團的貢獻。DVF集團由本集團於二零一五年十二月收購，其整個年度的營業額已於二零一六年年度確認。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **Money lending business**

Ferran Finance Limited, an indirect wholly-owned subsidiary of the Company, is a holder of money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). With the increasing market demands of the micro-financing business in Hong Kong, the Company raised HK\$20 million for the money lending business through the rights issue completed on 18 September 2015 and net proceeds from the rights issue of approximately HK\$16.4 million has been utilised as intended as at 31 December 2016. The money lending business commenced in the fourth quarter of 2015. The Group's loan portfolio comprises unsecured loans granted to individual customers; the loan receivables carry interest rates ranging from 8% to 10% per annum and are repayable within one year. The money lending business recorded an interest income of approximately HK\$913,000 for the 2016 Year (2015 Year: HK\$25,000).

### **Trading of financial assets at fair value through profit or loss ("FVTPL")**

The Group's investment portfolio comprises investments in listed securities in Hong Kong and Australia during the 2016 Year. This business segment recorded a net loss on financial assets at FVTPL of approximately HK\$25,679,000 during the 2016 Year (2015 Year: HK\$9,094,000) comprising (i) the net unrealised loss on fair value changes of approximately HK\$19,798,000 (2015 Year: net unrealised gain of approximately HK\$10,748,000); and (ii) the net realised loss of approximately HK\$5,881,000 (2015 Year: HK\$19,842,000). The net unrealised loss on financial assets at FVTPL were mainly attributable to the net unrealised loss of approximately HK\$13,113,000 (2015 Year: net unrealised gain of approximately HK\$2,730,000) derived from the investment in Town Health International Medical Group Limited ("**Town Health**").

### **放債業務**

本公司一間間接全資附屬公司富運財務有限公司取得放債人條例(香港法例第163章)之放債人牌照。隨著香港小額融資業務的市場需求增加,本集團透過於二零一五年九月十八日完成之供股籌集20,000,000港元以撥資放債業務,而於二零一六年十二月三十一日已按擬定用途動用了供股所得款項淨額約16,400,000港元。放債業務已於二零一五年第四季度開始運作。本集團的貸款組合包括授予個人客戶的無抵押貸款;應收貸款年息率介乎每年8%至10%,並須於一年內償還。放債業務於二零一六年年度錄得利息收入約913,000港元(二零一五年年度:25,000港元)。

### **買賣透過損益按公平值列賬之金融資產**

本集團於二零一六年年度之投資組合包括投資於香港及澳洲上市證券。該業務分部於二零一六年年度錄得透過損益按公平值列賬之金融資產虧損淨額約25,679,000港元(二零一五年年度:9,094,000港元),包括(i)未變現公平值變動虧損淨額約19,798,000港元(二零一五年年度:未變現收益淨額約10,748,000港元);及(ii)已變現虧損淨額約5,881,000港元(二零一五年年度:19,842,000港元)。透過損益按公平值列賬之金融資產未變現虧損淨額主要源自於康健國際醫療集團有限公司(「**康健**」)之投資未變現虧損淨額約13,113,000港元(二零一五年年度:未變現收益淨額約2,730,000港元)。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Gross profit and gross profit margin

The Group recorded a significant increase in the gross profit from continuing operations in the 2016 Year of approximately HK\$30,043,000 when compared with that of approximately HK\$10,868,000 in the 2015 Year. The gross profit margin for the 2016 Year was approximately 34.71%, representing a steady increase by approximately 2.86% when compared with the gross profit margin of approximately 31.85% for the 2015 Year. The improvement in both gross profit and gross profit margin was mainly attributable to (i) the contribution of provision of medical laboratory testing services and health check services by the DVF Group which generated a gross profit of approximately HK\$22,150,000 and recorded a higher gross profit margin of approximately 42.21% than other business segments of the Group during the 2016 Year; and (ii) the increase in selling prices of health related products in the PRC due to the upgrading of the product use and the package design.

### Selling and distribution expenses

Selling and distribution expenses for the 2016 Year from continuing operations were approximately HK\$19,996,000 (2015 Year: HK\$7,998,000), representing an increase of approximately HK\$11,998,000 or 1.50 times as compared with such expenses for the 2015 Year. Such significant increase was mainly attributable to the new business segment of the provision of medical laboratory testing services and health check services introduced in the fourth quarter of 2015. This new business segment incurred selling and distribution expenses of approximately HK\$10,159,000 in the 2016 Year (2015 Year: HK\$1,113,000), which mainly includes (i) staff costs of approximately HK\$5,747,000 (2015 Year: HK\$792,000); and (ii) rental expenses in respect of medical laboratory and health check centers of approximately HK\$3,013,000 (2015 Year: HK\$259,000).

### 毛利及毛利率

本集團於二零一六年年來自持續經營業務的毛利約為30,043,000港元，而二零一五年年則約為10,868,000港元。二零一六年年毛利率約為34.71%，較二零一五年年毛利率約為31.85%穩步增長約2.86%。毛利及毛利率同時改善主要因為(i)DVF集團提供醫療實驗室檢測服務及健康檢查服務之貢獻產生毛利約22,150,000港元，並且於二零一六年年錄得較本集團其他業務分部為高之毛利率約42.21%；及(ii)由於升級產品使用及包裝設計，保健相關產品於中國之售價調高。

### 銷售及分銷開支

於二零一六年年，來自持續經營業務的銷售及分銷開支約為19,996,000港元（二零一五年年：7,998,000港元），較二零一五年年增加約11,998,000港元或1.50倍。銷售及分銷開支大幅增加主要因為於二零一五年第四季度引進新業務分部提供醫療實驗室檢測服務及健康檢查服務。該新業務分部於二零一六年年度的銷售及分銷開支約為10,159,000港元（二零一五年年：1,113,000港元），主要包括(i)員工成本約5,747,000港元（二零一五年年：792,000港元）；及(ii)醫療實驗室及健康檢查中心有關的租金開支約3,013,000港元（二零一五年年：259,000港元）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Administrative expenses

The administrative expenses for the 2016 Year from continuing operations were approximately HK\$55,728,000, representing an increase of approximately 49.86%, as compared with that of approximately HK\$37,186,000 for the 2015 Year. The provision of medical laboratory testing services and health check services segment incurred administrative expenses of approximately HK\$15,267,000 in the 2016 Year (2015 Year: HK\$3,734,000), mainly including (i) staff costs of approximately HK\$4,535,000 (2015 Year: HK\$1,282,000); (ii) rental expenses of approximately HK\$1,869,000 (2015 Year: HK\$491,000); (iii) depreciation of property, plant and equipment of approximately HK\$2,083,000 (2015 Year: HK\$315,000); and (iv) amortisation of intangible assets of approximately HK\$1,225,000 (2015 Year: HK\$51,000).

In addition, the increase of such administrative expenses was also attributable to (i) higher legal and professional fees of approximately HK\$5,171,000 (2015 Year: HK\$4,117,000) incurred for merger and acquisition projects and other corporate activities; (ii) impairment loss on trade receivables of approximately HK\$5,075,000 was recognised during the 2016 Year (2015 Year: HK\$224,000) as certain trade debts had been long overdue and the possibility of recovery of which was considered as remote; (iii) the recognition of impairment loss on available-for-sale financial assets of approximately HK\$3,195,000 during the 2016 Year (2015 Year: HK\$Nil).

### Finance costs

During the 2016 Year, the Group's interest expenses (including capitalised interest) amounted to approximately HK\$2,482,000 (2015 Year: HK\$402,000). The increase in finance costs (including capitalised interest) was attributable to the new mortgage loan arrangement for the property occupied by the Group for operating the laboratory testing business in Hong Kong and the short term other borrowings as the working capital to finance the construction costs of the expansion of the manufacturing plant held by Shuang Sheng during the 2016 Year, which resulted in a higher average borrowing level.

### 行政開支

於二零一六年年，來自持續經營業務之行政開支約為55,728,000港元，相較二零一五年年約37,186,000港元，增加約49.86%。於二零一六年年提供醫療實驗室檢測服務及健康檢查服務分部引致之行政開支約15,267,000港元（二零一五年年：3,734,000港元），主要包括(i)員工成本約4,535,000港元（二零一五年年：1,282,000港元）；(ii)租金開支約1,869,000港元（二零一五年年：491,000港元）；(iii)物業、廠房及設備之折舊約2,083,000港元（二零一五年年：315,000港元）；及(iv)無形資產攤銷約1,225,000港元（二零一五年年：51,000港元）。

此外，行政開支增加亦主要因為(i)合併及收購項目及其他企業活動引致較高法律及專業費用約5,171,000港元（二零一五年年：4,117,000港元）；(ii)由於若干貿易債務被長期拖欠及收回此等債項之可能性甚微，故二零一六年年確認貿易應收賬款之減值虧損約5,075,000港元（二零一五年年：224,000港元）；(iii)於二零一六年年確認可供出售金融資產減值虧損約3,195,000港元（二零一五年年：零港元）。

### 融資成本

於二零一六年年，本集團利息開支（包括資本化利息）約2,482,000港元（二零一五年年：402,000港元）。融資成本（包括資本化利息）增加，乃因本集團於二零一六年年就於香港經營實驗室檢測業務所佔用物業作出新造按揭貸款安排，以及為雙升所持之製造廠房擴充之建築成本作融資之其他短期借款作為營運資金，導致平均借款水平上升。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Loss for the 2016 Year from continuing operations

The Group continued to record a significant net loss from continuing operations of approximately HK\$95,618,000 for the 2016 Year (2015 Year: HK\$59,651,000) mainly attributable to (i) a significant net loss of approximately HK\$25,679,000 on financial assets at fair value through profit or loss (2015 Year: HK\$9,094,000); (ii) the recognition of an impairment loss on trade receivables of approximately HK\$5,075,000 (2015 Year: HK\$224,000); (iii) the impairment of available-for-sale financial assets of approximately HK\$3,195,000 (2015 Year: HK\$Nil); (iv) the write-off of certain property, plant and equipment of approximately HK\$6,134,000 (2015 Year: HK\$7,503,000); (v) the increase of impairment loss on goodwill in respect of its certain subsidiaries of approximately HK\$27,669,000 (2015 Year: HK\$1,000,000); and (vi) increase in selling and distribution expenses, administrative expenses, rental expenses and employee related expenses as a result of the expansion of the Group's business portfolio.

## BUSINESS REVIEW

### Voluntary securities exchange offers

On 5 February 2016, China Wah Yan Healthcare Limited (“China Wah Yan”) proposed to the Board that China Wah Yan would, subject to fulfillment of certain conditions, make the voluntary conditional securities exchange offers (i) to acquire all of the issued shares of the Company (other than those already owned by China Wah Yan and parties acting in concert with it); and (ii) to cancel all of the outstanding share options granted by the Company pursuant to the share option scheme adopted by the Company, whether vested or not (“**Voluntary Securities Exchange Offers**”). All of the conditions of the Voluntary Securities Exchange Offers have been fulfilled and the Voluntary Securities Exchange Offers have become unconditional in all respects on 11 May 2016. The minimum public float of the Company was restored on 27 May 2016 by way of disposal of the shares by China Wah Yan on the Stock Exchange, details of which are disclosed in the announcement of the Company dated 27 May 2016.

### 二零一六年度之持續經營業務虧損

本集團於二零一六年度繼續錄得持續經營業務重大虧損淨額約95,618,000港元(二零一五年度: 59,651,000港元), 主要由於(i)透過損益按公平值列賬之金融資產重大虧損淨額約25,679,000港元(二零一五年度: 9,094,000港元); (ii)確認貿易應收款項減值虧損約5,075,000港元(二零一五年度: 224,000港元); (iii)可供出售金融資產減值約3,195,000港元(二零一五年度: 零港元); (iv)撤銷若干物業、廠房及設備約6,134,000港元(二零一五年度: 7,503,000港元); (v)其若干附屬公司之商譽減值虧損增加約27,669,000港元(二零一五年度: 1,000,000港元); 及(vi)因本集團擴展業務組合而導致之銷售及分銷開支、行政開支、租金開支及僱員相關開支增加。

## 業務回顧

### 自願證券交換要約

於二零一六年二月五日, 中國華仁醫療有限公司(「中國華仁」)向董事會建議, 指中國華仁待達成若干條件後將提出自願有條件證券交換要約, 以(i)收購本公司所有已發行股份(中國華仁及其一致行動人士已擁有者除外); 及(ii)註銷所有由本公司根據本公司所採納之購股權計劃授出而尚未行使之購股權, 不論是否已歸屬(「**自願證券交換要約**」)。自願證券交換要約之所有條款已獲履行, 而自願證券交換要約已於二零一六年五月十一日在各方面成為無條件。藉著中國華仁於聯交所出售股份, 本公司已於二零一六年五月二十七日恢復其公眾持股量, 有關詳情披露於本公司日期為二零一六年五月二十七日之公告。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Details of the Voluntary Securities Exchange Offers are disclosed in the announcements dated 17 February 2016, 6 April 2016, 19 April 2016, 10 May 2016, 11 May 2016 and 25 May 2016, and the composite document in respect of the Voluntary Securities Exchange Offers dated 20 April 2016 jointly published by China Wah Yan and the Company.

### Disposal of subsidiaries

#### (a) *The Wallfaith Group*

Having taken into consideration that the performance of the Wallfaith Group for the past financial years was not satisfactory, the Directors considered that the disposal of the Wallfaith Group would enable the Company to free up the resources devoted to this business and redirect the resources to the Group's existing business which might have higher growth potential to maximise the benefit of the shareholders of the Company. The resolution approving the disposal was passed by the shareholders of the Company by way of poll at the special general meeting held on 3 February 2016. The completion of the disposal took place on 16 March 2016 and each member of the Wallfaith Group ceased to be a wholly-owned subsidiary of the Company since then. Details of the disposal of the Wallfaith Group are disclosed in the announcement of the Company dated 17 December 2015, and the circular of the Company dated 15 January 2016 and the disclosure made in note 16 to the consolidated financial statements.

有關自願證券交換要約之詳情乃披露於日期為二零一六年二月十七日、二零一六年四月六日、二零一六年四月十九日、二零一六年五月十日、二零一六年五月十一日及二零一六年五月二十五日之公告，以及中國華仁與本公司聯合刊發之日期為二零一六年四月二十日之綜合文件，內容有關自願證券交換要約。

### 出售附屬公司

#### (a) *Wallfaith集團*

經考慮Wallfaith集團過去數個財政年度之表現均未如理想，董事認為出售Wallfaith集團有助本公司騰出投入此業務之資源，將其轉投於增長潛力較高之本集團現有業務，藉此為本公司股東創造最大得益。有關批准建議出售之決議案已於二零一六年二月三日舉行之股東特別大會上經本公司股東以投票表決方式通過。是項出售於二零一六年三月十六日完成，而Wallfaith集團各成員公司自此以後不再為本公司之全資附屬公司。有關出售Wallfaith集團之詳情乃披露於本公司日期為二零一五年十二月十七日之公告及本公司日期為二零一六年一月十五日之通函，以及綜合財務報表附註16作出之披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (b) Allied View

Allied View International Limited (“**Allied View**”) holds 6.136% of the total issued share capital of Trillion Epoch Limited, which, in turn, holds the entire issued share capital of Bravo Star Holdings Limited (“**Bravo Star**”). 重慶兩江新區利亨小額貸款有限公司 (in English, for identification purpose only, Chongqing Liangjing New Area Li Hang Microfinance Co., Ltd.) (formerly known as 重慶市北部新區利亨小額貸款有限公司 (in English, for identification purpose only, Chongqing City North New District Li Hang Microfinance Co., Ltd.)), a direct wholly-owned subsidiary of Bravo Star, is principally engaged in the money lending business in the PRC. Taking into account that the financial performance of Allied View for the past two financial years was not satisfactory as a result of, among other matters, impairment loss of the non-recoverable loan receivables and loan interest receivables, the Directors were of the view that the disposal of Allied View represented an opportunity for the Group to realise its investment in Allied View so that the Group would not be required to make further capital contribution to Allied View in case it requires funds to finance its operations in the future. In addition, the disposal would enable the Group to re-allocate its financial resources in the existing businesses of the Group more efficiently. The completion of the disposal of Allied View took place on 15 February 2017. Details of the disposal of Allied View are disclosed in the announcements of the Company dated 28 January 2016, 26 February 2016, 31 May 2016 and 17 November 2016 and the disclosure made in note 33(b) to the consolidated financial statements.

### (b) 滙景

滙景國際有限公司(「滙景」)持有億世有限公司已發行股本總數之6.136%，而億世則持有茂帆控股有限公司(「茂帆」)之全部已發行股本。重慶兩江新區利亨小額貸款有限公司(前稱重慶市北部新區利亨小額貸款有限公司)為茂帆之一間直接全資附屬公司，主要於中國從事放貸業務。經計及滙景過去兩個財政年度由於(其中包括)不可收回應收貸款及應收貸款利息之減值虧損而導致財務表現均未如理想，董事認為出售滙景讓本集團有機會變現其於滙景之投資，因而倘滙景日後需要資金為其營運提供融資，本集團亦毋須向其作出進一步注資。此外，是項出售可讓本集團能夠更有效地將其現有財務資源重新分配至本集團現有業務。出售滙景於二零一七年二月十五日完成。有關出售滙景之詳情乃披露於本公司日期為二零一六年一月二十八日、二零一六年二月二十六日、二零一六年五月三十一日及二零一六年十一月十七日之公告，以及綜合財務報表附註33(b)作出之披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (c) *Splendid Rich Holdings Limited* (“*Splendid Rich*”)

The completion of the disposal of Splendid Rich took place on 30 December 2016. For details, please refer to the disclosure made in note 32 to the consolidated financial statements. Mr. Cheung is a connected person of the Company, a director of the Company in the last twelve months, under Chapter 20 of the GEM Listing Rules. As all the applicable percentage ratio (other than the profits ratio) are less than 5% and the total consideration is less than HK\$3,000,000, the disposal of Splendid Rich is fully exempt from the reporting, announcement and independent shareholder’s approval requirements under Chapter 20 of the GEM Listing Rules.

### Acquisition of a subsidiary

The Directors considered that the acquisition of T.F. Industries (“**T.F. Industries**”) would enable the Group to purchase a property for its own occupation so as to save rental expenses and may also realise the capital gain on the property if there is an increase in the value of property in the future. The completion of the acquisition of T.F. Industries took place on 23 May 2016 and the industrial unit held by T.F. Industries has been occupied by the Group for operating the laboratory testing business since then. Details of the acquisition of T.F. Industries are disclosed in the announcement of the Company dated 22 April 2016 and the disclosure made in note 30 to the consolidated financial statements.

### (c) 偉發控股有限公司 (「偉發」)

出售偉發於二零一六年十二月三十日完成。有關詳情請參閱綜合財務報表附註32作出之披露。張先生於過去十二個月為本公司之董事，故根據創業板上市規則第二十章為本公司之關連人士。由於所有適用百分比率(溢利比率除外)均低於5%及總代價少於3,000,000港元，出售偉發獲全面豁免遵守創業板上市規則第二十章之申報、公告及獨立股東批准規定。

### 收購一間附屬公司

董事認為，收購載福實業有限公司(「**載福實業**」)可讓本集團購買物業以供其本身佔用，藉此節省租金開支，倘物業日後升值，亦可變現物業的資本收益。收購載福實業已於二零一六年五月二十三日完成，而載福實業持有之工業單位自此一直由本集團佔用作經營實驗室檢測業務。有關收購載福實業之詳情已披露於本公司日期為二零一六年四月二十二日之公告，以及綜合財務報表附註30作出之披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Acquisition of associates

On 28 January 2016, Exquisite Beauty Holding Limited (“**Exquisite**”), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Yip Hai Tak, an independent third party, to acquire approximately 27.80% of the issued share capital in Ultimate Synergy Limited and its subsidiaries (collectively, the “**Ultimate Synergy Group**”), at a cash consideration of HK\$27,951,000. The completion of the acquisition took place on the same date, and each member of the Ultimate Synergy Group is owned as to approximately 27.80% by Exquisite and has become an associate of the Group since then. Details of the acquisition of the Ultimate Synergy Group are disclosed in the announcement of the Company dated 28 January 2016 and the disclosure made in note 22(c) to the consolidated financial statements.

### Acquisition of 4% equity interests in C&C International Healthcare Group Limited (“C&C”)

On 15 July 2016, Angel Rise International Limited (“**Angel Rise**”), an indirect wholly-owned subsidiary of the Company, as purchaser, entered into the sale and purchase agreement with an independent third party, JFA Capital, as vendor, pursuant to which Angel Rise has conditionally agreed to acquire, and JFA Capital has conditionally agreed to sell, 400 shares of C&C, representing 4% of its issued share capital, at a cash consideration of HK\$19,416,800. C&C, its subsidiaries and various joint venture companies are principally engaged in provision of contracted medical schemes for integrated medical and healthcare check-up services. Details of the acquisition of C&C are disclosed in the announcement of the Company dated 15 July 2016. The completion of the acquisition took place on 25 August 2016, and C&C was accounted for as an available-for-sale financial asset of the Group.

### 收購聯營公司

於二零一六年一月二十八日，本公司之一間間接全資附屬公司Exquisite Beauty Holding Limited (「**Exquisite**」) 與獨立第三方葉希德先生訂立買賣協議，以收購Ultimate Synergy Limited及其附屬公司（統稱「**Ultimate Synergy集團**」）已發行股本約27.80%，現金代價為27,951,000港元。是項收購已於同日完成，而Ultimate Synergy集團各成員公司由Exquisite擁有約27.80%，自此以後成為本集團之聯營公司。有關收購Ultimate Synergy集團之詳情乃披露於本公司日期為二零一六年一月二十八日之公告及綜合財務報表附註22(c)作出之披露。

### 收購C&C International Healthcare Group Limited (「C&C」) 4%股權

於二零一六年七月十五日，本公司一間間接全資附屬公司天晉國際有限公司 (「**天晉**」，作為買方) 與獨立第三方JFA Capital (作為賣方) 訂立買賣協議，據此，天晉有條件同意收購，而JFA Capital有條件同意出售400股C&C股份，佔其已發行股本之4%，現金代價為19,416,800港元。C&C、其附屬公司及多間合營公司主要從事提供綜合醫療及保健檢查服務定點醫療計劃。有關收購C&C之詳情乃披露於本公司日期為二零一六年七月十五日公告。是項收購於二零一六年八月二十五日完成，而C&C已作為本集團可供出售金融資產入賬。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OUTLOOK

Looking forward, the Group expects that the business will continue to encounter challenges including (i) the increase in labour costs, rental expenses and raw material costs in health related and pharmaceutical products industry in the PRC and Hong Kong and the medical laboratory testing services and health check services in Hong Kong; (ii) the weak consumption sentiments in health related and pharmaceutical products in the PRC and Hong Kong; and (iii) the fierce competition in the healthcare related products industry and medical laboratory testing services and health check services in Hong Kong with continuing discounts and programmes, directly affecting on the profitability of the Group.

The Group will continue to focus on the provision of medical laboratory testing services and health check service in Hong Kong and the manufacture and sale of health related and pharmaceutical products in PRC and Hong Kong. In order to expand the scope of its business and bring new dynamics for revenue growth, the Group will continue to look for potential acquisition projects for further development of the existing business segments and expand the trading of pharmaceutical intermediates to overseas.

#### **Strengthen the medical laboratory testing services and health check services in Hong Kong**

Owing to the adverse effect of the keen competition in the medical laboratory testing services and health check services business, the Group will continue to strengthen the cooperation with overseas molecular laboratory companies to promote the specialty tests in Hong Kong and provide seminars to local specialist doctors about the molecular laboratory testing services provided by the Group in order to expand the customer base.

### 未來展望

展望將來，本集團預期將繼續面對種種業務挑戰，包括(i)中國及香港之保健相關及醫藥產品行業以及香港醫學實驗室檢測服務及健康檢查服務之員工成本、租金開支及原材料成本上漲；(ii)中國及香港對保健相關及醫藥產品之消費意欲薄弱；及(iii)香港保健相關產品行業及醫學實驗室檢測服務及健康檢查服務競爭激烈，持續推出折扣及推廣計劃對本集團盈利能力造成直接影響。

本集團將繼續專注於香港提供醫學實驗室檢測服務及健康檢查服務，以及於中國及香港製造及銷售保健相關及醫藥產品。為了拓展業務範圍並且為收益增長注入新動力，本集團將繼續物色潛在收購項目以進一步發展現有業務分部，並拓展海外醫藥中間體貿易。

#### **鞏固於香港的醫學實驗室檢測服務及健康檢查服務**

基於醫學實驗室檢測服務及健康檢查服務業務出現激烈競爭所帶來之不利影響，本集團將繼續加強與海外分子實驗室公司合作，在香港推廣專業測試，並由本集團向本地專科醫生提供有關分子實驗室檢測服務之研討會，藉此擴大客戶群。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The Group has offered a wide spectrum of quality health check diagnostic services through three health check centers and one medical testing central laboratory. During the 2016 Year, the operating and financial performance of this medical laboratory testing services and health check services business tumbled due to keen competition in the industry, as the market reached a saturation stage with constant joining of new competitors. The Group has been looking for new customers and will provide special packages discount to existing customers in order to maintain the market shares in the coming year.

### Expansion of manufacturing plant and development and manufacture of new pharmaceutical products in the PRC

During the 2016 Year, the manufacturing plant held by Shuang Sheng was expanding and Shuang Sheng has commenced to submit the tenders of new rebranded product of 七味薑黃搽劑 (in English, for identification purpose only, Qiwei Jianghuang Chaji) in several provinces and main cities in the PRC. Up to the date of this report, Shuang Sheng successfully won 8 tenders. The Group expects that the financial performance of Shuang Sheng will improve gradually in the coming years as the Group has planned to diversify the products and advance the products into the market of different provinces and main cities in the PRC but it takes time to implement such plans.

Except for the strategies to be implemented by the Group, the Group will continue to enlarge its customer base and product and service lists in this segment by (i) negotiating with potential suppliers in overseas and Hong Kong for the exclusive distribution agreements of the healthcare related products; (ii) strengthening the cooperation with overseas molecular laboratory companies as distributor to promote the specialty tests in Hong Kong; and (iii) increasing the number of distribution channels for the products and services of the Group. The Group will consider streamlining its business portfolio through disposal of under-performing business if necessary.

本集團一直透過三個健康檢查中心及一個醫學檢測中央實驗室提供各式各樣的優質健康檢查診斷服務。於二零一六年度，由於業內競爭激烈，市場達到飽和但新競爭對手仍相繼加入，導致是項醫學實驗室檢測服務及健康檢查服務業務之表現衰落。本集團一直物色新客戶，並將向現有客戶提供特別折扣計劃，務求在來年保持其市場份額。

### 於中國擴充製造廠房以及開發及製造新醫藥產品

於二零一六年度，雙升持有之製造廠房進行擴充，並已開始在中國多個省份及主要城市為重新命名產品七味薑黃搽劑提交標書。截至本報告日期，雙升8次成功中標。本集團預期，由於本集團已計劃使產品多元化，並且將產品推進中國不同省份及主要城市的市場，雙升之財務表現將於往後年度逐步改善，惟實行上述計劃需要時間。

除本集團將實行之策略外，本集團將繼續透過以下方式擴大該分部之客戶群以及產品與服務清單：(i)與海外及香港的潛在供應商磋商保健相關產品之獨家分銷協議；(ii)鞏固與海外分子實驗室公司作為分銷商之合作，於香港推廣專業測試；及(iii)增加本集團產品及服務之分銷渠道數目。本集團將考慮在必要時出售表現未達標之業務，藉此精簡其業務組合。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks, including some which are specific to the Group or the industries in which the Group operates. The Directors have established a policy to ensure that significant risks which may adversely affect the Group, are identified, reported, monitored, and managed on a continuous basis.

The Group has identified the following key risks that are considered to be significant to the Group, which may adversely and/or materially affect the Group's businesses, financial conditions, results of operations and growth prospects. Key risks relating to the Group's businesses and to the industries in which the Group operates are including but not limited to:

#### (a) Competition

The industries that the Group operate are highly competitive. Areas of competition include production costs, price competition, marketing campaign, customer services and distribution network. If the Group does not respond timely to cope with the market conditions, it would affect the consumer demand for the Group's products and services, the reputation of the Group and the Group's financial performance.

In order to mitigate the risk of competition, the Group will continue to adopt the following strategies:

#### (i) Differentiate strategies in medical laboratory testing services and health check services in Hong Kong

The Group is going to strengthen the cooperation with overseas molecular laboratory companies as distributor to promote the specialty tests in Hong Kong in return for service income to maintain the profitability of the Group. In addition, the Group has full spectrum of healthcare and molecular tests in order to seize different healthcare market segments, which can differentiate the services of the Group from the competitors. The Group will carry out some new tests including cancer therapeutic tests and personal character analysis.

### 主要風險及不明朗因素

董事知悉本集團面對各種風險，包括某些為本集團或本集團所經營行業特有的風險。董事已設立政策以確保可持續地識別、匯報、監察及管理可能對本集團造成不利影響之重大風險。

本集團已識別下列被視為對本集團影響至關重大的關鍵風險，可能對本集團之業務、財務狀況、經營業績及增長前景造成不利及／或重大影響。有關本集團業務及本集團所經營行業之關鍵風險包括但不限於：

#### (a) 競爭

本集團所經營行業之競爭十分激烈，其競爭範圍包括生產成本、價格競爭、營銷計劃、客戶服務及分銷網絡。倘若本集團未有及時就市場狀況作出回應，將會影響消費者對本集團產品及服務之需求，本集團之聲譽，以及本集團之財務表現。

為了減輕競爭風險，本集團將繼續採取以下策略：

#### (i) 對香港之醫學實驗室檢測服務及健康檢查服務實行不同策略

本集團將會鞏固與海外分子實驗室公司作為分銷商之合作，於香港推廣專業測試，藉此獲取服務收入回報以維持本集團之盈利能力。此外，本集團已進行全方位之保健及分子測試，務求搶佔不同的保健市場分部，此舉令本集團之服務有別於競爭對手。本集團將進行若干新型測試，包括癌症治療測試及個人性格分析。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **(ii) Strengthen the products lists and market penetration in several provinces and main cities in the PRC**

For the pharmaceutical products in the PRC, the Group commenced to submit the tenders of new rebranded product in several provinces and main cities in the PRC during the fourth quarter in the 2016 Year and at the beginning of the year 2017. The marketing department of Shuang Sheng will closely monitor the statuses of the tendering process in different provinces and main cities in the PRC and grab the opportunities to penetrate the markets in order to enlarge the customer base and increase the sale orders if the Group can win the tenders.

The newly-built manufacturing plant on the same parcel of land held by Shuang Sheng is under further expansion for the new pharmaceutical products including capsules, tablets and particles, and such relevant production lines are in the process of application of certificate of Food Manufacturing Practice (“GMP”) issued by the China Food and Drug Administration of the PRC (“CFDA”). The Group will commence the trial productions of these new pharmaceutical products for GMP accreditation which are subject to the inspection and approval by the CFDA. The Group will assess the feasibility studies and the market research for the profitability of these new pharmaceutical products. The Group considers that such expansion will be in its final stage in mid of the year 2018, and idealistically, it will diversify the product portfolio and improve the profitability of the Group as the new and existing pharmaceutical products can share the fixed costs including common facilities and equipment, etc.

### **(ii) 在中國多個省份及主要城市壯大產品清單及加強市場滲透率**

就中國醫藥產品而言，本集團於二零一六年年末第四季度及二零一七年年年初在中國多個省份及主要城市為重新命名產品提交標書。雙升之營銷部將密切監察於中國不同省份及主要城市之招標過程，若本集團中標，則把握機會搶佔市場滲透率以擴大客戶群及增加銷售訂單。

新建於雙升所持同一幅土地上之製造廠房現正進一步擴充以便製造新醫藥產品，包括膠囊、片劑及顆粒，而相關生產線現正向中國國家食品藥品監督管理總局（「中國藥監局」）申請獲發食品生產規範（「良好生產規範」）證書。本集團將開始試行生產該等新醫藥產品以獲得良好生產規範認證，惟須待中國藥監局檢驗及審批。本集團將評估有關該等新醫藥產品盈利能力之可行性研究及市場調查。本集團認為有關擴充將於二零一八年中旬進入最後階段，而由於新增及現有醫藥產品可攤分共用設備及設備等固定成本，最理想將能夠令本集團之產品組合多元化並同時提升盈利能力。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **(iii) Strengthen the healthcare and skincare product market in Hong Kong**

Competition within Hong Kong's healthcare and skincare product market is extremely intense and the market has shrunk due to the reduction in Chinese tourist's average spending recently. The sales performance of the healthcare and skincare products business of the Group in Hong Kong has been impacted significantly.

The Group has upgraded and redesigned the websites of the operating subsidiaries, <http://www.thslife.com.hk> and <http://www.healthyintl.com>, since October 2016 in order to enhance the online sales of healthcare and skincare related products. Starting from 2017, the Group will expand the e-Commerce business through online sales platforms such as [bonbontong.com](http://bonbontong.com) and [lazada.com](http://lazada.com), etc.

Cooperating with Hong Kong's local retailers such as Eugene Group is an alternative way to expand the distribution channel. The Group has commenced co-operation with Eugene Group which focuses on the infant child products. The Group has entered into the consignment agreement with Eugene Group to distribute several kids supplement products such as Kids Omega 3 and Kids Liquid Calcium.

The Group will continue to strengthen the health related and pharmaceutical products business through introducing new health related products from overseas suppliers in order to enlarge the products lists and attract the customers from different segments through expanding the online distribution channels and consignment stores in Hong Kong.

### **(iii) 鞏固香港之保健及皮膚護理產品市場**

香港保健及皮膚護理產品市場內之競爭十分激烈，而近期中國遊客平均消費減少已令市場萎縮。本集團於香港之保健及皮膚護理產品業務銷售表現一直受到重大影響。

自二零一六年十月起，本集團已為其營運中附屬公司之網站 (<http://www.thslife.com.hk>及 <http://www.healthyintl.com>) 升級及改版，從而提升保健及皮膚護理相關產品之網上銷售額。自二零一七年開始，本集團將透過 [bonbontong.com](http://bonbontong.com) 及 [lazada.com](http://lazada.com) 等網上銷售平台，擴充電子商貿業務。

與本港零售店舖（如荷花集團）合作乃擴張分銷渠道之另一途徑。本集團已與專注於嬰兒及兒童產品之荷花集團展開合作，並已與荷花集團訂立寄售協議，以分銷多種兒童營養補充食品，如兒童魚油奧米加3及兒童液體鈣。

本集團將通過引入海外供應商之全新保健相關產品擴展產品清單，持續鞏固保健相關及醫藥產品業務，以及拓展網上分銷渠道及於香港之寄賣店，吸引不同分部的客戶。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (b) Financial Risk

The Group is exposed to financial risks, including credit risk, interest rate risk and liquidity risk. The Group actively and regularly reviews and manages its capital structure to maintain a balance between shareholder return and a sound capital position. Adjustments are made, when necessary, to maintain an optimal capital structure in light of changes in economic conditions.

#### (i) Credit risk

Ferran Finance Limited, an indirect wholly-owned subsidiary of the Company, has obtained a money lenders licence in March 2015 pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). As at 31 December 2016, all the loans granted during the 2015 Year and the 2016 Year had been recovered and there is no default of payment in the past. The Group will continue to provide personal loan and corporate loan for customers with good credit records in Hong Kong.

Except for Shuang Sheng, the Group has built up long-term relationships with its customers and there is no such significant credit risk identified. The credit risk in Shuang Sheng was attributable to the implementation of aggressive expansion plan to enlarge the customer base and expand the market into different provinces and main cities in the PRC in order to push up the sales volume. The situation was worse than expected as the turnover rate of the sales team was too high in Shuang Sheng, which led to recoverability problems of the trade receivables eventually. In order to minimise the credit risk, management of the Group has implemented internal control procedures for the credit approvals and other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amounts of trade debts on a collective basis at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Group considers that the Group's credit risk will be significantly reduced.

### (b) 財務風險

本集團面對之財務風險包括信貸風險、利率風險及流動性風險。本集團主動定期檢討及管理其資本架構，在爭取股東回報與穩定資本狀況兩者之間保持平衡，並且於必要時因應經濟環境之變動作出調整，保持最佳之資本架構。

#### (i) 信貸風險

本公司一間間接全資附屬公司富運財務有限公司於二零一五年三月取得放債人條例(香港法例第163章)之放債人牌照。於二零一六年十二月三十一日，已收回於二零一五年度及二零一六年度授出之全部貸款，過往並無逾期付款。本集團將繼續為在香港擁有良好信貸記錄之客戶提供個人貸款及公司貸款。

除雙升外，本集團已與其客戶建立長期關係，亦無發現重大信貸風險。雙升之信貸風險源於其推行進取之擴充計劃，為推高銷量而擴大客戶群及拓展至中國不同省份及主要城市之市場。由於雙升之銷售團隊流動率過高，最終導致收回貿易應收款項出現問題，因此情況比預期為差。為了盡量降低信貸風險，本集團管理層已實行有關信貸審批之內部監控程序，並且設立其他監察程序以確保採取跟進行動收回逾期債務。此外，本集團於各報告日期綜合審視貿易債務之可收回金額，確保已就不可收回金額作出足夠減值虧損。就此而言，本集團認為其信貸風險將大幅降低。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **(ii) Interest rate risk**

The Group's interest rate risk arises primarily from (a) loan receivable and other borrowings which carry fixed interest rates and expose the Group to fair value interest rate risk, and (b) cash and bank balances, cash held in securities trading accounts with stock brokers, margin payable with securities trading accounts and bank borrowing which carry floating interest rates and expose the Group to cash flow interest rate risk. Exposure to floating interest rates is present when there are unexpected adverse interest rate movements. The Directors considered that the Group's cash flow interest rate risk is minimal.

### **(iii) Liquidity risk**

The Group's policy is to regularly monitor current and expected liquidity requirements. The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflow to meet its debts obligation. The liquidity risk is high due to the fact that the Group continued to suffer significant operating losses in the past several years. The Group will continue to revamp the business strategies and diversify the source of revenue in order to generate sufficient cash flow for its business operation. As at 31 December 2016, the Group maintained the net current assets status and may not have such going concern issue in short term.

### **(ii) 利率風險**

本集團之利率風險主要分別來自(a)按固定利率計息之應收貸款及其他借款，令本集團承受公平值利率風險，以及(b)現金及銀行結餘、以及在股票經紀開設之證券買賣賬戶持有的現金、證券買賣賬戶之應付保證金以及按浮動利率計息之銀行借款，令本集團承受現金流利率風險。當利率出現預期以外之不利變動，則會產生浮動利率風險。董事認為本集團之現金流利率風險微不足道。

### **(iii) 流動資金風險**

本集團之政策是定期監督現時及預期的流動資金需求。本集團之流動資金主要依靠其能否維持足夠現金流入應付其債務責任。流動資金風險高企，原因為本集團於過去多年來事實上持續出現重大經營虧損。本集團將不斷修改業務策略，分散收入來源，務求產生充足的現金流以應付其業務營運。於二零一六年十二月三十一日，本集團維持淨流動資產狀況，短期內亦不會有持續經營問題。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (c) Technology

The Group is dependent on information technology systems and networks, including the internet and third-party hosted services for the Group's operation, including laboratory management, sales and distribution, ordering and purchases, inventory management and financial reporting. Any material disruption or slowdown of information technology systems, including a disruption or slowdown caused by failure to successfully upgrade the Group's systems, system failures, viruses or cyber-attacks could cause a loss of data or operation interruption. Therefore, the Group will continually monitor and implement, if necessary, relevant information technology systems and networks so as to keep up with the pace of technology. The Group has adequate back-up procedures and recovery strategies in place in order to reduce the level of severity caused by the breakdown of information technology systems.

### (d) Macro-economic environment

The downturn of macro-economy has negative impact on the business environment. Health related and pharmaceutical products and services may not be considered as necessity for customers which may result in reduced demand and order for the Group's products from the customers or distributors.

The Group will closely monitor of any such changes of economic environment and adjust the product diversification plan and marketing strategies as well as overall business plan under different market conditions.

### (c) 科技

本集團依賴資訊科技系統及網絡，為本集團營運提供互聯網及第三方寄存服務，包括實驗室管理、銷售及分銷、訂購及採購、庫存管理及財務匯報。倘若我們的資訊科技系統發生任何嚴重中斷或延遲，包括因未能成功為本集團系統升級、系統故障、病毒入侵或網絡攻擊而引發之中斷或延遲，均可能導致數據流失或操作受阻。因此，本集團將不斷監察，並在必要時推行相關資訊科技系統及網絡，務求緊貼科技步伐。本集團備有足夠的備份程序及復修策略，可減輕資訊科技系統失靈造成的嚴重影響。

### (d) 宏觀經濟環境

宏觀經濟衰退一直對營商環境造成負面影響。對客戶而言，保健相關及醫藥產品及服務未必屬於必需品，因此可能導致客戶或分銷商對本集團產品的需求及訂單減少。

本集團將密切監察任何該等經濟環境變動，並且對產品多元化計劃及營銷策略，以至不同市場環境下之整體業務計劃作出調整。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### (e) Employees

The Group's success and ability to grow depends largely on its ability to attract, train, retain, and motivate highly skilled and qualified managerial, sales, marketing, administrative, operating, and technical personnel. The loss of key personnel could materially and adversely affect the Group's prospects and operations.

The Group considered that staff turnover is not avoidable. The Group has adopted the successive plans of key management staff in order to tackle the potential loss of human knowledge and maintaining business continuity.

### (f) Regulatory and operational compliance

The Group operates in markets and industries which require compliance with numerous regulations, including but not limited to, (i) the regulation in relation to the GMP for the production lines of the pharmaceutical products in the PRC under the CFDA; (ii) the Competition Ordinance (Chapter 619) in Hong Kong; (iii) the Employment Ordinance (Chapter 57) in Hong Kong; (iv) the Trade Descriptions Ordinance (Chapter 362) in Hong Kong; (v) the Food Safety Ordinance (Chapter 612) in Hong Kong, and the applicable regulations, guidelines, policies and licence terms issued or promulgated under or in connection with these statutes. In addition, the GEM Listing Rules also applies to the Group.

The failure to be responsive to changes to such regulations may adversely affect the Group's reputation, operations and financial performance. In order to mitigating the risk of non-compliance of the aforesaid regulations, the Group seeks to ensure compliance with these requirements through various measures such as internal controls and approval procedures, staff trainings and legal advices.

### (e) 僱員

本集團成功取得增長之能力，主要取決於其能否吸引、培訓、挽留及激勵高技術兼合資格之管理、銷售、營銷、行政、操作及技術人員。流失主要人員，可對本集團之前景及營運造成重大不利影響。

本集團認為員工流動乃無法避免。本集團已採取主要管理人員承接計劃，藉此應付可能流失人才知識及維持業務持續運作。

### (f) 監管及營運合規

本集團經營所在之市場及行業需要遵守無數法規，包括但不限於(i)中國醫藥產品生產線須遵守中國藥監局有關良好生產規範之法規；(ii)香港法例第619章競爭條例；(iii)香港法例第57章僱傭條例；(iv)香港法例第362章商品說明條例；(v)香港法例第612章食物安全條例，以及根據或就該等成文法刊發或頒佈之適用法規、指引、政策及許可期限。此外，創業板上規規則亦適用於本集團。

未能回應有關法規之變動可能對本集團之聲譽、營運及財務表現構成不利影響。為了減輕不遵守上述法規之風險，本集團利用內部監控及審批程序、員工培訓及法律意見等各種措施，確保遵守該等規定。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has financed its operations and capital expenditures requirements through (i) internal generated resources, (ii) net proceeds from the placing of new shares under general mandate and (iii) bank and other borrowings.

#### Liquidity and Financial Resources

As at 31 December 2016, the Group held cash and bank balances of approximately HK\$34,695,000 (2015: HK\$75,234,000) relating to continuing operations, and held cash and bank balances of approximately HK\$Nil (2015: HK\$3,003,000) relating to discontinued operation, all were principally denominated in Renminbi and Hong Kong dollars. The decrease in cash and bank balances of approximately HK\$40,539,000 is mainly due to (i) the acquisitions of the Ultimate Synergy Group at consideration of HK\$27,951,000 which was completed on 28 January 2016 and C&C at consideration of HK\$19,416,800 which was completed on 25 August 2016; (ii) net funds used in trading financial assets at fair value through profit or loss; and (iii) the operating loss incurred during the 2016 Year, despite the Group received the net proceeds from the placing of new shares under general mandate of approximately HK\$21,223,000 on 15 August 2016 and the sales proceeds of HK\$15,000,000 from the disposal of the Wallfaith Group on 16 March 2016.

As at 31 December 2016, the Group had secured bank borrowing of approximately HK\$5,065,000 (2015: HK\$Nil) relating to continuing operations, which carried a floating interest rate (i.e. HK\$ best lending rate offered by the bank minus 2.7%) and is not repayable within one year from the end of the reporting period but contains a repayment on demand clause. As at 31 December 2016, the Group had secured bank borrowings of approximately HK\$Nil (2015: HK\$17,904,000) relating to discontinued operation, which carried interest floating at 135% of the prime rate offered by the People's Bank of China.

### 流動資金、財務資源及資本架構

本集團以(i)內部產生資源、(ii)根據一般授權配售新股份之所得款項淨額及(iii)銀行及其他借款撥付其營運及資本開支所需資金。

#### 流動資金及財務資源

於二零一六年十二月三十一日，本集團有關持續經營業務持有之現金及銀行結餘約34,695,000港元(二零一五年：75,234,000港元)，而有關已終止經營業務持有之現金及銀行結餘約零港元(二零一五年：3,003,000港元)，全部主要以人民幣及港元計值。現金及銀行結餘減少約40,539,000港元，主要由於(i)於二零一六年一月二十八日完成收購Ultimate Synergy集團，代價為27,951,000港元，以及於二零一六年八月二十五日完成收購C&C，代價為19,416,800港元；(ii)買賣透過損益按公平值列賬之金融資產動用淨資金；及(iii)於二零一六年度產生之經營虧損，即使本集團於二零一六年八月十五日收到根據一般授權配售新股份所得款項淨額約21,223,000港元，以乃於二零一六年三月十六日收到出售Wallfaith集團銷售所得款項15,000,000港元。

於二零一六年十二月三十一日，本集團有關持續經營業務之有抵押銀行借款約為5,065,000港元(二零一五年：零港元)，按浮動利率(即銀行提供之港元最優惠貸款利率減2.7%)計息，毋須於報告期末起計一年內還款，但附有按要求還款條文。於二零一六年十二月三十一日，本集團有關已終止經營業務之有抵押銀行借款約為零港元(二零一五年：17,904,000港元)，按中國人民銀行提供之最優惠貸款利率135%之浮動利率計息。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

As at 31 December 2016, the Group had unsecured other borrowings of approximately RMB12,344,000 (equivalent to approximately HK\$13,789,000) (2015: RMB1,606,000 (equivalent to approximately HK\$1,917,000)) relating to continuing operations, which carried a fixed interest rate of 1% per month (2015: 12% per annum) and is repayable within one year.

The significant increase in the bank and other borrowings were mainly due to the mortgage loan arrangement for the property occupied by the Group for operating the laboratory testing business in Hong Kong and the short term other borrowings as the working capital to finance the construction costs of the expansion of the manufacturing plant held by Shuang Sheng.

As at 31 December 2016, total assets of the Group (including assets classified as held for sale) were approximately HK\$322,956,000 (2015: HK\$478,018,000), whereas total liabilities (including liabilities associated with assets classified as held for sale) were approximately HK\$47,739,000 (2015: HK\$135,280,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 14.78% (2015: 28.30%). Current ratio (defined as total current assets (including assets classified as held for sale) divided by total current liabilities (including liabilities associated with assets classified as held for sale)) was 3.41 times (2015: 2.51 times).

### Capital Structure

As at 31 December 2016, the total issued share capital of the Company was HK\$78,836,675 divided into 788,366,750 ordinary shares of HK\$0.10 each.

於二零一六年十二月三十一日，本集團有關持續經營業務之無抵押其他借款約為人民幣12,344,000元（相當於約13,789,000港元）（二零一五年：人民幣1,606,000元（相當於約1,917,000港元）），按固定利率每月1%（二零一五年：每年12%）計息，並須於一年內償還。

銀行及其他借款大幅增加，主要因本集團於香港經營實驗室檢測業務所佔用物業作出新造按揭貸款安排，以及為雙升所持之製造廠房擴充之建築成本作融資之其他短期借款作為營運資金所致。

於二零一六年十二月三十一日，本集團之資產總值（包括分類為持作出售之資產）約為322,956,000港元（二零一五年：478,018,000港元），而負債總額（包括與分類為持作出售之資產有關之負債）約為47,739,000港元（二零一五年：135,280,000港元）。本集團之資產負債比率（按負債總額除以資產總值計算）為14.78%（二零一五年：28.30%）。流動比率（定義為流動資產總值（包括分類為持作出售之資產）除以流動負債總額（包括與分類為持作出售之資產有關之負債））為3.41倍（二零一五年：2.51倍）。

### 資本架構

於二零一六年十二月三十一日，本公司之已發行股本總額為78,836,675港元，分為788,366,750股每股面值0.10港元之普通股。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### *Share consolidation*

On 8 January 2016, the Board proposed, subject to the passing of the necessary shareholders' resolution, that every two issued and unissued existing shares of HK\$0.05 each in the share capital of the Company would be consolidated into one share of HK\$0.10 in the share capital of the Company ("**2016 Share Consolidation**"). As a result of the 2016 Share Consolidation, the authorised share capital of the Company became HK\$200,000,000 divided into 2,000,000,000 consolidated shares of HK\$0.10 each, of which 656,986,750 consolidated shares were in issue immediately following the 2016 Share Consolidation becoming effective. The resolution approving the 2016 Share Consolidation was passed by the shareholders of the Company by way of poll at the special general meeting held on 22 February 2016. The 2016 Share Consolidation became effective on 23 February 2016. Details of the 2016 Share Consolidation are disclosed in the announcements of the Company dated 8 January 2016 and 22 February 2016, and the circular of the Company dated 2 February 2016.

### *股份合併*

於二零一六年一月八日，董事會建議待通過所須股東決議案後，將每兩股本公司已發行及未發行股本中每股面值0.05港元之現有股份合併為一股本公司股本中每股面值0.10港元之股份（「**二零一六年股份合併**」）。由於二零一六年股份合併，緊隨二零一六年股份合併生效後，本公司法定股本變為200,000,000港元，分為2,000,000,000股每股面值0.10港元合併股份，當中656,986,750股合併股份為已發行。批准二零一六年股份合併之決議案已於二零一六年二月二十二日舉行之股東特別大會上經本公司股東通過。二零一六年股份合併已於二零一六年二月二十三日生效。有關二零一六年股份合併之詳情，請參閱本公司日期為二零一六年一月八日及二零一六年二月二十二日之公告，以及本公司日期為二零一六年二月二日之通函。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **Placing of new shares under general mandate**

On 22 July 2016, the Company and Supreme China Securities Limited (“**Supreme**”) entered into a placing agreement (“**Placing Agreement**”), pursuant to which Supreme has conditionally agreed to place, on a best endeavours basis, up to 131,380,000 new shares of the Company (“**Placing Shares**”), to not less than six placees who and whose ultimate beneficial owners are independent third parties at a price of HK\$0.169 per Placing Share (“**Placing**”), which represented (i) a discount of 18.75% to the closing price of HK\$0.208 per share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 17.32% to the average closing price of HK\$0.2044 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Placing Agreement. The net issue price was approximately HK\$0.162 per Placing Share and the aggregate nominal value of the Placing Shares under the Placing was HK\$13,138,000. The net proceeds after deduction of expenses from the Placing were approximately HK\$21,223,000, which would be utilised for funding the acquisition of 4% equity interests in C&C and general working capital of the Group. The completion of the Placing took place on 15 August 2016. Details of the Placing are disclosed in the announcements of the Company dated 22 July 2016 and 15 August 2016. As at the date of this report, approximately HK\$19.40 million out of the net proceeds from the Placing had been used as intended for funding the acquisition of 4% equity interests in C&C, and the remaining proceeds of approximately HK\$1.82 million had been utilised as intended for general working capital of the Group.

### **根據一般授權配售新股份**

於二零一六年七月二十二日，本公司與智華證券有限公司（「智華」）訂立配售協議（「**配售協議**」），據此，智華已有條件同意按盡最大努力基準，向不少於六名承配人（彼等及其各自之最終實益擁有人須為獨立第三方）配售131,380,000股本公司新股份（「**配售股份**」），每股配售股份作價0.169港元（「**配售事項**」），相當於：(i)股份於配售協議訂立日期在聯交所所報之收市價每股0.208港元折讓18.75%；及(ii)股份於緊接配售協議訂立日期前五個連續交易日在聯交所所報之平均收市價每股0.2044港元折讓約17.32%。發行價淨額為每股配售股份約0.162港元，而根據配售事項配售的配售股份的最高總面值為13,138,000港元。經扣除費用，配售事項之所得款項淨額約為21,223,000港元，將用作提供收購C&C之4%股權所需之資金以及本集團之一般營運資金。配售事項已於二零一六年八月十五日完成。配售事項之詳情乃披露於本公司日期為二零一六年七月二十二日及二零一六年八月十五之公告。於本報告日期，配售事項所得款項淨額當中約19,440,000港元已按擬定用作撥資收購C&C之4%股權，而餘款約1,820,000港元已按擬定用作本集團之一般營運資金。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### SIGNIFICANT INVESTMENT HELD AND PERFORMANCE

As at 31 December 2016, the Group's held for trading securities, which were companies listed on the Stock Exchange, amounted to approximately HK\$53,844,000 (including its investment in 0.51% issued share capital of Town Health (a listed company principally engaged in the provision of healthcare services) with a fair value of approximately HK\$49,785,000 as at 31 December 2016). For the 2016 Year, the Group received a dividend income of approximately HK\$395,000 from this investment and recorded a realised and unrealised loss due to change in fair value of approximately HK\$180,000 and HK\$13,113,000 respectively.

The Board acknowledges that the performance of equity investment is subject to certain degree of volatility in the Hong Kong stock market and is susceptible to other external factors. It has been the policy of the Company to closely monitor the performance of its securities investment and to diversify the investment portfolio with a view to mitigating possible financial risks related to the equity investment.

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Except for the acquisition of a subsidiary, acquisition of associates and disposal of subsidiaries as disclosed in the section headed "BUSINESS REVIEW" above, the Group did not have any other material acquisition or disposal of subsidiaries and affiliated companies for the 2016 Year.

### OPERATING LEASE COMMITMENTS

Details of operating lease commitments are stated in note 42 to the consolidated financial statements.

### CAPITAL COMMITMENTS

Details of capital commitments are stated in note 43 to the consolidated financial statements.

### 所持重大投資及表現

於二零一六年十二月三十一日，本集團持作買賣證券乃公司於聯交所上市之證券，約為53,844,000港元，包括其於康健（一間主要從事提供保健服務的上市公司）已發行股本0.51%之投資，於二零一六年十二月三十一日公平值約為49,785,000港元。於二零一六年年度，本公司從該投資所收取的股息收入約395,000港元，並由於公平值變動錄得變現及非變現虧損分別約180,000港元及13,113,000港元。

董事會認知股本投資表現受香港股票市場之若干波幅所影響，並且容易受其他外來因素所影響。為了減輕與股本投資有關之潛在財務風險，本公司採取密切監察其證券投資變現及分散投資組合之政策。

### 重大收購及出售附屬公司及聯屬公司

除上文「業務回顧」一節所披露收購一間附屬公司、收購聯營公司及出售附屬公司，本集團於二零一六年年度並無進行任何重大收購或出售附屬公司及聯屬公司。

### 經營租約承擔

經營租約承擔之詳情載於綜合財務報表附註42。

### 資本承擔

資本承擔之詳情載於綜合財務報表附註43。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CHARGES ON THE GROUP'S ASSETS

As at 31 December 2016, the Group had a secured bank borrowing of approximately HK\$5,065,000 (2015: HK\$Nil) relating to continuing operations, which was secured by a legal charge on leasehold land and buildings in Hong Kong with the carrying amounts of approximately HK\$14,914,000 and a corporate guarantee executed by a subsidiary in favour of the bank for the banking facilities of HK\$5,500,000. As at 31 December 2016, the Group's total unutilised banking facilities amounted to HK\$435,000 (2015: HK\$Nil). The banking facilities are subject to the fulfilment of restrictive covenants including certain financial ratios of a subsidiary as a guarantor, as at 31 December 2016, none of the restrictive covenants relating to drawn down facilities had been breached (2015: Nil).

As at 31 December 2015, the Group's bank borrowings were secured by charges on its prepaid lease payments and certain buildings held by the Wallfaith Group with the carrying amounts of approximately HK\$4,214,000 and HK\$4,401,000 respectively. The relevant assets and liabilities were relating to discontinued operation, reclassified as assets held for sale and liabilities associated with assets classified as held for sale as at 31 December 2015 and subsequently disposed on 16 March 2016.

As at 31 December 2016, held for trading securities and cash held in securities trading accounts with stock brokers held by the Group relating to continuing operations with carrying amounts of approximately HK\$Nil (2015: HK\$54,793,000) and HK\$Nil (2015: HK\$29,456,000) respectively have been charged in favour of the brokerage firms as collaterals for the Group's liabilities in respect of its securities trading accounts.

Details of the pledge of assets are set out in note 44 to the consolidated financial statements.

### CONTINGENT LIABILITIES

As at 31 December 2016 and 2015, the Group has no contingent liabilities.

### 本集團資產抵押

於二零一六年十二月三十一日，本集團有關持續經營業務之有抵押銀行借款約為5,065,000港元（二零一五年：零港元），以賬面值約14,914,000港元於香港之租賃土地及樓宇法定押記，以及由一間附屬公司就銀行融資向銀行簽立之公司擔保5,500,000港元作抵押。於二零一六年十二月三十一日，本集團之未動用銀行融資總額為435,000港元（二零一五年：零港元）。銀行融資須符合限制性契約方可作實，包括一間附屬公司作為擔保人之若干財務比率，於二零一六年十二月三十一日，概無有關提取融資之限制性契約已遭違反（二零一五年：無）。

於二零一五年十二月三十一日，本集團之銀行借款以其賬面值分別約為4,214,000港元及4,401,000港元之預付租賃款項及由Wallfaith集團持有之若干樓宇之押記作抵押。相關資產及負債與已終止經營業務有關，並且於二零一五年十二月三十一日重新分類為持作出售之資產及與分類為持作出售之資產有關之負債，其後已於二零一六年三月十六日出售。

於二零一六年十二月三十一日，本集團持續經營業務所持有之持作買賣證券及於證券經紀開設之證券買賣賬戶持有的現金賬面值分別約為零港元（二零一五年：54,793,000港元）及零港元（二零一五年：29,456,000港元），以證券經紀公司為受益人予以押記，作為本集團有關其證券買賣賬戶之負債之抵押品。

資產抵押之詳情載於綜合財務報表附註44。

### 或然負債

於二零一六年及二零一五年十二月三十一日，本集團並無或然負債。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

During the 2016 Year, the business activities of the Group were mainly denominated in Hong Kong dollars and Renminbi.

When appropriate and at times of interest rate or exchange rate uncertainties or volatility, hedging instruments including interest rate swaps and foreign currency forwards contract will be used by the Group in the management of exposure affecting interest rates and foreign exchange rate fluctuations as appropriate.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2016, the Group had a total of 214 (2015: 230) full time employees which were located in the PRC and Hong Kong from continuing operations. As at 31 December 2015, the Group had 259 full time employees from discontinued operation which were all located in the PRC. Total staff costs for the 2016 Year was approximately HK\$40,430,000 (2015 Year: HK\$26,244,000) of which total staff costs from continuing operations recorded approximately HK\$37,353,000 for the 2016 Year (2015 Year: HK\$18,058,000).

The Group remunerates its employees based on their performance, experience and the prevailing market condition. Performance related bonuses are also granted on a discretionary basis. Other employee benefits include mandatory provident fund, insurance and medical coverage, training and share option scheme.

Provident fund benefits are offered to certain full-time employees through a registered scheme under the Occupational Retirement Schemes Ordinance (“**ORSO**”) with the Mandatory Provident Fund exemption. The ORSO scheme is administered by trustees, which are independent, with assets held separately from those of the Group. Under the ORSO scheme, the Group contributes 5% of monthly salaries of employees.

### 外匯風險及利率風險

於二零一六年度，本集團之業務活動主要以港元及人民幣計值。

於適當時及於利率或匯率不明朗或波動時，本集團將使用對沖工具(包括利率掉期及外幣遠期合約)適當管理影響利率及匯率波動之風險。

### 僱員及酬金政策

於二零一六年十二月三十一日，本集團之持續經營業務僱用合共214名(二零一五年：230名)全職僱員，彼等均位於中國及香港。於二零一五年十二月三十一日，本集團之已終止經營業務僱用259名全職僱員，全部均位於中國。二零一六年度之總員工成本約為40,430,000港元(二零一五年度：26,244,000港元)，其中二零一六年度來自持續經營業務之總員工成本約為37,353,000港元(二零一五年度：18,058,000港元)。

本集團根據僱員之表現、經驗及現行市價釐定其薪酬。本集團亦按酌情基準授予表現相關花紅。其他僱員福利包括強制性公積金、保險及醫療、培訓及購股權計劃。

透過根據《職業退休計劃條例》註冊之計劃(「**職業退休計劃**」)，若干全職僱員獲提供公積金福利，並獲豁免強制性公積金。職業退休計劃由獨立於本集團之信託人管理，有關資產與本集團分開持有。根據《職業退休計劃條例》，本集團按照僱員月薪5%作出供款。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong (other than those who are covered under ORSO scheme). The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme subject to a maximum of HK\$1,500 per month.

The employees in the PRC are members of respective state-managed defined contribution retirement benefits scheme operated by the local government. The employer and the employees are obliged to make contributions at a certain percentage of the basic payroll under rules of the schemes. The only obligation of the Group with respect to the retirement benefit schemes is to make the specified contributions.

The total contributions payable to the above schemes by the Group and charged to the consolidated statement of profit or loss and other comprehensive income for the 2016 Year were approximately HK\$2,232,000 (2015 Year: HK\$2,763,000) of which total contributions payable from continuing operations shared approximately HK\$1,911,000 for the 2016 Year (2015 Year: HK\$996,000).

### EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period are set out in note 50 to the consolidated financial statements.

本集團為所有香港合資格僱員（不包括根據職業退休計劃所獲保障者）設立強積金計劃。計劃之資產與本集團之資產分開處理，並由受託人管理之基金持有。本集團向該計劃作出之供款為有關薪金成本之5%，惟每月最高金額不超過1,500港元。

本集團之中國僱員均為個別地方政府營辦之國家管理定額供款退休福利計劃之成員。根據計劃規則，僱主及僱員均有責任按薪金之若干百分比作出供款。本集團對於該等退休福利計劃之唯一責任為作出特定供款。

本集團於二零一六年度根據上述計劃及已於綜合損益及其他全面收益表扣除之應付供款總額約為2,232,000港元（二零一五年度：2,763,000港元），其中持續經營業務於二零一六年度分佔之應付供款總額約為1,911,000港元（二零一五年度：996,000港元）。

### 報告期後事項

報告期後重大事項之詳情載於綜合財務報表附註50。



# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷詳情

### DIRECTORS

#### Executive Directors

**Mr. Chan Ka Chung** (“**Mr. Chan**”), aged 46, has been appointed as the chairman of the Company and an executive Director since 1 October 2016.

Mr. Chan is an executive Director and the chairman of board of directors of China Wah Yan Healthcare Limited (“**China Wah Yan**”) (Stock Code: 648), whose shares are listed on the Main Board of the Stock Exchange and which is the controlling shareholder of the Company.

Mr. Chan, an experienced investor and a seasoned entrepreneur, has extensive international network and in-depth professional knowledge and experience in management and finance. Mr. Chan has been awarded the “Outstanding Entrepreneur of Guangdong Province” by the Guangdong Provincial Executive Association of Entrepreneurs.

He holds a bachelor’s degree in commerce from The University of British Columbia in Canada and a master’s degree in business administration and a post-graduate diploma in marketing from Edinburgh Business School of Heriot-Watt University in the United Kingdom.

### 董事

#### 執行董事

陳嘉忠先生(「陳先生」)，46歲，自二零一六年十月一日起擔任本公司主席及執行董事。

陳先生為中國華仁醫療有限公司(「中國華仁」，其股份在聯交所主板上市)(股份代號：648)的執行董事兼董事會主席，彼亦為本公司的控股股東。

陳先生為經驗豐富的投資者及精幹企業家，擁有廣博的國際商業人脈網絡及深厚的專業知識以及管理及財務經驗，彼亦獲廣東省企業家理事會頒授「廣東省優秀企業家」稱號。

彼於加拿大英屬哥倫比亞大學獲得商科學士學位，於英國赫瑞－瓦特大學愛丁堡商學院獲得工商管理碩士及市場學研究生文憑。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷詳情

**Mr. Leung Pak Hon Anson** (“**Mr. Anson Leung**”), aged 50, has been appointed as an executive Director since 15 May 2013. Mr. Anson Leung has been the compliance officer of the Company since 30 May 2013.

Mr. Anson Leung has experiences in dealing in securities, fund management, corporate management and corporate finance. He was employed by Jardine Fleming Holdings Limited from February 1994 to April 1998 and ABN AMRO Asset Management (Asia) Ltd from May 1998 to August 2000 respectively. He was also employed by CITIC Capital Markets Holdings Limited from September 2000 to June 2002. Mr. Anson Leung has about 13 years of experience in investment, management and operation of manufacture and sale of medications in the pharmaceutical industry. Mr. Anson Leung is responsible for the overall corporate strategies and business development of the Group. He is also a director of a number of subsidiaries of the Company.

Mr. Anson Leung graduated from University of Newcastle, Australia with his Bachelor of Commerce in April 1994. Mr. Anson Leung also obtained his Master of Business Administration from The University of Western Ontario, Canada in September 2001.

梁伯豪先生(「梁先生」)，50歲，自二零一三年五月十五日起擔任執行董事。梁先生自二零一三年五月三十日起擔任本公司合規總監。

梁先生擁有證券交易、基金管理、企業管理及企業融資方面之工作經驗。彼從一九九四年二月至一九九八年四月任職於怡富集團有限公司及從一九九八年五月至二零零零年八月任職於ABN AMRO Asset Management (Asia) Ltd。自二零零零年九月至二零零二年六月，彼亦曾任職於中信資本市場控股有限公司。梁先生於製藥行業擁有約13年藥品製造及銷售方面的投資、管理及營運經驗。梁先生負責本集團之整體企業策略及業務發展。彼亦為本公司多間附屬公司之董事。

梁先生一九九四年四月畢業於澳洲紐卡素大學，獲頒授商業學士學位。梁先生亦於二零零一年九月取得加拿大西安大略大學之工商管理碩士學位。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷詳情

**Ms. Chen Miaoping (“Ms. Chen”)**, aged 38, has been appointed as an executive Director and the chief executive officer of the Company since 30 May 2013 and 16 August 2013 respectively.

Ms. Chen has held various senior positions in various pharmaceutical companies. She is mainly responsible for the strategic planning and daily operations of the pharmaceutical manufacturing and retailing division in the PRC. Ms. Chen has extensive experience in the pharmaceutical industry in the PRC. Ms. Chen is also a director of a number of subsidiaries of the Company.

Ms. Chen graduated from China Pharmaceutical University (中國藥科大學) with Bachelor of Science in pharmacy and graduated from Shenyang Pharmaceutical University (瀋陽藥科大學) with Master of Pharmacy Administration in November 2016.

**Mr. Cheung Wai Kwan (“Mr. Cheung”)**, aged 54, has been appointed as an executive Director since 1 October 2016.

Mr. Cheung, aged 54, is an executive director of China Wah Yan. Mr. Cheung has over 20 years of management experience in manufacturing and distribution of a variety of products including chemical, food and medical products and has maintained an extensive network in Asia, particularly Japan and the PRC.

Mr. Cheung holds a master’s degree in business administration and a bachelor’s degree in business management from Asia University, Japan.

**陳妙嫻女士(「陳女士」)**，38歲，自二零一三年五月三十日及二零一三年八月十六日起分別擔任執行董事及行政總裁。

陳女士曾於多間製藥公司擔任不同高級職務。彼主要於中國之製藥及零售分部負責策略規劃及日常營運。陳女士於中國製藥行業擁有廣泛經驗。陳女士亦為本公司多間附屬公司之董事。

陳女士畢業於中國藥科大學，獲頒發藥學理學學士學位，並於二零一六年十一月於瀋陽藥科大學畢業，獲頒發藥事管理學碩士學位。

**張衛軍先生(「張先生」)**，54歲，自二零一六年十月一日起擔任執行董事。

張先生，現年54歲，為中國華仁之執行董事。張先生在不同種類的產品(包括化學品、食品及醫療產品)的製造及分銷方面具有逾20年管理經驗，在亞洲擁有廣泛商業人脈關係，尤其是日本及中國。

張先生持有日本亞細亞大學之工商管理學位及工商管理碩士學位。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷詳情

### Independent Non-executive Directors

**Mr. Ho Fung Shan Bob** (“**Mr. Ho**”), aged 35, was appointed as an independent non-executive Director on 14 October 2014.

From May 2006 to October 2009, Mr. Ho worked in Winterthur Life (Hong Kong) Limited, which was re-branded as AXA Wealth Management (HK) Limited (“**AXA**”) in 2007, and his last position with AXA was assistant manager. Mr. Ho has been a career representative unit manager of AIA International Limited since November 2009. Mr. Ho is currently a director of each of Medical Tourism Service of Hong Kong Limited (formerly known as AWM Investment Consultancy Limited) and Ling Yuen Ju Company Limited.

Mr. Ho graduated from the City University of Hong Kong in November 2006 and obtained a Bachelor of Business Administration in Marketing.

### 獨立非執行董事

**何峯山先生**（「**何先生**」），35歲，於二零一四年十月十四日獲委任為獨立非執行董事。

於二零零六年五月至二零零九年十月，何先生任職於瑞士豐泰人壽（香港）有限公司（其於二零零七年易名為安盛財富管理（香港）有限公司（「**安盛**」）），而其於安盛之最後職位為副經理。自二零零九年十一月以來，何先生擔任友邦保險（國際）有限公司之授權保險代理人分區經理。何先生現為香港醫療旅遊服務有限公司（前稱為美邦投資顧問有限公司）及靈緣居有限公司之董事。

何先生於二零零六年十一月畢業於香港城市大學，並獲得工商管理榮譽學士（市場營銷學）學位。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷詳情

**Mr. Leung Ka Fai (“Mr. Leung KF”)**, aged 38, has been an independent non-executive Director since 26 June 2013.

Mr. Leung KF was employed by a law firm in Hong Kong as the community service manager. He also worked in Beta Field Capital Limited as a business director from December 2011 to February 2012 and he has worked as the China Business director in Beta Field Capital Limited since April 2013. Mr. Leung KF has been appointed as an independent non-executive director of China Investment Fund International Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 612) from 22 April 2016 to 20 July 2016 and subsequently appointed as a non-executive director with effect from 31 October 2016. Mr. Leung KF has been appointed as an independent non-executive director of Progressive Path Group Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1581), on 15 November 2016.

Mr. Leung KF has been a district council member of Sha Tin District Council since 2008. Mr. Leung KF has also been a committee member of Yunfu City of the Chinese People’s Political Consultative Conference (中國人民政治協商會議雲浮市委員會) in the PRC since January 2013. Mr. Leung KF is currently a member of Sha Tin District of Fight Crime Committee (沙田區撲滅罪行委員會), a vice-chairman of Sha Tin East District in New Territories East Region of District Scout Council of Scout Association of Hong Kong (香港童軍總會新界東地域沙田東區區務委員會). Mr. Leung KF has been a director of Hong Kong Association For The Development of Western China Limited (香港中國西部發展促進會有限公司) since 2011.

**梁家輝先生(「梁先生」)**，38歲，自二零一三年六月二十六日起擔任獨立非執行董事。

梁先生曾於香港一間律師事務所任職社會服務經理。自二零一一年十二月至二零一二年二月，彼亦於必偉資本有限公司擔任業務總監，且彼自二零一三年四月起擔任必偉資本有限公司之中國業務總監。梁家輝先生自二零一六年四月二十二日至二零一六年七月二十日獲委任為中國投資基金國際控股有限公司(其股份在聯交所主板上市)(股份代號：612)的獨立非執行董事，並隨後獲委任為非執行董事，自二零一六年十月三十一日起生效。梁先生於二零一六年十一月十五日獲委任為進昇集團控股有限公司(其股份在聯交所主板上市)(股份代號：1581)的獨立非執行董事。

自二零零八年起，梁先生擔任沙田區議會之區議員。自二零一三年一月起，梁先生亦擔任中國人民政治協商會議雲浮市委員會委員。梁先生目前是沙田區撲滅罪行委員會委員，以及香港童軍總會新界東地域沙田東區區務委員會副主席。自二零一一年起，梁先生擔任香港中國西部研究與發展促進會有限公司之董事。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷詳情

Mr. Leung KF graduated from Upper Iowa University in December 2005. Mr. Leung KF holds a Master of Arts degree in Chinese Language and Literature from The Hong Kong Polytechnic University in October 2008, a Postgraduate Diploma in Education (Teaching in Chinese) from Hong Kong Baptist University in November 2012 and a Master of Arts degree in Sociology from The Chinese University of Hong Kong in November 2014.

**Mr. Yuen Chun Fai (“Mr. Yuen”)**, aged 38, was appointed as an independent non-executive Director on 30 June 2014.

Mr. Yuen has over 14 years of experiences in the field of financial reporting, financial management and audit experience in Hong Kong, the PRC, Malaysia and Singapore. Mr. Yuen was an executive director of Cybertowers Berhad (Stock Code: 0022.KL), a company listed in the ACE Market in Malaysia, from April 2012 to June 2013, and was appointed as a non-independent non-executive director of Cybertowers Berhad, from June 2013 to February 2014. Mr. Yuen was an independent non-executive director of Ping Shan Tea Group Limited, a company whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 364) from 31 July 2014 to 11 May 2016. Mr. Yuen is currently the company secretary and an executive director of WLS Holdings Limited, a company whose shares are listed on GEM (Stock Code: 8021). Mr. Yuen is currently the member of the Sixth Fangchenggang City Committee under Chinese People’s Political Consultative Conference.

Mr. Yuen holds a Bachelor of Science in accounting and finance awarded by The London School of Economics and Political Science in 2002. Mr. Yuen is a fellow of the Association of Chartered Certified Accountants and is also a certified public accountant of the Hong Kong Institute of Certified Public Accountants.

梁先生於二零零五年畢業於美國上愛荷華華大學。梁先生於二零零八年十月獲香港理工大學頒發中國語文及文學之文學碩士學位、於二零一二年十一月獲香港浸會大學頒發以中文授課之教育深造文憑及於二零一四年十一月獲香港中文大學頒發社會學之文學碩士學位。

阮駿暉先生(「阮先生」)，38歲，於二零一四年六月三十日獲委任為本公司獨立非執行董事。

阮先生在香港、中國、馬來西亞及新加坡之財務報告、財務管理及審計報告方面積逾14年經驗。阮先生曾於二零一二年四月至二零一三年六月擔任馬來西亞創業板ACE市場上市公司Cybertowers Berhad (股份代號：0022.KL)之執行董事，並曾於二零一三年六月至二零一四年二月間獲委任為Cybertowers Berhad之非獨立非執行董事。阮先生自二零一四年七月三十一日至二零一六年五月十一日曾為坪山茶業集團有限公司(其股份於聯交所主板上市，股份代號：364)非獨立非執行董事。阮先生現時為匯隆控股有限公司(其股份於創業板上市，股份代號：8021)之公司秘書兼執行董事。阮先生現為中國人民政治協商會議第六屆防城港市委員會委員。

阮先生於二零零二年獲倫敦政治經濟學院頒發會計及金融學學士學位。阮先生為英國特許公認會計師公會資深會員，亦為香港會計師公會執業會計師。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷詳情

### SENIOR MANAGEMENT

**Mr. Bai Hsing Chen** (“**Mr. Bai**”) aged 40, has been registered as a registered medical laboratory technologist in Hong Kong since 1999 and is the senior scientist of ProGene Molecular Diagnostic Center Limited (“**ProGene**”). He joined the Group in August 2015.

Mr. Bai has started to participate in cancer genetic and epigenetic researches since 2000 and joined ProGene in August 2015. Mr. Bai has published twenty research papers in international peer-review journals namely, Nature Medicine and Gut, in his research career. Mr. Bai has extensive experience in research and development in cancer genetic and epigenetic as well as technical works in medical laboratory.

Mr. Bai obtained a (i) Bachelor of Science in Medical Technology from Chang Gung University, Taiwan in 1999; (ii) a Master of Philosophy in Medical Sciences from The Chinese University of Hong Kong in 2004 and; (iii) a Doctor of Science from Ruprecht-Karls-Universität Heidelberg, Germany in 2011.

**Ms. Ma Sze Man** (“**Ms. Ma**”), aged 46, is currently the Head of Operation of the DVF Group. Ms. Ma has joined the DVF Group since August 1988. She is responsible for management of the laboratory operation and decision making for the strategic development of the DVF Group.

Ms. Ma obtained a Bachelor of Science in Life Sciences (Applied Medical Sciences) in December 2002. Ms. Ma has been a member of The International Academy of Cytology since January 2002.

### 高級管理層

白星辰先生(「白先生」)，40歲，白先生已自一九九九年註冊為香港註冊醫學實驗室技術員及準誠分子診斷中心有限公司(「準誠」)的高級科學家。彼於二零一五年八月加入本集團。

白先生自二零零零年起開始參與癌症遺傳學及表觀遺傳學研究，並於二零一五年八月加入準誠。白先生於其研究生涯已經於同行評審期刊(即《自然醫學》及《Gut》)刊發二十篇研究論文。白先生於癌症遺傳學及表觀遺傳學以及醫學實驗室的技術工作擁有廣泛經驗。

白先生獲(i)台灣長庚大學於一九九九年頒發醫學技術理科學士學位；(ii)香港中文大學於二零零四年頒發醫療科學哲學碩士學位；及(iii)德國海德堡大學於二零一一年頒發科學博士學位。

**馬思雯女士**(「馬女士」)，46歲，目前為DVF集團的營運總監。馬女士自一九八八年八月起加入DVF集團。彼負責管理實驗室營運及為DVF集團的戰略性發展制定決策。

馬女士於二零零二年十二月獲生命科學(應用醫學科學)理科學士學位。馬女士自二零零二年一月起為國際細胞學會的會員。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷詳情

**Mr. Wah Sau Yan Michael** (“**Mr. Wah**”), aged 60, has over 25 years of experience working in the molecular and scientific laboratory in both private laboratories and government authorities in Hong Kong, New Zealand and Australia. Mr. Wah is currently the Head of Quality in DVF Holdco (Cayman) Limited and its subsidiaries (collectively, the “**DVF Group**”). Mr. Wah has joined the DVF Group since November 2015. Mr. Wah is a registered medical laboratory technologist in Hong Kong. Mr. Wah is responsible for (i) maintaining the quality management system of the DVF Group; (ii) maintaining The Hong Kong Laboratory Accreditation Scheme (HOKLAS) accreditation; and (iii) assisting the management of the laboratory operation of the DVF Group.

Mr. Wah has extensive experience in (i) medical testing; (ii) implementation of the laboratory information system; and (iii) planning and implementation of the quality improvement of hospitals and private laboratories in Hong Kong.

Mr. Wah obtained a (i) Bachelor of Science in Medical Biology from The University of St Andrews University, United Kingdom in 1983; (ii) a Master of Science from The University of Sydney in 1991; and (iii) a Postgraduate Certificate in Molecular and Diagnostic Pathology from The University of Hong Kong in September 2012. Mr. Wah has been registered as an associate member of the Institute of Medical Laboratory Sciences in the United Kingdom since November 1984, a corporate member of the Australian Institute of Medical Laboratory Scientists since August 1987 and an associate member of the Institute of Medical Laboratory Sciences in New Zealand since September 1988.

華壽恩先生(「華先生」)，60歲，在香港、紐西蘭及澳洲的私人實驗室及政府機構於分子及科學實驗室擁有逾25年工作經驗。華先生目前為DVF Holdco (Cayman) Limited 及其附屬公司(統稱為「**DVF集團**」)的質量部總監。華先生自二零一五年十一月起加入DVF集團。華先生為香港註冊醫學實驗室技術員。華先生負責(i) 維持DVF集團的質量管理系統；(ii) 維持香港實驗所認可計劃 (HOKLAS) 的認可；及(iii) 協助DVF集團的實驗室營運的管理。

華先生於(i) 醫學測試；(ii) 執行實驗室信息系統；及 (iii) 規劃及執行香港醫院及私人實驗室的質素改善擁有廣泛經驗。

華先生獲(i) 英國聖安德魯大學於一九八三年頒發醫療生物學理科學士學位，(ii) 悉尼大學於一九九一年頒發理科碩士學位；及(iii) 香港大學於二零一二年九月頒發分子及診斷病理學深造文憑。華先生自一九八四年十一月起於英國登記註冊為英國醫學化驗科學學會(Institute of Medical Laboratory Sciences)的初級會員，自一九八七年八月起為澳洲醫學化驗科學家學會(Australian Institute of Medical Laboratory Scientists)的法定會員及自一九八八年九月起為紐西蘭醫學化驗科學學會的初級會員。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Pursuant to the Rule 18.44(2) of the GEM Listing Rules, the board of Directors (“**Board**”) is pleased to present the corporate governance report for the year ended 31 December 2016 (“**2016 Year**”). This report highlights the key corporate governance practices of the Company.

### CORPORATE GOVERNANCE PRACTICES

The Board believes that corporate governance is essential to the success of the Company. The Board is committed to maintaining corporate governance with high standard and ensuring compliance of the legal and regulatory requirements. The Company has put in place governance practices with emphasis on the integrity, quality of disclosures, transparency and accountability for the shareholders of the Company.

Throughout the 2016 Year, the Company has complied with the code provisions in the Corporate Governance Code (“**CG Code**”) as set out in Appendix 15 to the GEM Listing Rules save for the deviation from code provision A.2.7 of the CG Code as disclosed below.

Under code provision A.2.7 of the CG Code, the chairman of the Company should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. As the former chairman of the Company, Mr. Cheung Hung, and the existing chairman of the Company, Mr. Chan Ka Chung, was and is also an executive Director, the Company was unable to hold such meeting where no executive Director was present.

根據創業板上市規則第18.44(2)條，董事會（「**董事會**」）欣然提呈其截至二零一六年十二月三十一日止年度（「**二零一六年度**」）的企業管治報告。本報告概述本公司的主要企業管治常規。

### 企業管治常規

董事會認為企業管治對本公司的成功至關重要。董事會致力維持高水準之企業管治，以確保遵守法例及監管規定。本公司已推行企業管治措施，著重對本公司股東之誠信、資料披露之質素、透明度及問責性。

於二零一六年度，本公司一直遵守創業板上市規則附錄十五企業管治守則（「**企業管治守則**」）的守則條文，惟下文披露有關偏離企業管治守則第A.2.7條除外。

根據企業管治守則第A.2.7條，本公司主席須在執行董事缺席下最少每年與非執行董事（包括獨立非執行董事）舉行會議。由於本公司前任主席張鴻先生曾為及本公司現任主席陳嘉忠先生現為執行董事，本公司無法在執行董事缺席下舉行有關會議。

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Under code provision E.1.2 of the CG Code, the chairman of the Company should attend the annual general meeting of the Company. The former chairman of the Company, Mr. Cheung Hung, did not attend the annual general meeting of the Company held on 31 May 2016 (“**2016 AGM**”) due to other commitments during the period of his appointment. However, Mr. Leung Pak Hou Anson, the member of the remuneration committee of the Board and the executive Director, Ms. Chen Miaoping, the chief executive officer of the Company and the executive Director, and Mr. Lei Kin Keong, the former company secretary and financial controller of the Company, attended the 2016 AGM to answer questions and communicate with the shareholders of the Company present thereat.

### COMPLIANCE WITH CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms not less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors, the Company confirmed that all Directors have complied with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the 2016 Year.

根據企業管治守則第E.1.2條，本公司主席須出席本公司股東週年大會。本公司前任主席張鴻先生因於其任期的其他事務未有出席本公司於二零一六年五月三十一日舉行之股東週年大會（「二零一六年股東週年大會」）。然而，梁伯豪先生（董事會薪酬委員會成員及執行董事）、陳妙嫻女士（本公司行政總裁及執行董事）及李健強先生（本公司前任公司秘書及財務總監）均有出席二零一六年股東週年大會，以答覆出席大會之本公司股東之提問並與之溝通。

### 遵守董事進行證券交易之行為守則

本公司已採納一套不遜於創業板上市規則第5.48至5.67條所載規定交易標準有關董事進行證券交易之行為守則。經向全體董事特定查詢後，本公司確認全體董事於二零一六年度，一直遵守有關董事進行證券交易之規定交易標準及行為守則。

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### BOARD OF DIRECTORS

#### Composition

As at 31 December 2016, the Board comprises four executive Directors and three independent non-executive Directors as follows:

#### Executive Directors

Mr. Chan Ka Chung (Appointed on 1 October 2016)  
(Chairman)

Mr. Leung Pak Hou Anson

Ms. Chen Miaoping  
(Chief Executive Officer)

Mr. Cheung Wai Kwan (Appointed on 1 October 2016)

Mr. Cheung Hung (Resigned on 1 October 2016)  
(Chairman)

#### Independent non-executive Directors

Mr. Ho Fung Shan Bob

Mr. Leung Ka Fai

Mr. Yuen Chun Fai

The composition of the Board reflects the combination of skills and experience in different areas with different expertise of the Directors to provide independent opinions and implement strategic plans.

The resignation of the Mr. Cheung Hung as an executive Director, the chairman of the Board and the chairman of the Nomination Committee was due to his other personal commitments which require more of his dedication. Mr. Cheung Hung confirmed that he did not have any disagreement with the Board and there was no matter in relation to his resignation that would need to be brought to the attention of the shareholders of the Company.

There is no relationship among members of the Board and the biographical details of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" of this report.

#### Directors' Insurance

The Company has arranged appropriate insurance cover in respect of legal action against the Directors in compliance with code provision A.1.8 of the CG Code.

### 董事會

#### 組成

於二零一六年十二月三十一日，董事會包括四名執行董事及三名獨立非執行董事，成員如下：

#### 執行董事

陳嘉忠先生 (主席) (於二零一六年十月一日獲委任)

梁伯豪先生

陳妙嫻女士 (行政總裁)

張衛軍先生 (於二零一六年十月一日獲委任)

張鴻先生 (主席) (於二零一六年十月一日辭任)

#### 獨立非執行董事

何峯山先生

梁家輝先生

阮駿暉先生

董事會的組成反映董事在不同專業不同領域的技巧與經驗的混合以提供獨立意見及推動策略計劃。

張鴻先生辭任執行董事、董事會主席及提名委員會主席是由於需要投入更多時間專注其他個人事務。張鴻先生確認，彼與董事會並無任何意見分歧，亦無任何有關其辭任且必須敦請本公司股東垂注的事宜。

董事會成員之間並無任何關係，而董事之履歷詳情載於本報告「董事及高級管理層履歷詳情」一節。

#### 董事之保險

本公司已根據企業管治守則之守則條文第A.1.8條安排適當保險，使董事面對法律訴訟時有所保障。

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### Responsibilities, accountabilities and contributions of the Board and management

The Company is governed by the Board, which is primarily responsible for formulating the overall strategy development of the Group and overseeing management, administration and operation of the Group. The Board should assume responsibility for leadership and control of the Group by directing and supervising its affairs. All Directors should make decisions objectively in the interests of the Company.

The Board reserves for its decision on all major matters relating to (i) monitoring and executing the internal control and risk management; (ii) evaluating the financial performance; (iii) seeking and evaluating of any potential material acquisitions, disposals, investments or transactions; and (iv) approving appointment of Directors and other significant operational matters of the Group including setting the overall strategies and directions for the Group with a view to developing its business and enhancing return to the shareholders.

Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the management of the Group. The Board has reviewed the delegation to management periodically to ensure that they remain appropriate.

The biographical details of the Directors are set out in the section above headed "Biographical Details of Directors and Senior Management" on page 39 to page 46 of this report. Their role and function are published on the websites of the Company and the Stock Exchange. Save as disclosed in this report, none of the Directors has any relationship (including financial, business, and family or other material/relevant relationship) with each other.

All Board committees of the Company are established with defined written terms of reference.

The respective terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee have been published on the websites of the Company and the Stock Exchange.

### 董事會及管理層的責任、問責性及貢獻

本公司由董事會管治，董事會主要負責制訂本集團之整體戰略發展，以及監督本集團之管理、行政及營運。董事會應當承擔領導責任並管理本集團，領導及監察本集團的事務。所有董事應以本公司利益作出客觀決策。

董事會負責決定所有重要事宜，當中涉及(i)監控及執行內部監控及風險管理；(ii)評估財務表現；(iii)尋找及評估任何潛在重大收購、出售、投資或交易；及(iv)批准董事的委任及本公司其他重大營運事宜，包括設立本集團的整體策略及指導方向以期發展業務及提高股東回報。

本集團管理層獲授有關履行董事會決策、領導及統籌本公司日常營運及管理的責任。董事會定期檢討有關委託確保管理層仍然勝任。

董事的履歷詳情載於本報告第39至46頁上文「董事及高級管理層履歷」一節內。彼等的角色及職能登載於本公司網站及聯交所網站。除本報告所披露者外，各董事之間並無任何關係（包括財務、商業、家族或其他重大／相關關係）。

本公司的所有董事會委員會成立時均制定書面職權範圍。

審核委員會、薪酬委員會及提名委員會各自的職權範圍已登載於本公司網站及聯交所網站。

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### Attendance of Directors at Meetings

The attendance of the Directors at the general meetings of the Company, the meetings of each of the Board, the Audit Committee, the Remuneration Committee, and the Nomination Committee during the 2016 Year are set out below:

### 董事出席會議的情況

董事於二零一六年年末出席本公司股東大會、董事會會議、審核委員會、薪酬委員會及提名委員會會議的情況如下：

Name of Directors	董事名稱	Notes	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	General Meeting
		附註	董事會會議	審核委員會會議	薪酬委員會會議	提名委員會會議	股東大會
<i>Executive Directors</i>							
	<i>執行董事</i>						
Mr. Chan Ka Chung	陳嘉忠先生	1	8/8	N/A 不適用	1/1	N/A 不適用	N/A 不適用
Mr. Cheung Hung	張鴻先生	2	15/16	N/A 不適用	N/A 不適用	2/2	3/4
Mr. Leung Pak Hou Anson	梁伯豪先生		23/24	N/A 不適用	2/2	N/A 不適用	3/4
Ms. Chen Miaoping	陳妙嫻女士		24/24	N/A 不適用	N/A 不適用	N/A 不適用	4/4
Mr. Cheung Wai Kwan	張衛軍先生	3	7/8	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<i>Independent Non-executive Directors</i>							
	<i>獨立非執行董事</i>						
Mr. Ho Fung Shan Bob	何峯山先生		23/24	6/6	2/2	2/2	4/4
Mr. Leung Ka Fai	梁家輝先生		24/24	6/6	2/2	2/2	0/4
Mr. Yuen Chun Fai	阮駿暉先生		24/24	6/6	2/2	2/2	4/4

#### Notes:

- Mr. Chan Ka Chung was appointed as an executive Director, the chairman of the Company, the chairman of the Nomination Committee and a member of the Remuneration Committee with effect from 1 October 2016.
- Mr. Cheung Hung ceased to act as an executive Director, the chairman of the Company and the chairman of the Nomination Committee as a result of his resignation with effect from 1 October 2016.
- Mr. Cheung Wai Kwan was appointed as an executive Director with effect from 1 October 2016.

#### 附註：

- 陳嘉忠先生獲委任為執行董事、本公司主席、提名委員會主席及薪酬委員會成員，自二零一六年十月一日起生效。
- 張鴻先生由於辭任，不再擔任執行董事、本公司主席、提名委員會主席及薪酬委員會成員，自二零一六年十月一日起生效。
- 張衛軍先生獲委任為執行董事，自二零一六年十月一日起生效。

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The Directors have received details of agenda and minutes of committee meetings in advance of and after each Board meeting respectively. The company secretary of the Company (“**Company Secretary**”) has distributed relevant documents to the Directors in a timely manner to enable the Directors to make informed decisions on matters to be raised at the Board meeting. All Directors have access to the advices and services of the Company Secretary who is responsible for ensuring the procedures of the Board meetings are complied with, and in consultation with the compliance officer of the Company, advising the Board on compliance matters.

In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company’s expense in discharging their duties to the Company. Moreover, the Company Secretary have prepared minutes of the Board meetings and kept records of matters discussed and decisions resolved at all Board meetings. The Company Secretary also has kept the minutes of the Board meetings, which are open for inspection at any reasonable time on reasonable notice by any Director.

### APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Pursuant to code provision A.4.1 of the CG Code stipulates that non-executive Directors should be appointed for a specific term, subject to re-election. All existing independent non-executive Directors are appointed for a specific term of one year.

According to Company’s bye-laws, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

董事於每次董事會會議舉行前及舉行後分別收到詳細之議程和及委員會會議之記錄。本公司之公司秘書(「**公司秘書**」)適時向董事分發有關文件，確保董事可在知情情況下就董事會會議上提呈事項作出決定。所有董事均可獲公司秘書提供意見及服務，公司秘書將確保董事會會議程序得以遵守，並於諮詢本公司合規總監後，就合規事宜向董事會提供意見。

此外，本公司已訂立一套程序，讓董事在合適情況下，於履行彼等對本公司之職責時，尋求獨立專業意見，開支由本公司支付。另外，公司秘書亦為所有董事會會議上討論之事宜以及議決之決定，編製董事會會議記錄並保存有關記錄。公司秘書亦保存董事會會議記錄，並可於任何董事發出合理通知後，在任何合理時間供董事查閱。

### 委任、重選及罷免董事

企業管治守則之守則條文第A.4.1條規定，非執行董事之委任應有指定任期，惟可膺選連任。所有現任獨立非執行董事之委任期均為一年。

根據本公司之公司細則，每屆股東週年大會須有三分之一董事退任，而各董事亦須最少每三年輪席退任一次。任何獲董事會委任以填補臨時空缺的董事將任職至獲委任後的首個股東大會，並須於該會上重選，而任何獲董事會委任以增添現有董事會的董事將只可任職至本公司下屆股東週年大會，並合符資格重選。

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### INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 5.05 of the GEM Listing Rules, the Company has three independent non-executive Directors; one of them has appropriate professional qualification or accounting or related financial management expertise. The Company confirmed that annual confirmations of independence were received from each of the Company's independent non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules and all independent non-executive Directors are considered to be independent.

### BOARD COMMITTEES

As part of the corporate governance practices, the Board has established the Audit Committee, the Nomination Committee and the Remuneration Committee with terms of reference in accordance with the principles set out in the CG Code. The compositions of the various committees of the Company on 31 December 2016 were set out below:

#### Audit Committee

The Audit Committee is currently composed of three independent non-executive Directors, namely, Mr. Ho Fung Shan Bob, Mr. Leung Ka Fai and Mr. Yuen Chun Fai. Mr. Yuen Chun Fai has been appointed as the chairman of the Audit Committee. The financial results for the 2016 Year have been reviewed by the Audit Committee.

The principal duties of the Audit Committee include:

- (a) to review the relationship with the external auditor to (i) make recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; and (ii) review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

### 獨立非執行董事

根據創業板上市規則第5.05條，本公司有三名獨立非執行董事，其中一名擁有合適之專業資格或會計或相關財務管理專長。本公司確認已接獲各本公司獨立非執行董事根據創業板上市規則第5.09條規定而發出的年度獨立確認書，並認為各獨立非執行董事均為獨立。

### 董事委員會

作為企業管治常規的一部份，董事會已成立審核委員會、提名委員會及薪酬委員會，職權範圍乃根據企業管治守則所載的原則制定。於二零一六年十二月三十一日，本公司各委員會的組成如下：

#### 審核委員會

審核委員會現時由三名獨立非執行董事何峯山先生、梁家輝先生及阮駿暉先生組成。阮駿暉先生已獲委任為審核委員會主席。二零一六年度之財務業績已獲審核委員會審閱。

審核委員會之主要職責包括：

- (a) 檢討與外聘核數師之關係，以便(i)就外聘核數師之委任、續聘及罷免向董事會提供建議，批准外聘核數師之薪酬及委聘條款，以及處理任何有關其辭任及免任之事宜；及(ii)按適用之標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；

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- (b) to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and quarterly reports, and review these reports and significant financial reporting judgments contained in them;
  - (c) to review the Company's financial controls, risk management and internal control systems, discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems, and consider major investigation findings on risk management and internal control matters;
  - (d) to consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors; and
  - (e) to review arrangements employees of the Company can use, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters, and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.
- (b) 監察本公司財務報表及年報及賬目、半年度報告及季度報告之完整性，並且審閱該等報告及其中所載之重大財務報告判斷；
  - (c) 檢討本公司之財務監控、風險管理及內部監控制度，與管理層討論風險管理及內部監控制度，以確保管理層已履行職責建立有效的系統，並且考慮有關風險管理及內部監控事宜之主要調整結果；
  - (d) 考慮於報告及賬目中所反映或需反映之任何重大或不尋常事項，並應適當地考慮任何由本公司屬下負責會計及財務匯報之職員、監察主任或核數師提出之任何事項；及
  - (e) 檢討有關本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生之不正當行為提出關注之安排，確保設有適當安排對此等事宜作出公平獨立調查及採取適當跟進行動。

During the 2016 Year, the Audit Committee has performed the above mentioned principal duties and reviewed the Company's monthly unaudited consolidated financial statements, annual results, annual report, interim report and quarterly reports and to advise and comments thereon to the Board. The Audit Committee has performed the duties to review the compliance procedures, report on the Company's internal control and risk management. The Audit Committee also met the external auditor twice without the presence of the executive Directors. Besides, there is no disagreement between the Board and the Audit Committee regarding the re-appointment of external auditor.

於二零一六年年，審核委員會已履行上述主要職責，並審閱本公司每月之未經審核綜合財務報表、年度業績、年報、中期報告及季度報告，並據此向董事會提供意見及建議。審核委員會已履行職責審閱合規程序，就本公司之內部監控及風險管理作出報告。審核委員會亦曾在未有執行董事出席之情況下，與外聘核數師舉行兩次會議。此外，董事會與審核委員會之間並無就續聘外聘核數師發生任何意見不合。



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The Audit Committee established with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The full terms of reference setting out the Audit Committee's authority and its role and responsibilities are available on the websites of the Company ([www.ruikang.com.hk](http://www.ruikang.com.hk)) and the Stock Exchange.

### Remuneration Committee

The Remuneration Committee is currently composed of three independent non-executive Directors, namely Mr. Ho Fung Shan Bob, Mr. Leung Ka Fai and Mr. Yuen Chun Fai and two executive Directors, Mr. Chan Ka Chung and Mr. Leung Pak Hou Anson. Mr. Chan Ka Chung was appointed as member of the Remuneration Committee with effect from 1 October 2016. Mr. Yuen Chun Fai has been appointed as the chairman of the Remuneration Committee.

The principal duties of the Remuneration Committee include:

- (a) making recommendations on the remuneration policy and structure of the Company, and determining the remuneration packages of, all Directors and senior management to the Board for the Board's final determination pursuant to Code Provision B.1.2(a) of the CG Code; and
- (b) establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration pursuant to Code Provision B.1.2(h) of the CG Code

The Remuneration Committee held two meetings during the 2016 Year to perform the above mentioned principal duties.

Details of the Directors' remuneration and five individuals with highest emoluments are set out in note 17 to the consolidated financial statements.

審核委員會乃按創業板上市規則第5.28及5.29條之規定制定書面職權範圍。關於審核委員會的職權範圍，包括其權限、工作角色及責任，可於本公司網站([www.ruikang.com.hk](http://www.ruikang.com.hk))及聯交所網站詳查。

### 薪酬委員會

薪酬委員會由三名獨立非執行董事何峯山先生、梁家輝先生及阮駿暉先生以及兩名執行董事陳嘉忠先生及梁伯豪先生組成。陳嘉忠先生獲委任為薪酬委員會成員(自二零一六年十月一日起生效)。阮駿暉先生已獲委任為薪酬委員會主席。

薪酬委員會之主要職責包括：

- (a) 根據企業管治守則之守則條文第B.1.2(a)條，就本公司之薪酬政策及架構以及釐定所有董事及高級管理層之薪酬計劃，向董事會作出建議，以便董事會作出最終決定；及
- (b) 根據企業管治守則之守則條文第B.1.2(h)條，制定透明程序以建立有關薪酬政策及架構，以確保董事或其任何聯繫人士將不會參與決定其本身之薪酬。

於二零一六年度內，提名委員會已舉行兩次會議，以履行上述主要職責。

有關董事薪酬及五名最高薪人士之詳情，載於綜合財務報表附註17。

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In addition, pursuant to the Code Provision B.1.5 of the CG Code, the annual remuneration of the members of the current senior management of the Group by band for the 2016 Year is set out below:

此外，根據企業管治守則之守則條文第B1.5條，於二零一六年度本集團現任高級管理層成員之年度薪酬按酬金組別劃分如下：

Emoluments band	酬金組別	Number of individuals	人數
HK\$Nil to HK\$1,000,000	零港元至1,000,000港元	3	

The Remuneration Committee established with written terms of reference in compliance with Rules 5.34 and 5.35 of the GEM Listing Rules. The full terms of reference setting out the Remuneration Committee's authority and its role and responsibilities are available on the websites of the Company ([www.ruikang.com.hk](http://www.ruikang.com.hk)) and the Stock Exchange.

薪酬委員會乃按創業板上市規則第5.34條及第5.35條制定書面職權範圍。關於薪酬委員會的職權範圍，包括其權限、工作及責任，可於本公司網站([www.ruikang.com.hk](http://www.ruikang.com.hk))及聯交所網站詳查。

### Nomination Committee

Mr. Cheung Hung has tendered his resignation as the chairman of the Nomination Committee with effect from 1 October 2016. Mr. Chan Ka Chung was appointed as chairman of the Nomination Committee of the Board on 1 October 2016.

### 提名委員會

張鴻先生已辭任提名委員會主席，自二零一六年十月一日起生效。陳嘉忠先生於二零一六年十月一日獲委任為董事會提名委員會主席。

The Nomination Committee is currently composed of three independent non-executive Directors, namely Mr. Ho Fung Shan Bob, Mr. Leung Ka Fai and Mr. Yuen Chun Fai and one executive Director and the chairman of the Company, Mr. Chan Ka Chung.

提名委員會目前由三名獨立非執行董事何峯山先生、梁家輝先生及阮駿暉先生以及一名執行董事兼本公司主席陳嘉忠先生組成。

The principal duties of the Nomination Committee include:

提名委員會之主要職責包括：

- (a) reviewing the structure, size; composition (including the skills, knowledge and experience) and diversity (including but not limited to gender, age, cultural and education background or professional experience or geography pursuant to Code Provision A.5.6 of the CG Code) of the Board on a regular basis and recommending any changes to the Board;

- (a) 定期檢討董事會之架構、人數、組成(包括技能、知識及經驗)及多元化(根據企業管治守則之守則條文第A.5.6條包括但不限於性別、年齡、文化及教育背景或專業經驗或地域分佈)，並向董事會建議任何變動；

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- (b) identifying qualified and suitable individuals to become Board members and selecting and making recommendations to the Board on the selection of individuals nominated for directorships;
  - (c) assessing the independence of independent non-executive Directors; and
  - (d) making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular, the chairman and the chief executive officer of the Company.
- (b) 物色具備合適資格可擔任董事會成員之候選人並進行挑選，以及就提名有關人士出任董事向董事會作出建議；
  - (c) 評估獨立非執行董事之獨立性；及
  - (d) 就有關董事委任或重新委任以及董事（尤其是本公司主席及行政總裁）繼任計劃之有關事宜向董事會作出建議。

During the 2016 Year, two meetings were held by the Nomination Committee to, among, other thing, review the structure, size, composition and diversity of the board, assess the independence of each of the independent non-executive Directors, and recommend to the Board for approval. The Nomination Committee reviewed the board diversity policy to ensure its effectiveness and considered that the Group has implemented the policy since its adoption.

The full terms of reference setting out the Nomination Committee's authority and its role and responsibilities are available on the websites of the Company ([www.ruikang.com.hk](http://www.ruikang.com.hk)) and the Stock Exchange.

於二零一六年度內，提名委員會已舉行兩次會議，以檢討（其中包括）董事會之架構、人數、組成及多元化，就各獨立董事委員會的獨立性作出評估，並向董事會提出建議以供董事會批准。提名委員會審閱董事會成員多元化政策以確保其成效，並認為本集團自採納後一直有在執行該政策。

關於提名委員會的職權範圍，包括其權限、工作及責任，可於本公司網站 ([www.ruikang.com.hk](http://www.ruikang.com.hk))及聯交所網站詳查。

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### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. The positions of the chairman and the chief executive officer are held separately by Mr. Chan Ka Chung and Ms. Chen Miaoping respectively. This segregation ensures a clear distinction between the chairman's responsibility to manage the Board and the chief executive officer's responsibility, with support by the senior management, to manage the Company's business including the implementation of major strategies and initiatives adopted by the Board.

The responsibilities of the chairman of the Company is to ensure the Board to work effectively and perform its responsibilities, and all key and appropriate issues are discussed by the Board, draw up and approve the agenda for each board meeting and take into accounts, any matters proposed by others Directors for inclusion in the agenda.

### COMPANY SECRETARY

The Company Secretary supports the Board and Board committees by ensuring good information flow within the Board and that Board policy and procedures are followed. The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary is appointed by the Board and reports to the chairman and the chief executive officer of the Company. The Company Secretary also plays an essential role in the relationship between the Company and its shareholders, and assists the Board in discharging its obligations to shareholders pursuant to the GEM Listing Rules.

### 主席及行政總裁

根據企業管治守則之守則條文第A.2.1條，本公司主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席與行政總裁間之職責分工應清楚界定並以書面列載。主席及行政總裁之職務已區分，分別由陳嘉忠先生及陳妙嫻女士出任。是項職務分開確保主席之責任（管理董事會）與行政總裁之責任（在高級管理層之支持下管理本公司之業務，包括推行由董事會採納之主要策略及措施）存在清晰劃分。

本公司主席之職責為確保董事會有效運作及履行其責任，並及時就所有重要及適當事項於董事會進行討論，擬定及批准各董事會會議的議程，以及考慮其他董事提議加入議程之任何事項。

### 公司秘書

公司秘書通過確保董事會成員之間資訊交流良好，以及董事會政策及程序妥為遵循，以支持董事會及董事會委員會的運作。公司秘書為本公司全職僱員並熟知本公司的日常事務。本公司公司秘書由董事會委任並向主席及行政總裁負責。公司秘書亦對本公司與其股東之間的關係有重大影響，並根據創業板上市規則協助董事會向股東履行其職責。

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Mr. Lei Kin Keong (“**Mr. Lei**”) was the Company Secretary and undertook not less than 15 hours of relevant professional training to update his skills and knowledge during the 2016 Year. Mr. Lei was also authorised representative (“**Authorised Representative**”) of the Company under Rule 5.24 of the GEM Listing Rules and directors of several subsidiaries of the Company during the 2016 Year.

Mr. Lei has resigned as the Company Secretary and financial controller of the Company on 28 February 2017. Mr. Fung Wing Sang (“**Mr. Fung**”) has been appointed as the Company Secretary and the Authorised Representative on 28 February 2017. The biographical details of Mr. Fung have been disclosed in the Company’s announcement dated 28 February 2017.

### CONTINUING PROFESSIONAL DEVELOPMENT OF DIRECTORS

Each newly appointed Director should be provided with necessary induction and information to ensure that he/she has a proper understanding of the Company’s operations and businesses as well as his/her responsibilities under the relevant statutes, laws, rules and regulations.

Directors’ training is an ongoing process. During the 2016 Year, the Directors are provided with monthly updates on the Company’s performance and position to enable the Board as a whole and each Director to discharge their duties.

Under the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Directors are encouraged to participate in continuous professional development.

All Directors participated in continuous professional development by attending training and reviewing the materials relating to the latest development of the GEM Listing Rules and other applicable regulatory requirements during the 2016 Year in order to develop and refresh their knowledge and skills. The Company updates the Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements from time to time to ensure compliance and enhance their awareness of good corporate governance practices.

李健強先生(「**李先生**」)曾為公司秘書，於二零一六年度內參與了不少於15小時的相關專業培訓以更新其技能及知識。李先生於二零一六年度內亦曾為本公司根據創業板上市規則第5.24條之授權代表(「**授權代表**」)及本公司多間附屬公司之董事。

李先生於二零一七年二月二十八日辭任公司秘書及本公司財務總監。馮永生先生(「**馮先生**」)於二零一七年二月二十八日獲委任為公司秘書及授權代表。馮先生的履歷詳情已於本公司日期為二零一七年二月二十八日之公告內披露。

### 董事之持續專業發展

所有新委任的董事應獲提供必要的入職培訓及資料，確保其對本公司的營運及業務以及其於相關法規、法例、規則及條例下對彼等的責任有適當程度的了解。

培訓董事之工作會持續進行。於二零一六年度，董事獲提供有關本公司表現及狀況之每月更新資料，以便董事會整體及各董事履行彼等之職責。

根據企業管治守則之守則條文第A.6.5條，每名董事均須參與持續專業發展以發展及更新彼等的知識及技能。本公司鼓勵各董事參與持續專業發展。

於二零一六年度，全體董事均參與持續專業發展，曾參加有關創業板上市規則及其他適用監管規定最新發展的培訓及閱覽相關資料，以發展及更新彼等之知識及技能。本公司不時為董事更新有關創業板上市規則及其他適用監管規定之最新發展，確保彼等合規並提升對良好企業管治常規之關注度。

# CORPORATE GOVERNANCE REPORT

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During the 2016 Year, the Directors have participated in the following trainings at the Company's expenses:

於二零一六年年，董事在參與了下列由本公司付費的培訓活動：

Name of Directors	董事姓名	Type of trainings 培訓類型	
		Seminars 研討會	Reading Materials 閱讀資料
<i>Executive Directors</i>		<i>執行董事</i>	
Mr. Chan Ka Chung	陳嘉忠先生	N/A 不適用	B
Mr. Cheung Hung	張鴻先生	N/A 不適用	B
Mr. Leung Pak Hou Anson	梁伯豪先生	A	B
Ms. Chen Miaoping	陳妙嫻女士	A	B
Mr. Cheung Wai Kwan	張衛軍先生	N/A 不適用	B
<i>Independent Non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Ho Fung Shan Bob	何峯山先生	A	B
Mr. Leung Ka Fai	梁家輝先生	A	B
Mr. Yuen Chun Fai	阮駿暉先生	A	B

A: Seminar in relation to the environmental, social and governance reporting guidelines, updates on stamp duty and case study on violation of the GEM Listing Rules held on 21 November 2016.

A: 於二零一六年十一月二十一日所舉行有關環境、社會及管治報告指引、印花稅更新資料及違反創業板上市規則的案例研究之研討會。

B: Reading materials given by the Company in relation to the regular updates on GEM Listing Rules, corporate governance and other applicable legal and regulatory requirements.

B: 由本公司提供有關創業板上市規則、企業管治及其他適用之法律及監管規定定期更新的閱讀資料。

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## 企業管治報告

### ACCOUNTABILITY AND AUDIT

#### Financial Reporting

The Board acknowledges its responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group. The Board is not aware of any material uncertainties relating to events or condition that might cast significant doubt upon the Company's ability to continue in business.

Accordingly, the Board has prepared the financial statements of the Company on a going concern basis. The Board also acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual, interim and quarterly reports, other price-sensitive announcements and other financial disclosures required under the GEM Listing Rules, and reports to the regulators as well as to information required to be disclosed pursuant to statutory requirements.

The above statements, which should be read in conjunction with the independent auditors' report set out from pages 103 to 111 of this annual report, are made with a view to distinguishing for shareholders how the responsibilities of the Directors differ from those of the auditor in relation to the financial statements.

Having made appropriate enquiries and examined major areas which could give rise to significant financial exposures, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements for the 2016 Year; the Directors considered the Group has applied appropriate accounting policies consistently, made judgments and estimates that are prudent and reasonable in accordance with applicable accounting standards.

The quarterly, interim and annual results and reports were published within the time limits as required under the GEM Listing Rules after the end of the relevant periods to provide stakeholders with transparent and timely financial information.

### 問責及審核

#### 財務報告

董事會確認其有責任就各財政年度編製真實及公平地反映本集團事務狀況之財務報表。董事會並不知悉與任何事件或情況有關之重大不明確因素，其足以致使本公司之持續經營能力產生重大疑慮。

因此，董事已採用持續經營基準編製本公司之財務報表。董事會亦確認，其有責任在本公司年報及中期及季度報告、其他價格敏感公佈及創業板上市規則規定之其他財務披露中，提供中肯、清晰及易於理解之評估，並向監管機構呈交報告以及根據法定規定披露所需資料。

以上聲明應與載於本年度報告第103至111頁之獨立核數師報告一併閱讀，旨在讓股東分辨董事與核數師各自就財務報表所承擔責任的區別。

經作出適當查詢及檢查可能導致重大財務風險的主要範疇後，董事有理由預期，本公司具備充裕資源在可見將來繼續經營。因此，於編製二零一六年度財務報表時繼續採取持續經營基準，董事認為本集團已貫徹應用合適的會計政策，並根據適用的會計準則作出審慎合理的判斷及估計。

季度、中期及年度業績及報告乃於有關期間完結後按照創業板上市規則的規定時限內刊發，藉以向權益持有人提供具透明度及適時的財務資料。

# CORPORATE GOVERNANCE REPORT

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### Risk Management and Internal Control

The management has the responsibility to maintain appropriate and effective risk management and internal control systems and the Board and the Audit Committee has responsibility to review and monitor the effectiveness of the Group's risk management and internal control system covering material controls, including financial, operational and compliance controls on an ongoing basis to ensure that the systems in place are adequate and effective and safeguard the interests of the Company's shareholders and the Group's assets. The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- *Identification:* Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- *Evaluation:* Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- *Management:* Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organisations of the Treadway Commission COSO 2013 framework ("COSO"). The COSO enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the COSO are shown as follows:

- *Control Environment:* A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- *Risk Assessment:* A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.

### 風險管理與內部監控

管理層負責維持合適及有效之風險管理及內部監控系統，而董事會及審核委員會負責每年持續檢討及監察本集團的風險管理及內部監控系統(涵蓋包括財務、運營及合規監控等重要監控)之有效性，以確保現時系統之足夠性及有效性以及保護本公司股東利益及本集團資產。本集團已採納一項風險管理系統以管理有關其業務及營運的風險。該系統包括以下層面：

- *識別：* 識別風險所有權、業務目標及可能影響目標達成的風險。
- *評估：* 分析風險的可能性及影響並對風險組合作出相應評估。
- *管理：* 考慮風險應對，確保與董事會已就風險進行有效溝通並持續監察剩餘風險。

本公司已制定符合the Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 於二零一三年發出的框架之內部監控系統。COSO可促使本集團達致營運有效性及效率性、財務報告可靠性及遵守適用法例及規例的目標。COSO由以下關鍵部份組成：

- *監控環境：* 為本集團開展內部監控提供基礎的一套標準、程序及結構。
- *風險評估：* 識別及分析風險以達成本集團目標並就如何管理風險形成依據的動態交互流程。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

- *Control Activities:* Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- *Information and Communication:* Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- *Monitoring:* Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.
- *監控行動:* 政策及程序為幫助確保減輕風險以達成目標的管理層指令獲執行而制定的行動。
- *資料及通訊:* 為本集團提供進行日常監控所需資料的內部及外部通訊。
- *監察:* 為確定內部監控的各組成部份是否存在及運行而進行的持續及單獨評估。

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.
- 僅少數僱員可按需要查閱相關資料。掌握內幕消息的僱員充分熟知彼等的保密責任。
- 本集團進行重大磋商時將會訂立保密條款。
- 當與外界團體譬如媒體、分析家或投資者溝通時，執行董事為代表本公司發言之指定人士。

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

為提高本集團處理內幕消息的系統，並為確保其公開披露的真實性、準確性、完整性和及時性，本集團亦採納及執行一套內幕消息政策及程序。本集團已不時採納若干合理措施以確保存在適當保障以防止違反有關本集團的披露規定，其中包括：

然而，本集團之風險管理及內部監控系統旨在管理而非消除不能達成業務目標的風險，並僅可對重大錯誤陳述或損失提供合理但並非絕對之保證。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group has conducted an annual review on whether there is a need for an internal audit department. During the 2016 Year, the Company engaged an independent professional firm as internal audit function which consisted of professional staff with relevant expertise (such as Certified Public Accountants), to conduct a review of the risk management and internal control systems for its business operations and processes of the Group by conducting interviews, walkthroughs and test of operating effectiveness annually. The review was done on a systematic basis based on the risk assessments of the operations and controls, and covered (a) review of sales and receipts cycle of major subsidiaries in Hong Kong, inventory management cycle of the subsidiaries in Guizhou for the 2016 Year; and (b) follow-up review of deficiencies identified in the 2015 Year, which are sales and receipts cycle and purchases and payments cycles of the subsidiaries in Guizhou and investment management cycle of the Group. The review plan has been approved by the Board and the Audit Committee. The Board and the Audit Committee has also reviewed the resources, staff qualifications and experience, training programs and budget of the independent professional firm and considered they are adequate and sufficient. In addition, there is regular dialogue with the Group's internal and external auditors so that both are aware of the significant factors which may affect their respective scope of work.

The internal control review report for the 2016 Year, issued by the independent professional firm, listed out the findings of the weaknesses identified in 2016 Year in regard to the relevant cycles and procedures with recommendations proposed for the Company to further improve its internal control system. No significant deficiency was identified during the review. The result of the review has been reported to the Board and the Audit Committee and areas of improvement, if any, have been identified and appropriate measures have been put in place to manage the risks. The Board and the Audit Committee reviewed the risk management and internal control system in respect of the 2016 Year. Several areas have been considered during the reviews, which included but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment, (ii) the scope and quality of management's ongoing monitoring of risk management and internal control system. The Board and the Audit Committee considered the systems effective and adequate throughout the 2016 Year.

本集團已就是否需要設立內部審計部門進行年度審閱。於二零一六年度，本公司委聘一名獨立專業公司擔任內部審核職能，由具備相關專業技能的專業員工（譬如執業會計師）組成，通過每年進行訪談、走查及測試營運有效性為其業務營運及本集團流程進行風險管理及內部監控系統審閱。審閱基於營運及監控之風險評估而系統完成，並包括(a) 審閱二零一六年度香港主要附屬公司之銷售及收款週期、貴州附屬公司之庫存管理週期；及(b) 跟進審閱於二零一五年度所識別的缺陷，有關缺陷為貴州附屬公司之銷售及收款週期及購買及付款週期以及本集團的投資管理週期。董事會及審核委員會已經批准該審閱計劃。董事會及審核委員會亦已審閱獨立專業公司的資源、員工資歷、培訓項目及預算，並認為彼等屬充足及充分。此外，本集團內部與外部核數師進行定期對話，故雙方皆知悉或會影響彼等各自工作範圍的重大因素。

由獨立專業公司出具的二零一六年度內部監控審閱報告，列出於二零一六年度就有關週期及程序中所識別到不足的結果，並向本公司提出進一步改善其內部監控系統的推薦意見。於審閱中並無識別到重大缺陷。審閱結果已向董事會及審核委員會呈報，而改善區域（如有）已被識別並已進行適當措施管理風險。董事會及審核委員會就二零一六年度審閱風險管理及內部監控系統。進行該等審閱時已考慮若干方面，包括但不限於(i) 自上年度審閱後的重大風險之性質及程度變動及本集團對其業務及外部環境變動作出回應的能力；(ii) 管理層持續監察風險管理及內部監控系統的範圍及質素。董事會及審核委員會認為該等系統於二零一六全年均有效且足夠。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditor's remuneration

HLB Hodgson Impey Cheng Limited was newly appointed as the auditor of the Group after the resignation of the previous auditor, Cheng & Cheng Limited during the 2016 Year.

For the 2016 Year, the fee payable to HLB Hodgson Impey Cheng Limited in respect of audit services amounted to HK\$750,000 and there is no fee payable in respect of non-audit services. The fee payable to Cheng & Cheng Limited in respect of non-audit services, which include the preparation and issuance of comfort and consent letters, amounted to approximately HK\$10,000 and there is no fee payable in respect of audit services.

### INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investors.

During the 2016 Year, there was no change in the bye-laws of the Company.

The Company updates its shareholders on its latest business developments and financial performance through its corporation communications such as annual reports, interim reports and quarterly reports, notices, announcements and circulars issued in printed form and are available on the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk) and the Company's website at [www.ruikang.com.hk](http://www.ruikang.com.hk) in a timely and consistent manner as required by the GEM Listing Rules. The Company's website provides a communication platform to the public and the shareholders.

The Company regards the annual general meeting ("AGM") and special general meeting ("SGM") as a platform to provide an important opportunity for direct communications between the Board and the shareholders. Shareholders are encouraged to attend the AGM and other shareholders' meetings. The Company supports the CG Code principle to encourage shareholder's participation.

### 核數師酬金

前任核數師鄭鄭會計師事務所有限公司於二零一六年度辭任後，國衛會計師事務所有限公司為本集團新任核數師。

二零一六年度，就審核服務應付予國衛會計師事務所有限公司的費用為750,000港元，且並無有關非審核服務的應付費用。就包括編製及出具安慰函及同意書的非審核服務而應付予鄭鄭會計師事務所有限公司的費用約為10,000港元，且並無有關審核服務的應付費用。

### 投資者關係及與股東之溝通

本公司相信，維持高透明度是提升投資者關係的關鍵，並致力保持向其股東及投資者公開及適時披露公司資料的政策。

於二零一六年度，本公司之公司細則並無變更。

本公司透過其企業通訊，如按照創業板上市規則規定適時並持續以印刷方式刊發並在聯交所網站[www.hkex.com.hk](http://www.hkex.com.hk)及本公司網站[www.ruikang.com.hk](http://www.ruikang.com.hk)可供查閱之年度報告、中期報告、季度報告、通告、公告及通函，向其股東更新其最新業務發展及財務表現。本公司之網站已為公眾人士及股東提供一個溝通平台。

本公司視股東週年大會（「股東週年大會」）及股東特別大會（「股東特別大會」）為一個平台，為董事會與本公司股東提供直接溝通的大好機會。本公司鼓勵股東出席股東週年大會及其他股東大會。本公司支持企業管治守則的原則，並鼓勵股東在股東週年大會上提出參與。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Shareholders may send any enquiries they have by addressing them to the Company Secretary in writing to the Company's head office and principal place of business in Hong Kong at 26/F., Times Tower, 391-407 Jaffe Road, Wan Chai, Hong Kong ("**Head Office and Principal Place of Business**") or by email to [info@ruikang.com.hk](mailto:info@ruikang.com.hk). The Board will seriously consider shareholders' enquiries and address them accordingly.

### SHAREHOLDERS' RIGHTS

#### A. Procedures for Shareholders to Convene a Special General Meeting

According to the provision of bye-law 58 of the bye-laws of the Company, the shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a SGM to be called by the Board for the transaction of any business specified in such requisition. The SGM shall be held within two (2) months after the deposit of such requisition. The requisition must be lodged with the Company's Head Office and Principal Place of Business of Hong Kong.

According to the provision of bye-law 74(3) of the bye-laws of the Company, if within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) may convene such meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

#### B. Procedures for putting enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary by mail at 26/F., Times Tower, 391-407 Jaffe Road, Wan Chai, Hong Kong. The Company Secretary is responsible for forwarding communications relating to matters within the Board's direct responsibilities to the Board and communications relating to ordinary business matters, such as suggestions and inquiries, to the Directors.

股東如有任何查詢，可以書面形式郵寄至本公司總辦事處及香港主要營業地點（地址為香港灣仔謝斐道391-407號新時代中心26樓）（「**總辦事處及主要營業地點**」）或電郵至 [info@ruikang.com.hk](mailto:info@ruikang.com.hk)，向本集團公司秘書提交。董事會將認真考慮股東之查詢並加以處理。

### 股東權利

#### A. 股東召開股東特別大會之程序

根據本公司之公司細則第58條之條文，於提請要求當日持有不少於本公司繳足股本（賦予權利在本公司股東大會上投票）十分之一的本公司股東，可隨時向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的事項。股東特別大會須於提請該要求後兩(2)個月內舉行。該要求須遞交至本公司總辦事處及主要營業地點。

根據本公司之公司細則第74(3)條之條文，倘董事會於該項要求提交後二十一(21)日內未能召開該大會，提出要求者可自行召開大會，而本公司須向提出要求者償付所有由提出要求者因董事會未能召開大會而產生之合理開支。

#### B. 向董事會提出查詢的程序

股東可向董事會提出查詢及意見，有關查詢及意見可郵寄至香港灣仔謝斐道391-407號新時代中心26樓，註明公司秘書收啟。公司秘書負責將有關董事會直接職責範圍內的事宜的通訊轉交董事會，並將有關日常業務事宜的通訊（如建議及查詢）轉交董事。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### REPORTING GUIDELINE

This is the second “Environmental, Social and Governance Report” (“**ESG Report**”) issued by Rui Kang Pharmaceutical Group Investments Limited (“**Company**”). The ESG Report is prepared in compliance with the reporting guide set out in Appendix 20 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The ESG Report aims to improve stakeholders’ understanding and communication towards the Company’s sustainability initiatives. The board of directors of the Company has reviewed the ESG Report and the management has confirmed its accuracy, truthfulness and completeness.

### REPORT BOUNDARY

Based on the Company’s fiscal year from 1 January to 31 December 2016, this report covers the environmental and social performance of the Company, including the Hong Kong head office as well as the subsidiaries in Hong Kong and Guizhou namely 貴州雙升製藥有限公司 (in English, for identification purpose only, Guizhou Shuang Sheng Pharmaceutical Co., Ltd.) (formerly known as 貴陽舒美達製藥廠有限公司 (in English, for identification purpose only, Guiyang Shu Mei Da Pharmaceutical Co., Ltd.).

The business data of the Company is sourced from the audited annual report and other data is obtained from relevant departments and stakeholders.

### FEEDBACK

Your feedback is valuable to help us improve our future reporting. Please direct your feedback and comments to: [info@ruikang.com.hk](mailto:info@ruikang.com.hk).

### 報告指引

此乃銳康藥業集團投資有限公司（「本公司」）刊發的第二份「環境、社會及管治報告」（「**ESG報告**」）。ESG報告乃遵從香港聯合交易所有限公司創業板上市規則附錄20所載報告指引而編製。

ESG報告旨在提升持份者對本公司可持續性行動的了解及認知。本公司董事會已審閱ESG報告，且管理層已確認其準確性、真實性及完整性。

### 報告範圍

本報告基於本公司自二零一六年一月一日至十二月三十一日的財政年度，涵蓋本公司的環境及社會表現，包括香港總辦事處以及位於香港的附屬公司及貴州的附屬公司貴州雙升製藥有限公司（前稱貴陽舒美達製藥廠有限公司）。

本公司的業務數據來自經審核年報報告，而其他數據從相關部門及持份者獲得。

### 反饋

閣下的反饋對於幫助我們改進未來報告很有價值。請將反饋及意見發送至：[info@ruikang.com.hk](mailto:info@ruikang.com.hk)。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### CORPORATE CULTURE OF SUSTAINABILITY

We acknowledge the importance of reflecting and communicating to our stakeholders where we stand on our sustainability journey. Thus, we have already been taking a proactive approach in sustainability reporting since 2015, hoping that the Company can regularly review and improve its sustainability performance. Despite the lacklustre global economy and increasingly tough market competition, the Company has continued to stand firm in fulfilling its responsibilities as a corporate citizen and striving to achieve sustainability in its business practices in 2016.

During the year, the Company has complied with all environmental laws and regulations in both Hong Kong and the People's Republic of China ("PRC"). With the implementation of energy saving measures in our business operations, we manage to keep electricity consumption in check for our operations in Hong Kong and Guizhou, showing our commitment in reducing our carbon footprint.

The provision of high quality products and services has always been at our top priority. Whether the medical laboratory testing services and health check services in Hong Kong or the pharmaceuticals manufacturing operations in Guizhou, strict and comprehensive quality control systems have been developed to ensure that quality services are provided. With regards to our stakeholders, the Company maintains the highest level of care and respect. For all our employees, a wide range of safety measures including training and health check-ups are devised and carried out to safeguard their health and wellbeing.

Furthermore, for our suppliers, the Company selects them in an impartial manner and regularly engages in an open communication with them to increase product satisfaction. Lastly, the Company has also been dedicated in giving back the society by participating in a variety of volunteering activities, such as environmental conservation.

### 可持續發展的公司文化

我們認同向持份者反映及溝通我們所處可持續發展過程的重要性。因此，我們已自二零一五年起在可持續發展報告中採取積極方法，希望本公司能夠定期檢視及改善其可持續發展表現。儘管全球經濟不景氣，市場競爭日趨激烈，本公司繼續堅持履行其企業公民的責任，努力在二零一六年實現其業務的可持續發展。

於本年度，本公司已遵守香港及中華人民共和國（「中國」）的所有環境法律及法規。隨著我們的業務運營實施節能措施，我們得以保持香港及貴州業務的電力消耗受到控制，顯示我們減少碳足跡的承擔。

提供高品質的產品及服務一直是我們的首要任務。不論是香港醫療實驗室測試服務及健康檢查服務，還是貴州的製藥業務，都已制訂嚴格及全面的質量控制制度，以確保提供高質服務。對於持份者，本公司保持最高水平的關懷及尊重。對於所有僱員，已制訂並執行各種安全措施，包括培訓及健康檢查，以保障其健康及福祉。

此外，對於供應商，本公司以公正的方式選擇供應商，並定期與其進行開放的溝通，以提高產品滿意度。最後，本公司亦透過參與各種志願活動（如環境保護），致力回饋社會。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ENVIRONMENTAL

As the Company continues to develop, we remain committed in making sure that environment considerations remain one of the top priorities in our daily business operations and that we fulfil our obligations to both the environment and the community.

The Company has developed an environmental policy where continuous efforts are made to conserve and use our resources more efficiently. For our manufacturing operations in Guizhou in particular, measures are taken to achieve a cleaner production process, making sure that our impact on the environment is reduced to the minimum.

In 2016, the Group has observed and complied with all relevant environmental laws, standard and regulations in both Hong Kong and Guizhou. The Group pays close attention to the latest changes in environmental laws, standards and regulations of the PRC, so that adjustments can be made correspondingly to our environmental policies.

### WASTE MANAGEMENT

#### Hong Kong

In 2016, all of our laboratories in Hong Kong have strictly complied with the legal requirements of the Waste Disposal Ordinance (Chapter 354) and the Waste Disposal (Clinical Waste) (General) Regulation. The Group has developed a safety policy to manage and reduce the risk of these materials and its potential impact on the environment. A safety committee reporting to the laboratory management has been set up to overlook issues regarding clinical waste management and infection management.

Regarding the packaging of clinical waste, leak-proof containers are used to contain laboratory waste. These containers are impermeable to moisture and strong enough to prevent tearing or bursting under normal handling. To guard against spillages, they are filled below the warning line indicating 70% and 80% of their maximum volume before sealing. Well-ventilated storage areas used solely for the storage of clinical waste is provided on the premises from which the waste is generated.

### 環境

隨著本公司持續發展，我們仍致力確保環境一直是我們日常業務營運的首要考慮因素之一，並且我們履行對環境及社區的義務。

本公司已制訂環境政策，作出持續努力以更有效地保護及利用我們的資源。特別是對於貴州的生產業務，已採取措施以達致更潔淨的生產流程，確保我們對環境的影響降至最低。

於二零一六年，本集團已遵守並符合香港及貴州的所有相關環保法律、標準及法規。本集團密切關注中國環境法律、標準及法規的最新變化，以便相應調整我們的環境政策。

### 廢物管理

#### 香港

於二零一六年，我們在香港的所有實驗室已嚴格遵守《廢物處置條例》(第354章)及《廢物處置(醫療廢物)(一般)規例》的法定要求。本集團已制訂安全政策，以管理及降低這些材料的風險，及其對環境的潛在影響。已設立向實驗室管理層報告的安全委員會，以監督有關醫療廢物管理及感染管理的問題。

關於醫療廢物的包裝，我們使用防漏容器來容納實驗室廢物。這些容器不透水，並足夠強硬以防止正常處理下的撕裂或破裂。為了防止溢出，這些容器在密封前會被填充到警告線以下，顯示其最大容量的70%及80%。我們在廢物產生的場所提供通風良好的存儲區，僅用作存儲醫療廢物。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

To minimise the risk of pollution, all clinical waste produced from our laboratories are carefully collected and handled by a licensed clinical waste collector. Training has also been regularly conducted by our safety committee to ensure that employees are knowledgeable in handling clinical waste. In 2016, our laboratories in Hong Kong emitted approximately 0.4 tonnes of wastewater and 5.9 tonnes of clinical waste, respectively in total.

### Guizhou

For our manufacturing operations in Guizhou, regular supervision and monitoring are carried out by Qingjing City Environmental Monitoring Centre throughout the year to assess the factory's environmental impact regarding water discharge and noise pollution. Complying to the relevant environmental regulations, measures have been taken to ensure that our water discharge in the factory area meets regulatory standards. All sewages are discharged to the municipal waste sewage pipes whilst improvements are constantly made to our sewage treatment facilities.

To better conserve resources and reduce the amount of waste produced, all solid waste materials produced in the manufacturing process are sorted into recyclable and non-recyclable categories. Recyclable goods such as industrial scrap, PVC, cardboard boxes, are distributed to qualified waste collection points for recycling whilst other unrecyclable goods such as expired pharmaceutical products are safely handled by recognised third parties.

為盡量減低污染的風險，我們的實驗室產生的所有醫療廢物，均須由持牌醫療廢物收集商小心收集並處理。我們的安全委員會亦定期進行培訓，確保僱員具備處理醫療廢物的知識。於二零一六年，我們的香港實驗室分別合共排放了約0.4噸廢水及5.9噸醫療廢物。

### 貴州

對於貴州的生產業務，全年由清鎮市環境保護監測站進行定期監管及監測，以評估工廠有關排水及噪音污染的環境影響。為符合有關環境法規，我們已採取措施以確保我們在廠區排水符合法規標準。所有污水均排放至市政廢物污水管，同時不斷改善我們的污水處理設施。

為更好地節省資源及減少產生的廢物量，在生產過程中產生的所有固體廢物材料被分類為可回收及不可回收類別。可回收物品（如工業廢料、PVC、紙板箱）被分發到合資格廢物收集點進行回收，而其他不可回收的物品（如過期藥品）由認可的第三方安全地處理。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### RESOURCES CONSUMPTION

Resource consumption at our head office and subsidiaries in Hong Kong and our manufacturing operation in Guizhou during 2016:

### 資源消耗

於二零一六年，我們的總辦事處以及香港附屬公司及貴州生產業務的資源消耗：

		Hong Kong 香港	Guizhou 貴州
Water Usage (m <sup>3</sup> )	用水量(立方米)	173	7,241
Electricity Consumption (kWh)	電力消耗(千瓦時)	592,540	137,710
Gas Consumption (MJ)	煤氣消耗(兆焦耳)	4,032	73

The Group's carbon emissions include source to generate steam and indirect emissions due to purchased electricity consumed. In 2016, total carbon emissions were 423.87 tonnes of CO<sub>2</sub>e.

本集團的碳排放包括產生蒸汽的來源，以及因購買電力消耗的間接排放。於二零一六年，總碳排放量為423.87噸二氧化碳當量。

Greenhouse Gas Emission 溫室氣體排放	Unit 單位	
Direct Emission (Scope 1) 直接排放(範圍1)	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	0.21
Indirect Emission (Scope 2) 間接排放(範圍2)	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	423.66

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### RAISING ENVIRONMENTAL AWARENESS

A number of green office measures has been carried out within the Group aiming to better conserve resources and promote environmental awareness amongst our employees. The following table offers a glimpse of the energy and paper saving actions carried out in the offices.

### 提高環境意識

本集團內已採取若干綠色辦公室措施，旨在更好地保護資源，並提高僱員的環境意識。下表提供辦事處進行的能源及紙張節約行動概覽。

#### Energy Saving Measures 能源節約措施

- Energy efficient electronic equipments with “Energy Efficient Labels” should be used as far as possible.
- 盡量使用具有「節能標籤」的節能電子設備。
- Office temperature should be set to 25.5 degrees celcius.
- 辦公室溫度應設定在25.5攝氏度。
- All electronic appliances should be switched off or set into energy saving mode when not in use.
- 所有電子設備在不使用時應關閉或設置為節能模式。

#### Paper Saving Measures 紙張節約措施

- Information should be disseminated by electronic means (for instance through emails) as far as possible.
- 盡量以電子手段(如透過電子郵件)傳播信息。
- Marketing materials or greeting cards should be sent by electronic means.
- 應以電子方式發送營銷材料或賀卡。
- Paper should be used on both side whether for copying or for printing.
- 不論是複印或打印，均應使用紙張的兩面。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### EMPLOYEE

Occupational health and safety of our employees is of paramount importance to the Group. Efforts have been continuously made to improve our operations so that employees stay vigilant and well trained regarding safety issues.

To ensure that the Group is able to meet its commitment in providing quality health-checking and laboratory testing services to its customers, the right person is identified for that particular job position and that he/she is able to discharge his/her duties in the highest professional manner.

#### Hong Kong

At our medical lab testing and health check services in Hong Kong, the Group has a Code of Practice specifying a list of basic ethical principles which are required from all of our Medical Laboratory Technologists (“MLT”). For instance, professional integrity should be maintained at all times without being influenced by the motives of profit, no service requiring the skills, knowledge, and judgement of a MLT is delegated to a less qualified person etc.

All personnel working in the laboratories are only allowed to work when they have passed the relevant health examinations. For individuals who are found to have infectious diseases, skin diseases/allergies or mental illness etc., they are strictly prohibited from working in any laboratory positions. All existing employees who do not meet the necessary health requirements for the position would be transferred to other departments in a swift manner and are only allowed to resume their original job positions when their health has recovered, and that they have valid proof from a hospital of a county level or above certifying that their body health is of a good condition.

#### Guizhou

All our newly hired employees are required to undergo health examinations at appointed hospitals to make sure our pharmaceutical products attain the highest safety level for consumption and provide relevant health assessment documents for verification so that the risk of any potential sources of contamination is avoided in our production process.

### 僱員

僱員的職業健康及安全對本集團至關重要。我們不斷努力改善運營，使僱員在安全問題上保持警惕及良好的培訓。

為確保本集團能夠履行其向客戶提供優質健康檢查及實驗室測試服務的承諾，我們找尋適當的人士擔任該特定職位，並且他／她能夠以最高專業方式履行其職責。

#### 香港

在香港的醫學實驗室檢測及健康檢查服務方面，本集團有一套業務守則，列出所有醫療化驗師（「醫療化驗師」）所需的基本倫理原則。例如，應當始終保持專業誠信，不受利潤動機的影響，不得把需要醫療化驗師的技能、知識及判斷的服務委託給資格較低的人士等。

在實驗室工作的所有人員，只有在其通過相關健康檢查後，方可工作。對於被發現患有傳染病、皮膚病／過敏或精神疾病等的個人，嚴禁擔任任何實驗室職位。未能符合職位所需健康要求的一切現有僱員，會被迅速轉移至其他部門，僅當他們已康復並有縣級或以上醫院出具的有效證明，證明其身體健康狀況良好時，方可恢復原來的工作職位。

#### 貴州

所有新聘用的僱員須於指定醫院作健康檢查，以確保我們的藥品達到最高的安全消費水平，並提供相關健康評估文件以供驗證，從而在生產流程中避免任何潛在污染源的風險。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### EMPLOYEE COMPOSITION

Being an equal employment opportunity employer, the Group hires individuals who have the best qualifications, experience, and knowledge for a job specification. We do not discriminate against person because of race, religion, sex, ethnic origin, disability, family status or age. In our business operations in Guizhou, our recruitment policy specifies that the best candidates amongst current employees are considered first for open positions rather than external candidates.

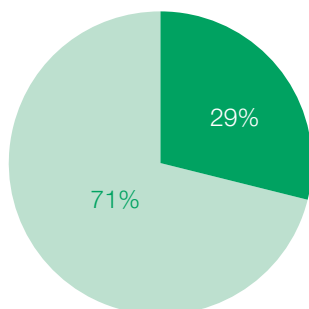
In 2016, the total number of employees in Hong Kong and Guizhou were 132 and 62 respectively. The following charts feature the profile of our employees in both Hong Kong and Guizhou.

### 僱員組成

作為平等就業機會的僱主，本集團僱用具備相關工作範疇的最佳資格、經驗及知識的人。我們不因種族、宗教、性別、族裔出身、殘疾、家庭狀況或年齡而歧視人。在我們貴州的業務營運中，我們的招聘政策規定，公開職位會首先考慮現有僱員中的最佳候選人，而不是外部候選人。

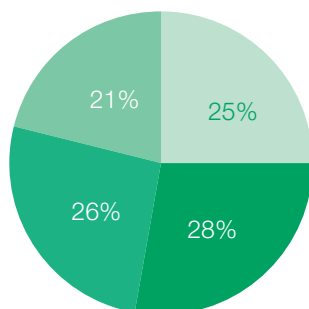
於二零一六年，香港及貴州的僱員總數分別為132人及62人。下表展示我們在香港及貴州的僱員簡介。

**Gender Breakdown**  
性別細分



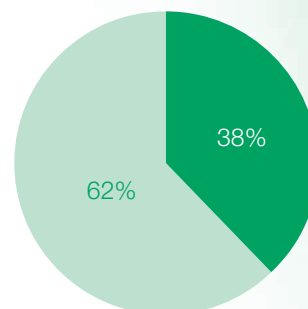
- Male 男性
- Female 女性

**Age Breakdown**  
年齡細分



- <31
- 31-40
- 41-50
- >51

**Education Breakdown**  
教育細分



- Bachelor or above (學士或以上)
- Secondary or below (中學或以下)

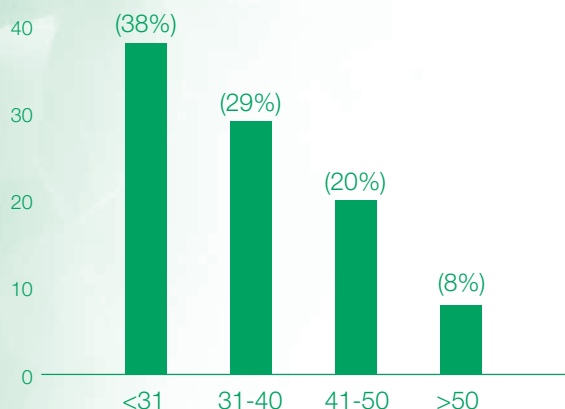
For 2016, the turnover rate for our operations in Hong Kong was 23% whilst for Guizhou it was 8%. Below charts show the breakdown of the turnover rate by age category in both Hong Kong and Guizhou.

於二零一六年，我們的香港業務流失率為23%，而貴州則為8%。下表顯示香港及貴州按年齡類別的流失率細分。

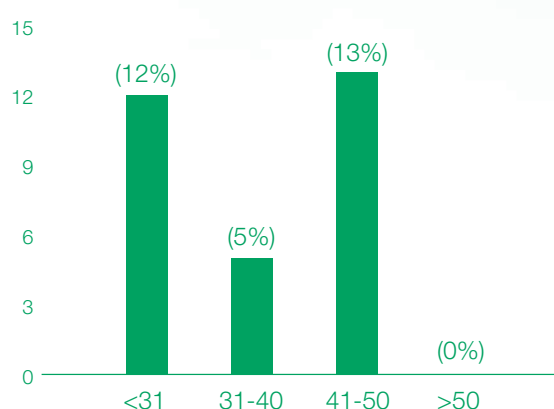
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

**Employee Turnover Rate by Age Category in Hong Kong**  
香港按年齡的僱員流失率



**Employee Turnover Rate by Age Category in Guizhou**  
貴州按年齡的僱員流失率



The Company strictly prohibits the recruitment of child labour. In Guizhou, we require all applicants to submit their identification documents for our administrative department for examination and verification to make sure that no children under the age of 16 is employed.

本公司嚴禁招聘童工。在貴州，我們要求所有申請者向行政部遞交其身份證明文件，以供檢查及驗證，以確保不會僱用16歲以下兒童。

### OCCUPATIONAL HEALTH AND SAFETY

#### Hong Kong

The Group has strictly complied with the Occupational Safety and Health Ordinance (Chapter 509). In 2016, the Group has not recorded any work-related fatalities or lost days due to work injury.

Our safety policy encourages all employees working at the laboratories to proactively identify and speak out when they recognise safety issues in their working areas. To enable our employees to understand the materials they are dealing with in a more easy and comprehensible way.

### 職業健康及安全

#### 香港

本集團已嚴格遵守《職業安全及健康條例》(第509章)。於二零一六年，本集團並無錄得因工傷造成的任何與工作相關的死亡或喪失工作日數。

我們的安全政策鼓勵所有在實驗室工作的僱員在其工作區域發現安全問題時，主動識別並說出來。為使我們的僱員以更容易及可理解的方式明白他們正在處理的材料。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

We have also developed a hazardous materials classification system specifying the different risk groups that chemicals, reagents, equipment, etc. are classified into. A brief view of the safety measures taken at our medical laboratories in Hong Kong is provided below table:

1.	Strictly complied to ISO 15189 and developed a safety manual specifying the basic rules for safety practices in the laboratory
2.	Laboratory Safety Committee is established to supervise laboratory safety performance, identifying safety issues, providing relevant safety procedures and training to employees
3.	Safety checkup carried out for laboratory units and surrounding areas every twice a year
4.	Provision of suitable protective equipment to employees when handling potentially hazardous materials

### Guizhou

We believe prevention is key to mitigate work injury, thus all newly recruited employees are required to receive safety training from their respective departments when they join the Group. They are only assigned to their teams in the departments when they are able to obtain a pass in the safety-related examinations. Furthermore, all our employees are required to undergo at least 2 hours of safety training bi-annually to ensure that they are knowledgeable and aware of the safety guidelines and practices in the production process.

我們亦已制訂危險材料分類制度，列明化學品、試劑、設備等分屬的不同風險組別。下表簡述我們的香港醫學實驗室採取的安全措施：

1.	嚴格遵守ISO 15189，並制訂安全手冊，列明實驗室安全做法的基本規則
2.	成立實驗室安全委員會，以監督實驗室安全表現、發現安全問題、向僱員提供相關安全程序及培訓
3.	每兩年對實驗室單位及周圍區域進行安全檢查
4.	在處理潛在危險材料時，向僱員提供合適的保護設備

### 貴州

我們相信預防是減輕工傷的關鍵，因此，所有新聘用的僱員須於加入本集團時，接受其各自部門的安全培訓。僅當他們能夠通過安全相關考試時，方可獲分配到其部門的團隊。此外，所有僱員須每兩年進行至少2小時的安全培訓，以確保其了解並意識到生產過程的安全指引及做法。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

A comprehensive and structured system has been developed to manage hazardous goods and reduce their risk levels to the minimum. Below table presents an overview of the measures taken to manage these hazardous goods at different stages:

我們已制訂全面及結構化的制度，以管理危險物品，並把其風險水平減至最低。下表概述在不同階段管理這些危險物品所採取的措施：

Stages 階段	Measures 措施
1. Procurement 1. 採購	<ul style="list-style-type: none"> <li>All units should set a procurement quota and only purchase hazardous goods according to their department's actual needs.</li> <li>所有單位應設定採購配額，並僅依照其部門的實際需要購買危險物品。</li> </ul>
2. Examination 2. 檢查	<ul style="list-style-type: none"> <li>Warehouse custodians are required to closely examine the name, specification and batch number for all dangerous goods that go into our warehouse. Strict examination is made to verify whether packaging, sealing and labelling is done properly.</li> <li>倉庫保管人須仔細檢查進入我們倉庫的所有危險物品的名稱、規格及批號。作出嚴格檢查，以驗證是否已適當進行包裝、密封及標籤。</li> <li>For all goods that are unable to meet the requirements for our first examination upon entry into the warehouse, a form stating the reason regarding rejection from the warehouse is filled in and copies are to be kept by 3 separate units namely the warehouse, sourcing unit and quality control unit.</li> <li>對於進入倉庫時未能符合我們首次檢查之要求的所有物品，應填寫一份表格，列明倉庫拒絕的原因，並由3個不同單位（即倉庫、採購單位及質量控制單位）。</li> </ul>
3. Storage & Management 3. 存儲及管理	<ul style="list-style-type: none"> <li>Our warehouse for dangerous goods is located at a certain distance away from our regular materials warehouse to ensure that there is a fire break.</li> <li>我們的危險物品倉庫所在地與我們的常規材料倉庫有一定距離，以確保防火。</li> <li>Our warehouse is well-ventilated and that the temperature in the warehouse is constantly controlled below 30 degrees celsius at all times.</li> <li>我們的倉庫通風良好，並且倉庫溫度一直始終控制在30攝氏度以下。</li> </ul>
4. Distribution 4. 分發	<ul style="list-style-type: none"> <li>Warehouse custodians are required to verify and check the name, specification, batch number and labelling of the respective hazardous goods again before distribution.</li> <li>倉庫保管人在分發前須再次驗證並檢查各危險物品的名稱、規格、批號及標籤。</li> <li>The transportation of these hazardous goods is handled carefully by specially appointed staff under the guidance and supervision of the respective warehouse custodian.</li> <li>這些危險物品的運輸由專門委派的工作人員在相應倉庫保管人的指導及監督下小心處理。</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### TRAINING AND DEVELOPMENT

The Group aims to provide a working environment where access to training and development opportunities are equally accessible for all employees in the Company. As the Company faces different changes and demands in the market, it is all the more important for the Company to ensure that our employees are well-supported and competent enough to handle the changing environment and help the Company achieve its desired outcomes.

#### Hong Kong

For all our new employees, an orientation programme introducing the Company's corporate internal structure, job responsibilities, etc. is organised. Apart from training opportunities such as on the job training, we also encourage our employees to take up external training programs or seminars. For all employees who have passed their probationary period, they are eligible to apply for the Company's sponsorship of external training programmes appropriate to their job positions given that they are able to obtain prior approval from their department managers and complete the respective training programmes with passing grades or satisfactory attendance. In 2016, the total number of training hours reached 238 hours.

#### Guizhou

At our manufacturing operations in Guizhou, great significance is also placed in providing training to our employees to ensure that our pharmaceutical products are safe to consume and that our workers are well protected from high risk production processes. In order to make sure systematic, diverse and effective training opportunities are provided for our employees, in the beginning of every year, each department is required to report their half year/whole year training plans to the General Manager in Guizhou for prior approval before implementation. In 2016, the total number of training hours reached 86 hours.

### 培訓及發展

本集團旨在提供一個工作環境，讓本公司所有僱員可平等地得到培訓及發展機會。由於本公司面對市場的不同變化及需求，更重要的是本公司確保我們的僱員得到良好支援，以及有足夠能力處理不斷變化的環境，並幫助本公司達致預期的成果。

#### 香港

對於所有新僱員，我們會組織入職簡介計劃，介紹本公司的公司內部架構、工作職責等。除在職培訓等培訓機會外，我們亦鼓勵僱員參加外部培訓計劃或研討會。已過試用期的所有僱員有資格申請本公司的贊助費，以參加適合其工作職位的外部培訓計劃，前提是他們能夠取得其部門經理的事先批准，並以合格成績或滿意的出席率完成有關培訓課程。於二零一六年，總培訓時數達到238小時。

#### 貴州

在貴州的生產業務中，我們也非常重視向僱員提供培訓，以確保我們的藥品對消費者安全，並且我們的工人受良好保護，免受高風險生產流程之害。為確保向僱員提供有系統、多樣化及有效的培訓機會，於每年年初，各部門須向貴州的總經理報告其半年／全年培訓計劃，以在實施前取得事先批准。於二零一六年，總培訓時數達到86小時。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### DONATIONS AND VOLUNTEERING

As a socially responsible corporation, the Company recognises the importance of donation to charitable organisations, as well as encouraging employees to join volunteering activities, creating a caring culture within the organisation. In 2016, HK\$1,000 in cash was donated to Médecins Sans Frontières and the amount of time contributed to volunteering activities (listed below) was 64 hours in total.

#### *Lantau International Beer Dash*

In March, our employees participated in the Lantau International Beer Dash and helped raise funds for non-profit organisations – The Animals of South Lantau, Protection of Animals Lantau South and Lantau Buffalo Association, organisations which are dedicated in protecting animals and animal preservation.

#### *Tung Lung Island Cleanup and Litter Survey*

In recent years, there has been an increasing number of trash washing up on Hong Kong beaches. Hence, to help recover our city's beautiful natural asset, in April, our employees joined the "Tung Lung Island Cleanup and Litter Survey" organised by Ecobus and helped audit and collected rubbish at the countryside and shorelines.

### OPERATING PRACTICE

The Group strives to conduct our business in an honest and fair manner with no conflict to interests or other influences. We select our supplier in an impartial and open manner, ensuring that long-term relationships with suppliers and sub-contractors are based on fair play principle.

The Company strictly prohibits bribery and corrupt practices. In 2016, we have complied with the relevant anti-corruption laws and no corruption cases were reported for the Group. In order to prevent any cases of bribery or corruption, the Company has established a whistle blowing policy in which reporting channels are provided to employees when they spot improprieties or unlawful behaviour.

### 捐贈及志願服務

作為一間承擔社會責任的公司，本公司認同捐贈予慈善組織以及鼓勵僱員參加志願活動的重要性，以在組織內創造一種關懷的文化。於二零一六年，我們向無國界醫生捐贈了現金1,000港元，參加志願活動（下文列出）的總時數為64小時。

#### *大嶼山國際啤酒大暴走*

我們的僱員在三月份參加了大嶼山國際啤酒大暴走，協助非牟利組織南大嶼山動物、大嶼山動物保護協會及大嶼山愛護水牛協會籌款，這些組織均致力於保護動物及動物保育。

#### *東龍島清理及垃圾統計*

近年，愈來愈多的垃圾被衝到香港的海灘。因此，為恢復我們城市的美麗及自然資產，我們的僱員在四月份參加了由生態巴士組織的「東龍島清理及垃圾統計」，協助審核並收集鄉郊及海岸線的垃圾。

### 經營手法

本集團力求以誠實公平且並無利益衝突或其他影響的方式開展業務。我們以公正及開放的方式選擇供應商，確保與供應商及分包商的長期關係是基於公平競爭的原則。

本公司嚴禁賄賂及腐敗行為。於二零一六年，我們已遵守相關反腐敗法律，本集團並無遭舉報任何腐敗案件。為防止任何賄賂或腐敗案件，本公司已制訂舉報政策，向僱員提供舉報渠道，當其發現不當或非法行為時可舉報。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

All staff are strictly prohibited from soliciting and accepting any form of advantage, personal benefit or gift offered by any external business associates unless they are of nominal and non-cash value, such as promotional souvenirs or gifts of consumable nature of modest value given on festive seasons or special occasions which are shared amongst colleagues.

Furthermore, they are required to report and seek approval from the department head when offered or receives a gift which is more than token value. As the Company does not tolerate any violations of the law, disciplinary actions or immediate dismissals would be imposed to the respective party.

### SUPPLIER MANAGEMENT

#### Hong Kong

Consumables, reagents and equipment used in our laboratories are purchased from reliable vendors which are evaluated in several aspects, including whether they are ISO accredited, reputable, reliable in provision of safety services and the costs and responses to our requests, etc. For approved suppliers, evaluations are carried out annually regarding their performance, and records are maintained. In case of any inferior or substandard consumables and reagents received, suppliers are informed and requests regarding replacements are raised immediately.

#### Guizhou

We have also developed a strict supplier selection mechanism to ensure that the raw materials used in our products are of the highest quality and that suppliers are able to meet our quality standards.

When preliminary approval is obtained from the Quality Assurance Supervisor by the procurement department, close examination and testing is carried out by the quality control department and production units on the samples provided by the potential suppliers against industrial standards. After 6 months of using the supplier's materials, the quality assurance appoints designated suppliers according to quality of the raw materials they provided.

嚴禁所有員工索取及接受任何外部業務夥伴提供的任何形式的好處、個人利益或禮物，除非是僅有象徵性及非現金價值者，如促銷紀念品，或在節日或特殊場合提供予同事分享的價值適度的消費性禮品。

此外，倘員工獲提供或接受超過象徵性價值的禮物，須向部門主管報告並尋求批准。由於本公司不容忍任何違法行為，會對相關方採取紀律處分或即時解僱。

### 供應商管理

#### 香港

我們實驗室所用的耗材、試劑及設備採購自可靠的賣方，我們對這些賣方進行多方面的評估，包括他們是否通過ISO認證、信譽良好、在提供安全服務方面可靠，以及成本和對我們要求的回應等。對於經核准的供應商，我們每年對其表現進行評估，並保留記錄。倘收到任何劣質或不合格的耗材及試劑，我們會立即告知供應商，並提出有關更換的要求。

#### 貴州

我們亦制訂了嚴格的供應商遴選機制，以確保用於我們產品的原材料是品質最高的，並且供應商能夠符合我們的質量標準。

採購部向質量保證主管取得初步批准後，質量控制部及生產單位會對潛在供應商提供的樣品比照行業標準進行嚴格檢驗及測試。在使用供應商材料6個月後，質量保證部根據供應商提供的原材料質量委任指定的供應商。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Supplier

#### 供應商遴選

- Holds a valid production license
- 持有有效生產許可證
- Production facilities and equipment comply with the necessary production and quality requirements for raw materials
- 生產設備及設施符合原材料的必要生產及質量要求
- Has a comprehensive quality assurance system
- 有全面的質量保證制度
- Product and packaging are able to meet the necessary requirements and pass stability tests
- 產品及包裝能夠符合必要的要求，並通過穩定性測試

A supplier database has been set up to enable the Group to manage and monitor our suppliers more effectively. Information covering the characteristics of the raw materials procured, license and quality evaluation reports are collected by the quality assurance and production unit and stored until three years after the termination of the supplier relationship.

To make sure our suppliers are performing well, our quality assurance department annually evaluates and audits the number of incidents in which the raw materials provided by our suppliers were substandard or caused quality problems. With regards to the occurrence of constant quality issues, written feedback is provided to the relevant suppliers so that they can improve. Furthermore, in situations deemed necessary, the quality assurance would express requests to re-evaluate the capability and competence of the supplier.

我們已設立供應商數據庫，使本集團能夠更有效地管理並監察我們的供應商。質量保證部及生產單位收集包括所採購的原材料特性、許可證及質量評估報告在內的資料，並儲存至供應商關係終止後三年。

為確保供應商表現良好，我們的質量保證部每年評估並審核供應商提供的原材料不合格或造成質量問題的事件次數。對於一直發生質量問題的情況，我們會向有關供應商提供反饋，以便其改進。此外，在認為必要的情況下，質量保證部會要求重新評估供應商的能力及資格。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ANTI-CORRUPTION

To maintain transparency and promote integrity and accountability, the Company has laid out clearly in its Code of Conduct about equal opportunity and anti-corruption. The Company has also established an official grievance mechanism so that employees can submit written complaint to and set up a follow-up meeting with the department manager. If the grievance is not handled properly, employees are allowed to submit written complaint to Administration and Human Resources Department directly.

The Company maintains a whistleblowing policy to encourage employees, suppliers, and other stakeholders to report any misconduct and impropriety occurred in the Company, the relevant reports can be submitted to Administration and Human Resources Department. If the report is related to directors or a member of the Administration and Human Resources Department, the relevant reports could be submitted directly to the Chairman of the Audit Committee.

### DATA PROTECTION

The Company takes the protection of our customers' personal data very seriously. In 2016, we have strictly complied with the Personal Data (Privacy) Ordinance (Chapter 486) in Hong Kong and all other relevant data protection principles. Personal information of customers and suppliers are only used in the proper context solely for authorised business purposes and are only made accessible to the relevant staff who has a legitimate need to know.

At our laboratories, our confidentiality policy requires all staff are responsible for protecting and handling carefully the examinee's personal information. Efforts are dedicated in making sure that information regarding examinee personal particulars are not exposed to any third-party companies or persons without the consent of the examinee or the requesting doctor.

### 反腐敗

為保持透明度及提高操守及責任性，本公司已於其《行為準則》中明確闡述有關公平機會及反腐敗的內容。本公司亦已建立正式申訴機構，以便僱員能夠向部門經理提交書面投訴及安排與部門經理跟蹤會議。倘申訴未妥善解決，僱員可直接向行政及人力資源部提交書面投訴。

本公司保有檢舉揭發政策，以鼓勵僱員、供應商及其他持份者報告於本公司發生的任何不端行為及錯誤行為，相關報告可提交行政及人力資源部。若報告涉及行政及人力資源部總監或成員，有關報告可直接提交審核委員會主席。

### 資料保護

本公司非常重視對客戶個人資料的保護。於二零一六年，我們已嚴格遵守香港的《個人資料(私隱)條例》(第486章)及所有其他相關資料保護原則。我們僅在適當的情況下使用客戶及供應商的個人資料作獲授權的業務用途，並且只有具合法需要知道的相關員工方可取得該等資料。

在我們的實驗室，我們的保密政策規定所有員工負責小心保護並處理受檢驗者的個人資料。我們致力確保有關受檢驗者個人詳情的資料不會未經受檢驗者或請求醫生同意而披露予任何第三方公司或個人。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Employees are prohibited from phoning the result to the examinee or the requesting doctor. Furthermore, unless we receive an authorisation from the requesting doctor or the examinee, the examinee's relatives cannot collect the patient's reports. With regards to non-compliance of the above policies, warnings are given out for careless mistakes whilst for anyone who intentionally goes against the above policies, they will be dismissed.

### QUALITY ASSURANCE

Continuous evaluation is an integral part of our quality management system. Regular feedback is collected from our stakeholders so that our Quality Assurance Department can gain a deeper understanding of the Group's products and services.

#### Hong Kong

Since 2007, our medical laboratory and health check centres obtained ISO 15189 qualification and was accepted by the Hong Kong Accreditation Service as a HOKLAS Accredited Laboratory of Category S (Directed by Biomedical Scientist), recognising the excellent quality of our services and competence of our employees.

For our medical laboratory testing services and health check services in Hong Kong, we have established comprehensive specimen collection procedures, specimen handling and recording guidelines to ensure specimen is collected and handled properly by our employees to ensure a quality test result. The following is a brief glimpse at a few of our guidelines:

我們禁止僱員把結果告知受檢驗者或請求醫生。此外，除非我們收到請求醫生或受檢驗者授權，否則受檢驗者的親屬不能取得病人的報告。如不遵守上述政策，我們會對不小心犯錯者給予警告，而故意違反上述政策的任何人將會被解僱。

### 質量保證

持續評估是我們質量管理制度的組成部分。我們向持份者收集定期反饋，以便質量保證部能夠更深入了解本集團的產品及服務。

#### 香港

自二零零七年起，我們的醫學實驗室及健康檢查中心取得ISO 15189資格，並獲香港認可處接納為香港實驗所認可計劃類別S認可實驗所（由生物醫學科學家領導），承認我們的優質服務及僱員的能力。

對於我們在香港的醫學實驗室測試服務及健康檢查服務，我們已制訂全面的樣本收集程序、樣本處理及記錄指引，以確保僱員妥善收集並處理樣本，從而確保高質的測試結果。以下是我們一些指引的簡要說明：



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Align with the Group's mission in constantly striving to improve our customer's wellbeing, internal audits are annually carried out to evaluate our laboratory's performance and identify areas to improve on. A comprehensive internal audit checklist defining the time schedule for internal auditing on different areas such as quality management system, organisation and management has been created to ensure that internal audit is thorough and covers all important issues.

It is reviewed annually to ensure for its validity, and implemented minimum once annually by the Laboratory Supervisor. Various types of audits e.g. horizontal, vertical and witness audits are carried out to maximise comprehensiveness. For instance, checking in the details of the quality management system aspects, issue of examination reports, technical competence of employees and whether they have complied with the laboratory policies etc. With regards to the actual clinical specimens that might be involved in our auditing process, patient's private information is removed from the audit reports to safeguard patient's privacy.

### Guizhou

Producing safe and quality products is one of our primary considerations. Adhering to a strict quality control approach, we have devised a quality control system where we insist in constantly examining and testing our products, making sure that substandard raw materials, in-process materials, final products are strictly prohibited for use or distribution. During these control and testing process, we insist in complying to scientific methods to ensure achieving reliable and accurate test results for analysis and evaluation.

At the early stages of our production process, our quality assurance department works closely with the procurement department to ensure product compliance. Clear, accurate and comprehensive specifications regarding the raw materials to be sourced, for instance the relevant quality standards, sample etc. is provided to the procurement department so that the right raw materials complying to the relevant laws and regulations are procured.

為配合本集團不斷致力於改善病人福祉的使命，我們每年進行內部審核，以評估實驗室的表現，並找出改進的空間。我們已制訂了一份全面的內部審核清單，列明在不同領域（如質量管理制度、組織及管理）內部審核的時間表，以確保內部審核是全面的，並涵蓋所有重要問題。

我們每年檢視內部審核清單，以確保其有效性，並由實驗室主管至少每年實施一次。我們進行各種類型的審核（如水平的、垂直的及見證的），以最大限度提高全面性。例如，檢查質量管理制度方面的詳情、發出檢查報告、僱員的技術能力，以及僱員是否遵守實驗室政策等。對於可能涉及審核程序的實際臨床樣本，我們會從審核報告中刪除病人的私人資料，以保障病人私隱。

### 貴州

生產安全及優質的產品是我們的主要考慮之一。我們遵循嚴格的質量控制方法，設計了一套質量控制制度，堅持不斷檢查並測試我們的產品，確保嚴禁使用或分發不合格的原材料、在製材料及成品。在這些控制及測試過程中，我們堅持遵守科學的方法，確保得到可靠及準確的測試結果，以供分析及評估。

在生產過程的早期階段，我們的質量保證部與採購部緊密合作，以確保生產合規。有關將採購原材料的清晰、準確及全面的規格（例如相關質量標準、樣品等）將提供予採購部，以便採購符合有關法律法規的適當原材料。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During our production process, measures are carried out to make sure all personnel working in the production areas have good personal hygiene so that chances of product contamination can be reduced to a minimum. All personnel working in the production areas are required to wear the correct protective equipment for instance clothing, caps respective of their area. These protective equipment are strictly prohibited from being worn outside the production areas they belong to, and are regularly sterilised after use according to governmental operating guidelines. Furthermore, all employees are required to undergo medical health examinations in which fees are covered by the Group every year, to make sure no health risk is imposed.

All finished products are only distributed when the quality assurance department has confirmed and made sure that the whole production process of the finished product has satisfied the relevant statutory requirements- all verification and testing has been completed and that no quality, efficacy and safety problems are present in the finished products. For all substandard finished products, they are strictly prohibited from distribution and either reworked, recycled or destroyed.

Meetings are carried out bi-monthly for the relevant departments such as the production unit and the quality assurance unit to review, discuss the performance of the Group's products, production processes and consequently discuss corrective actions to be taken to improve our production processes or cases of substandard materials and products.

在生產過程中，我們採取措施確保在生產區工作的所有人員有良好的個人衛生，從而把產品污染的機會減至最低。在生產區工作的所有人員須穿戴其各自領域的正確防護裝置，例如衣物、帽子等。嚴禁在其所屬生產區以外穿戴這些防護裝置，並在使用後根據政府操作指引定期滅菌。此外，所有僱員須每年接受醫療健康檢查，本集團承擔有關費用，以確保不會產生健康風險。

僅當質量保證部已確認並確保成品的整個生產過程符合相關法定要求，所有驗證及測試已經完成，並且成品中不存在質量、功效及安全問題時，方可分銷成品。對於所有不合格成品，嚴禁進行分銷，應重做、回收或銷毀。

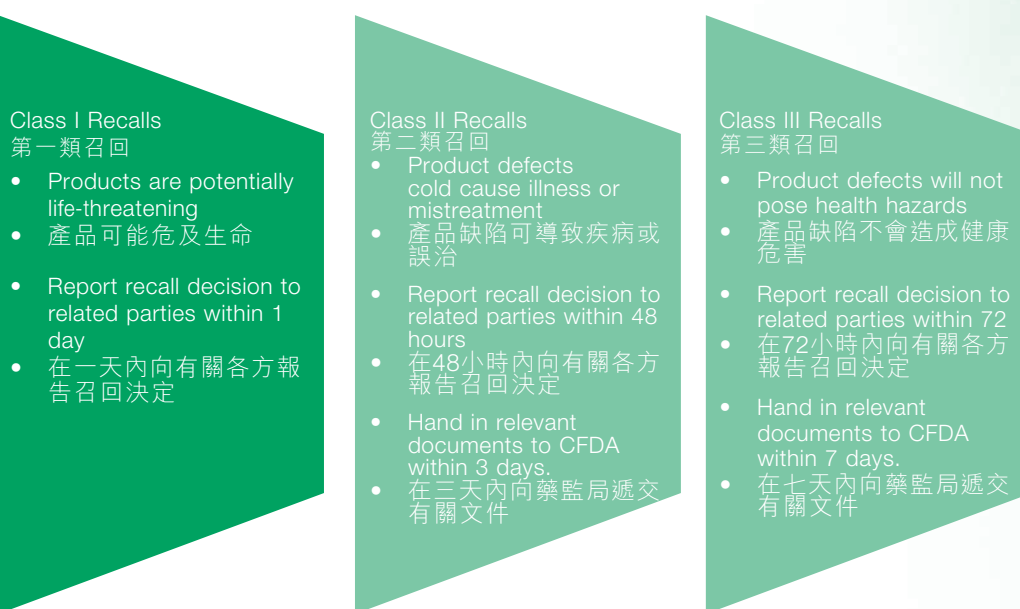
相關部門(如生產單位及質量保證部)每兩個月舉行一次會議，以檢視、討論本集團產品的表現、生產過程，並進而討論將採取的糾正措施，以改善生產過程或不合格材料及產品的個案。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

In 2016, the Group has not received any product or service related complaint or recalled products for safety and health reasons. In case of product recall, the Group has developed a systematic and efficient response mechanism in which recalls are classified into different levels according to the potential hazard the defective product might impose. Below we present an overview of our product recall classification and response mechanism:

於二零一六年，本集團並未收到與任何產品或服務相關的投訴，或因安全及健康理由而召回產品。在產品召回的情況下，本集團已制訂系統及有效的應對機制，根據缺陷產品可能產生的潛在危害，把召回分為不同級別。以下呈列產品召回分類及應對機制的概述：



When the Group makes the decision to recall its products, all relevant pharmaceutical retailers, users are informed to stop the sale and use of the product whilst reports are made to the relevant China Food and Drug Administration (“CFDA”) in the respective province, autonomous region, or municipality. After the activation of recall procedures, an investigative/evaluative report and a recall plan will also be handed in to the CFDA within a limited time.

當本集團作出決定召回其產品時，會告知所有相關藥品零售店及用戶停止銷售及使用該產品，同時向各省、自治區或直轄市相關國家食品藥品監督管理局（「藥監局」）作出報告。在啟動召回程序後，亦會在限定時間內向藥監局遞交調查／評估報告及召回計劃。

### HANDLING CUSTOMERS' COMPLAINTS

We are open to any kinds of complaints, be it from our customers. And we have developed an efficient and systematic system in dealing with complaints. To start with, the details of the complaints and involved parties are noted down clearly and brought to the attention of the Quality Manager and relevant personnel. Later on, a meeting is held by the Quality Manager to discuss the proper corrective action or preventive measures regarding the case.

### 處理客戶投訴

我們歡迎客戶作出任何種類的投訴。我們已制訂有效及系統的制度，以處理投訴。首先，清晰記錄投訴詳情及有關各方，並提請質量經理及相關人士注意。隨後，質量經理會開會討論有關該個案的適當糾正行動或預防措施。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

All follow-up actions carried out and any corrective measures are also recorded in the corrective action plan request. The Quality Manager is held responsible for making sure that the complaints and problems are resolved. Furthermore, he/she informs all the relevant staff about the results for any corrective measures for future improvement.

### ETHICAL LABELLING

The labelling and instruction manual of our products has complied with the relevant governmental regulations – “Provisions on the Administration of Pharmaceutical Direction and Labels” (Order No. 24) of the CFDA. The outlook, size, colour and text of all labels and instructional manuals are carefully inspected and examined by our appointed staff based on quality standards. To prevent the existence of counterfeit medicine, measures are taken to ensure that the photographic film of the product labels, instructional manuals and other external product packaging are strictly prohibited from being leaked out before termination of use.

進行的一切跟進行動及任何糾正措施亦會記錄於糾正行動計劃請求中。質量經理負責確保解決投訴及問題。此外，他／她應把任何糾正措施的結果告知所有相關員工，以便未來改進。

### 符合規範的標籤

我們產品的標籤及使用說明書已符合有關政府法規 – 藥監局的《藥品說明書和標籤管理規定》(局令第24號)。我們的指定工作人員根據質量標準，仔細檢驗及檢查所有標籤及指示說明書的外觀、大小、顏色及文字。為防止存在偽造藥品，我們採取措施以確保嚴禁在使用終止前洩漏產品標籤、指示說明書及其他外部產品包裝的攝影底片。

# DIRECTORS' REPORT

## 董事報告

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2016 (“**2016 Year**”).

### PLACE OF INCORPORATION AND PRINCIPAL PLACE OF BUSINESS

The Company was incorporated and registered as an exempted company in Cayman Islands under the Company Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 5 June 2003 and duly continued in Bermuda as an exempted company under the laws of Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The head office and the principal place of business of the Company in Hong Kong was changed from Room 1213, Tower A, New Mandarin Plaza, 14 Science Museum Road, Kowloon, Hong Kong to 26/F., Times Tower, 391-407 Jaffe Road, Wan Chai, Hong Kong.

### IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is China Wah Yan Healthcare Limited (“**China Wah Yan**”), a public limited company incorporated in Hong Kong and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 648).

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 47 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the 2016 Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 112. The state of affairs of the Group and the Company at that date are set out in the consolidated statement of financial position on page 114 and note 46 to the consolidated financial statements of this report respectively.

董事會欣然呈報彼等之報告連同本集團截至二零一六年十二月三十一日止年度（「二零一六年年報」）之經審核綜合財務報表。

### 註冊成立地點及主要營業地點

本公司於二零零三年六月五日根據開曼群島法例第二十二章公司法（一九六一年第三項法例，經綜合及修訂）在開曼群島註冊成立及登記為獲豁免公司，並根據百慕達法例作為獲豁免公司正式存續於百慕達。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司之總辦事處及香港主要營業地點位從香港九龍科學館道14號新文華中心A座1213室變更為香港灣仔謝斐道391-407號新時代中心26樓。

### 直接及最終控股公司

本公司的直接及最終控股公司為中國華仁醫療有限公司（「**中國華仁**」），一間於香港註冊成立之公眾有限公司，其股份於聯交所主板上市（股份代號：648）。

### 主要業務

本公司主要業務為投資控股。其附屬公司之主要業務載於綜合財務報表附註47。

### 業績及股息

本集團於二零一六年年報之業績載於第112頁之綜合損益及其他全面收益表。本集團及本公司於該日之事務狀況分別載於本報告第114頁之綜合財務狀況表及綜合財務報表附註46。

# DIRECTORS' REPORT

## 董事報告

The Board does not recommend the payment of a dividend for 2016 Year (year ended 31 December 2015 ("2015 Year"): HK\$Nil).

### SEGMENT INFORMATION

An analysis of the principal activities and geographical locations of operations of the Group for the 2016 Year is set out in note 7 to the consolidated financial statements.

### CHARITABLE DONATIONS

During the 2016 Year, the Group made charitable donations amounting to approximately HK\$1,000 (2015 Year: HK\$177,000).

### MAJOR CUSTOMERS AND SUPPLIERS

For the 2016 Year, the percentages of turnover and purchases (including discontinued operation) attributable to the Group's major customers and suppliers are set out below:

Turnover		
-	The largest customer	12.64%
-	Five largest customers in aggregate	32.83%
Purchases		
-	The largest supplier	31.79%
-	Five largest suppliers in aggregate	55.05%

As far as the Directors are aware, neither the Directors nor their associates nor any shareholders (which to the knowledge of Directors own more than 5% of the Company's issued share capital) had any interest in the five largest customers and suppliers of the Group.

### SHARE CAPITAL

Details of the movements in the share capital of the Company during the 2016 Year are set out in note 39 to the consolidated financial statements.

董事會不建議就二零一六年度派付股息(截至二零一五年十二月三十一日止年度(「二零一五年度」):零港元)。

### 分部資料

本集團業務於二零一六年度之主要活動及地理位置分析載於綜合財務報表附註7。

### 慈善捐款

於二零一六年度,本集團作出慈善捐款約1,000港元(二零一五年度:177,000港元)。

### 主要客戶及供應商

於二零一六年度,本集團主要客戶及供應商應佔營業額及採購(包括已終止經營業務)之百分比載列如下:

營業額		
-	最大客戶	12.64%
-	前五大客戶總和	32.83%
採購		
-	最大供應商	31.79%
-	前五大供應商總和	55.05%

就董事所知,董事或彼等之聯繫人士或任何股東(就董事所悉,擁有本公司已發行股本5%以上)概無於本集團前五大客戶及供應商中擁有任何權益。

### 股本

本公司股本於二零一六年度之變動詳情載於綜合財務報表附註39。

# DIRECTORS' REPORT

## 董事報告

### EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into by the Company during the year or subsisting at the end of the year are set out below:

#### (a) Placing of new shares under general mandate

On 22 July 2016, the Company and Supreme China Securities Limited (“**Supreme**”) entered into a placing agreement, pursuant to which Supreme has conditionally agreed to place, on a best endeavours basis, up to 131,380,000 new shares of the Company (“**Placing Shares**”), to not less than six placees who and whose ultimate beneficial owners are independent third parties at a price of HK\$0.169 per Placing Share (“**Placing**”). The completion of the Placing took place on 15 August 2016.

The Directors were of the view that the Placing could strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations. The Placing also represented a good opportunity to broaden the shareholders' base and the capital base of the Company. The Directors considered that the Placing was in the interests of the Company and the shareholders as a whole.

#### (b) Share option scheme

The Company adopted a share option scheme on 29 May 2014 for the purpose of enabling the Group to grant share options to selected participants as incentives or rewards for their contribution to the Group.

### 股票掛鈎協議

有關本公司於年內訂立或於年末時存續的股票掛鈎協議詳情如下：

#### (a) 根據一般授權發行新股份

於二零一六年七月二十二日，本公司與智華證券有限公司（「智華」）訂立配售協議，據此，智華已有條件同意按盡最大努力基準，向不少於六名承配人（彼等及其各自之最終實益擁有人須為獨立第三方）配售131,380,000股本公司新股份（「**配售股份**」），每股配售股份作價0.169港元（「**配售事項**」）。配售事項已於二零一六年八月十五日完成。

董事認為配售事項能夠增強本集團的財務狀況並向本集團提供營運資金以滿足任何未來發展及責任。配售事項亦為擴闊本公司之股東基礎及本公司之資本基礎之良機。董事認為配售事項符合本公司及股東之整體利益。

#### (b) 購股權計劃

本公司於二零一四年五月二十九日採納一項購股權計劃，以令本集團能夠向經選定參與者授出購股權，作為彼等為本集團作出貢獻之獎勵或回報。

# DIRECTORS' REPORT

## 董事報告

On 5 February 2016, China Wah Yan proposed to the Board that China Wah Yan would, subject to fulfillment of certain conditions, make the voluntary conditional securities exchange offers (i) to acquire all of the issued shares of the Company (other than those already owned by China Wah Yan and parties acting in concert with it); and (ii) to cancel all of the outstanding share options granted by the Company pursuant to the share option scheme adopted by the Company, whether vested or not (“**Voluntary Securities Exchange Offers**”). All of the conditions of the Voluntary Securities Exchange Offers have been fulfilled and the Voluntary Securities Exchange Offers have become unconditional in all respects on 11 May 2016, any share options which remain outstanding upon the close of the Voluntary Securities Exchange Offers (i.e. 25 May 2016) lapsed. During the 2016 Year, no share option was granted, exercised and cancelled.

The details of the share option scheme of the Company are set out in note 40 to the consolidated financial statements.

### RESERVES

Details of the movements in the reserves of the Group and the Company during the 2016 Year are set out in the consolidated statement of changes in equity on page 116 and in note 46 to the consolidated financial statements respectively.

### DISTRIBUTABLE RESERVES

For the 2016 Year, the Company's distributable reserves are set out in note 46 to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the 2016 Year are set out in note 18 to the consolidated financial statements.

於二零一六年二月五日，中國華仁向董事會建議，指中國華仁待達成若干條件後將提出自願有條件證券交換要約，以(i)收購本公司所有已發行股份（中國華仁及其一致行動人士已擁有者除外）；及(ii)註銷所有由本公司根據本公司所採納之購股權計劃授出而尚未行使之購股權，不論是否已歸屬（「自願證券交換要約」）。自願證券交換要約之所有條款已獲履行，而自願證券交換要約已於二零一六年五月十一日在各方面成為無條件，任何尚未行使之購股權於自願證券交換要約結束時（即二零一六年五月二十五日）失效。於二零一六年度，概無購股權獲授出、行使或註銷。

本公司購股權計劃之詳情載於綜合財務報表附註40。

### 儲備

本集團及本公司儲備於二零一六年度之變動詳情分別載於第116頁之綜合權益變動表及綜合財務報表附註46。

### 可分發儲備

於二零一六年度，本公司之可供分發儲備載於綜合財務報表附註46。

### 物業、廠房及設備

本集團於二零一六年度之物業、廠房及設備變動詳情載於綜合財務報表附註18。

# DIRECTORS' REPORT

## 董事報告

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive right under the Company's bye-laws and there was no restriction against such rights under the laws of Bermuda.

### EVENTS AFTER THE REPORTING PERIOD

Details of the Group's events after the reporting period are set out in note 50 to the consolidated financial statements.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out in the financial summary on pages 270 to 271 of this report. This summary does not form part of the audited consolidated financial statements.

### BUSINESS REVIEW

The business review, including (i) review of the business of the Group during the year; (ii) particulars of important events affecting the Group that have occurred since the end of the 2015 year; (iii) key financial and business performance indicators; (iv) discussion on the Group's likely future business development; and (v) principal risks and uncertainties faced by the Group are set out in the section headed "MANAGEMENT DISCUSSION AND ANALYSIS" on pages 11 to 38 of this report. These discussions form part of this report of the Directors.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

As a responsible corporate citizen, the Group recognises the importance of good environmental stewardship. The Group implemented green policies to raise energy efficiency and minimise energy consumption. For details, please refer to the section headed "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT" on pages 67 to 87 of this report.

### 優先購買權

本公司之公司細則並無優先購買權之條文，而百慕達法例並無有關權利之限制。

### 報告期後事項

於報告期後發生之本集團事項載於綜合財務報表附註50。

### 財務概要

於過去五個財政年度內，本集團之業績及資產以及負債概要載於本報告第270至第271頁之財務概要。此概要並不構成經審核綜合財務報表之一部份。

### 業務回顧

業務回顧包括(i)本集團於本年度之業務回顧；(ii)自二零一五年年終以來發生並影響本集團之重要事項詳情；(iii)財務及業務表現主要指標；(iv)有關本集團可能的未來業務發展之討論；及(v)本集團面臨的主要風險及不明朗因素，載於本報告第11至38頁「管理層討論及分析」一節。該等討論構成本董事報告的一部分。

### 環境政策及表現

作為負責任之企業公民，本集團認同良好環境管理十分重要。本集團實行綠色政策，提升能源效益之餘亦盡力減少能源消耗。有關詳情請參閱本報告第67至87頁「環境、社會及管治報告」一節。

# DIRECTORS' REPORT

## 董事報告

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with applicable laws and regulations and the risk of non-compliance with such requirements. The Group has implemented system and allocated staff resources to ensure ongoing compliance with applicable laws, rules and regulations. During the 2016 Year and up to the date of this report, save as disclosed in this report, the Group has complied with the relevant laws and regulations that have significant impact on the Group in Hong Kong and the PRC.

### RELATIONSHIP WITH KEY STAKEHOLDERS

The Company is committed to operating in a sustainable manner while balancing the interests of various stakeholders including the Group's employees, customers, suppliers and the community.

#### Employees

The Group recognises the value and importance of its employees and the Group has been devoting resources in staff training and review of their development. Providing a work environment that is free from all forms of discrimination, the Group has devised an integrated human capital strategy to recruit, develop and motivate employees, making sure that employees are provided with competitive remuneration package, appropriate training and development opportunities and their performance goals are aligned with the Group's business objectives.

In the 2016 Year, there were no known reports of any incidence of discrimination by the employees. Management and staff at all levels are responsible to ensure all employees are working in compliance with the statutory requirements, arrange adequate resources to fulfil the safety requirements and carry out training and supervision.

### 遵守法律與法規

本集團認同遵守適當法律及法規十分重要，以及不遵守該等規定存在之風險。本集團已推行制度並分配人力資源以確保持續遵守適用法律、規則及法規。於二零一六年度及截至本報告日期，除本報告所披露者外，本集團一直遵守於香港及中國對本集團有重大影響之相關法律及法規。

### 與主要持份者之關係

本公司致力以可持續方式經營，同時平衡各方利益相關者之利益，當中包括本集團的僱員、客戶及社區。

#### 僱員

本集團認知其僱員之價值及重要性，而本集團一直投入資源進行員工培訓及檢討彼等之發展。本集團確保全體僱員均獲得合理薪酬，同時不斷改進並定期檢討及更新其關於薪酬與福利、培訓、職業健康及安全之政策。通過提供在各方面均免受歧視的工作環境，本集團已設立一套整合的人力資本策略以招聘、發展及動員僱員，確保向僱員提供豐厚的薪酬方案、適當的培訓及發展機會，且彼等的業績目標與本集團的業務目標保持一致。

於二零一六年度，僱員並無發生任何歧視的已知呈報。管理層及各層員工有責任確保所有僱員遵照法定規定工作，有責任安排充足的資源滿足安全規定並進行培訓及監管。

# DIRECTORS' REPORT

## 董事報告

### Customers

The Group is committed to provide safe and high quality products and services to its customers. A customer complaint handling mechanism is in place to receive, analyse and handle complaints and make recommendations on remedies with the aim of improving quality of the Group's services and products and maintaining established relationship with customers.

Aligned with the Group's mission in striving to improve customer's wellbeing, our medical laboratory and health check centers has obtained ISO 15189 qualification since 2007, and is accepted by the Hong Kong Accreditation Service as a HOKLAS Accredited Laboratory of Category S (Directed by Biomedical Scientist).

### Suppliers

The Group has developed long-standing relationships with a number of suppliers. The Group selects the suppliers in a prudent manner and requires them to satisfy certain assessment criteria including track records, financial strength, reputation and ability to deliver the products on time and quality standards.

For approved suppliers, evaluations are carried out annually regarding their performance, and records are maintained. In case of any inferior or substandard raw materials received, suppliers are informed and requests regarding replacements are raised immediately.

### Community

The Company will continue to contribute to the harmonious society through social contributions and participations in public service activities. For details, please refer to the section headed "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT" on pages 67 to 87 of this annual report.

### 客戶

本集團致力為其客戶提供安全優質之產品及服務，並設有客戶投訴處理機制，以接收、分析及處理投訴個案，並且提出補救建議，務求改善本集團之服務及產品質素，以及與客戶維持固有關係。

我們的醫學實驗室及健康檢查中心與本集團致力於提高客戶福祉之宗旨保持一致，自二零零七年已獲得ISO 15189資格，並獲香港認可處認可為HOKLAS認可實驗室中的S類別（由生物醫學科學家指導）。

### 供應商

本集團與多名供應商建立了長遠關係。本集團謹慎挑選供應商，要求彼等滿足若干評核條件，包括往績記錄、財務實力、聲譽及準時付運產品之能力，達到質量標準。

就獲批准之供應商而言，將就彼等之表現進行年度評估，並保存有關記錄。倘收到任何次品或不合規格的原材料，將立即知會供應商並提出要求換貨。

### 社區

本公司將繼續為社會作出貢獻，參與公共服務活動，協力建立和諧社會。有關詳情請參閱本年報第67至87頁「環境、社會及管治報告」一節。



# DIRECTORS' REPORT

## 董事報告

### DIRECTORS

The Directors during the 2016 Year and up to the date of this report were:

#### Executive Directors

Mr. Chan Ka Chung (Chairman)	(Appointed on 1 October 2016)
Mr. Cheung Hung (Chairman)	(Resigned on 1 October 2016)
Mr. Leung Pak Hou Anson Ms. Chen Miaoping (Chief Executive Officer)	
Mr. Cheung Wai Kwan	(Appointed on 1 October 2016)

#### Non-executive Directors

Mr. Ho Fung Shan Bob  
Mr. Leung Ka Fai  
Mr. Yuen Chun Fai

Mr. Cheung Hung, the former executive Director and chairman of the Company, resigned on 1 October 2016 and the reason of his resignation is set out on page 49 of this report.

Pursuant to bye-law 83(2) of the bye-laws of the Company, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the members in general meeting, as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company after his appointment and shall be eligible for re-election. Each of Mr. Chan Ka Chung and Mr. Cheung Wai Kwan will hold office until the forthcoming annual general meeting ("AGM") and each of them, being eligible, will offer himself for re-election at the AGM.

In addition, pursuant to bye-law 84(1) of the bye-laws of the Company, at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The retiring Directors shall be eligible for re-election. Mr. Ho Fung Shan Bob and Mr. Yuen Chun Fai will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

### 董事

於二零一六年度及截至本報告日期，董事如下：

#### 執行董事

陳嘉忠先生 (主席)	(於二零一六年十月一日獲委任)
張鴻先生 (主席)	(於二零一六年十月一日辭任)
梁伯豪先生 陳妙嫻女士 (行政總裁)	
張衛軍先生	(於二零一六年十月一日獲委任)

#### 非執行董事

何峯山先生  
梁家輝先生  
阮駿暉先生

本公司前執行董事及主席張鴻先生於二零一六年十月一日辭任，有關其辭任之理由載列於本報告第49頁。

根據本公司之公司細則第84(2)條，董事有權不時及隨時委任任何人士為董事以填補臨時董事空缺或增添董事至現行董事會（須獲成員於週年大會授權）。以此方式獲董事會委任之任何董事須一直擔任該職務，直至本公司舉行其獲委任後的首屆股東大會為止，並於該大會上膺選連任。陳嘉忠先生及張衛軍先生將一直擔任各自職務直至應屆股東週年大會（「股東週年大會」），且兩人皆將於股東週年大會上合資格膺選連任。

此外，根據本公司之公司細則第84(1)條，於每屆股東週年大會上，當時三份之一董事（或倘人數並非三(3)之倍數，則以最接近但不少於三份之一的人數）須輪席退任，惟各董事須至少每三年退任一次。退任董事將符合資格膺選連任。何峯山先生及阮駿暉先生將於應屆股東週年大會上輪席退任並合資格且願意膺選連任。

# DIRECTORS' REPORT

## 董事報告

### DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Company are set out on pages 39 to 46 of this report.

### DIRECTORS' SERVICE CONTRACTS

All of the Directors are subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Company's bye-laws and the GEM Listing Rules.

Except for Mr. Chan Ka Chung and Mr. Cheung Wai Kwan, all Directors have entered into service contracts with the Company for a term of one year commencing from 1 June 2016.

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

### DIRECTORS' INTERESTS IN CONTRACTS

The Company, through Silver Wisdom Development Limited ("**Silver Wisdom**"), its wholly-owned subsidiary, has invested in 23% equity interest ("**Relevant Equity Interest**") in a group of companies which is principally engaged in the investment, management and operations of sports clubs and fitness clubs in the PRC.

Pursuant to an option deed dated 26 February 2015 made between (i) Silver Wisdom, (ii) Choice Elite Holding Limited ("**Choice Elite**"), a company wholly owned by Mr. Chan Ka Chung ("**Mr. Chan**"), the chairman of the Board and an executive Director, and (iii) Mr. Chan ("**Option Deed**"), (a) Silver Wisdom has granted a call option to Choice Elite, the exercise of which would entitle Choice Elite to request Silver Wisdom to sell to Choice Elite all the Relevant Equity Interest at a price calculated in accordance with a pre-agreed formula set out in the Option Deed and (b) on the other hand, Choice Elite has granted a put option to Silver Wisdom, the exercise of which would entitle Silver Wisdom to request Choice Elite to purchase from it all the Relevant Equity Interest at a price calculated in accordance with another pre-agreed formula set out in the Option Deed. Each such option is exercisable during the period from 20 October 2015 to 20 October 2017. As at 31 December 2016, such options remained outstanding and have not exercised by either party.

Mr. Chan was joined as a party to the Option Deed to guarantee the performance of Choice Elite of its obligations under the Option Deed.

### 董事及高級管理層之履歷

本公司董事及高級管理層之履歷詳情載於本報告第39至第46頁。

### 董事的服務合約

根據本公司之公司細則及創業板上市規則，全體董事均須於本公司股東週年大會上輪席退任及膺選連任。

除陳嘉忠先生及張衛軍先生外，全體董事已與本公司訂立服務合約，為期一年，自二零一六年六月一日開始。

建議於應屆股東週年大會上重選連任之董事概無與本公司訂立本公司不可於一年內終止而毋須賠償(法定賠償除外)的服務合約。

### 董事於合約中之權益

本公司通過全資附屬公司銀智發展有限公司(「**銀智**」)已投資於一組公司(主要從事投資、管理及營運中國運動俱樂部及健身俱樂部)23%的股權(「**相關股權**」)。

根據日期為二零一五年二月二十六日於(i) 銀智，(ii) 由董事會主席及執行董事陳嘉忠先生(「**陳先生**」)全資擁有之公司Choice Elite Holding Limited(「**Choice Elite**」)，及(iii) 陳先生之間所作出之期權契據(「**期權契據**」)，(a) 銀智已向Choice Elite 授出認購期權，行使認購期權將使Choice Elite 有權要求銀智按載於期權契據內先前協議之公式計算得出的價格向Choice Elite 出售所有相關股權及(b) 另一方面，Choice Elite已向銀智授出認沽期權，行使認沽期權將使銀智有權要求Choice Elite按載於期權契據內另一項先前協議之公式計算得出的價格購買所有相關股權。各期權於二零一五年十月二十日至二零一七年十月二十日止期間可予行使。於二零一六年十二月三十一日，該等期權仍尚未行使且未獲雙方行使。

陳先生作為一方加入期權契據以擔保期權契據項下Choice Elite責任的表現。

# DIRECTORS' REPORT

## 董事報告

Save as disclosed above, no Director had material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party subsisting during or at the end of the 2016 Year.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the 2016 Year.

### COMPETING INTERESTS

None of the Directors, nor their respective associates (as defined in the GEM Listing Rules) had any interest in a business, apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group during the 2016 Year.

### EMOLUMENT POLICY

The emolument policy of the Directors and senior management of the Group is set up by the remuneration committee of the Board on the basis of their merits, qualifications and competences. The emoluments of the Directors are decided by the Board on the recommendation of the remuneration committee of the Board, having regard to market competitiveness, individual performance and achievement. The Company has adopted a share option scheme as an incentive to Directors and eligible participants, details of the scheme are set out in note 40 to the consolidated financial statements.

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the Directors and senior management of the Company for the 2016 Year by bands is as follows:

Emoluments bands	酬金組別	Number of individuals 人數
HK\$Nil to HK\$1,000,000	零港元至1,000,000港元	7
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2

Further particulars in relation to Directors' remuneration and the five individuals with highest emoluments are set out in note 17(b) to the consolidated financial statements.

除上文所披露者外，董事概無於本公司或其任何附屬公司訂立於二零一六年度內或完結時仍然有效且對本集團業務屬重大之合約中直接或間接擁有重大實益權益。

### 管理合約

於二零一六年度概無訂立或存在與本集團業務整體或任何主要部份之管理及行政有關之合約。

### 競爭權益

於二零一六年度，董事或彼等各自之聯繫人士（定義見創業板上市規則）概無於任何對本集團業務造成或可能造成競爭的業務（本集團之業務除外）中擁有任何權益。

### 薪酬政策

本集團董事及高級管理層的薪酬政策由董事會轄下薪酬委員會按照其長處、資歷及能力訂立。董事薪酬由董事會根據董事會轄下薪酬委員會於考慮到市場競爭力、個人表現及成績後所給予之推薦意見後釐定。本公司已採納購股權計劃，作為對董事及合資格參與者的激勵，有關該計劃的詳情載於綜合財務報表附註40。

根據企業管治守則之守則條文第B.1.5條，本公司董事及高級管理層於二零一六年度之薪酬按組別載列如下：

有關董事酬金及五名最高薪酬人士之進一步詳情載於綜合財務報表附註17(b)。

# DIRECTORS' REPORT

## 董事報告

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

As at 31 December 2016, none of the Directors nor the chief executive of the Company had, any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules.

### NOTIFIABLE INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at 31 December 2016, the following person or entity (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO:

#### Long position in shares and underlying shares

Name of shareholder	Nature of interest	No. of shares held	Approximate percentage
股東名稱	權益性質	持有之股份數目	概約百分比 (附註)
China Wah Yan 中國華仁	Beneficial owner 實益擁有人	492,723,891	62.50%

Note:

As at 31 December 2016, the total number of the issued share of the Company was 788,366,750 ordinary shares of HK\$0.10 each of the Company.

Save as disclosed above, as at 31 December 2016, no other person or entity (other than a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 董事及最高行政人員於股份、相關股份及債券中擁有的權益及淡倉

於二零一六年十二月三十一日，本公司並沒有任何董事或最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第352條由本公司所備存的登記冊所記錄的權益或淡倉；或根據創業板上市規則第5.46條所述董事交易規定準則而須另行知會本公司及聯交所的權益或淡倉。

### 主要股東於股份及相關股份中持有的須予公佈權益及淡倉

於二零一六年十二月三十一日，按根據證券及期貨條例第336條由本公司所備存的登記冊所記錄，以下人士或實體（本公司董事或最高行政人員除外）於股份或相關股份中擁有權益或淡倉：

#### 於股份及相關股份權益中持有的好倉

Name of shareholder	Nature of interest	No. of shares held	Approximate percentage
股東名稱	權益性質	持有之股份數目	概約百分比 (附註)
China Wah Yan 中國華仁	Beneficial owner 實益擁有人	492,723,891	62.50%

附註：

於二零一六年十二月三十一日，本公司之已發行股份總數為788,366,750股本公司每股面值0.10港元之普通股。

除上文所披露者外，於二零一六年十二月三十一日，並無任何其他人士或實體（本公司董事或最高行政人員除外）於股份或相關股份中擁有本公司根據證券及期貨條例第336條所備存的登記冊所記錄之權益或淡倉。

# DIRECTORS' REPORT

## 董事報告

### RIGHT TO ACQUIRE COMPANY'S SECURITIES

Except for the share options which were lapsed during the 2016 Year and disclosed in note 40 to the consolidated financial statements, at no time during the 2016 Year was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of share in, or debentures of, the Company or any other body corporate.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the 2016 Year.

### MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Except for the acquisition of a subsidiary, acquisition of associates and disposal of subsidiaries as disclosed in the section headed "BUSINESS REVIEW" in "MANAGEMENT DISCUSSION AND ANALYSIS", the Group did not have any other material acquisition or disposal of subsidiaries and affiliated companies for the 2016 Year.

### 購買本公司證券的權利

除於二零一六年年末失效的購股權及綜合財務報表附註40所披露者外，本公司或其任何附屬公司或其任何同系附屬公司於二零一六年年末任何時間概無參與訂立任何安排，讓董事或本公司最高行政人員或彼等各自之聯繫人士（定義見創業板上市規則）擁有任何權利認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券或藉購入本公司或任何其他法人團體之股份或債券而獲取利益。

### 購買、出售或贖回上市證券

於二零一六年年末，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

### 重大收購及出售附屬公司及聯屬公司

除「業務回顧」及「管理層討論及分析」等節所披露收購一間附屬公司、收購聯營公司及出售附屬公司外，本集團於二零一六年年末並無進行任何其他重大收購或出售附屬公司及聯屬公司。

# DIRECTORS' REPORT

## 董事報告

### RELATED PARTY AND CONNECTED TRANSACTIONS

Details of the significant related party and connected transactions conducted by the Group during the 2016 Year in the ordinary course of business are set out in note 48 to the consolidated financial statements, which are relating to (a) the disposal of 100% of the equity interests in the Wallfaith Group to Mr. Yang Shunfeng, a director of certain subsidiaries of Wallfaith Company Limited, at a cash consideration of HK\$15,000,000; and (b) transfer of the entire issued share capital in Splendid Rich and assignment of the entire sum then owing by Splendid Rich to the Company of approximately HK\$2,341,000, to Mr. Cheng Hung, the former chairman and executive Director of the Company, at a cash consideration of HK\$2,400,000. Such transactions constitute connected transactions of the Company under Chapter 20 of the GEM Listing Rules. Details of the transactions were disclosed in the section headed "BUSINESS REVIEW" in "MANAGEMENT DISCUSSION AND ANALYSIS". Except for such transactions, the Group had not entered into any other transactions with related parties or connected persons during the 2016 Year and 2015 Year.

The transactions as disclosed above falls under the definition of continuing connected transaction in Chapter 20 of the GEM Listing Rules and are exempt from reporting, annual review, announcement and independent shareholder's approval requirements under Chapter 20 of the GEM Listing Rules.

### CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report section set out on pages 47 to 66.

### RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes in operation for the 2016 Year are set out in note 45 to the consolidated financial statements.

### 關聯人士及關連交易

本集團於二零一六年年內在日常業務過程中進行之重大關聯人士及關連交易之詳情，載於綜合財務報表附註48，其有關(a)向Wallfaith Company Limited若干附屬公司之董事楊順峰先生出售Wallfaith集團之100%股權，現金代價為15,000,000港元；及(b)轉讓偉發全部已發行股本及以現金代價2,400,000港元將偉發當時結欠本公司之全部總額約2,341,000港元轉讓予本公司前主席兼執行董事張鴻先生。根據創業板上市規則第二十章，該項交易構成本公司之關連交易。有關交易詳情於「業務回顧」及「管理層討論及分析」等節披露。除該等交易以外，本集團於二零一六年年內及二零一五年年內並無與關聯人士或關連人士訂立任何其他交易。

上述所披露之交易屬於創業板上市規則第20章所界定的持續關連交易並豁免遵守創業板上市規則第20章項下之申報、年度審閱、公告及獨立股東批准規定。

### 企業管治

本公司所採納之主要企業管治常規載於本報告第47至第66頁之企業管治報告。

### 退休福利計劃

本集團於二零一六年年內運作之退休福利計劃之詳情載於綜合財務報表附註45。

# DIRECTORS' REPORT

## 董事報告

### CONFIRMATION OF INDEPENDENCE

Each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence. The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Board considers that all the independent non-executive Directors to be independent and meet the requirements set out in Rule 5.09 of the GEM Listing Rules as at the date of this report.

### SUFFICIENCY OF PUBLIC FLOAT

The Company did not satisfy the minimum public float requirement under Rule 11.23(7) of the GEM Listing Rules between the date of 19 May 2016 and 27 May 2016 due to the Voluntary Securities Exchange Offers by China Wah Yan, the controlling shareholders of the Company to acquire all the issued shares in the capital of the Company, China Wah Yan and its parties acting in concert hold 507,663,891 issued shares of the Company, representing approximately 77.27% of the issued share capital of the Company on 19 May 2016; details of which are set out in the announcement of the Company dated 25 May 2016.

The Company applied to the Stock Exchange for a temporary waiver from strict compliance with the minimum public float requirement for a period of 21 days commencing from 25 May 2016. On 27 May 2016, China Wah Yan has disposed of 14,940,000 shares of the Company on the Stock Exchange. Upon completion of the disposal, the public float of the Company was restored to not less than 25% of the issued share capital of the Company in compliance with Rule 11.23(7) of the GEM Listing Rules, details of which are set out in the announcement of the Company date 27 May 2016.

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

### 獨立性確認

各獨立非執行董事已向聯交所提交書面聲明確認其獨立性。本公司已接獲各獨立非執行董事根據創業板上市規則第5.09條作出之年度獨立性確認，且董事會認為全體獨立非執行董事均屬獨立人士並於本報告日期符合載於創業板上市規則第5.09條之規定。

### 公眾持股量之充足性

於二零一六年五月十九日與二零一六年五月二十七日之間，本公司並不符合創業板上市規則第11.23(7)條之最低公眾持股量規定。由於本公司控股股東中國華仁提出自願證券交換要約以收購本公司股本中所有已發行股份，中國華仁及其一致行動人士持有本公司507,663,891股已發行股份，於二零一六年五月十九日佔本公司已發行股本的77.27%，有關詳情載於本公司日期為二零一五年五月二十五日之公告。

本公司向聯交所申請於二零一六年五月二十五日起計21日期間暫時豁免嚴格遵守最低公眾持股量規定。於二零一六年五月二十七日，中國華仁已於聯交所出售本公司14,940,000股股份。於出售完成後，本公司公眾持股量已遵照創業板上市規則第11.23(7)條恢復至不低於本公司已發行股本的25%，有關詳情載於本公司日期為二零一六年五月二十七日之公告。

根據本公司可獲得之資料及就董事所知，於本報告日期，本公司已根據創業板上市規則維持指定公眾持股量。

# DIRECTORS' REPORT

## 董事報告

### PERMITTED INDEMNITY PROVISIONS

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. During the 2016 Year and up to the date of this annual report, no permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) was or is being in force for the benefit at any of the Directors (whether made by the Company or otherwise) or an associated company (if made by the Company).

### INDEPENDENT AUDITOR

On 31 October 2016, Cheng & Cheng Limited, who acted as auditor of the Company, resigned and HLB Hodgson Impey Cheng Limited was appointed as auditor of the Company. The details of the change of auditor are set out in the Company's announcement dated 31 October 2016.

Save for the above, there were no other changes of auditor of the Company in the past three years.

The consolidated financial statements of the Group for the 2016 Year have been audited by HLB Hodgson Impey Cheng Limited, who will retire and be eligible to offer themselves for re-appointment. A resolution will be submitted to the forthcoming annual general meeting to reappoint auditor and to fix their remuneration.

On Behalf of the Board

**Rui Kang Pharmaceutical Group Investments Limited**  
**Chan Ka Chung**  
*Chairman*

Hong Kong, 20 March 2017

### 獲准許之彌償條文

本公司已就因公司活動而針對其董事及高級管理層之法律行動為董事及高級職員安排合適之保險保障。於截至二零一六年度及截至本報告日期，曾經或現時概無就任何董事（不論是否由本公司作出）或一間聯營公司（倘由本公司作出）之利益生效的任何獲准許之彌償條文（定義見香港法例第622D章公司（董事報告）規例第9條）。

### 獨立核數師

於二零一六年十月三十一日，擔任本公司核數師之鄭鄭會計師事務所有限公司辭任，而國衛會計師事務所有限公司獲委任為本公司核數師。變更核數師之詳情載於本公司日期為二零一六年十月三十一日之公告。

除以上所述，本公司核數師在之前三個年度概無任何變動。

本集團於二零一六年度之綜合財務報表由執業會計師國衛會計師事務所有限公司審核，其將退任並符合資格獲重新委任。應屆股東週年大會上將提呈一項決議案以重新委任核數師並釐定其薪酬。

代表董事會

**銳康藥業集團投資有限公司**  
**陳嘉忠**  
*主席*

香港，二零一七年三月二十日



# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度



31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central  
Hong Kong

香港  
中環  
畢打街11號  
置地廣場  
告羅士打大廈31樓

### To the shareholders of Rui Kang Pharmaceutical Group Investments Limited

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

### 致銳康藥業集團投資有限公司全體股東

*(於開曼群島註冊成立並在百慕達繼續營業之有限公司)*

### OPINION

We have audited the consolidated financial statements of Rui Kang Pharmaceutical Group Investments Limited (“**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 112 to 269, which comprise the consolidated statement of financial position as at 31 December 2016, 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.

### 意見

本核數師(以下簡稱「我們」)已審計列載於第112至269頁的銳康藥業集團投資有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日之綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表之附註，包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, 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.

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實而中肯地反映了 貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為擬備。

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### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) 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 period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「**守則**」)我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 關鍵審計事項

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

# INDEPENDENT AUDITORS' REPORT

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### Key audit matters

關鍵審計事項

### How our audit addressed the key audit matters

我們的審計如何處理關鍵審計事項

#### **Impairment assessment of medical laboratory testing services and health check services business**

**對醫學實驗室檢測服務及健康檢查服務進行減值評估**

Refer to notes 20 and 21 to the consolidated financial statements

參閱綜合財務報表附註20及21

The Group has goodwill and intangible assets of approximately HK\$264,000 and HK\$45,886,000 respectively relating to the medical laboratory testing services and health check services business as at 31 December 2016. Management performed impairment assessment of medical laboratory testing services and health check services business and concluded that an impairment loss on goodwill of approximately HK\$27,669,000 was recognised. This conclusion was based on value in use model that required significant management judgement with respect to the discount rate and the underlying cashflows, in particular future revenue growth and capital expenditure. Independent external valuation were obtained in order to support management's estimates.

於二零一六年十二月三十一日，貴集團有關醫學實驗室檢測服務及健康檢查服務之商譽及無形資產分別約為264,000港元及45,886,000港元。管理層對醫學實驗室檢測服務及健康檢查服務業務進行減值評估，結論為確認商譽減值虧損約為27,669,000港元。此結論乃依據使用值模型達致，當中要求管理層就折現率及相關現金流量作出重大判斷，尤其對於未來收入增長及資本開支。為支持管理層所估計，會取得獨立外部估值。

Our procedures in relation to management's impairment assessment included:

我們就管理層減值評估執行之程序包括：

- Evaluating of the independent valuer's competence, capabilities and objectivity;
- 評估獨立評估師之資格、能力及客觀性；
- Assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
- 基於我們對相關行業之認識，運用我們之專業估值，評價所採用之方法及關鍵假設是否合適；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
- 基於我們對業務及行業之認識，質疑關鍵假設是否合理；及
- Checking, on a sampling basis, the accounting and relevance of the input data used.
- 抽樣查核會計方法及所採用輸入數據之相關性。

We found the key assumptions were supported by the available evidence.

我們發現關鍵假設得到現有證據所支持。

# INDEPENDENT AUDITORS' REPORT

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### Key audit matters

關鍵審計事項

#### **Impairment assessment of manufacture and sale of Chinese medicine products business**

對製造及銷售中成藥業務進行減值評估

Refer to notes 20 and 21 to the consolidated financial statements

參閱綜合財務報表附註20及21

The Group has goodwill and intangible assets of approximately HK\$1,478,000 and HK\$10,724,000 respectively relating to the manufacture and sale of Chinese medicine products business as at 31 December 2016. Management performed impairment assessment of manufacture and sale of Chinese medicine products business and concluded that no impairment is necessary to provide. This conclusion was based on value-in-use model that required significant management judgement with respect to the discount rate and the underlying cashflows, in particular future revenue growth and capital expenditure. Independent external valuation were obtained in order to support management's estimates.

於二零一六年十二月三十一日，貴集團有關製造及銷售中成藥業務之商譽及無形資產分別約為1,478,000港元及10,724,000港元。管理層對製造及銷售中成藥業務進行減值評估，結論為無減值撥備需要。此結論乃依據使用值模型達致，當中要求管理層就折現率及相關現金流量作出重大判斷，尤其對於未來收入增長及資本開支。為支持管理層所估計，會取得獨立外部估值。

### How our audit addressed the key audit matters

我們的審計如何處理關鍵審計事項

#### **Our procedures in relation to management's impairment assessment included:**

我們就管理層減值評估執行之程序包括：

Refer to notes 20 and 21 to the consolidated financial statements

Our procedures in relation to management's impairment assessment included:

我們就管理層減值評估執行之程序包括：

- Evaluating of the independent valuer's competence, capabilities and objectivity;
- 評估獨立評估師之資格、能力及客觀性；
- Assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
- 基於我們對相關行業之認識，運用我們之專業估值，評價所採用之方法及關鍵假設是否合適；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
- 基於我們對業務及行業之認識，質疑關鍵假設是否合理；及
- Checking, on sampling basis, the accounting and relevance of the input data used.
- 抽樣查核會計方法及所採用輸入數據之相關性。

We found the key assumptions were supported by the available evidence.

我們發現關鍵假設得到現有證據所支持。

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### OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2015 were audited by another auditor who expressed an unmodified opinion on those statements on 22 March 2016.

### OTHER INFORMATION

The directors of the Company 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 this Other Information, we are required to report that fact. We have nothing to report in this regard.

### 其他事項

貴集團截至二零一五年十二月三十一日止年度之綜合財務報表乃由另一名於二零一六年三月二十二日對該等報表發表未經修改意見之核數師審核。

### 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

### 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 of Bermuda, 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 HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

### 董事及審核委員會就綜合財務報表須承擔的責任

貴公司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，擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

### 核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）按照百慕達一九八一《公司法》第90條報告，除此之外報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期他們單獨或匯總起來可能影響綜合財務報表使用者，依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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As part of an audit in accordance with HKSAAs, 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.
- 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.

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

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- 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.
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易及事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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.

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

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



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For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Wong Sze Wai, Basilia.

### **HLB Hodgson Impey Cheng Limited**

*Certified Public Accountants*

### **Wong Sze Wai, Basilia**

*Practising Certificate Number: P05806*

Hong Kong, 20 March 2017

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

出具本獨立核數師報告的審計項目董事為黃思瑋。

### **國衛會計師事務所有限公司**

*執業會計師*

### **黃思瑋**

*執業證書編號：P05806*

香港，二零一七年三月二十日

# 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 2016

截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>			
<b>Gross proceeds</b>	<b>所得款項總額</b>	7, 8	<b>135,258</b>	115,693
Turnover	營業額	7, 8	<b>86,565</b>	34,127
Cost of sales	銷售成本		<b>(56,522)</b>	(23,259)
<b>Gross profit</b>	<b>毛利</b>		<b>30,043</b>	10,868
Net loss on financial assets at fair value through profit or loss	透過損益按公平值列賬之金融資產虧損淨額	9	<b>(25,679)</b>	(9,094)
Other income and gains/(losses)	其他收入及收益/(虧損)	10	<b>1,512</b>	(6,852)
Selling and distribution expenses	銷售及分銷開支		<b>(19,996)</b>	(7,998)
Administrative expenses	行政開支		<b>(55,728)</b>	(37,186)
Loss from operations	經營虧損		<b>(69,848)</b>	(50,262)
Finance costs	融資成本	11	<b>(2,010)</b>	(402)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	32	<b>(217)</b>	-
Loss on disposal of assets held for sale	出售持作出售之資產之虧損		-	(986)
Share of profits of associates	應佔聯營公司溢利		<b>8,648</b>	1,055
Share of loss of a joint venture	應佔一間合營企業虧損		<b>(4,043)</b>	(8,445)
Impairment loss recognised on goodwill	已確認商譽之減值虧損	20	<b>(27,669)</b>	(1,000)
<b>Loss before tax</b>	<b>除稅前虧損</b>	12	<b>(95,139)</b>	(60,040)
Income tax (expenses)/credit	所得稅(開支)/抵免	13	<b>(479)</b>	389
Loss for the year from continuing operations	本年度持續經營業務虧損		<b>(95,618)</b>	(59,651)
<b>Discontinued operation</b>	<b>已終止經營業務</b>			
Profit/(loss) for the year from discontinued operation	本年度已終止經營業務溢利/(虧損)	12, 16	<b>35,526</b>	(8,109)
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(60,092)</b>	(67,760)
<b>(Loss)/profit for the year attributable to:</b>	<b>應佔本年度(虧損)/溢利:</b>			
Owners of the Company	本公司擁有人			
- from continuing operations	- 持續經營業務		<b>(85,677)</b>	(54,160)
- from discontinued operation	- 已終止經營業務		<b>35,526</b>	(8,109)
Non-controlling interests	非控股權益			
- from continuing operations	- 持續經營業務		<b>(9,941)</b>	(5,491)
			<b>(60,092)</b>	(67,760)

# 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 2016

截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Loss for the year</b>	本年度虧損		<b>(60,092)</b>	(67,760)
<b>Other comprehensive (loss)/ income for the year</b>	本年度其他全面(虧損)/收入			
<b>Items that may be reclassified subsequently to profit or loss:</b>	隨後可能重新分類至損益之項目：			
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額		<b>(3,000)</b>	(3,061)
Release of exchange difference upon disposal of assets held for sale	出售持作出售之資產時撥回之 匯兌差額		-	14
Release of exchange difference upon disposal of discontinued operation	出售已終止經營業務時撥回之 匯兌差額	16	<b>(24,802)</b>	-
Share of exchange differences of investments in associates	應佔於聯營公司投資之 匯兌差額		<b>(175)</b>	617
Share of exchange difference of an investment in a joint venture	應佔於一間合營企業投資之 匯兌差額		<b>(688)</b>	(1,010)
<b>Other comprehensive loss for the year, net of tax</b>	本年度其他全面虧損，扣除稅項		<b>(28,665)</b>	(3,440)
<b>Total comprehensive loss for the year</b>	本年度全面虧損總額		<b>(88,757)</b>	(71,200)
<b>Total comprehensive loss for the year attributable to:</b>	應佔本年度全面虧損總額：			
Owners of the Company	本公司擁有人		<b>(77,791)</b>	(64,253)
Non-controlling interests	非控股權益		<b>(10,966)</b>	(6,947)
			<b>(88,757)</b>	(71,200)
<b>Loss per share</b>	每股虧損	15		
<b>Continuing and discontinued operations</b>	持續及已終止經營業務			
– Basic and diluted	– 基本及攤薄		<b>HK\$(0.071)</b> 港元	HK\$(0.212)港元
<b>Continuing operations</b>	持續經營業務			
– Basic and diluted	– 基本及攤薄		<b>HK\$(0.121)</b> 港元	HK\$(0.184)港元

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2016  
於二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Notes 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	18	41,421	31,005
Prepaid lease payments	預付租賃款項	19	7,842	8,619
Goodwill	商譽	20	1,742	29,411
Intangible assets	無形資產	21	56,610	58,570
Investments in associates	於聯營公司之投資	22	48,743	12,319
Available-for-sale financial assets	可供出售金融資產	23	20,621	3,600
			<b>176,979</b>	143,524
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepaid lease payments	預付租賃款項	19	224	240
Inventories	存貨	24	7,395	9,705
Trade receivables	貿易應收賬款	25	21,974	22,529
Loan receivable	應收貸款	26	-	6,025
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	27	18,123	49,095
Tax recoverable	可收回稅項		945	466
Held for trading securities	持作買賣證券	28	53,844	54,793
Cash and cash equivalents	現金及現金等價物	29	34,695	75,234
			<b>137,200</b>	218,087
Assets classified as held for sale	分類為持作出售之資產	33	8,777	116,407
			<b>145,977</b>	334,494
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	貿易應付賬款	34	8,390	4,270
Other payables and accruals	其他應付款項及應計費用	35	15,589	28,475
Bank and other borrowings	銀行及其他借款	36	18,854	1,917
Tax payable	應付稅項		-	71
			<b>42,833</b>	34,733
Liabilities associated with assets classified as held for sale	與分類為持作出售之資產有關之負債	33	-	98,535
			<b>42,833</b>	133,268
<b>NET CURRENT ASSETS</b>	<b>淨流動資產</b>		<b>103,144</b>	201,226

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2016  
於二零一六年十二月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>280,123</b>	344,750
<b>NON-CURRENT LIABILITIES</b>				
	非流動負債			
Loan from a non-controlling shareholder of a subsidiary	來自一間附屬公司非控股股東之貸款	37	<b>3,120</b>	-
Deferred tax liabilities	遞延稅項負債	38	<b>1,786</b>	2,012
			<b>4,906</b>	2,012
<b>NET ASSETS</b>			<b>275,217</b>	342,738
<b>CAPITAL AND RESERVES</b>				
	股本及儲備			
Share capital	股本	39	<b>78,837</b>	65,699
Reserves	儲備		<b>186,673</b>	255,359
<b>Equity attributable to owners of the Company</b>			<b>265,510</b>	321,058
Non-controlling interests	非控股權益		<b>9,707</b>	21,680
<b>TOTAL EQUITY</b>			<b>275,217</b>	342,738

The consolidated financial statements on pages 112 to 269 were approved and authorised for issue by the Board on 20 March 2017 and are signed on its behalf by:

第112頁至第269頁之綜合財務報表已獲董事會於二零一七年三月二十日批准及授權刊發，並由以下董事代表簽署：

**Chan Ka Chung**

陳嘉忠

Director

董事

**Leung Pak Hou Anson**

梁伯豪

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Attributable to owners of the Company

本公司擁有人應佔

		Share capital	Share premium	Share option reserves	Special reserve	Other reserve	Statutory reserve fund	Statutory expansion fund	Exchange reserves	Accumulated losses	Sub-total	Non-controlling interests	Total
		HK\$'000	HK\$'000	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	千港元	千港元
<b>At 1 January 2015</b>	於二零一五年一月一日	10,056	113,728	3,385	235,391	-	15,479	3,098	23,675	(235,542)	169,270	28,643	197,913
<b>Loss for the year</b>	本年度虧損	-	-	-	-	-	-	-	-	(62,269)	(62,269)	(5,491)	(67,760)
<b>Other comprehensive (loss)/income for the year:</b>	本年度其他全面(虧損)/收入:												
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	(1,605)	-	(1,605)	(1,456)	(3,061)
Release of exchange difference upon disposal of assets held for sale	出售持作出售之資產時撥回之匯兌差額	-	-	-	-	-	-	-	14	-	14	-	14
Share of exchange differences of investments in associates	應佔於聯營公司投資之匯兌差額	-	-	-	-	-	-	-	617	-	617	-	617
Share of exchange difference of an investment in a joint venture	應佔於一間合營企業投資之匯兌差額	-	-	-	-	-	-	-	(1,010)	-	(1,010)	-	(1,010)
<b>Other comprehensive loss for the year, net of tax</b>	本年度其他全面虧損，扣除稅項	-	-	-	-	-	-	-	(1,984)	-	(1,984)	(1,456)	(3,440)
<b>Total comprehensive loss for the year</b>	本年度全面虧損總額	-	-	-	-	-	-	-	(1,984)	(62,269)	(64,253)	(6,947)	(71,200)
Changes in ownership interests in subsidiaries without loss of control (Note 41)	於附屬公司之所有權權益變動而未有失去控制權(附註41)	-	-	-	-	3,154	-	-	-	-	3,154	(16)	3,138
Issue of ordinary shares (Note 39)	發行普通股(附註39)	55,643	164,346	-	-	-	-	-	-	-	219,989	-	219,989
Less: Shares issue expenses	減：股份發行開支	-	(7,102)	-	-	-	-	-	-	-	(7,102)	-	(7,102)
<b>At 31 December 2015</b>	於二零一五年十二月三十一日	65,699	270,972	3,385	235,391	3,154	15,479	3,098	21,691	(297,811)	321,058	21,680	342,738

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Attributable to owners of the Company

本公司擁有人應佔

		Share capital	Share premium	Share option reserves	Special reserve	Other reserve	Statutory reserve fund	Statutory enterprise expansion fund	Exchange reserves	Accumulated losses	Sub-total	Non-controlling interests	Total
		HK\$'000	HK\$'000	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	千港元	千港元
At 1 January 2016	於二零一六年一月一日	65,699	270,972	3,385	235,391	3,154	15,479	3,098	21,691	(297,811)	321,058	21,680	342,738
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(50,151)	(50,151)	(9,941)	(60,092)
<b>Other comprehensive loss for the year:</b>	<b>本年度其他全面虧損:</b>												
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	(1,975)	-	(1,975)	(1,025)	(3,000)
Release of exchange difference upon disposal of discontinued operation (Note 16)	出售已終止經營業務時撥回之匯兌差額 (附註16)	-	-	-	-	-	-	-	(24,802)	-	(24,802)	-	(24,802)
Share of exchange differences of investments in associates	應佔於聯營公司投資之匯兌差額	-	-	-	-	-	-	-	(175)	-	(175)	-	(175)
Share of exchange difference of an investment in a joint venture	應佔於一間合營企業投資之匯兌差額	-	-	-	-	-	-	-	(688)	-	(688)	-	(688)
<b>Other comprehensive loss for the year, net of tax</b>	<b>本年度其他全面虧損，扣除稅項</b>	-	-	-	-	-	-	-	(27,640)	-	(27,640)	(1,025)	(28,665)
<b>Total comprehensive loss for the year</b>	<b>本年度全面虧損總額</b>	-	-	-	-	-	-	-	(27,640)	(50,151)	(77,791)	(10,966)	(88,757)
Changes in ownership interests in subsidiaries without loss of control (Note 41)	於附屬公司之所有權權益變動而未有失去控制權 (附註41)	-	-	-	-	1,009	-	-	-	-	1,009	(1,007)	2
Issue of ordinary shares (Note 39)	發行普通股 (附註39)	13,138	9,065	-	-	-	-	-	-	-	22,203	-	22,203
Less: Shares issue expenses	減：股份發行開支	-	(969)	-	-	-	-	-	-	-	(969)	-	(969)
Release upon disposal of discontinued operation	出售已終止經營業務時撥回	-	-	-	(22,443)	-	(15,479)	(3,098)	-	41,020	-	-	-
Lapse of share options	購股權失效	-	-	(3,385)	-	-	-	-	-	3,385	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	78,837	279,068	-	212,948	4,163	-	-	(5,949)	(303,557)	265,510	9,707	275,217

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Notes:

- a. Special reserve of (i) approximately HK\$22,443,000 represents the difference between the paid-up capital and share premium of the subsidiary acquired and the nominal value of the Company's shares issued for the acquisition at the time of the Group reorganisation on 26 May 2004, which was transferred to accumulated losses upon disposal of subsidiaries during the year ended 31 December 2016; and (ii) approximately HK\$212,948,000 was recorded after setting off the capital reduction and the cancellation of the share premium with the accumulated losses as at the date of the change of domicile and the capital reorganisation of the Company which became effective on 28 August 2013 and 19 September 2013 respectively.

- b. Other reserves arose from the deemed disposal of partial interests in subsidiaries through issue and allotment of new shares by the then subsidiaries to certain independent third parties.

- c. Pursuant to the articles of association of certain subsidiaries of the Company in the People's Republic of China ("PRC"), those subsidiaries should transfer not less than 10% of net profit to the statutory surplus reserve fund, while the rest of the subsidiaries of the Company in the PRC can make appropriation of net profit to the statutory surplus reserve fund on a discretionary basis.

The statutory surplus reserve fund can be used to offset previous year's losses, expand the existing operations or convert into additional capital of those PRC subsidiaries.

- d. Pursuant to the articles of association of certain subsidiaries of the Company in the PRC, those subsidiaries can make appropriation of net profit to the statutory enterprise expansion fund on a discretionary basis.

The statutory enterprise expansion fund can be used to expand the capital of those subsidiaries by means of capitalisation.

附註：

- a. 特別儲備(i)約22,443,000港元指所收購附屬公司之實繳資本及股份溢價與本公司於二零零四年五月二十六日進行集團重組時就收購而發行本公司股份之面值兩者間之差額，並已於截至二零一六年十二月三十一日止年度出售附屬公司時轉撥至累計虧損；及(ii)約212,948,000港元在抵銷於本公司遷冊及股本重組日期之股本削減及註銷股份溢價連同累計虧損後錄得，而本公司遷冊及股本重組已分別於二零一三年八月二十八日及二零一三年九月十九日生效。

- b. 其他儲備產生自透過當時的附屬公司向若干獨立第三方發行及配發新股份而視作出售於附屬公司部份權益。

- c. 根據本公司若干中華人民共和國(「中國」)附屬公司之公司組織章程細則，該等附屬公司須將不少於10%之純利轉撥至法定公積金，而本公司其餘中國附屬公司則可酌情撥出純利至法定公積金。

法定公積金可用於抵銷往年虧損、擴充現有經營業務或轉換為該等中國附屬公司之額外資本。

- d. 根據本公司若干中國附屬公司之公司組織章程細則，該等附屬公司可酌情撥出純利至法定企業擴展基金。

法定企業擴展基金可以撥作資本，用於擴充該等附屬公司之資本。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Notes 附註			
<b>OPERATING ACTIVITIES</b>		<b>經營業務</b>		
(Loss)/profit before tax		除稅前(虧損)/溢利		
– Continuing operations		– 持續經營業務	<b>(95,139)</b>	(60,040)
– Discontinued operation		– 終止經營業務	<b>35,577</b>	(8,095)
			<b>(59,562)</b>	(68,135)
Adjustments for:		調整：		
– Write-down of inventories		– 存貨撇減	12 <b>189</b>	290
– Impairment loss recognised on goodwill		– 已確認商譽之減值虧損	20 <b>27,669</b>	1,000
– Impairment loss recognised on available-for-sale financial assets		– 已確认可供出售金融資產之減值虧損	12 <b>3,195</b>	–
– Impairment loss recognised on trade receivables		– 已確認貿易應收賬款之減值虧損	12 <b>5,106</b>	224
– Depreciation of property, plant and equipment		– 物業、廠房及設備之折舊	12 <b>5,932</b>	5,363
– Finance costs		– 融資成本	11 <b>2,583</b>	3,118
– Amortisation of prepaid lease payments		– 預付租賃款項之攤銷	12 <b>258</b>	363
– Amortisation of intangible assets		– 無形資產之攤銷	12 <b>1,225</b>	51
– Loss on disposal of assets held for sale		– 出售持作出售之資產之虧損	33 <b>–</b>	986
– Loss on disposal of a subsidiary		– 出售一間附屬公司之虧損	32 <b>217</b>	–
– Share of profits of associates		– 應佔聯營公司溢利	<b>(8,648)</b>	(1,055)
– Share of loss of a joint venture		– 應佔一間合營企業虧損	<b>4,043</b>	8,445
– Interest income		– 利息收入	10 <b>(326)</b>	(325)
– Gain on disposal of discontinued operation		– 出售已終止經營業務之收益	16 <b>(34,230)</b>	–
– Dividend income		– 股息收入	10 <b>(4,596)</b>	(97)
– Fixed assets written off		– 固定資產之撇銷	10 <b>6,134</b>	7,503
– Net loss on disposal of property, plant and equipment		– 出售物業、廠房及設備之虧損淨額	10 <b>35</b>	50
– Net loss on financial assets at fair value through profit or loss		– 透過損益按公平值列賬之金融資產虧損淨額	9 <b>25,679</b>	9,094
<b>Operating cash flows before movements in working capital</b>		<b>營運資金變動前的營運現金流量</b>	<b>(25,097)</b>	(33,125)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Decrease/(increase) in inventories	存貨減少/(增加)		8,600	(5,117)
(Increase)/decrease in trade receivables	貿易應收賬款(增加)/減少		(7,913)	6,190
Decrease/(increase) in loan receivable	應收貸款減少/(增加)		6,025	(6,025)
Decrease/(increase) in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少/(增加)		33,149	(62,094)
(Decrease)/increase in trade payables	貿易應付賬款(減少)/增加		(858)	3,332
(Decrease)/increase in other payables and accruals	其他應付款項及應計費用(減少)/增加		(3,969)	58,141
Net fund used in trading of financial assets at fair value through profit or loss	買賣透過損益按公平值列賬之金融資產所用資金淨額		(34,025)	(45,190)
<b>Cash used in operations</b>	<b>經營業務所用現金</b>		<b>(24,088)</b>	<b>(83,888)</b>
Income taxes paid	已付所得稅		(1,304)	(1,235)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營業務所用現金淨額</b>		<b>(25,392)</b>	<b>(85,123)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
Acquisition of investments in associates	收購聯營公司之權益	22	(27,951)	(4,830)
Purchases of available-for-sale financial assets	購買可供出售金融資產		(20,216)	(3,600)
Purchases of property, plant and equipment	購置物業、廠房和設備		(8,207)	(9,840)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		85	100
Net cash inflow arising on disposal of discontinued operation	出售已終止經營業務之現金流入淨額	16	10,488	-
Net cash inflow arising on disposal of assets held for sale	出售持作出售之資產之現金流入淨額		-	8,955
Net cash outflow arising on acquisition of subsidiaries	收購附屬公司之現金流出淨額	31	-	(87,218)
Net cash outflow arising on acquisition of assets through acquisition of a subsidiary	透過收購一間附屬公司所收購資產之現金流出淨額	30	(15,206)	-
Interest received	已收利息		106	325
Dividend received	已收股息		4,596	97
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用現金淨額</b>		<b>(56,305)</b>	<b>(96,011)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
New bank and other borrowings raised	籌得新增銀行及其他借款		<b>59,386</b>	1,917
Net proceeds from issue of shares	發行股份所得款項淨額		<b>21,234</b>	212,887
Loan from a non-controlling shareholder of a subsidiary	來自一間附屬公司非控股股東之貸款		<b>3,298</b>	-
Proceeds from allotments of shares of subsidiaries	附屬公司配發股份所得款項	41	<b>2</b>	3,138
Decrease in pledged cash deposits	有抵押現金存款減少		-	2,535
Repayment of bank and other borrowings	償還銀行及其他借款		<b>(42,352)</b>	-
Interest paid	已付利息		<b>(2,541)</b>	(3,118)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>		<b>39,027</b>	217,359
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)/增加淨額</b>		<b>(42,670)</b>	36,225
Effect of foreign exchange rate changes	外幣匯率變動之影響		<b>(872)</b>	(764)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初現金及現金等價物</b>		<b>78,237</b>	42,776
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終現金及現金等價物</b>		<b>34,695</b>	78,237
Represented by:	以下列各項表示:			
Cash and bank balances	現金及銀行結餘		<b>34,695</b>	75,234
Cash and cash equivalents included in assets classified as held for sale	計入分類為持作出售之資產之現金及現金等價物	33	-	3,003
			<b>34,695</b>	78,237

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION

Rui Kang Pharmaceutical Group Investments Limited (“**Company**”, together with its subsidiaries, the “**Group**”) was incorporated and registered as an exempted company in the Cayman Islands under the Company Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 5 June 2003. On 29 August 2013, the Company deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and the principal place of business of the Company in Hong Kong is located at 26/F., Times Tower, 391–407 Jaffe Road, Wan Chai, Hong Kong.

The issued shares of the Company have been listed on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) since 17 June 2004.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”). Other than those subsidiaries established in the People’s Republic of China (“**PRC**”) whose functional currency is Renminbi (“**RMB**”), the functional currency of the Company and its subsidiaries is HK\$. The reason for selecting HK\$ as its presentation currency is because the Company is a public company listed on GEM, where most of the investors are located in Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are (i) manufacture, research and development, sale and distribution of health related and pharmaceutical products in the PRC and Hong Kong; (ii) provision of medical laboratory testing services and health check services in Hong Kong; and (iii) trading of securities in Hong Kong.

### 1. 一般資料

銳康藥業集團投資有限公司(「**本公司**」, 連同其附屬公司, 統稱「**本集團**」), 於二零零三年六月五日根據開曼群島法例第二十二章公司法(一九六一年第三項法例, 經綜合及修訂)在開曼群島註冊成立及登記為獲豁免公司。於二零一三年八月二十九日, 本公司註銷開曼群島登記, 並根據百慕達法例作為獲豁免公司正式存續於百慕達。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。本公司之總辦事處及香港主要營業地點位於香港灣仔謝斐道391–407號新時代中心26樓。

本公司已發行股份自二零零四年六月十七日起在香港聯合交易所有限公司(「**聯交所**」)創業板(「**創業板**」)上市。

綜合財務報表以港元(「**港元**」)列值, 除於中華人民共和國(「**中國**」)成立的附屬公司之功能貨幣為人民幣(「**人民幣**」)外, 本公司及其附屬公司之功能貨幣均為港元。選擇港元作為其呈列貨幣的理由是本公司為一間於創業板上市的公眾公司, 大多數投資者位於香港。

本公司之主要業務為投資控股, 其附屬公司之主要業務為(i)於中國及香港製造、研發、銷售及分銷保健相關及醫藥產品; (ii)於香港提供醫學實驗室檢測服務及健康檢查服務; 及(iii)於香港買賣證券。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 1. GENERAL INFORMATION (CONTINUED)

As at 31 December 2016, the Company's immediate and ultimate holding company is China Wah Yan Healthcare Limited ("**China Wah Yan**"), a public limited company incorporated in Hong Kong and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 648).

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("**GEM Listing Rules**") and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 1. 一般資料(續)

於二零一六年十二月三十一日，本公司的直接及最終控股公司為中國華仁醫療有限公司(「**中國華仁**」)，一間於香港註冊成立之公眾有限公司，其股份於聯交所主板上市(股份代號：648)。

### 2. 重大會計政策

#### 編製基準

本公司綜合財務報表乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」，包括所有香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)。此外，此等綜合財務報表亦包括聯交所創業板上市規則(「**創業板上市規則**」)及香港公司條例所規定之適用披露。

綜合財務報表乃按歷史成本法編製，惟於各報告期末若干金融工具如下文載列的會計政策所述按公平值計量除外。

歷史成本一般建基於就換取貨品及服務而支付之代價的公平值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of Preparation (continued)

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 or value in use in HKAS 36.

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.

### 2. 重大會計政策 (續)

#### 編製基準 (續)

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號範圍的以股份為基礎付款之交易、屬於香港會計準則第17號範圍內的租約交易，以及與公平值有部份相若地方但並非公平值的計量，譬如香港會計準則第2號內的可變現淨額或香港會計準則第36號的使用價值除外。

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第1級、第2級或第3級，詳情如下：

- 第1級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第2級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第1級內包括的報價除外）；及
- 第3級輸入數據是資產或負債的不可觀察輸入數據。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its entities controlled by the Company and its subsidiaries. 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.

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 component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total consolidated 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.

### 2. 重大會計政策(續)

#### 綜合基準

綜合財務報表包括本公司及其所控制之實體及其附屬公司之財務報表。當本公司符合以下要素時，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

本集團獲得附屬公司控制權時便開始將附屬公司綜合入賬，於喪失控制權時則終止入賬。具體而言，年內所收購或出售附屬公司之收入及開支於本集團獲得控制權日期計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司為止。

損益及其他全面收益各項目均歸屬於本公司擁有人及非控股權益。附屬公司綜合之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產生虧絀結餘。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of Consolidation (continued)

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 intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 2. 重大會計政策(續)

#### 綜合基準(續)

必要時會調整附屬公司財務報表以使其會計政策與本集團會計政策一致。

所有有關本集團成員之間的集團內資產及負債、權益、收入、開支及現金流會於綜合時全數撇銷。

#### 本集團於現有附屬公司擁有權之變動

本集團於現有附屬公司擁有之權益出現變動，但並無導致本集團失去該等附屬公司的控制權，均以權益交易入賬。本集團相關權益部分(包括儲備及非控股權益)之賬面值均予以調整，以反映彼等於附屬公司之相關權益之變動。非控股權益經相關權益部分重新歸類後所調整之款額與所付或所收代價之公平值兩者之間的差額，均直接於權益確認並歸屬於本公司擁有人。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Changes in the Group's ownership interests in existing subsidiaries (continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest attributable to owners of the Company and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

#### Investments in subsidiaries

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less impairment loss.

The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

### 2. 重大會計政策(續)

#### 本集團於現有附屬公司擁有權之變動(續)

倘本集團失去附屬公司控制權，則收益或虧損於損益確認並按(i)所收代價之公平值及本公司擁有人應佔任何保留權益之公平值與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益兩者之間的差額計算。先前於其他全面收益就該附屬公司確認之所有款額，會按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則所訂明/允許而重新分類至損益或轉撥至另一權益類別)。於失去控制權當日在前附屬公司保留之任何投資之公平值，會根據香港會計準則第39號(如適用)首次確認於聯營公司或一間合營企業之投資之成本。

#### 於附屬公司之投資

在本公司財務狀況表內，於附屬公司之投資按成本減值虧損列賬。

本公司按已收及應收股息將附屬公司之業績入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. 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 require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these 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 or the portion so classified is accounted for in accordance with HKFRS 5. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of 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 the Group's 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 that associate or joint venture.

### 2. 重大會計政策 (續)

#### 於聯營公司及合營企業之投資

聯營公司乃指投資者於實體中擁有重大影響，而該實體並非附屬公司或於合營公司之權益。重大影響乃指參與所投資公司之財務及經營政策決定權力，但非控制或共同控制該等政策之權力。

合營企業乃共同控制安排的各方據以對合營安排之淨資產擁有權利的一種共同安排。共同控制乃共享某項安排控制權之合約協定，僅於與相關業務有關的決策需要共享控制權的各方一致同意時存在。

聯營公司或合營企業的業績及資產及負債使用權益會計法納入綜合財務報表，惟倘投資或當中部份被分類為持作出售，則投資或按持作出售分類的部分按照香港財務報告準則第5號入賬。並無分類為持作出售之於聯營公司或合資企業投資之任何保留部分，繼續使用權益法入賬。根據權益法，於一間聯營公司或合營企業之投資初步按成本於綜合財務狀況表內確認及其後進行調整，以確認本集團應佔聯營公司或合營企業的損益及其他全面收入。當本集團於一間聯營公司或合營企業的應佔虧損等於或超過本集團於該聯營公司或合營企業的權益（包括實質構成本集團於聯營公司或合營企業的投資淨額的一部份的任何長期權益），本集團終止確認其分佔進一步虧損。額外虧損僅於本集團已發生法定或推定責任或代表該合營企業作出付款。

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## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures (continued)

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 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) 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.

### 2. 重大會計政策 (續)

#### 於聯營公司及合營企業之投資 (續)

於被投資方成為一間聯營公司或合營企業當日，對聯營公司或合營企業之投資採用權益法入賬。於收購一間聯營公司或合營企業之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平值淨額之任何部份乃確認為商譽，並計入投資之賬面值。本集團所佔可識別資產及負債於重新評估後之公平值淨額超過投資成本之任何差額，會於收購投資期間即時於損益確認。

應用香港會計準則第39號之規定以釐定是否有必要就本集團於一間聯營公司之投資確認任何減值。在必要時，作為單一資產透過將其可收回金額(使用中價值與公平值減出售成本兩者之較高者)與其賬面值進行比較，投資(包括商譽)的整個賬面值根據香港會計準則第36號「資產減值」進行減值測試。減值虧損的任何撥回根據香港會計準則第36號確認，以投資可收回金額於其後增加者為限。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures (continued)

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 2. 重大會計政策 (續)

#### 於聯營公司及合營企業之投資 (續)

當本集團不再對聯營公司擁有重大影響力或於合營企業擁有共同控制權時，則按出售於該被投資公司的全部權益入賬，所產生的收益或虧損於損益中確認。倘本集團於前聯營公司或合營企業擁有權益而保留權益為香港會計準則第39號範圍內的金融資產時，本集團於該日之公平值計量保留權益，而公平值被視為根據香港會計準則第39號初步確認之公平值。終止使用權益法當日之聯營公司或合營企業賬面值與任何保留權益及來自出售聯營公司或合營企業相關權益之任何所得款項賬面值之間的差額已於釐定聯營公司或出售合營企業收益或虧損時計算在內。此外，本集團將先前在其他全面收入就該聯營公司或合營企業確認之所有金額入賬，基準與該聯營公司或合營企業直接出售相關資產或負債的基準相同。因此，倘該聯營公司或合營企業先前已認其他全面收入之損益，則會於出售相關資產或負債時重新分類至損益，當終止使用權益法時，本集團將收益或虧損由權益重新分類至損益(作為重新分類調整)。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures (continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or a joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### 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.

### 2. 重大會計政策(續)

#### 於聯營公司及合營企業之投資(續)

當於聯營公司的投資成為於合營企業的投資或於合營企業的投資成為於聯營公司的投資時，本集團繼續採用權益法。於發生該等所有權權益變動時，不會對公平值進行重新計量。

倘本集團減少其於聯營公司或合營企業之擁有權權益但本集團繼續使用權益法，則本集團於出售有關資產或負債時會將該收益或虧損重新分類至損益之情況下，會將先前就該等擁有權權益減少而在其他全面收入確認之收益或虧損按比例重新分類至損益。

當集團實體與本集團聯營公司或合營企業進行交易時，由聯營公司或合營企業交易所產生之損益計入本集團綜合財務報表，惟以聯營公司或合營企業之利益不涉及本集團的程度為限。

#### 業務合併

收購業務採用收購法入賬。業務合併之轉撥代價按公平值計量，而計算方法為本集團所轉讓之資產於收購日期之公平值、本集團向被收購方原擁有人產生之負債及本集團於交換被收購方之控制權發行之股權之總額。有關收購之費用於產生時一般於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based Payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” 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 amount of the identifiable assets acquired and the liabilities assumed as at the acquisition date. If, after reassessment, the net 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.

### 2. 重大會計政策 (續)

#### 業務合併 (續)

於收購日，所收購之可識別資產及所承擔之負債按公平值確認，惟下文所述者除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認並計量；
- 與被收購公司以股份為基礎付款之安排或以本集團訂立以股份為基礎付款之安排取代被收購公司以股份為基礎付款之安排相關之負債或股本工具乃於收購日期根據香港財務報告準則第2號「以股份為基礎付款之計量」(見下文之會計政策)；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)則根據該準則計量。

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及本集團以往持有之被收購方股權(如有)之公平值之總和，減於收購日期所收購之可識別資產及所承擔之負債淨值後，所超出之差額計值。倘經過重新評估後，所收購之可識別淨資產與所承擔負債淨額高於轉撥之代價、非控股權益於被收購方中所佔金額與收購方先前持有被收購方之權益(如有)之公平值之總和，則差額即時於損益內確認為議價收購收益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary'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.

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.

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.

### 2. 重大會計政策(續)

#### 業務合併(續)

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔相關附屬公司淨資產之非控股權益，可初步按公平值或非控股權益應佔被收購方可識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。其他種類的非控股權益乃按公平值計量。

當本集團於一項業務合併轉移之代價包括或然代價安排所產生之資產或負債，則或然代價乃按收購日期之公平值計算，並計入一項業務合併轉移之代價的一部份。合資格作計量期間調整之或然代價之公平值變動乃追溯調整，並對商譽作出相應調整。計量期間調整為於「計量期間」(不得超過收購日期起計一年)因取得於收購日期已存在之事件及環境之額外資訊而作出之調整。

於業務合併乃分階段完成時，本集團先前持有的被收購方股權乃按於收購日期(即本集團取得控制權當日)的公平值重新計量，而所產生的收益或虧損(如有)乃於損益內確認。於收購日期前已於其他全面收益確認之於被收購方之權益所產生之金額，倘於該權益被出售時有關處理方式屬妥當，則重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of 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 cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

### 2. 重大會計政策(續)

#### 收購一間並未構成業務的附屬公司

當本集團收購一組並未構成業務的資產及負債時，本集團通過首先將購買價按各自公平值分配至金融資產及金融負債來識別並確認單獨已收購可識別資產及已承擔負債，購買價的餘下結餘隨後於購買日期基於彼等相關公平值分配至其他單獨已確認資產及負債。有關交易並未產生商譽或議價收購收益。

#### 商譽

因收購業務產生之商譽乃按於收購業務當日確定之成本減累計減值虧損(如有)入賬。

就減值測試而言，商譽將分配至預計自合併之協同效應中受惠之本集團各現金產生單位(或現金產生單位組別)為內部管理目的監控商譽之最小單位，且並不大於經營分部。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Goodwill (continued)

A cash-generating unit (or a group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or a group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit 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 (or a group of cash-generating units). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

### 2. 重大會計政策 (續)

#### 商譽 (續)

已獲分配商譽之現金產生單位 (或現金產生單位組別) 每年或倘有跡象顯示有關單位可能出現減值時更頻密地進行減值測試。於會計期間因收購所產生之商譽，商譽所分配之現金產生單位 (或現金產生單位組別) 會在該會計期間完成之作減值測試。當現金產生單位之可收回金額低於其賬面值時，則首先削減分配予單位之任何商譽之賬面值以分配減值虧損，其後再根據單位 (或現金產生單位組別) 內各資產之賬面值按比例分配予單位之其他資產。商譽之任何減值虧損會直接於損益中確認。商譽之已確認減值虧損不可於其後期間內撥回。

於出售相關現金產生單位時，商譽之應佔金額將於釐定出售損益之金額時包括在內。

#### 物業、廠房及設備

物業、廠房及設備包括持作生產或提供貨品或服務 (或就行政用途而言) 之樓宇 (在建工程除外)，按成本減其後累計折舊及其後累計減值虧損 (如有) 後於綜合財務狀況表入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress, less their residual values, if any, over their estimated useful lives, using straight-line method, as follows:

Land and buildings	Over remaining unexpired terms of the relevant lease or 20 years
Furniture, fixtures and office equipment	3–10 years
Motor vehicles	3–10 years
Plant and machinery	3–20 years
Leasehold improvements	5 years or over the terms of the lease, if shorter

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes (i.e. construction in progress) are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 2. 重大會計政策 (續)

#### 物業、廠房及設備 (續)

折舊是以直線法採用下列折舊率在估計可使用年期內，按足以撇銷各個物業、廠房及設備項目之成本再減去其剩餘價值 (如有) 確認：

土地及樓宇	有關租約餘下未到期年期或20年
傢俬、裝置及辦公室設備	3-10年
汽車	3-10年
廠房及機器	3-20年
租賃裝修	5年或租約年期 (如較短)

估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，而估計之任何變動的影響以預期基準入賬。

正在建築以供生產、供應或行政之用之物業 (在建工程) 按成本減任何已確認減值虧損列賬。成本包括專業人員費用，及 (如為合資格資產) 按照本集團會計政策資本化之借貸成本。當該等物業落成及可投入擬定用途時，將撥入物業、廠房及設備之適當分類。當該等資產可投入擬定用途時，開始就該等資產計提折舊，其基準與其他物業資產相同。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (continued)

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 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.

#### Prepaid lease payments

Payments for obtaining land use rights are accounted for as prepaid lease payments. Prepaid lease payments are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to profit or loss on a straight-line basis over the period of the rights.

#### Intangible assets (other than goodwill)

##### *Intangible assets acquired in a business combination*

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Alternatively, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less accumulated impairment losses.

### 2. 重大會計政策(續)

#### 物業、廠房及設備(續)

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。物業、廠房及設備項目出售或報廢產生之任何收益或虧損按該資產之出售所得款項與賬面值間之差額釐定，並於損益中確認。

#### 預付租賃款項

為取得土地使用權而支付的款項會作為預付租賃款項入賬。預付租賃款項以成本減累計攤銷及累計減值虧損列賬。攤銷則在租賃權期間以直線法自損益扣除。

#### 無形資產(商譽除外)

##### *於業務合併中收購之無形資產*

業務合併所收購之無形資產與商譽分開確認及初步按收購日期之公平值(被視作其成本值)確認。

於初步確認後，有限可使用年期之無形資產(於業務合併中收購)乃按成本值減累計攤銷及任何累計減值虧損列賬。無形資產乃以直線法就其估計可使用年期進行攤銷。估計可使用年期及攤銷方法於每個報告期間結束時進行檢討，而估計之任何變動的影響以預期基準入賬。此外，無限可使用年期之無形資產(於業務合併中收購)乃按成本值減累計減值虧損列賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Intangible assets (other than goodwill) (continued)

*Intangible assets acquired in a business combination (continued)*

Pharmaceutical licences and brand name with indefinite useful lives are not amortised. The customer relationship has finite useful lives and is amortised on a straight-line basis over 10 years. Amortisation of research and development expenditures begins when development is complete and the asset is available for use, and it is amortised over the period of expected future benefit.

*Internally-generated intangible assets – Research and development expenditures*

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible assets arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### 2. 重大會計政策 (續)

#### 無形資產 (商譽除外) (續)

*於業務合併中收購之無形資產 (續)*

無使用年限之醫藥許可證及品牌名稱不予攤銷。有限可使用年期之客戶關係以直線法於十年內進行攤銷。研發開支於發展完成及有關資產可動用時開進攤銷，並按預計未來獲利期間進行攤銷。

*內部產生無形資產 – 研發開支*

研究活動之開支於產生期間確認為開支。在及僅在下列各項情況下，方會確認開發活動 (或自內部項目開發階段) 所帶來之內部產生之無形資產：

- 完成無形資產乃技術上可行，將可供使用或出售；
- 完成、使用或出售無形資產之意向；
- 使用或出售無形資產之能力；
- 無形資產如何產生潛在未來經濟利益；
- 可充分取得完成無形資產開發及使用或出售無形資產之技術、財務及其他資源；及
- 可靠計量無形資產於開發時應佔開支之能力。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Intangible assets (other than goodwill) (continued)

*Internally-generated intangible assets – Research and development expenditures (continued)*

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less any accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired in a business combination.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### 2. 重大會計政策(續)

#### 無形資產(商譽除外)(續)

*內部產生無形資產－研發開支(續)*

初步就內部產生之無形資產確認之金額為無形資產首次達致上述確認條件當日所產生之開支總和。倘無內部產生之無形資產可確認，開發開支在產生期間於損益中確認。

於初步確認後，內部產生之無形資產乃以成本值減累計攤銷及累計減值虧損(如有)入賬，與於業務合併收購之無形資產之基準相同。

於出售時或預期使用或出售不會帶來未來經濟效益時，方會取消確認無形資產。因取消確認無形資產而產生之收益及虧損按出售所得款項淨額與該資產之賬面值間之差額計算，並於取消確認該資產時於損益中內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Impairment losses on tangible and intangible assets (other than goodwill – see the accounting policy in respect of goodwill above)**

At the end of the 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 cash-generating unit to which the asset belongs. Where 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 cash-generating units 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 of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 2. 重大會計政策 (續)

有形及無形資產減值虧損 (不包括商譽 – 見上文有關商譽之會計政策)

於報告期末，本集團會評估其有形及無形資產之賬面值，以決定是否有任何跡象顯示該等資產出現減值虧損。

如有任何此等跡象，則會估計資產之可收回金額以釐定減值虧損 (如有) 之程度。倘若不大可能估計個別資產的可收回金額，則本集團估計資產屬於的現金產生單位的可收回金額。如分配的合理及一致基準可識別，則公司資產亦被分配至個別現金產生單位，或於其他情況彼等被分配至現金產生單位的最小組合，而該現金產生單位的合理及一致分配基準可識別。

無使用期限之無形資產以及尚未可使用之無形資產每年均會進行減值測試，以決定是否有跡象顯示資產可能出現減值。

可收回金額為公平值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估之貨幣時間值及資產特定風險 (就此而言，未來現金流量估計尚未作出調整)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Impairment losses on tangible and intangible assets (other than goodwill – see the accounting policy in respect of goodwill above) (continued)**

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) 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 a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 2. 重大會計政策 (續)

#### **有形及無形資產減值虧損 (不包括商譽 – 見上文有關商譽之會計政策) (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，資產 (或現金產生單位) 之賬面值將減低至其可收回金額。於分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值 (如有)，其後按該單位內各資產賬面值之比例分配至其他資產。資產的賬面值不得減少至低於其公平值減出售成本 (如可計量)、其使用價值 (如可釐定) 及零 (以最高者為準)。分配至資產的減值虧損金額按單位的其他資產比例分配。減值虧損即時於損益內確認。

倘減值虧損其後逆轉，資產 (或現金產生單位) 之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出倘若該資產 (或現金產生單位) 於過往年度並無確認減值虧損時原應確認之賬面值。減值虧損之轉回即時於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

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 profit or loss.

#### Financial assets

The Group's financial assets are classified into following specified categories: financial assets at fair value through profit or loss ("FVTPL"), available-for-sale financial assets and loans and receivables. 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.

### 2. 重大會計政策(續)

#### 金融工具

金融資產及金融負債在集團實體成為工具合約條文之訂約方時確認。

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(不包括透過損益按公平值列賬之金融資產及金融負債)直接應佔之交易成本在首次確認時加入或扣自金融資產或金融負債之公平值(視適用情況而定)。收購透過損益按公平值列賬之金融資產或金融負債直接應佔之交易成本即時於損益確認。

#### 金融資產

本集團之金融資產分類為透過損益按公平值列賬之金融資產(「透過損益按公平值列賬之金融資產」)、可供出售金融資產以及貸款及應收款項。有關分類視金融資產性質及用途而定，並於初次確認時釐定。所有以常規方式買賣之金融資產根據交易日確認及取消確認。以常規方式買賣乃需要在按市場所在地規例或慣例設立之時限內交付資產之金融資產買賣。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

#### Financial assets (continued)

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset 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 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 asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for the debt instruments, other than those financial assets classified as at FVTPL.

##### Financial assets at FVTPL

Financial assets at FVTPL of the Group are financial assets held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of 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.

Financial assets at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'net loss on financial assets at fair value through profit or loss' line item.

### 2. 重大會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

##### 實際利息法

實際利息法為計算一項金融資產攤銷成本及於有關期間內分配利息收入之方法。實際利率為於金融資產預計年期(或適用之較短期間)完全貼現估計未來現金收入(包括組成實際利率之所有已付或已收費用、交易成本及其他溢價或折讓)至首次確認時之賬面淨值之利率。

除該等分類為透過損益按公平值列賬之金融資產，債務工具按實際利息基準確認收入。

##### 透過損益按公平值列賬之金融資產

本集團透過損益按公平值列賬之金融資產指持作買賣金融資產。

倘屬下列情況，則金融資產分類為持作買賣：

- 其乃收購主要用作於不久將來出售之用途；或
- 於初次確認時，該金融資產構成本集團一併管理之已識別金融工具投資組合其中部份，且近期出現實際短期獲利模式；或
- 該金融資產為未被指定及可有效作為對沖工具之衍生工具。

透過損益按公平值列賬之金融資產按公平值計量，重新計量產生的任何損益於損益中確認。於損益之收益或虧損淨額不包括就金融資產賺取之股息或利息，並列入「透過損益按公平值列賬之金融資產之虧損淨額」項下。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 loans and receivables, held-to-maturity investments or financial assets at FVTPL.

Equity instruments held by the Group that are classified as available-for-sale investments 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 financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment of financial assets below).

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, loan receivable, deposits and other receivables and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any identified impairment losses.

### 2. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 可供出售金融資產

可供出售金融資產乃指定為可供出售之非衍生工具或並非分類為貸款及應收款項、持至到期投資或透過損益按公平值列賬之金融資產。

於各報告期末，本集團所持分類為可供出售投資並於活躍市場買賣之股本工具按公平值計量。可供出售金融資產之賬面金額變動於其他全面收入確認，並於投資重估儲備累計。當投資被出售或釐定為減值時，以往於投資重估儲備累計之累計收益或虧損會重新分類至損益（見下文有關金融資產減值虧損之會計政策）。

可供出售股本工具之股息於本集團確定收取股息之權利時於損益確認。

並無於活躍市場報價且公平值未能可靠計量之可供出售股本投資，於各報告期末按成本減任何已識別減值虧損計量（見下文有關金融資產減值之會計政策）。

##### 貸款及應收款項

貸款及應收款項為於活躍市場並無報價而附帶固定或可釐定付款之非衍生金融資產。貸款及應收款項（包括貿易應收賬款、應收貸款、按金及其他應收款項及現金及現金等價物）採用實際利息法，按攤銷成本，減任何已識別減值虧損列賬。

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## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where 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 assets have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and other receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments 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 estimated future cash flows, discounted at the original effective interest rate.

### 2. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### 金融資產減值

金融資產(透過損益按公平值列賬之金融資產除外)於各報告期末以減值指標予以評估。當有客觀證據顯示,於金融資產首次確認後發生一項或多項事件,影響資產估計未來現金流量,則金融資產出現減值。

至於所有金融資產,減值之客觀證據可能包括:

- 發行人或對手方出現重大財務困難;或
- 利息或本金付款未償還或拖欠;或
- 借款人可能面臨破產或進行財務重組;或
- 該金融資產因財務困難而消失於活躍市場。

對於若干金融資產類別,例如貿易應收賬款及其他應收款項,即使個別評估為不用減值的資產,仍需再以匯集方式評估需否減值。一組應收款項減值之客觀證據可能包括本集團過往收回款項之經驗及與拖欠應收款項相關之國家或當地經濟狀況出現可觀察變動。

至於按攤銷成本列賬之金融資產方面,減值虧損乃按資產賬面值與按原實際利率貼現估計未來現金流量之現值兩者間之差額計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 and other receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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 losses 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.

##### Financial liabilities and equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

### 2. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (續)

金融資產賬面值因所有金融資產直接蒙受之減值虧損而相應減少，惟貿易應收賬款及其他應收款項則透過使用備抵賬削減賬面值。當貿易應收賬款及其他應收款項被視為不可收回時，則與備抵賬撇銷。其後收回過往所撇銷款項會計入備抵賬。備抵賬內之賬面值變動會於損益中確認。

對於按攤銷成本計量之金融資產，倘減值虧損之款額於往後期間減少，而減幅能客觀證明與確認減值虧損後所發生之事件有關，則以往確認之減值虧損透過損益撥回，惟減值撥回當日之資產賬面值不得超過如無確認減值時之原攤銷成本。

##### 金融負債及股本

集團實體發行之債項及股本工具根據所訂立合約安排性質以及金融負債及股本工具之定義進行分類金融負債或股本。

股本工具為證明於本集團資產經扣除其所有負債之剩餘權益之任何合約。本集團發行的股本工具乃於已收取所得款項確認，並扣除直接發行成本。

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## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

#### Financial liabilities and equity (continued)

##### 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.

##### Financial liabilities

Financial liabilities (including trade payables, other payables and accruals, bank and other borrowings and loan from a non-controlling shareholder of a subsidiary) are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset 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 transfers 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 as 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.

### 2. 重大會計政策 (續)

#### 金融工具 (續)

#### 金融負債及股本 (續)

##### 實際利息法

實際利息法為計算一項金融負債攤銷成本以及於有關期間內分配利息開支之方法。實際利率為於金融負債之預計年期(或適用之較短期間)完全貼現估計未來現金付款(包括組成實際利率之所有已付或已收費用、交易成本及其他溢價或折讓)至首次確認時之賬面淨值之利率。

利息開支按實際利息基準確認。

##### 金融負債

金融負債(包括貿易應付賬款、其他應付款項及應計費用、銀行及其他借款以及來自一間附屬公司非控股股東之貸款)其後採用實際利息法按攤銷成本計量。

##### 取消確認

倘本集團自資產獲得現金流量之合約權利到期或倘轉讓財務資產及本集團已轉讓該資產所有權的絕大部份風險及回報予另一實體，則本集團方會取消確認該項財務資產。倘本集團既無轉讓亦無保留所轉讓資產所有權的絕大部份風險及回報惟繼續控制該資產，則本集團按其持續參與之程度繼續確認該項資產以及確認相關負債。倘本集團保留所轉讓財務資產所有權的絕大部份風險及回報，則本集團會繼續確認該項財務資產，亦會就所收取所得款項確認抵押借貸。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### *Derecognition (continued)*

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 is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### Inventories

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

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

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

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

### 2. 重大會計政策 (續)

#### 金融工具 (續)

##### *取消確認 (續)*

於全面取消確認財務資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認累計收益或虧損之總和兩者之差額，乃於損益確認。

本集團僅會於本集團責任遭解除、註銷或到期時取消確認財務負債。已取消確認之財務負債賬面值與已付及應付代價之差額於損益確認。

#### 存貨

存貨按成本與可變現淨值之較低者列賬。

存貨按加權成本法計算，包括所有購買成本、生產成本及使存貨達到目前地點及狀態之其他相關成本。

可變現淨值按於一般業務過程中估算售價減去所投入之估計生產成本及銷售費用。

存貨一經出售，則此等存貨之賬面值於相應收入之確認期間確認為開支。任何存貨撇減至可變現淨值之金額及存貨之所有虧損金額將於撇減或虧損產生之期間內確認為開支。任何存貨撇減撥回之金額，在作撥回期間確認為減少已確認為開支之存貨金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Cash and cash equivalents

For the purpose of the consolidation statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits with maturities of three months or less, which are not restricted as to use.

#### Non-current assets (or disposal groups) held for sale and discontinued operation

- (i) Non-current assets (or disposal groups) held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

### 2. 重大會計政策(續)

#### 現金及現金等價物

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及銀行現金（包括到期日為三個月或以下之定期存款），其使用不受限制。

#### 持作出售之非流動資產(或出售組別)及已終止經營業務

- (i) 持作出售之非流動資產(或出售組別)

倘一項非流動資產(或出售組別)之賬面值極可能透過出售交易而非持續使用收回，以及該資產(或出售組別)可在現況下出售，則分類為持作出售。出售組別為一組於單一交易將予出售之資產組別，以及與將於交易轉讓之相關資產直接有關之負債。

若本集團執行涉及失去於附屬公司之控制權之銷售計劃，該附屬公司之所有資產及負債，在達致上述持作出售之分類標準時被分類為持作出售，且不論本集團會否於出售後保留於該附屬公司之非控股權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Non-current assets (or disposal groups) held for sale and discontinued operation (continued)

- (i) Non-current assets (or disposal groups) held for sale (continued)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are deferred tax assets, assets arising from employee benefits and financial assets (other than investments in subsidiaries, associates and joint ventures). These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 2. Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

- (ii) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

### 2. 重大會計政策 (續)

#### 持作出售之非流動資產 (或出售組別) 及已終止經營業務 (續)

- (i) 持作出售之非流動資產 (或出售組別) (續)

緊接分類為持作出售前，非流動資產及出售組別之所有獨立資產及負債於分類前根據會計政策重新計量。其後，於初步分類為持作出售及直至出售前，非流動資產 (下文闡述之若干資產除外) 或出售組別按其賬面值及公平值減銷售成本之較低者確認。就本集團及本公司之財務報表而言，毋須採用此計量政策之主要例外項目為遞延稅項資產、僱員福利所產生之資產及財務資產 (於附屬公司、聯營公司及合營企業之投資除外)。此等資產即使為持作出售，仍會繼續按附註2其他分節所載政策計量。於初始分類為持作出售及持作出售期間其後重新計量之減值虧損於損益確認。只要非流動資產仍被分類為持作出售或列入分類為持作出售之出售組別，非流動資產均不予折舊或攤銷。

- (ii) 已終止經營業務

已終止經營業務為本集團業務之一部份，其營運及現金流量可與本集團其他業務清楚區分，且代表一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃一部份，或為一間純粹為轉售而收購之附屬公司。



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## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Non-current assets (or disposal groups) held for sale and discontinued operation (continued)

- (ii) Discontinued operation (continued)  
Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above) if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the consolidated statement of profit or loss and other comprehensive income, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of goods is recognised when goods are delivered and title has passed to customers.

Medical laboratory testing services income and health check services income, when the related services have been rendered.

Sales of financial assets at FVTPL are recognised on a trade date basis.

### 2. 重大會計政策(續)

#### 持作出售之非流動資產(或出售組別)及已終止經營業務(續)

- (ii) 已終止經營業務(續)  
倘業務被出售或符合列為持作出售項目之準則(如較早)(見上文(i))，則分類為已終止經營業務。撤出業務時，有關業務亦會分類為已終止經營業務。

倘一項業務被分類為已終止業務，則會於綜合損益及其他全面收益表按單一數額呈列，當中包含：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組別，計算公平值減銷售成本或於出售時確認之除稅後損益。

#### 收益確認

收益指在日常業務中已售貨物之應收款額(扣除折扣及與銷售有關之稅項)，按已收或應收代價之公平值計量。

銷售貨品之收入於貨品付運及擁有權轉移予客戶時確認。

醫學實驗室檢測服務收入及健康檢查服務收入，於提供相關服務時確認。

銷售透過損益按公平值列賬之金融資產乃以貿易日期基準予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition (continued)

Interest income from a financial asset and interest income on loans are 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.

Dividend income is recognised when the shareholders' rights to receive payment have been established.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'loss before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 2. 重大會計政策 (續)

#### 收益確認 (續)

在經濟利益可能流入本集團及收入金額能夠可靠地計量之情況下，金融資產之利息收入及貸款之利息收入會被確認。利息收入乃參照未償還本金額及適用實際利率按時間基準累算，適用實際利率即是把金融資產預計年期內估計日後現金收入初步確認地折現至該資產賬面淨值的利率。

股息收入於股東收取款項之權利確立時確認。

#### 稅項

所得稅開支指即期應繳稅項加遞延稅項之總和。

即期應繳稅項按年內應課稅溢利計算。由於其他年度之應課稅或可扣稅之收入或開支項目及從未課稅或可扣稅之損益項目，故應課稅溢利與綜合損益及其他全面收益表所報告「除稅前虧損」不同。本集團即期稅項按已於報告期末實施或實質實施之稅率計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (continued)

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 difference 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 the initial recognition (other than in a business combination) of 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 arising on investments in subsidiaries and a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax 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 the 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 utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

### 2. 重大會計政策 (續)

#### 稅項 (續)

於綜合財務報表的資產及負債賬面值與用作計算應課稅溢利的相應稅基兩者的暫時差額確認為遞延稅項。本公司一般將會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產一般於可能有應課稅溢利以動用所有可扣減暫時差額時就該等可扣稅暫時差額確認。倘暫時差額因初步確認(除業務合併外)一項不影響應課稅溢利或會計溢利的交易的資產及負債而產生，則有關遞延稅項資產及負債不予確認。此外，若暫時差額是源自商譽之首次確認，則不確認遞延稅項負債。

遞延稅項負債就與附屬公司及合營企業的投資相關的應課稅暫時差額予以確認，惟倘本集團可控制其撥回及暫時差額有可能不會於可見將來撥回則除外。因與有關投資及權益相關的可扣減暫時差額而產生的遞延稅項資產僅於可能產生足夠應課稅溢利以動用暫時差額溢利並預期可於可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期間結束時作檢討，並予以扣減，直至再無可能具備足夠應課稅溢利可供動用全部或部分資產為止。未確認之遞延稅項資產於每報告期末重新評估，並於可能有足夠應課稅利潤令全部或部分遞延稅項資產得以收回時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (continued)

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

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.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is 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.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### 2. 重大會計政策 (續)

#### 稅項 (續)

遞延稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈之稅率(及稅法)，按預期於資產獲變現或負債償還期間適用之稅率計算。

遞延稅項負債及資產的計量反映在報告期末本集團預期將來能收回或支付有關資產及負債賬面金額的稅務影響。

即期及遞延稅項於損益確認，惟倘其與在其他全面收益中確認或直接在權益中確認的項目相關，則即期及遞延稅項亦分別於其他全面收益或直接或於權益中確認。倘因業務合併的初步會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併的會計方法內。

#### 外幣

編製各個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易按各自之功能貨幣(即實體經營之主要經濟環境貨幣)於交易日期當時之匯率入賬。於各報告期末，以外幣列值之貨幣項目按報告期末之現行匯率重新換算。按公平值以外幣列值之非貨幣項目則按釐定公平值當日之匯率重新換算。按歷史成本以外幣列值之非貨幣項目不會重新換算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (continued)

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using the exchange rates prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

### 2. 重大會計政策 (續)

#### 外幣 (續)

結算貨幣項目及換算貨幣項目所產生之匯兌差額會於產生期間在損益確認。以公平值列賬之非貨幣項目經重新換算後所產生匯兌差額列入該年度損益中，惟重新換算非貨幣項目所產生匯兌差額之盈虧則於其他全面收益中直接確認，在此情況下，匯兌差額亦於其他全面收益直接確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按報告期末現行匯率換算為本集團之呈列貨幣（即港元），而有關收入及開支則按年內平均匯率換算。除非匯率於期內大幅波動，在此情況下，則會採用交易日期之現行匯率。所產生匯兌差額（如有）於其他全面收益確認並於權益（匯兌儲備）累計（於適當時撥作非控股權益）。

出售境外業務時（即出售本集團於境外業務之全部權益、或出售涉及失去包括境外業務之附屬公司之控制權、或出售包括境外業務之合營安排之部份權益（其保留權益成為一項財務資產）），本公司擁有人就該業務應佔之所有於股權累計之匯兌差額乃重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of joint arrangements that do not result in the Group losing joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in the exchange reserves.

#### 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 lessee

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 assets are consumed. Contingent rentals rising 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 expenses on 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.

### 2. 重大會計政策 (續)

#### 外幣 (續)

此外，就部份出售一間附屬公司惟並未導致本集團失去對該附屬公司之控制權而言，按比例分佔之累計匯兌差額乃重新計入非控股權益，而並不於損益內確認。至於所有其他部份出售（例如部份出售合營安排惟並未導致本集團失去共同控制），按比例分佔之累計匯兌差額乃重新分類至損益。

收購海外業務所產生已收購可識別資產之商譽及公平值調整視作該海外業務之資產及負債處理，並按報告期末之現行匯率換算。所產生匯兌差額於匯兌儲備內確認。

#### 租約

凡租約之條款將擁有權之絕大部份風險及回報轉移至承租人之租約分類為融資租約。所有其他租約均分類為經營租約。

#### 本集團作為承租人

經營租約付款乃按租期以直線基準確認為開支，除非另有系統基準更能代表租約資產使用所產生經濟利益之時間模式則作別論。經營租約產生之或然租金於產生期間確認為開支。

倘訂立經營租約可獲得租約獎勵，則該等獎勵確認為負債。獎勵的利益總額按直線法確認為租金開支減少，惟另一種系統基準更能反映租約資產的經濟利益所消耗的時間模式除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasing (continued)

##### *The Group as lessee (continued)*

##### *Leasehold land and buildings*

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

### 2. 重大會計政策(續)

#### 租約(續)

##### *本集團作為承租人(續)*

##### *租約土地及樓宇*

倘租約包括土地及樓宇兩部份，本集團根據每部份擁有權之所有風險及回報是否轉移至本集團為評估基準，分別地對每部份作出評估並分類為融資租約或經營租約，除非這兩部份均明確為經營租約，在此情況下，整項租約被分類為經營租約。具體而言，最低租約款項(包括一次性預付款項)於租約開始時按租約權益於土地部份及樓宇部份之相對公平值比例分配於土地部份及樓宇部份之間。

倘能可靠地分配租約款項，則租約土地權益可重新分類為經營租約並於綜合財務報告書內列作「預付租約款項」及於租約年期按直線基準攤銷，惟被分類及按公平值模式入賬之投資物業除外。倘不能於土地及樓宇部份之間可靠地分配租約款項時，整項租約一般被視為融資租約處理及以物業、廠房及設備入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that 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. Where 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 is material).

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2. 重大會計政策(續)

#### 撥備

倘本集團因過往事件而須承擔現時責任(法律或推定)，而本集團可能須履行該責任且該責任之金額能可靠估計，即會確認撥備。

確認撥備之金額乃經計及有關責任之風險及不確定因素後，於報告期末履行現時責任所需代價作出之最佳估計。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值(倘時間價值之影響重大)。

#### 借款成本

因收購、建造或生產需要長時間籌備方可作擬定用途或銷售之合資格資產所產生之直接借款成本，會計入該等資產之成本中，直至該等資產已大致上可供其擬定用途或銷售為止。

在特定借款撥作合資格資產之支出前暫時投資所賺取投資收入，會自可予撥充資本之借款成本中扣除。

所有其他借款成本均於產生期間內在損益中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Equity-settled share-based payment transactions

Share options granted to directors (“**Directors**”), employees and service providers of the Group. 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, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option 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.

Upon exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. In addition, at the time when the share options are exercised, the amount previously recognised in the share option reserve will be transferred to the share premium account.

Share options which are cancelled prior to their exercise date or lapse are deleted from the register of outstanding options. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses as a movement in reserves.

### 2. 重大會計政策(續)

#### 股權結算以股份為基礎付款之交易

授予本集團董事(「**董事**」)僱員及服務供應商之購股權就授出須待達成特定歸屬條件的購股權而言，所獲服務的公平值乃參考所授出購股權於授出日期的公平值釐定及根據本集團估計最終將會歸屬之股本工具以直線法基準支銷，並於權益(購股權儲備)內作相應增加。

於報告期末，本集團會修訂預期最終歸屬之購股權數目之估計。原有估計修訂之影響(如有)於損益中確認，以致累計開支反映修訂後之估計，並對購股權儲備作相應調整。

於緊接授出日期後馬上歸屬之購股權，所授出購股權之公平值即時於損益認為開支。

於購股權獲行使後，本公司乃按所發行股份之面值將股份列作額外股本，而本公司亦將每股行使價超出股份面值之數額計入股份溢價賬中。此外，於購股權獲行使時，過往於購股權儲備確認之款項將轉撥至股份溢價賬。

凡於行使日期前註銷或失效之購股權則於未行使購股權登記冊內刪除。倘購股權於歸屬日期後被沒收或於屆滿日期尚未行使，則過往於購股權儲備確認之款項將轉撥至累計虧損作為儲備變動。

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## 綜合財務報表附註

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### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Equity-settled share-based payment transactions (continued)

The diluted effect of outstanding share options is reflected as additional share dilution in the computation of loss per share.

#### Retirement benefits costs

Payments to state-managed retirement benefits scheme, Mandatory Provident Fund Schemes and a registered scheme under the Occupational Retirement Schemes Ordinance (“**ORSO**”) with the Mandatory Provident Fund exemption are charged as an expense when employees have rendered service entitling them to the contributions.

#### Government grants

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

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

#### Related parties

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 the Group’s parent.

### 2. 重大會計政策 (續)

#### 股權結算以股份為基礎付款之交易 (續)

尚未行使之購股權之攤薄影響在計算每股虧損時中已反映為額外股份攤薄。

#### 退休福利成本

本集團向國家管理之退休福利計劃、強制性公積金計劃及根據《職業退休計劃條例》註冊並獲豁免強制性公積金的計劃(「**職業退休計劃**」)作出之供款乃於僱員已提供服務並有權享有該等供款時計入開支。

#### 政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助是抵銷已產生的支出或虧損或旨在給予本集團的即時財務支援(而無未來有關成本)，於有關補助成為應收款項的期間在損益中確認。

#### 關聯人士

於下列情況下，有關人士被視為與本集團有關聯：

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司之主要管理人員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Related parties (continued)

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

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

### 2. 重大會計政策 (續)

#### 關聯人士 (續)

(b) 倘符合下列任何條件，則該實體與本集團有關聯：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司之間互有關聯)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或為該另一實體所屬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之合營企業。
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職後福利計劃。
- (vi) 實體受(a)項所識別人士控制或共同控制。
- (vii) (a)(i)項所識別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。
- (viii) 該實體，或其所屬集團之任何成員公司，向本集團或本集團之母公司提供主要管理層服務。

任何人士之近親是指與該實體交易時預期可影響該名人士或受該人士影響之家庭成員。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSS

In the current year, the Group has applied the following new and amendments to HKFRSSs issued by the HKICPA that are mandatorily effective for an accounting period that begins on or after 1 January 2016:

Amendments to HKAS 1  
香港會計準則第1號（修訂本）

Amendments to HKAS 16 and HKAS 38  
香港會計準則第16號及香港會計準則第38號  
（修訂本）

Amendments to HKAS 27  
香港會計準則第27號（修訂本）

Amendments to HKFRSSs  
香港財務報告準則（修訂本）

Amendments to HKFRS 10, HKFRS 12 and  
HKAS 28  
香港財務報告準則第10號、香港財務報告準則第12號  
及香港會計準則第28號（修訂本）

Amendments to HKFRS 11  
香港財務報告準則第11號（修訂本）

HKFRS 14  
香港財務報告準則第14號

The application of these new and amendments to HKFRSSs has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 3. 採用新訂香港財務報告準則及修訂本

於本年度，本集團已採用下列香港會計師公會頒佈於二零一六年一月一日或之後開始之會計期間強制生效之新訂香港財務報告準則及修訂本：

Disclosure Initiative  
披露計劃

Clarification of Acceptable Methods of  
Depreciation and Amortisation  
折舊及攤銷可接受方法的澄清

Equity Method in Separate Financial Statements  
獨立財務報表的權益會計法

Annual Improvements to HKFRSSs 2012–2014 Cycle  
二零一二年至二零一四年週期之香港財務報告準則年度改進

Investment Entities: Applying the Consolidation  
Exemption  
投資實體：應用綜合入賬之例外情況

Accounting for Acquisition of Interests in Joint Operation  
收購合營業務權益的會計處理方法

Regulatory Deferral Accountants  
監管遞延賬戶

採用該等新訂香港財務報告準則及修訂本對本集團現年度及過往年度之財務表現及狀況及／或該等綜合財務報表載列之披露概無重大影響。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 3. APPLICATION OF NEW AND REVISED HKFRSS (CONTINUED)

The Group has not early adopted the following new and amendments to HKFRSSs that have been issued but not yet effective:

Amendments to HKAS 7  
香港會計準則第7號 (修訂本)

Amendments to HKAS 12

香港會計準則第12號 (修訂本)

Amendments to HKFRS 2

香港財務報告準則第2號 (修訂本)

Amendments to HKFRS 4

香港財務報告準則第4號 (修訂本)

Amendments to HKFRS 10 and HKAS 28

香港財務報告準則第10號及香港會計準則第28號  
(修訂本)

HKFRS 9

香港財務報告準則第9號

HKFRS 15

香港財務報告準則第15號

HKFRS 16

香港財務報告準則第16號

Disclosure Initiative<sup>1</sup>  
披露計劃<sup>1</sup>

Recognition of Deferred Tax Assets for Unrealised Losses<sup>1</sup>  
就未變現虧損確認遞延稅項資產<sup>1</sup>

Classification and Measurement of Share-based Payment Transactions<sup>2</sup>  
以股份為基礎的付款交易之分類及計量<sup>2</sup>

Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contract<sup>2</sup>  
將香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約一併應用<sup>2</sup>

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup>  
投資者及其聯營公司或合營企業間的資產出售或注入<sup>4</sup>

Financial Instruments<sup>2</sup>  
金融工具<sup>2</sup>

Revenue from Contracts with Customers and the related Amendments<sup>2</sup>  
來自客戶合約的收益及相關修訂本<sup>2</sup>

Lease<sup>3</sup>  
租賃<sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

<sup>1</sup> 於二零一七年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零一八年一月一日或之後開始之年度期間生效

<sup>3</sup> 於二零一九年一月一日或之後開始之年度期間生效

<sup>4</sup> 於待定期或之後開始之年度期間生效

The Directors anticipate that the application of these new and amendments to HKFRSSs will have no material impact on the Group's financial performance and positions and/or on the disclosures set out in these consolidated financial statements.

董事預期，採納該等新訂香港財務報告準則及修訂本將不會對本集團之財務表現及狀況及／或該等綜合財務報表所載之披露造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are made 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 may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Useful lives and impairment of property, plant and equipment and intangible assets (other than goodwill)

The Group's management determines the estimated useful lives, residual values and related depreciation and amortisation charges for the property, plant and equipment and intangible assets (other than goodwill) with reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. Management will revise the depreciation and amortisation charges where useful lives are different to previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives; actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation and amortisation expense in the future periods.

The Group reviews tangible and intangible assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recovered. Assessing the impairment loss requires a determination of fair value which is based on the best estimates and information available.

### 4. 關鍵會計判斷及估計不確定性之主要來源

估計和判斷會被持續評估，並根據過往經驗和其他因素進行評估，包括在有關情況下相信為對未來事件合理之預測。

本集團對未來作出估計及假設。所得會計估計如其定義，甚少與其實際結果相同。有機會導致下個財政年度資產及負債賬面值須作出重大調整之估計及假設之風險於下文討論。

#### 物業、廠房及設備之可使用年期及減值以及無形資產(商譽除外)

本集團管理層經參考本集團計劃自運用該等資產所產生未來經濟利益之估計年期後，就其物業、廠房及設備以及無形資產(商譽除外)釐定估計可使用年期、剩餘價值以及相關折舊及攤銷費用。當可使用年期有別於過往預計，管理層會修訂折舊及攤銷費用，或撇銷或撇減已棄置或出售之技術陳舊或非策略資產。實際經濟效益使用年期可能有別於估計可使用年期；實際剩餘價值可能有別於估計剩餘價值。週期審閱可導致折舊年期及剩餘價值變動，因而改變未來期間之折舊及攤銷開支。

當有事件出現或情況改變顯示相關賬面值或未能收回時，本集團會就減值檢討有形及無形資產。減值虧損評估須釐定公平值，該公平值按最佳估計及可得資料作出。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Assessment of goodwill impairment

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates.

#### Allowance for inventories

The management of the Group reviews an ageing analysis at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sales.

The management estimates the net realisable value for such finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete and slow-moving items.

#### Allowance for bad and doubtful debts

Management regularly reviews the recoverability and the aged status of the trade and other receivables. Appropriate impairment for estimated irrecoverable amounts is recognised in the consolidated statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired.

### 4. 關鍵會計判斷及估計不確定性之主要來源(續)

#### 評估商譽之減值

本集團每年根據附註2所述會計政策就商譽是否出現任何減值進行測試。現金產生單位之可收回款額根據使用價值計算釐定。該等計算須運用估計。

#### 存貨備抵

於各報告期末，本集團管理層會審閱賬齡分析，並就已識別不再適於銷售之陳舊及滯銷存貨項目作出備抵。

管理層主要根據最新發票價格及目前市況估計該等製成品之可變現淨值。本集團於各報告期末按產品類別審閱存貨，並就陳舊及滯銷項目作出備抵。

#### 呆壞賬備抵

管理層定期檢討貿易應收賬款及其他應收款項之可收回情況及賬齡情況。當有客觀證據顯示資產減值時，會在綜合損益及其他全面收益表中確認適當之估計不可收回款額減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Allowance for bad and doubtful debts (continued)

In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the current credit worthiness, the past collection history, the aged status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flow expected to receive discounted using the original effective interest rate and its carrying amount. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required. As at 31 December 2016, the carrying amounts of trade receivables are approximately HK\$21,974,000 (2015: HK\$22,529,000), net of allowance for doubtful debts of approximately HK\$4,711,000 (2015: HK\$116,000).

#### Current tax and deferred tax

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgment is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will accordingly be adjusted in the relevant tax account in the year in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and current tax charges in the period in which such estimates have been changed.

### 4. 關鍵會計判斷及估計不確定性之主要來源(續)

#### 呆壞賬備抵(續)

在決定是否需要就呆壞賬備抵時，本集團會考慮客戶當時之信譽、過往收賬記錄、賬齡狀況及收回之可能性。特定備抵只會在不大有可能收回應收款項時作出，並按運用原實際利率對預期可收取估計未來現金流量貼現後之款額與其賬面值兩者之間的差額確認。倘若本集團客戶之財政狀況轉差，以致削弱還款能力，則可能須作出額外減值。於二零一六年十二月三十一日，貿易應收賬款之賬面值約為21,974,000港元(二零一五年：22,529,000港元)，經扣除呆壞賬備抵約4,711,000港元(二零一五年：116,000港元)。

#### 即期稅項及遞延稅項

本集團須繳納香港及中國所得稅。釐定所得稅撥備時須使用重大判斷。倘該等事宜的最終稅務結果不同於最初記錄的數額，則有關差異將會於作出釐定所在年度的所得稅中相應調整。

有關若干暫時差額及稅項虧損的遞延稅項資產乃於管理層認為日後可能有應課稅溢利用於抵銷可動用的暫時差額或稅項虧損時確認。倘預期不同於最初估計，則有關差異會影響改變該等估計所在期間的遞延稅項資產及即期稅項開支的確認。



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### 5. 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 its shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of debts (which include bank and other borrowings as detailed in note 36), cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The Directors review the capital structure on a regular basis. As a part of this review, the Directors consider the cost of capital and the associated risks and take appropriate actions to adjust the Group's capital structure.

### 6. FINANCIAL INSTRUMENTS

#### a. Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, available-for-sale financial assets, trade receivables, loan receivable, deposits and other receivables, cash and cash equivalents, trade payables, other payables and accruals, bank and other borrowings and loan from a non-controlling shareholder of a subsidiary. 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 risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 5. 資本風險管理

本集團管理其資本，確保本集團內各實體能夠持續經營，同時亦透過優化負債與權益之平衡為股東爭取最高回報。本集團之整體策略仍維持不變，與過往年度無異。

本集團之資本架構包括負債（包括附註36所詳述之銀行及其他借款）、現金及現金等價物以及本公司擁有人應佔權益（包括已發行股本及儲備）。本公司董事定期檢討資本架構。作為此次檢討一部份，董事會考慮資本成本及相關風險，並採取適當行動調整本集團之資本架構。

### 6. 金融工具

#### a. 財務風險管理宗旨及政策

本集團之主要金融工具包括透過損益按公平值列賬之金融資產、可供出售金融資產、貿易應收賬款、應收貸款、按金及其他應收款項、現金及現金等價物、貿易應付賬款、其他應付款項及應計費用、銀行及其他借款以及來自一間附屬公司非控股股東之貸款。該等金融工具詳情於有關附註披露。與該等金融工具有關之風險及有關如何減低該等風險之政策載於下文。本集團管理層會調控及監察該等風險以確保可及時有效地實行適當措施。

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### a. Financial risk management objectives and policies (continued)

##### **Credit risk**

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2016 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

As at 31 December 2016, the Group has certain concentration of credit risk as 15% (2015: 12%) and 47% (2015: 33%) of the total trade receivables (including discontinued operation) were due from the Group's the largest and the five largest trade receivables respectively. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

### 6. 金融工具(續)

#### a. 財務風險管理宗旨及政策(續)

##### **信貸風險**

倘若交易對方未能於二零一六年十二月三十一日履行彼等有關各類已確認金融資產之責任，則本集團須承受之最大信貸風險為該等資產於綜合財務狀況表列示之賬面值。

於二零一六年十二月三十一日，本集團最大及五大貿易應收賬款分別佔貿易應收賬款總額(包括已終止經營業務)15%(二零一五年：12%)及47%(二零一五年：33%)，故有若干程度之集中信貸風險。為減低信貸風險，本集團管理層已委派一支團隊負責釐定信貸限額、審批信貸及其他監控程序，確保採取跟進行動收回逾期債務。此外，本集團會定期檢討各項貿易應收賬款之可收回款額，確保為無法收回款額作出足夠減值虧損。因此，董事認為本集團之信貸風險已大幅減低。

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## 綜合財務報表附註

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### a. Financial risk management objectives and policies (continued)

##### **Credit risk (continued)**

For the loan receivable, prior to the lending of loan, the Group will review the financial strength, purpose of the borrowing, repayment ability of the borrower to ensure that the borrower has sound financial repayment ability. The Group assesses the credit profiles of each individual debtors by analysing many factors that influence the default probability, including (but not limited to) the counterparty's financial profile, business prospects and management, macro-economic development, industrial and sovereign risk, and historical performance. The Group also meets quarterly and reviews from time to time the financial conditions of the borrowers or the guarantors.

The credit risk on liquid funds is limited because the counterparties are financial institutions with high credit ratings.

##### **Interest rate risk**

The Group's interest rate risk arises primarily from (a) loan receivable (as detailed in note 26) and other borrowings (as detailed in note 36) issued at fixed rates expose the Group to fair value interest rate risk, and (b) cash and bank balances, cash held in securities trading accounts with stock brokers, margin payable with securities trading accounts and bank borrowing (as detailed in note 36) expose the Group to cash flow interest rate risk, respectively. The Group does not use financial derivatives to hedge against the interest rate risk.

### 6. 金融工具(續)

#### a. 財務風險管理宗旨及政策(續)

##### **信貸風險(續)**

就應收貸款而言，於借出貸款之前，本集團將審閱借貸人之財務實力、借貸目的及還款能力以確保借貸人具有穩健財務還款能力。本集團通過分析眾多影響違約可能性之因素(包括但不限於交易對方之財務狀況、業務前景及管理、宏觀經濟發展、行業及主權風險以及歷史表現)而評估各個別債務人之信貸狀況。本集團亦每季開會一次並不時審閱借貸人或擔保人之財務狀況。

由於交易對方為信用評級高之金融機構，故流動資金之信貸風險有限。

##### **利率風險**

本集團之利率風險主要分別來自(a)按固定利率計自之應收貸款(詳述於附註26)及其他借款(詳述於附註36)，令本集團承受公平值利率風險，以及(b)現金及銀行結餘、以在股票經紀開設之證券交易賬戶持有的現金、證券買賣賬戶之應付保證金及銀行借款(詳述於附註36)，令本集團承受現金流利率風險。本集團並無利用金融衍生工具對沖利率風險。

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### a. Financial risk management objectives and policies (continued)

##### *Interest rate risk (continued)*

As at 31 December 2016, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss after tax, increased/decreased the Group's accumulated losses and decreased/increased the Group's equity by approximately HK\$44,000 (2015: decreased/increased the Group's loss after tax, decreased/increased the Group's accumulated losses and increased/decreased the Group's equity by approximately HK\$161,000).

The sensitivity analysis above indicates the instantaneous change in the Group's loss after tax and accumulated losses assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2015.

##### *Currency risk*

Most of the Group's monetary assets and liabilities are denominated in RMB and HK\$, and the Group conducts its business transactions principally in RMB and HK\$. The exchange rate risk of the Group is not significant.

### 6. 金融工具(續)

#### a. 財務風險管理宗旨及政策(續)

##### *利率風險(續)*

於二零一六年十二月三十一日，估計利率整體上升／下降100基點，而所有其他變數維持不變，將令本集團之除稅後虧損增加／減少、本集團累計虧損增加／減少及本集團權益減少／增加約44,000港元(二零一五年：本集團之除稅後虧損增加／減少、本集團累計虧損增加／減少及本集團權益減少／增加約161,000港元)。

以上敏感度分析反映本集團之除稅後虧損及累計虧損變動，其源於假設利率變動已於報告期末時發生，並已應用於當日存在之非衍生金融工具承受之利率風險。上升或下降100基點乃管理層評估利率於直至下年度報告日期為止期間出現之合理可能變動。有關分析按與二零一五年相同之基準進行。

##### *貨幣風險*

本集團大部份貨幣資產及負債以人民幣及港元計值，且本集團主要以人民幣及港元進行業務交易結算，故本集團面對之匯率風險不大。

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### a. Financial risk management objectives and policies (continued)

##### *Liquidity risk*

The Group has implemented several measures to improve its working capital position and net financial position during the year, details of which are set out in note 5. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long terms.

The Group has no covenants with banks for the banking facilities granted.

The Group's remaining contractual maturity for its financial liabilities are set out in the following table. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 6. 金融工具(續)

#### a. 財務風險管理宗旨及政策(續)

##### *流動資金風險*

本集團於年內已實施多種措施以改善其營運資金狀況及淨額財務狀況，有關詳情載於附註5。本集團的政策是定期監督現時及預期的流動資金需求，確保符合借款契約的規定，並確保本集團維持足夠的現金儲備以及從主要金融機構取得充足的承諾貸款額，以應付其短期及長期流動資金需求。

本集團並未就獲授銀行融資與往來銀行訂立契約。

下表詳列本集團金融負債之餘下合約到期情況。就非衍生金融負債而言，下表乃根據金融負債未貼現現金流量基於本集團或須應要求支付之最早日期編製。下表載有利息及主要現金流量。

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### a. Financial risk management objectives and policies (continued)

##### Liquidity risk (continued)

2016 Financial liabilities	二零一六年 金融負債
Trade payables	貿易應付賬款
Other payables and accruals	其他應付款項及應計費用
Bank and other borrowings	銀行及其他借款
Loan from a non-controlling shareholder of a subsidiary	來自一間附屬公司非控股股東之貸款

2015 Financial liabilities	二零一五年 金融負債
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Trade payables	貿易應付賬款
Other payables and accruals	其他應付款項及應計費用
Bank and other borrowings	銀行及其他借款

### 6. 金融工具 (續)

#### a. 財務風險管理宗旨及政策 (續)

##### 流動資金風險 (續)

Weighted average interest rate 加權平均利率 %	On demand or within one year 應要求或一年內 HK\$'000 千港元	Over one year 一年以上 HK\$'000 千港元	Total Undiscounted cash flow 未貼現現金流量總額 HK\$'000 千港元		Carrying amount 賬面值 HK\$'000 千港元
-	8,390	-	8,390	8,390	
-	9,723	-	9,723	9,723	
9.6	18,854	-	18,854	18,854	
2.3	-	3,298	3,298	3,120	
	<b>36,967</b>	<b>3,298</b>	<b>40,265</b>	<b>40,087</b>	

Weighted average interest rate 加權平均利率 %	On demand or within one year 應要求或一年內 HK\$'000 千港元	Over one year 一年以上 HK\$'000 千港元	Total Undiscounted cash flow 未貼現現金流量總額 HK\$'000 千港元		Carrying amount 賬面值 HK\$'000 千港元
-	4,270	-	4,270	4,270	
-	28,322	-	28,322	28,322	
10.2	1,917	-	1,917	1,917	
	<b>34,509</b>	<b>-</b>	<b>34,509</b>	<b>34,509</b>	

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### b. Fair value

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The Directors consider that the fair values of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate to the corresponding carrying amounts due to their short-term maturities.

#### c. Categories of financial instruments

##### Financial assets

Financial assets at FVTPL  
Available-for-sale financial assets  
Loans and receivables (including cash and cash equivalents)  
– Trade receivables  
– Loan receivable  
– Deposits and other receivables  
– Cash and cash equivalents

##### 金融資產

透過損益按公平值列賬之金融資產  
可供出售金融資產  
貸款及應收款項（包括現金及現金等價物）  
– 貿易應收賬款  
– 應收貸款  
– 按金及其他應收款項  
– 現金及現金等價物

##### Financial liabilities

Financial liabilities measured at amortised cost  
– Trade payables  
– Other payables and accruals  
– Bank and other borrowings  
– Loan from a non-controlling shareholder of a subsidiary

##### 金融負債

按攤銷成本計算之金融負債  
– 貿易應付賬款  
– 其他應付款項及應計費用  
– 銀行及其他借款  
– 來自一間附屬公司非控股股東之貸款

### 6. 金融工具(續)

#### b. 公平值

金融資產及金融負債之公平價值乃運用當前可觀察市場交易價格及類似工具之交易商報價，按貼現現金流量分析根據公認定價模型釐定。

由於綜合財務狀況表內按攤銷成本入賬之金融資產及金融負債短期內到期，故董事認為其公平值與相應賬面值相若。

#### c. 金融工具分類

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Financial assets</b>		
Financial assets at FVTPL	<b>53,844</b>	54,793
Available-for-sale financial assets	<b>20,621</b>	3,600
Loans and receivables (including cash and cash equivalents)		
– Trade receivables	<b>21,974</b>	22,529
– Loan receivable	–	6,025
– Deposits and other receivables	<b>14,661</b>	46,904
– Cash and cash equivalents	<b>34,695</b>	75,234
	<b>145,795</b>	209,085
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost		
– Trade payables	<b>8,390</b>	4,270
– Other payables and accruals	<b>9,723</b>	28,322
– Bank and other borrowings	<b>18,854</b>	1,917
– Loan from a non-controlling shareholder of a subsidiary	<b>3,120</b>	–
	<b>40,087</b>	34,509

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### 6. FINANCIAL INSTRUMENTS (CONTINUED)

#### d. Other price risk

The Group's held for trading securities are measured at fair value at the end of the reporting period. Therefore, the Group is exposed to equity security price risk. Management manages this exposure by maintaining a portfolio of investments with different risk profiles.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

In respect of the held for trading securities, the following table demonstrates the impact on loss before tax and equity if the quoted market price of the Group's listed securities had been 5% (2015: 5%) higher/lower.

### 6. 金融工具(續)

#### d. 其他價格風險

本集團持作買賣證券以其於報告期末之公平值計量。因此，本集團須承擔股本證券價格風險。管理層以不同風險程度之投資組合管理此項風險。

以下敏感度分析乃基於報告日期所承受之權益價格風險而釐定。

就持作買賣證券而言，下表顯示倘本集團上市證券所報市價上升／下降5%（二零一五年：5%），對除稅前虧損及股本之影響。

		Carrying amount of equity investments	Decrease or increase in loss after tax	Increase or decrease in equity
		股本投資之 賬面值 HK\$'000 千港元	除稅後虧損 減少或增加 HK\$'000 千港元	股本增加 或減少 HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>			
Held for trading securities listed – in Hong Kong	持作買賣上市證券 – 於香港境內	<b>53,844</b>	<b>2,248</b>	<b>2,248</b>
<b>2015</b>	<b>二零一五年</b>			
Held for trading securities listed – in Hong Kong	持作買賣上市證券 – 於香港境內	33,428	1,396	1,396
– outside Hong Kong	– 於香港境外	21,365	1,068	1,068
		<b>54,793</b>	<b>2,464</b>	<b>2,464</b>



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### 7. SEGMENT INFORMATION

Information reported to the Company's executive Directors, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance, mainly focuses on types of goods or services delivered or provided. The Group is principally engaged in (i) manufacture, research and development, sale and distribution of health related and pharmaceutical products in the PRC and Hong Kong; (ii) provision of medical laboratory testing services and health check services in Hong Kong; and (iii) trading of securities in Hong Kong. The manufacture and sale of consumer cosmetics and health supplement wine, and trading of dental materials and equipment in the PRC were regarded as discontinued operation.

Segment information in respect of business segments is presented as below:

### 7. 分部資料

就進行資源分配及分部表現評估，向主要營運決策人（即本公司執行董事）呈報之資料，主要集中在所交付或提供之產品或服務的類別。本集團主要從事之業務是(i)於中國及香港製造、研發、銷售及分銷保健相關及醫藥產品；(ii)於香港提供醫學實驗室檢測服務及健康檢查服務；以及(iii)於香港買賣證券。於中國製造及銷售日用化妝品及保健酒以及買賣牙科材料及設備被視作已終止經營業務。

有關業務分部的分部資料呈列如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment turnover and results

For the year ended 31 December 2016

### 7. 分部資料(續)

#### 分部營業額及業績

截至二零一六年十二月三十一日止年度

		Manufacture and sale of health related and pharmaceutical products 製造及銷售保健相關及醫藥產品	Provision of medical laboratory testing services and health check services 提供醫學實驗室檢測服務及健康檢查服務	Trading of financial assets at FVTPL 買賣透過損益按公平值列賬之金融資產	Others 其他	Continuing operations 持續經營業務	Discontinued operation 已終止經營業務	Total 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Gross proceeds - Segment turnover (Note)	所得款項總額 - 分部營業額 (附註)	26,846	57,048	48,693	2,671	135,258	23,263	158,521
Segment results	分部業績	(21,639)	(33,003)	(30,606)	(2,954)	(86,202)	1,598	(86,604)
Other income and gains/ (losses)	其他收入及收益 / (虧損)					7,681	322	8,003
Finance costs	融資成本					(2,010)	(573)	(2,583)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損					(217)	-	(217)
Share of profits of associates	應佔聯營公司溢利					8,648	-	8,648
Share of loss of a joint venture	應佔一間合營企業之虧損					(4,043)	-	(4,043)
Gain on disposal of discontinued operation	出售已終止經營業務之收益					-	34,230	34,230
Unallocated corporate expenses	未分配企業開支					(16,996)	-	(16,996)
(Loss)/profit before tax	除稅前 (虧損) / 溢利					(95,139)	35,577	(59,562)
Income tax expenses	所得稅開支					(479)	(51)	(530)
(Loss)/profit for the year	本年度 (虧損) / 溢利					(95,618)	35,526	(60,092)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment turnover and results (continued)

For the year ended 31 December 2015

### 7. 分部資料(續)

#### 分部營業額及業績(續)

截至二零一五年十二月三十一日止年度

		Manufacture and sale of health related and pharmaceutical products 製造及 銷售保健 相關及醫藥產品	Provision of medical laboratory testing services and health check services 提供醫學實驗室 檢測服務及 健康檢查服務	Trading of financial assets at FVTPL 買賣透過損益按 公平值列賬之 金融資產	Others 其他	Continuing operations 持續經營業務	Discontinued operation 已終止經營業務	Total 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Gross proceeds - Segment turnover (Note)	所得款項總額—分部 營業額 (附註)	26,718	7,384	81,566	25	115,693	85,259	200,952
Segment results	分部業績	(14,265)	(1,604)	(11,555)	(1,423)	(28,847)	(6,023)	(34,870)
Other income and gains/ (losses)	其他收入及收益 / (虧損)					654	713	1,367
Finance costs	融資成本					(402)	(2,716)	(3,118)
Loss on disposal of assets held for sale	出售持作出售之資產之虧損					(986)	-	(986)
Share of profits of associates	應佔聯營公司溢利					1,055	-	1,055
Share of loss of a joint venture	應佔一間合營企業之虧損					(8,445)	-	(8,445)
Unallocated corporate expenses	未分配企業開支					(23,069)	(69)	(23,138)
Loss before tax	除稅前虧損					(60,040)	(8,095)	(68,135)
Income tax credit/ (expenses)	所得稅抵免 / (開支)					389	(14)	375
Loss for the year	本年度虧損					(59,651)	(8,109)	(67,760)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment turnover and results (continued)

Business segment represents the loss from each segment without allocation of loss on disposal of assets held for sale, loss on disposal of a subsidiary, share of profits of associates, share of loss of a joint venture, central administrative costs and directors' salaries, finance costs and income tax (expenses)/credit. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Note:

Reconciliation of total segment turnover to the Group's turnover from continuing operations:

Gross proceeds	所得款項總額
Less: Gross proceeds from trading of securities	減：證券買賣所得款項總額
Turnover	營業額

### 7. 分部資料(續)

#### 分部營業額及業績(續)

業務分部指各分部之虧損，且並未分配出售持作出售之資產之虧損、出售一間附屬公司之虧損、應佔聯營公司溢利、應佔一間合營企業虧損、中央行政成本及董事薪金、融資成本及所得稅(開支)/抵免。此乃呈報予主要營運決策人作分配資源及評估分部表現之計量指標。

附註：

分部營業總額與本集團持續經營業務營業額之對賬：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
135,258	115,693
(48,693)	(81,566)
86,565	34,127

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities

As at 31 December 2016

### 7. 分部資料(續)

#### 分部資產及負債

於二零一六年十二月三十一日

		Manufacture and sale of health related and pharmaceutical products 製造及銷售保健相關及醫藥產品 HK\$'000 千港元	Provision of medical laboratory testing services and health check services 提供醫學實驗室檢測服務及健康檢查服務 HK\$'000 千港元	Trading of financial assets at FVTPL 買賣透過損益按公平值列賬之金融資產 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 綜合 HK\$'000 千港元
Assets	資產					
Segment assets	分部資產	52,068	89,176	55,061	8,857	205,162
Assets classified as held for sale	分類為持作出售之資產					8,777
Unallocated corporate assets	未分配企業資產					109,017
Total assets	總資產					322,956
Liabilities	負債					
Segment liabilities	分部負債	10,863	10,964	115	4,945	26,887
Liabilities associated with assets classified as held for sale	與分類為持作出售之資產有關之負債					-
Unallocated corporate liabilities	未分配企業負債					20,852
Total liabilities	總負債					47,739

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities (continued)

As at 31 December 2015

### 7. 分部資料(續)

#### 分部資產及負債(續)

於二零一五年十二月三十一日

		Manufacture and sale of health related and pharmaceutical 製造及銷售保健 相關及醫藥產品	Provision of medical laboratory testing services and health check services 提供醫學實驗室 檢測服務及健康 檢查服務	Trading of financial assets at FVTPL 買賣透過損益按 公平值列賬之 金融資產	Others 其他	Total 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產					
Segment assets	分部資產	55,840	103,376	96,260	15,804	271,280
Assets classified as held for sale	分類為持作出售之資產					116,407
Unallocated corporate assets	未分配企業資產					90,331
Total assets	總資產					478,018
Liabilities	負債					
Segment liabilities	分部負債	7,032	9,436	2,805	124	19,397
Liabilities associated with assets classified as held for sale	與分類為持作出售之 資產有關之負債					98,535
Unallocated corporate liabilities	未分配企業負債					17,348
Total liabilities	總負債					135,280

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than corporate assets. Goodwill and intangible assets are allocated to manufacture and sale of health related and pharmaceutical products and provision of medical laboratory testing services and health check services.

就監察分部表現及於分部之間分配資源而言：

- 除企業資產外，所有資產乃分配至可呈報分部。商譽及無形資產乃分配至製造及銷售保健相關及醫療產品以及提供醫學實驗室檢測服務及健康檢查服務。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities (continued)

- all liabilities are allocated to reportable segments other than bank and other borrowings and corporate liabilities.

#### Other segment information

For the year ended 31 December 2016

### 7. 分部資料(續)

#### 分部資產及負債(續)

- 除銀行及其他借款以及企業負債外，所有負債乃分配至可呈報分報。

#### 其他分部資料

於二零一六年十二月三十一日

	Manufacture and sale of health related and pharmaceutical products 製造及銷售保健相關及醫藥產品	Provision of medical laboratory testing services and health check services 提供醫學實驗室檢測服務及健康檢查服務	Trading of financial assets at FVTPL 買賣透過損益按公平值列賬之金融資產	Others 其他	Continuing operations 持續經營業務	Discontinued operation 已終止經營業務	Total 綜合
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Capital expenditures 資本開支	3,752	18,706	-	824	23,282	135	23,417
Amortisation of prepaid lease payments 預付租賃款項之攤銷	235	-	-	-	235	23	258
Amortisation of intangible assets 無形資產之攤銷	-	1,225	-	-	1,225	-	1,225
Depreciation of property, plant and equipment 物業、廠房及設備折舊	1,796	3,478	-	370	5,644	288	5,932
Net loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損淨額	-	35	-	-	35	-	35
Fixed assets written off 固定資產之撇銷	5,863	252	-	19	6,134	-	6,134
Share of profits of associates 應佔聯營公司溢利	-	-	-	(8,648)	(8,648)	-	(8,648)
Share of loss of a joint venture 應佔一間合營企業之虧損	-	-	-	4,043	4,043	-	4,043
Impairment loss recognised on goodwill 已確認商譽之減值虧損	-	27,669	-	-	27,669	-	27,669
Impairment loss recognised on trade receivables 已確認貿易應收賬款之減值虧損	5,075	-	-	-	5,075	31	5,106
Impairment loss recognised on available-for-sale financial assets 已確認可供出售金融資產之減值虧損	-	-	-	3,195	3,195	-	3,195
Write-down of inventories 存貨撇減	189	-	-	-	189	-	189

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

Other segment information (continued)

For the year ended 31 December 2015

### 7. 分部資料(續)

其他分部資料(續)

截至二零一五年十二月三十一日止年度

		Provision of medical laboratory testing services and health check services	Trading of financial assets at FVTPL	Others	Continuing operations	Discontinued operation	Total	
	Manufacture and sale of health related and pharmaceutical products	提供醫學實驗室 檢測服務及健康 檢查服務	買賣透過損益按 公平值列賬之 金融資產	其他	持續經營業務	已終止經營業務	綜合	
	製造及銷售保健 相關及醫藥產品	檢 查 服 務	金 融 資 產	其 他	持 續 經 營 業 務	已 終 止 經 營 業 務	綜 合	
	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	
Capital expenditures	資本開支	1,735	7,473	-	59	9,267	573	9,840
Amortisation of prepaid lease payments	預付租賃款項之攤銷	250	-	-	-	250	113	363
Amortisation of intangible assets	無形資產之攤銷	-	51	-	-	51	-	51
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,492	568	-	953	4,013	1,350	5,363
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	-	3	-	-	3	47	50
Fixed assets written off	固定資產之撇銷	7,358	-	-	145	7,503	-	7,503
Share of profits of associates	應佔聯營公司溢利	-	-	-	(1,055)	(1,055)	-	(1,055)
Share of loss of a joint venture	應佔一間合營企業之虧損	-	-	-	8,445	8,445	-	8,445
Impairment loss recognised on goodwill	已確認商譽之減值虧損	1,000	-	-	-	1,000	-	1,000
Impairment loss recognised on trade receivables	已確認貿易應收賬款之減值虧損	224	-	-	-	224	-	224
Write-down of inventories	存貨撇減	290	-	-	-	290	-	290



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Geographical information

The Group operates in four (2015: two) principal geographical areas which are the PRC, Hong Kong, Malaysia and Singapore. The segment of trading of financial assets at FVTPL is being carried out in Hong Kong.

The Group's turnover from external customers is set out below by the geographical location of the customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of investments in associates.

#### (a) Turnover from external customers

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>		
The PRC	15,049	22,510
Hong Kong	61,401	11,617
Malaysia	5,385	—
Singapore	4,730	—
	<b>86,565</b>	<b>34,127</b>
<b>Discontinued operation</b>		
The PRC	23,263	85,259

### 7. 分部資料(續)

#### 地區資料

本集團在四個(二零一五年:兩個)主要地區,即中國、香港、馬來西亞及新加坡經營。透過損益按公平值列賬之金融資產之買賣業務分部於香港經營。

下文載列本集團按客戶所在地區劃分來自外部客戶營業額之分析。客戶地理位置乃基於提供服務或交付貨品的地點。特定非流動資產的地理位置乃基於資產的實際所在地(對於物業、廠房及設備而言),獲分配的業務所在地(對於無形資產及商譽而言),以及業務經營所在地(就於聯營公司之投資而言)釐定。

#### (a) 來自外部客戶之營業額

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	<b>15,049</b>	22,510
	<b>61,401</b>	11,617
	<b>5,385</b>	—
	<b>4,730</b>	—
	<b>86,565</b>	<b>34,127</b>
	<b>23,263</b>	85,259

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 7. SEGMENT INFORMATION (CONTINUED)

#### Geographical information (continued)

(b) Specified non-current assets

The PRC	中國
Hong Kong (Note a)	香港 (附註a)
Switzerland	瑞士

Note:

- (a) Available-for-sale financial assets are not included in specified non-current assets as at 31 December 2016 and 2015.

#### Information about major customers

The following table sets out the revenue from customers contributing over 10% of the total turnover of the Group during the years ended 31 December 2016 and 2015:

Customer A <sup>1</sup>	客戶A <sup>1</sup>
-------------------------	------------------

<sup>1</sup> Revenue from provision of medical laboratory testing services and health check services.

<sup>2</sup> The corresponding revenue did not contribute over 10% of the total turnover of the Group.

### 7. 分部資料(續)

#### 地區資料(續)

(b) 指定非流動資產

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
50,036	51,750
75,296	88,174
31,026	–
<b>156,358</b>	139,924

附註：

- (a) 於二零一六年及二零一五年十二月三十一日，可供出售之金融資產並無計入於指定非流動資產內。

#### 有關主要客戶之資料

下表載列截至二零一六年及二零一五年十二月三十一日止年度佔本集團總營業額超過10%的客戶收入：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
10,938	N/A 不適用 <sup>2</sup>

<sup>1</sup> 收入來自提供醫學實驗室檢測服務及健康檢查服務。

<sup>2</sup> 對應收入並無佔本集團總營業額超過10%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 8. TURNOVER

Gross proceeds represents the amounts received and receivables from sales of goods and provision of medical laboratory testing services and health check services less sales tax and discounts, money lending business and provision of research and development services if any, and sales proceeds arising from trading of securities during the year ended 31 December 2016.

### 8. 營業額

所得款項總額指截至二零一六年十二月三十一日止年度銷售貨品以及提供醫學實驗室檢測服務及健康檢查服務已收及應收款項減銷售稅及折扣，放債業務及提供研發服務(如有)，以及買賣證券所產生之銷售所得款項。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Manufacture and sale of health related and pharmaceutical products	製造及銷售保健相關及醫藥產品	<b>26,846</b>	26,718
Provision of medical laboratory testing services and health check services	提供醫學實驗室檢測服務及健康檢查服務	<b>57,048</b>	7,384
Money lending business	放債業務	<b>913</b>	25
Provision of research and development services	提供研發服務	<b>1,758</b>	—
		<b>86,565</b>	34,127
Gross proceeds from trading of securities (Note a)	買賣證券之所得款項總額 (附註a)	<b>48,693</b>	81,566
Gross proceeds	所得款項總額	<b>135,258</b>	115,693
<b>Discontinued operation</b>	<b>已終止經營業務</b>		
Manufacture and sale of consumer cosmetics	製造及銷售日用化妝品	<b>22,832</b>	84,634
Manufacture and sale of health supplement wine, dental materials and equipment	製造及銷售保健酒、牙科材料及設備	<b>431</b>	625
		<b>23,263</b>	85,259

Note:

- (a) The gross proceeds from trading of securities were recorded in 'net loss on financial assets at fair value through profit or loss' after setting off the relevant cost.

附註：

- (a) 買賣證券之所得款項總額在扣除相關成本後於「透過損益按公平值列賬之金融資產虧損淨額」入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 9. NET LOSS ON FINANCIAL ASSETS AT FVTPL

### 9. 透過損益按公平值列賬之金融 資產虧損淨額

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Net unrealised (loss)/gain on financial assets at FVTPL	(19,798)	10,748
Net realised loss on financial assets at FVTPL	(5,881)	(19,842)
	<b>(25,679)</b>	(9,094)

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## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 10. OTHER INCOME AND GAINS/ (LOSSES)

### 10. 其他收入及收益／（虧損）

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>			
Interest income	持續經營業務 利息收入	326	265
Forfeiture of consideration received (Note 33(b))	沒收已收代價（附註33(b)）	1,360	-
Government grants (Note a)	政府補貼（附註a）	662	-
Sundry income	雜項收入	699	300
Dividend income	股息收入	4,596	97
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	(35)	(3)
Fixed assets written off	固定資產之撇銷	(6,134)	(7,503)
Exchange gains/(losses), net	匯兌收益／（虧損），淨額	38	(8)
		<b>1,512</b>	<b>(6,852)</b>
<b>Discontinued operation</b>			
Interest income	已終止經營業務 利息收入	-	60
Sundry income	雜項收入	359	966
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損淨額	-	(47)
Exchange losses, net	匯兌虧損，淨額	(37)	(313)
		<b>322</b>	<b>666</b>

Note:

- (a) The government grants relate to (i) an incentive subsidy of RMB500,000 (equivalent to approximately HK\$596,000) received by a subsidiary of the Company in the PRC as a result of its developed pharmaceutical product being registered in the Chinese Pharmacopoeia (2015 Edition); and (ii) a scientific research and experimental development funding of approximately RMB56,000 (equivalent to approximately HK\$66,000) received by a subsidiary of the Company in the PRC for research and development investments, during the year ended 31 December 2016 (2015: HK\$Nil). There is no specific condition attached to the grants.

附註：

- (a) 截至二零一六年十二月三十一日止年度，政府補貼與以下項目相關：(i)本公司一間於中國之附屬公司所開發的一項醫藥產品被收錄於《中國藥典》二零一五年版而收取之獎勵性補助金人民幣500,000元（相當於約596,000港元）；及(ii)本公司一間於中國之附屬公司就研發投資而收取之科技研究及試驗發展經費約人民幣56,000元（相當於約66,000港元）（二零一五年：零港元）。有關補貼並無附帶特定條件。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 11. FINANCE COSTS

### 11. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Interest expenses:	利息開支：		
– Bank borrowing	– 銀行借款	51	–
– Other borrowings	– 其他借款	2,389	402
– Imputed interest on loan from a non-controlling shareholder of a subsidiary	– 來自一間附屬公司一名非控股股東所提供貸款之估算利息	42	–
		<b>2,482</b>	402
Total interest expenses	利息開支總額		
Less: Interest capitalised on construction in progress (Note a)	減：在建工程之資本化利息 (附註a)	(472)	–
		<b>2,010</b>	402
<b>Discontinued operation</b>	<b>已終止經營業務</b>		
Interest expenses:	利息開支：		
– Bank borrowings	– 銀行借款	312	1,414
– Other borrowings	– 其他借款	261	1,302
		<b>573</b>	2,716

Note:

- (a) Borrowing costs capitalised during the year arose from specific other borrowings that are used to finance the construction costs of a manufacturing plant on existing land in Guizhou Province, and the borrowing costs are capitalised at a rate of 1% per month for the year ended 31 December 2016 (2015: Nil).

附註：

- (a) 截至二零一六年十二月三十一日止年度，年內資本化之借款成本產生自特定其他借款，該筆借款用於為貴州省現有土地上一間製造廠房的建築成本提供融資，且借款成本按月利率1厘資本化（二零一五年：無）。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 12. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

### 12. 除稅前虧損

除稅前虧損已扣除下列各項：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Staff costs (including Directors' emoluments as set out in note 17):	員工成本(包括董事酬金載於附註17):		
– Salaries, bonuses and other benefits	– 薪金、花紅及其他福利	35,442	17,062
– Retirement benefits scheme contributions	– 退休福利計劃供款	1,911	996
		<b>37,353</b>	18,058
Amortisation of prepaid lease payments	預付租賃款項之攤銷	235	250
Amortisation of intangible assets	無形資產之攤銷	1,225	51
Auditors' remuneration	核數師酬金	760	1,250
Cost of inventories sold	已售存貨成本	31,410	20,243
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	5,644	4,013
Impairment loss recognised on trade receivables	已確認貿易應收賬款之減值虧損	5,075	224
Impairment loss recognised on available-for-sale financial assets	已確認可供出售金融資產之減值虧損	3,195	–
Write-down of inventories	存貨撇減	189	290
Minimum lease payments under operating leases:	經營租賃之最低租賃付款：		
– Office premises, warehouses and staff quarters	– 辦公室物業、倉庫及員工宿舍	7,014	2,651
		<b>3,077</b>	8,186
<b>Discontinued operation</b>	<b>已終止經營業務</b>		
Staff costs:	員工成本：		
– Salaries, bonuses and other benefits	– 薪金、花紅及其他福利	2,756	6,419
– Retirement benefits scheme contributions	– 退休福利計劃供款	321	1,767
		<b>3,077</b>	8,186
Amortisation of prepaid lease payments	預付租賃款項之攤銷	23	113
Auditors' remuneration	核數師酬金	–	12
Cost of inventories sold	已售存貨成本	15,396	62,575
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	288	1,350
Impairment loss recognised on trade receivables	已確認貿易應收賬款之減值虧損	31	–
Minimum lease payments under operating leases:	經營租賃之最低租賃付款：		
– Office premises, warehouses and staff quarters	– 辦公室物業、倉庫及員工宿舍	83	359

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 13. INCOME TAX EXPENSES/(CREDIT)

### 13. 所得稅開支／(抵免)

#### Continuing operations

The amount comprises:

Current tax:

– Hong Kong Profits Tax

持續經營業務

該款額包括：

即期稅項：

– 香港利得稅

Deferred tax:

– Current year (Note 38)

遞延稅項：

– 本年度 (附註38)

#### Discontinued operation

The amount comprises:

Current tax:

– The PRC Enterprise Income Tax

已終止經營業務

該款額包括：

即期稅項：

– 中國企業所得稅

Hong Kong Profits Tax is calculated at the tax rate of 16.5% (2015: 16.5%) of the estimated assessable profits arising in Hong Kong during the year ended 31 December 2016.

The subsidiaries in the PRC are subject to the PRC Enterprise Income Tax at the tax rate of 25% for the year ended 31 December 2016 (2015: 25%), except for a subsidiary, 貴州雙升製藥有限公司 (in English, for identification purpose only, Guizhou Shuang Sheng Pharmaceutical Co., Ltd.) (formerly known as 貴陽舒美達製藥廠有限公司 (in English, for identification purpose only, Guiyang Shu Mei Da Pharmaceutical Co., Ltd.)) (“**Shuang Sheng**”), which is accredited with high and new technology enterprise status and thus enjoys a preferential tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

Pursuant to the rules and regulations of Bermuda, the Cayman Islands and the British Virgin Islands (“**BVI**”), the Group is not subject to any income tax expenses in the respective tax jurisdictions.

於截至二零一六年十二月三十一日止年度內，香港利得稅按香港估計應課稅溢利之16.5% (二零一五年：16.5%) 稅率計算。

於中國之附屬公司截至二零一六年十二月三十一日止年度須按25% (二零一五年：25%) 之稅率繳納中國企業所得稅，惟附屬公司貴州雙升製藥有限公司 (前稱貴陽舒美達製藥廠有限公司) (“**雙升**”) 獲認可高新技術企業資格，因此於截至二零一六年十二月三十一日止年度享受優惠稅率15% (二零一五年：15%)。

根據百慕達、開曼群島及英屬處女群島 (「**英屬處女群島**」) 之規則及規例，本集團於相關稅務司法權區毋須承擔任何所得稅開支。

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
705	(381)
705	(381)
(226)	(8)
479	(389)
51	14



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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 13. INCOME TAX EXPENSES/(CREDIT) (CONTINUED)

The income tax expenses/(credit) for the year can be reconciled to the loss per the consolidated statement of profit or loss and other comprehensive income as follows:

### 13. 所得稅開支／(抵免)(續)

於年度之所得稅開支／(抵免)與綜合損益及其他全面收益表之虧損對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Loss before tax	除稅前虧損	<b>(95,139)</b>	(60,040)
Tax at respective applicable tax rates	按各適用稅率計算之稅項	<b>(15,081)</b>	(8,202)
Tax effect of share of profits of associates	應佔聯營公司溢利之稅務影響	<b>(1,887)</b>	(264)
Tax effect of share of loss of a joint venture	應佔一間合營企業虧損之稅務影響	<b>1,010</b>	2,111
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	<b>9,816</b>	4,001
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	<b>(815)</b>	(2,508)
Tax effect of origination and reversal of temporary differences	源自及撥回暫時差異之稅務影響	<b>110</b>	(665)
Tax effect of tax losses not recognised	未確認的稅項虧損之稅務影響	<b>7,473</b>	5,433
Others	其他	<b>(147)</b>	(295)
Income tax expenses/(credit) for the year	本年度所得稅開支／(抵免)	<b>479</b>	(389)
<b>Discontinued operation</b>	<b>已終止經營業務</b>		
Profit/(loss) before tax	除稅前溢利／(虧損)	<b>1,347</b>	(8,095)
Tax at respective applicable tax rates	按各適用稅率計算之稅項	<b>337</b>	(2,018)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	-	2,167
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	<b>(337)</b>	(135)
Under-provision in respect of prior years	過往年度撥備不足	<b>51</b>	-
Income tax expenses for the year	本年度所得稅開支	<b>51</b>	14

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 14. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2016, nor has any dividend been proposed since the end of the reporting period (2015: HK\$Nil).

### 14. 股息

於截至二零一六年十二月三十一日止年度內並無派付或建議派付任何股息，且自報告期末以來亦無建議派付任何股息（二零一五年：零港元）。

### 15. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares during the years ended 31 December 2016 and 2015.

### 15. 每股虧損

截至二零一六年及二零一五年十二月三十一日止年度，每股基本虧損乃以本公司擁有人應佔年度虧損除以普通股加權平均數而得出。

#### Weighted average number of ordinary shares ('000)

#### 普通股加權平均數 (千股)

		2016 二零一六年	2015 二零一五年
Issued ordinary shares at 1 January	於一月一日之已發行普通股	656,987	100,562
Effect of shares issued under subscription on 23 January 2015 (Note 39(d))	根據二零一五年一月二十三日認購而發行股份之影響 (附註39(d))	-	24,227
Effect of rights issue on 18 September 2015 (Note 39(e))	二零一五年九月十八日進行供股之影響 (附註39(e))	-	169,212
Effect of shares issued under placing on 31 December 2015 (Note 39(c))	根據二零一五年十二月三十一日配售而發行股份之影響 (附註39(c))	-	69
Effect of shares issued under placing on 15 August 2016 (Note 39(f))	根據二零一六年八月十五日配售而發行股份之影響 (附註39(f))	49,896	-
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	706,883	294,070

The weighted average number of ordinary shares for the purpose of calculating the basic loss per share has been adjusted for the years ended 31 December 2016 and 2015 to reflect the impact of the 2016 Share Consolidation (Note 39(b)), which became effective on 23 February 2016.

截至二零一六年及二零一五年十二月三十一日止年度，用於計算每股基本虧損之普通股加權平均股數已作出調整，以反映於二零一六年二月二十三日生效之二零一六年股份合併（附註39(b））之影響。

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## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 15. LOSS PER SHARE (CONTINUED)

#### Continuing and discontinued operations

Loss for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔年度虧損 (千港元)
Weighted average number of ordinary shares ('000)	普通股加權平均數 (千股)
Basic loss per share (HK\$)	每股基本虧損 (港元)

#### Continuing operations

Loss for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔年度虧損 (千港元)
Less: profit/(loss) for the year attributable to owners of the Company from discontinued operation (HK\$'000)	減：本公司擁有人應佔已終止經營業務年度溢利/(虧損) (千港元)
Loss for the year attributable to owners of the Company from continuing operations (HK\$'000)	本公司擁有人應佔持續經營業務年度虧損 (千港元)
Weighted average number of ordinary shares ('000)	普通股加權平均數 (千股)
Basic loss per share (HK\$)	每股基本虧損 (港元)

#### Discontinued operation

For the year ended 31 December 2016, basic earnings per share for discontinued operation attributable to owners of the Company is HK\$0.050 (2015: basic loss per share of HK\$0.028), based on the profit for the year of approximately HK\$35,526,000 (2015: loss of approximately HK\$8,109,000) and the denominators detailed above for basic loss per share.

### 15. 每股虧損 (續)

#### 持續及已終止經營業務

	2016 二零一六年	2015 二零一五年
Loss for the year attributable to owners of the Company (HK\$'000)	(50,151)	(62,269)
Weighted average number of ordinary shares ('000)	706,883	294,070
Basic loss per share (HK\$)	(0.071)	(0.212)

#### 持續經營業務

	2016 二零一六年	2015 二零一五年
Loss for the year attributable to owners of the Company (HK\$'000)	(50,151)	(62,269)
Less: profit/(loss) for the year attributable to owners of the Company from discontinued operation (HK\$'000)	35,526	(8,109)
Loss for the year attributable to owners of the Company from continuing operations (HK\$'000)	(85,677)	(54,160)
Weighted average number of ordinary shares ('000)	706,883	294,070
Basic loss per share (HK\$)	(0.121)	(0.184)

#### 已終止經營業務

截至二零一六年十二月三十一日止年度，本公司擁有人應佔已終止經營業務之每股基本盈利為0.050港元（二零一五年：每股基本虧損0.028港元），此乃根據本年度來自已終止經營業務之溢利約35,526,000港元（二零一五年：虧損約8,109,000港元）及上文所詳述每股基本虧損之分母計算。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 15. LOSS PER SHARE (CONTINUED)

#### Discontinued operation (continued)

No diluted loss per share has been presented for the year ended 31 December 2016 as there was no dilutive potential ordinary share outstanding during the year (2015: Diluted loss per share was the same as basic loss per share as the share options had an anti-dilutive effect on the basic loss per share).

### 16. DISCONTINUED OPERATION

On 17 December 2015, the Company, as vendor, entered into a sale and purchase agreement with Mr. Yang Shunfeng, a director of certain subsidiaries of Wallfaith Company Limited (“Wallfaith”), as purchaser, to dispose of the entire equity interests in Wallfaith and its subsidiaries (collectively, the “Wallfaith Group”). The total cash consideration for the sale of the entire issued share capital of Wallfaith amounted to HK\$15,000,000. The completion of the disposal of the Wallfaith Group took place on 16 March 2016. Details of the disposal of the Wallfaith Group are disclosed in the announcement of the Company dated 17 December 2015 and the circular of the Company dated 15 January 2016. The manufacture and sale of consumer cosmetics and health supplement wine, and trading of dental materials and equipment in the PRC were regarded as discontinued operation of the Group.

The profit/(loss) for the year from discontinued operation was analysed as follows:

### 15. 每股虧損(續)

#### 已終止經營業務(續)

截至二零一六年十二月三十一日止年度，並無發行在外之具潛在攤薄效應普通股，故並無呈列該年度之每股攤薄虧損(二零一五年：由於購股權對每股基本虧損具反攤薄效應，故每股攤薄虧損與每股基本虧損相同)。

### 16. 已終止經營業務

於二零一五年十二月十七日，本公司(作為賣方)與Wallfaith Company Limited(「Wallfaith」)若干附屬公司之董事楊順峰先生(作為買方)訂立買賣協議，以出售Wallfaith及其附屬公司(統稱「Wallfaith集團」)之全部股權。出售Wallfaith全部已發行股本之總現金代價為15,000,000港元。出售Wallfaith集團已於二零一六年三月十六日完成。有關出售Wallfaith集團之詳情乃披露於本公司日期為二零一五年十二月十七日之公告，以及本公司日期為二零一六年一月十五日之通函。於中國製造及銷售日用化妝品及保健酒以及買賣牙科材料及設備被視作本集團已終止經營業務。

已終止經營業務年度溢利/(虧損)分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit/(loss) for the year from discontinued operation	已終止經營業務年度溢利/(虧損) <b>1,296</b>	(8,109)
Gain on disposal of the Wallfaith Group for the year	本年度出售Wallfaith集團之收益 <b>34,230</b>	—
	<b>35,526</b>	(8,109)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 16. DISCONTINUED OPERATION (CONTINUED)

The results of the Wallfaith Group for the year, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

### 16. 已終止經營業務(續)

Wallfaith集團之年度業績已計入綜合損益及其他全面收益表如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Turnover	營業額	<b>23,263</b>	85,259
Cost of sales	銷售成本	<b>(15,396)</b>	(62,575)
Gross profit	毛利	<b>7,867</b>	22,684
Other income and gains/(losses)	其他收入及收益/(虧損)	<b>322</b>	666
Selling and distribution expenses	銷售及分銷開支	<b>(4,746)</b>	(21,342)
Administrative expenses	行政開支	<b>(1,523)</b>	(7,387)
Profit/(loss) from operations	經營溢利/(虧損)	<b>1,920</b>	(5,379)
Finance costs	融資成本	<b>(573)</b>	(2,716)
Profit/(loss) before tax	除稅前溢利/(虧損)	<b>1,347</b>	(8,095)
Income tax expenses	所得稅開支	<b>(51)</b>	(14)
Profit/(loss) for the year	本年度溢利/(虧損)	<b>1,296</b>	(8,109)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 16. DISCONTINUED OPERATION (CONTINUED)

Cash flows for the year from the Wallfaith Group were as follows:

Net cash inflow/(outflow) from operating activities	來自經營業務之現金流入／(流出)淨額
Net cash outflow from investing activities	來自投資活動之現金流出淨額
Net cash outflow from financing activities	來自融資活動之現金流出淨額
Net cash inflow/(outflow)	現金流入／(流出)淨額

Note:

The summarised statement of profit or loss and other comprehensive income and cash flows for the year ended 31 December 2016 only includes the results from 1 January 2016 to the date of completion of disposal (i.e. 16 March 2016).

### 16. 已終止經營業務(續)

Wallfaith集團之年度現金流量如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2,278	(3,354)
(135)	(413)
(573)	(181)
1,570	(3,948)

附註：

截至二零一六年十二月三十一日止年度之損益及其他全面收益表概要與現金流量表概要僅涵蓋由二零一六年一月一日至完成出售日期(即二零一六年三月十六日)之業績。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 16. DISCONTINUED OPERATION (CONTINUED)

An analysis of the net assets of the Wallfaith Group at the date on which the Group lost control (i.e. 16 March 2016) were as follows:

### 16. 已終止經營業務(續)

Wallfaith集團於本集團失去控制權當日(即二零一六年三月十六日)之淨資產分析如下:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	13,137
Prepaid lease payments	預付租賃款項	4,214
Inventories	存貨	53,407
Trade receivables	貿易應收賬款	19,529
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	5,849
Tax recoverable	可收回稅項	36
Cash and cash equivalents	現金及現金等價物	4,512
<b>Total assets</b>	<b>總資產</b>	<b>100,684</b>
Trade payables	貿易應付賬款	17,336
Other payables and accruals	其他應付款項及應計費用	59,775
Bank borrowings	銀行借款	18,001
<b>Total liabilities</b>	<b>總負債</b>	<b>95,112</b>
<b>Net assets disposed of</b>	<b>所出售淨資產</b>	<b>5,572</b>
		HK\$'000 千港元
<b>Gain on disposal of the Wallfaith Group:</b>	<b>出售Wallfaith集團之收益:</b>	
Cash consideration received	已收現金代價	15,000
Release of exchange difference upon disposal	出售時撥回之匯兌差額	24,802
Less: Net assets disposed of	減: 所出售淨資產	(5,572)
		<b>34,230</b>
<b>Net cash inflow arising on disposal:</b>	<b>出售所產生現金流入淨額:</b>	
Consideration received in cash and cash equivalents	以現金及現金等價物收取之代價	15,000
Cash and cash equivalents disposed of	所出售之現金及現金等價物	(4,512)
		<b>10,488</b>

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' emoluments

Details of emoluments paid by the Group to the Directors during the years ended 31 December 2016 and 2015 are as follows:

#### For the year ended 31 December 2016

### 17. 董事及僱員酬金

#### (a) 董事酬金

本集團於截至二零一六年及二零一五年十二月三十一日止年度支付予董事的酬金詳情如下：

#### 截至二零一六年十二月三十一日止年度

	Directors' fees	Salaries and other benefits	Performance-related bonuses	Retirement benefits scheme contributions	Total
	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
<b>Executive Directors</b>					
Mr. Chan Ka Chung (appointed on 1 October 2016)	-	-	-	-	-
陳嘉忠先生 (於二零一六年十月一日獲委任)	-	-	-	-	-
Mr. Leung Pak Hou Anson	-	1,016	80	18	1,114
梁伯豪先生	-	1,016	80	18	1,114
Ms. Chen Miaoping	360	-	-	-	360
陳妙嫻女士	360	-	-	-	360
Mr. Cheung Wai Kwan (appointed on 1 October 2016)	24	-	-	-	24
張衛軍先生 (於二零一六年十月一日獲委任)	24	-	-	-	24
Mr. Cheung Hung (resigned on 1 October 2016)	450	-	-	-	450
張鴻先生 (於二零一六年十月一日辭任)	450	-	-	-	450
	834	1,016	80	18	1,948
<b>Independent non-executive Directors</b>					
Mr. Ho Fung Shan Bob	120	-	-	-	120
何峯山先生	120	-	-	-	120
Mr. Leung Ka Fai	120	-	-	-	120
梁家輝先生	120	-	-	-	120
Mr. Yuen Chun Fai	120	-	-	-	120
阮駿暉先生	120	-	-	-	120
	360	-	-	-	360
<b>Total</b>	<b>1,194</b>	<b>1,016</b>	<b>80</b>	<b>18</b>	<b>2,308</b>
<b>總計</b>	<b>1,194</b>	<b>1,016</b>	<b>80</b>	<b>18</b>	<b>2,308</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

#### (a) Directors' emoluments (continued)

For the year ended 31 December 2015

	Directors' fees	Salaries and other benefits	Performance-related bonuses	Retirement benefits scheme contributions	Total
	Director袍金	薪金及其他福利	表現相關紅利	退休福利計劃供款	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
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Cheung Hung	張鴻先生	600	-	-	600
Mr. Leung Pak Hou Anson	梁伯豪先生	-	1,053	18	1,071
Ms. Chen Miaoping	陳妙嫻女士	360	25	3	388
		960	1,078	21	2,059
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Ho Fung Shan Bob	何峯山先生	120	-	-	120
Mr. Leung Ka Fai	梁家輝先生	120	-	-	120
Mr. Yuen Chun Fai	阮駿暉先生	120	-	-	120
		360	-	-	360
<b>Total</b>	<b>總計</b>	<b>1,320</b>	<b>1,078</b>	<b>21</b>	<b>2,419</b>

None of the Directors waived or agreed to waive any emoluments paid by the Group and no incentive payment for joining the Group or compensation for loss of office was paid or payable to any Director during the years ended 31 December 2016 and 2015.

### 17. 董事及僱員酬金(續)

#### (a) 董事酬金(續)

截至二零一五年十二月三十一日止年度

截至二零一六年及二零一五年十二月三十一日止年度，概無董事放棄或同意放棄本集團支付之任何酬金，本集團亦無向任何董事支付或應付任何款項作為加盟本集團的獎勵酬金或離職補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 17. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

#### (b) Employees' emoluments

Out of the five individuals with the highest emoluments in the Group, one (2015: two) was Director whose emoluments, details are set out in note (a) above. The emoluments of the remaining four (2015: three) individuals for the year ended 31 December 2016 were as follows:

Salaries, bonuses and other benefits	薪金、花紅及其他福利
Retirement benefits scheme contributions	退休福利計劃供款

The emoluments of each of the above remaining highest paid individuals were within the following bands:

Emoluments band	酬金範圍
HK\$Nil to HK\$1,000,000	零港元至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元

No emoluments were paid by the Group to the five individuals with highest emoluments as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2016 and 2015.

### 17. 董事及僱員酬金(續)

#### (b) 僱員酬金

本集團五位最高薪酬人士中一名(二零一五年:兩名)為董事,彼等酬金詳情載於上文附註(a)。截至二零一六年十二月三十一日止年度餘下四名(二零一五年:三名)人士之酬金如下:

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
3,277	2,198
132	42
<b>3,409</b>	<b>2,240</b>

上述餘下最高薪人士各自之酬金介乎以下組別:

Number of individuals 人數	
2016 二零一六年	2015 二零一五年
3	3
1	-

截至二零一六年及二零一五年十二月三十一日止年度,本集團概無向五位最高薪酬人士支付酬金作為邀請加盟本集團或加盟本集團後的獎勵或離職補償。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 18. PROPERTY, PLANT AND EQUIPMENT

### 18. 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvement 租賃裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>							
At 1 January 2015	於二零一五年一月一日	27,284	4,847	4,319	30,576	1,487	410	68,923
Additions	添置	-	1,391	264	5,995	2,178	12	9,840
Acquisition of subsidiaries	收購一間附屬公司	-	2,936	135	8,317	4,913	-	16,301
Disposals	出售	-	(180)	(270)	(37)	-	-	(487)
Classified as assets held for sale	分類為持作出售之資產	(17,703)	(2,102)	(543)	(7,237)	(1,251)	-	(28,836)
Written off	撇銷	-	(314)	(10)	(8,221)	-	-	(8,545)
Exchange alignment	匯兌調整	(1,175)	(244)	(169)	(1,576)	(76)	(24)	(3,264)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	8,406	6,334	3,726	27,817	7,251	398	53,932
Additions	添置	553	643	71	1,613	3,736	1,456	8,072
Acquisition of an asset through acquisition of an subsidiary	透過收購一間附屬公司收購資產	15,210	-	-	-	-	-	15,210
Disposals	出售	-	-	(125)	(85)	-	-	(210)
Written off	撇銷	-	(803)	(195)	(7,491)	(2,419)	-	(10,908)
Exchange alignment	匯兌調整	(329)	(142)	(133)	(703)	(18)	(89)	(1,414)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>23,840</b>	<b>6,032</b>	<b>3,344</b>	<b>21,151</b>	<b>8,550</b>	<b>1,765</b>	<b>64,682</b>

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## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### 18. 物業、廠房及設備(續)

		Furniture, fixtures and office equipment	Motor vehicles	Plant and machinery	Leasehold improvement	Construction in progress	Total
	Land and buildings	傢俬、裝置及 辦公室設備	汽車	廠房及機器	租賃裝修	在建工程	總計
	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
<b>Accumulated depreciation and impairment loss</b>	<b>累計折舊及減值虧損</b>						
At 1 January 2015	於二零一五年一月一日						
	9,444	2,731	2,809	6,901	222	-	22,107
Acquisition of subsidiaries	收購一間附屬公司						
	-	2,382	51	6,620	4,769	-	13,822
Charge for the year	本年度折舊						
	1,174	477	689	2,723	300	-	5,363
Eliminated on disposals	出售撇銷						
	-	(162)	(174)	(1)	-	-	(337)
Eliminated on classified as assets held for sale	因分類為持作出售之資產而撇銷						
	(8,939)	(1,693)	(192)	(4,562)	(208)	-	(15,594)
Eliminated on written off	撇銷時對銷						
	-	(170)	(8)	(864)	-	-	(1,042)
Exchange alignment	匯兌調整						
	(641)	(157)	(110)	(484)	-	-	(1,392)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日						
	1,038	3,408	3,065	10,333	5,083	-	22,927
Charge for the year	本年度折舊						
	611	790	143	2,786	1,314	-	5,644
Eliminated on disposals	出售撇銷						
	-	-	(60)	(30)	-	-	(90)
Eliminated on written off	撇銷時對銷						
	-	(625)	(189)	(1,545)	(2,415)	-	(4,774)
Exchange alignment	匯兌調整						
	(67)	(62)	(99)	(218)	-	-	(446)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>						
	<b>1,582</b>	<b>3,511</b>	<b>2,860</b>	<b>11,326</b>	<b>3,982</b>	<b>-</b>	<b>23,261</b>
<b>Carrying amounts</b>	<b>賬面值</b>						
At 31 December 2016	於二零一六年十二月三十一日						
	<b>22,258</b>	<b>2,521</b>	<b>484</b>	<b>9,825</b>	<b>4,568</b>	<b>1,765</b>	<b>41,421</b>
At 31 December 2015	於二零一五年十二月三十一日						
	7,368	2,926	661	17,484	2,168	398	31,005

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 18. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### 18. 物業、廠房及設備(續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amounts of the Group's land and buildings comprise:	本集團土地及樓宇之賬面值包括：		
- Leasehold land and buildings in Hong Kong under medium-term leases	- 於香港根據中期租約持有之租賃土地及樓宇	18,327	3,525
- Buildings in the PRC under medium-term leases	- 於中國根據中期租約持有之樓宇	3,931	3,843
		<b>22,258</b>	7,368

As at 31 December 2016, certain leasehold land and buildings in Hong Kong with aggregate carrying amounts of approximately HK\$14,914,000 (2015: HK\$Nil) have been pledged to secure bank borrowing granted to the Group (Note 36).

The Directors considered that no impairment loss should be recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2016 (2015: HK\$Nil).

於二零一六年十二月三十一日，本集團位於香港賬面總值約14,914,000港元(二零一五年：零港元)之若干租賃土地及樓宇已抵押作為本集團獲授銀行借款之擔保(附註36)。

於截至二零一六年十二月三十一日止年度，董事認為，無須於綜合損益及其他全面收益表內確認減值虧損(二零一五年：零港元)。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 19. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments represented leasehold land located in the PRC held under medium-term leases.

### 19. 預付租賃款項

本集團之預付租賃款項與根據中期租約所持有的中國租賃土地有關。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amounts at the beginning of the year	於年初的賬面值	8,859	14,254
Amortisation	攤銷	(235)	(363)
Exchange alignment	匯兌調整	(558)	(818)
Reclassified to assets held for sale	分類為持作出售之資產	-	(4,214)
Carrying amounts at the end of the year	於年終的賬面值	8,066	8,859
Analysed for reporting purpose as:	為呈報目的而分析如下：		
Current assets	流動資產	224	240
Non-current assets	非流動資產	7,842	8,619
		8,066	8,859

The prepaid lease payments are amortised over the period of the rights of 38 years (2015: 38 to 45 years).

預付租賃款項於38年(二零一五年：38至45年)租期內攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 20. GOODWILL

### 20. 商譽

		HK\$'000 千港元
<b>Cost</b>	<b>成本</b>	
At 1 January 2015	於二零一五年一月一日	5,511
Acquisition of subsidiaries (Note 31)	收購一間附屬公司 (附註31)	27,933
<b>At 31 December 2015, 1 January 2016 and 31 December 2016</b>	<b>於二零一五年十二月三十一日、 二零一六年一月一日及 二零一六年十二月三十一日</b>	<b>33,444</b>
<b>Accumulated impairment</b>	<b>累計減值</b>	
At 1 January 2015	於二零一五年一月一日	3,033
Impairment recognised for the year	本年度確認減值	1,000
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	4,033
Impairment recognised for the year	本年度確認減值	27,669
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>31,702</b>
<b>Carrying amounts</b>	<b>賬面值</b>	
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>1,742</b>
At 31 December 2015	於二零一五年十二月三十一日	29,411

All goodwill arose as a result of acquisition of businesses.

所有商譽均因收購業務而產生。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 20. GOODWILL (CONTINUED)

#### Impairment tests for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the following cash-generating units. The carrying amounts of goodwill as at the end of the reporting period are allocated as follows:

Manufacture and sale of Chinese medicine products business (Note a)	製造及銷售中成藥業務(附註a)
Provision of medical laboratory testing services and health check services (Note b)	提供醫學實驗室檢測服務及健康檢查服務(附註b)

The recoverable amounts of the cash-generating units are determined based on the value in use calculations. These calculations use cash flow projections based on financial budgets approved by the management of the Company covering a five-year period. Cash flows beyond the five-year period are assumed to remain constant.

### 20. 商譽(續)

#### 現金產生單位(包含商譽)減值測試

為了進行減值測試，商譽已被分配至以下現金產生單位。商譽於報告期末之賬面值分配如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
1,478	1,478
264	27,933
<b>1,742</b>	<b>29,411</b>

現金產生單位之可收回金額按照使用價值計算而釐定。該等計算使用本公司管理層批准涵蓋五年期之財政預算所作出之現金流預測。五年期以上之現金流假設維持穩定。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 20. GOODWILL (CONTINUED)

#### Impairment tests for cash-generating units containing goodwill (continued)

The estimate growth rates used are comparable to the growth rate for the industry. The basis of the recoverable amounts of the above cash-generating units and their major underlying assumptions are summarised below:

(a) *Manufacture and sale of Chinese medicine products business*

Key assumptions used in the calculation of value in use were discount rate, growth rate and budgeted cash flow forecast. Cash flow forecast is based on profit forecast covering a period of five years. The discount rate applied to the cash flow forecast is 17.5% (2015: 15%) and cash flows beyond the five-year period are extrapolated using a steady growth rate of 3% (2015: 3%). During the year ended 31 December 2016, no impairment loss on goodwill (2015: HK\$1,000,000) was recognised.

(b) *Provision of medical laboratory testing services and health check services*

Key assumptions used in the calculation of value in use were discount rate, growth rate and budgeted cash flow forecast. Cash flow forecast is based on profit forecast covering a period of five years. The discount rate applied to the cash flow forecast is 18% (2015: 16.87%) and cash flows beyond the five-year period are extrapolated using a steady growth rate of 3% (2015: 3%). Due to the intensifying competition and weak consumption sentiments in the medical laboratory testing services and health check services in Hong Kong which have direct impacts on the revenue and profitability, the recoverable amount of this cash-generating unit is lower than its carrying amount as at 31 December 2016. During the year ended 31 December 2016, impairment loss on goodwill of approximately HK\$27,669,000 (2015: HK\$Nil) was recognised.

### 20. 商譽(續)

#### 現金產生單位(包含商譽)減值測試(續)

所使用之估計增長率與行業增長率相當。上述現金產生單位之可收回款項基準及其主要相關假設概述如下：

(a) *製造及銷售中成藥業務*

計算使用價值所採用之主要假設為貼現率、增長率及預算現金流量預測。現金流量預測乃根據覆蓋五年期間之溢利預測而得出。應用於現金流預測之折現率為17.5% (二零一五年：15%)，而超過該五年期間之現金流量乃以穩定增長率3% (二零一五年：3%) 推斷。於截至二零一六年十二月三十一日止年度，並無確認商譽減值虧損 (二零一五年：1,000,000港元)。

(b) *提供醫學實驗室檢測服務及健康檢查服務*

計算使用價值所採用之主要假設為貼現率、增長率及預算現金流量預測。現金流量預測乃根據覆蓋五年期間之溢利預測而得出。應用於現金流預測之折現率為18% (二零一五年：16.87%)，而超過該五年期間之現金流量乃以穩定增長率3% (二零一五年：3%) 推斷。由於醫學實驗室檢測服務及健康檢查服務競爭激烈，加上香港消費氣氛薄弱，對收入及盈利能力均造成直接影響，故該現金產生單位的可收回金額於二零一六年十二月三十一日低於其賬面值。於截至二零一六年十二月三十一日止年度，已確認商譽減值虧損約27,669,000港元 (二零一五年：零港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 21. INTANGIBLE ASSETS

### 21. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元	Brand name 品牌名稱 HK\$'000 千港元	Pharmaceutical licences 醫藥許可證 HK\$'000 千港元	Research and development expenditures 研發開支 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>					
At 1 January 2015	於二零一五年一月一日	-	-	12,169	421	12,590
Acquisition of a subsidiary	收購一間附屬公司	12,247	34,915	-	-	47,162
Exchange alignment	匯兌調整	-	-	(710)	-	(710)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	12,247	34,915	11,459	421	59,042
Exchange alignment	匯兌調整	-	-	(735)	-	(735)
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>12,247</b>	<b>34,915</b>	<b>10,724</b>	<b>421</b>	<b>58,307</b>
<b>Accumulated amortisation and impairment loss</b>	<b>累計攤銷及減值虧損</b>					
At 1 January 2015	於二零一五年一月一日	-	-	-	421	421
Charge for the year	本年度攤銷	51	-	-	-	51
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	51	-	-	421	472
Charge for the year	本年度攤銷	1,225	-	-	-	1,225
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>1,276</b>	<b>-</b>	<b>-</b>	<b>421</b>	<b>1,697</b>
<b>Carrying amounts</b>	<b>賬面值</b>					
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>10,971</b>	<b>34,915</b>	<b>10,724</b>	<b>-</b>	<b>56,610</b>
At 31 December 2015	於二零一五年十二月三十一日	12,196	34,915	11,459	-	58,570

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 21. INTANGIBLE ASSETS (CONTINUED)

The brand name has no legal life. The Directors of the Company are of the opinion that the Group has the ability to use the brand name continuously and the brand name has no foreseeable limit to the period over which the services provided are expected to generate net cash flows for the Group. As a result, the brand name is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The brand name will not be amortised until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired.

The recoverable amounts of customer relationship and brand name are determined based on value in use calculation as discussed above in note 20(b) and no impairment loss was recognised during the year ended 31 December 2016 (2015: HK\$Nil).

The recoverable amounts of pharmaceutical licences are determined based on value in use calculation as discussed above in note 20(a) and no impairment loss was recognised during the years ended 31 December 2016 (2015: HK\$Nil).

The recoverable amounts of research and development expenditures are determined based on value in use calculation and full impairment loss of approximately HK\$421,000 was recognised in prior years.

### 22. INVESTMENTS IN ASSOCIATES

At beginning of the year	於年初
Reclassified from assets held for sale (Note a)	自持作出售之資產重新分類 (附註a)
Acquisition of interests in associates (Notes b and c)	收購於聯營公司之權益 (附註b及c)
Share of post-acquisition profits, net of dividend received	應佔收購後溢利，扣除已收股息
Share of exchange differences	應佔匯兌差額
At end of the year	於年終

### 21. 無形資產 (續)

品牌名稱並無法律年期。本公司董事認為，本集團有能力持續使用品牌名稱，且品牌名稱在預期為本集團產生現金流量淨額之服務提供期間並無可見限制。因此，本集團管理層認為品牌名稱具無限可使用年期，此乃由於其預期會無限帶來現金流入淨額。品牌名稱在可使用年期被釐定為有限前將不予攤銷，惟其會每年及於有跡象顯示其可能減值時進行減值測試。

客戶關係及品牌名稱之可收回金額乃根據上文附註20(b)所討論使用價值進行計算，而截至二零一六年十二月三十一日止年度並無確認減值虧損(二零一五年：零港元)。

醫藥許可證之可收回金額乃根據上文(附註20(a))所討論使用價值進行計算，而截至二零一六年十二月三十一日止年度並無確認減值虧損(二零一五年：零港元)。

研發開支之可收回金額乃根據使用價值進行計算，而於過往年度已確認全面減值虧損約421,000港元。

### 22. 於聯營公司之投資

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
12,319	-
-	5,817
27,951	4,830
8,648 (175)	1,055 617
48,743	12,319

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## 綜合財務報表附註

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

- (a) On 31 December 2014, Icy Snow Limited, a direct wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with four independent third parties to dispose of 70% of the equity interests in Magical Bloom Limited (“**Magical Bloom**”), together with its subsidiaries, Longlife Group Holdings Limited and 廣州獅馬龍藥業有限公司 (in English, for identification purpose, Guangzhou Shimalong Pharmaceutical Co., Ltd.) (“**Shimalong**”) (collectively, the “**Magical Bloom Group**”) at an aggregate cash consideration of HK\$12,600,000. The completion of the disposal took place on 30 January 2015 and each member of the Magical Bloom Group ceased to be a subsidiary of the Company and became associates of the Company since then. Included in the cost of investment in Magical Bloom was goodwill of approximately HK\$4,860,000.
- (b) On 26 February 2015, Silver Wisdom Development Limited (“**Silver Wisdom**”), an indirect wholly-owned subsidiary of the Company, entered into a subscription agreement with New Health Elite International Limited (“**New Health**”), a direct wholly-owned subsidiary of China Wah Yan, and pursuant to which, Silver Wisdom has conditionally agreed to subscribe for, and New Health has conditionally agreed to allot and issue 23 subscription shares of New Health (representing 23% of its issued share capital as enlarged by the allotment and issue of such subscription shares) at a cash consideration of HK\$4,830,000 (“**NH Subscription**”). Following the completion of the NH Subscription which took place on 22 April 2015, New Health became an associate of the Company.

### 22. 於聯營公司之投資(續)

- (a) 於二零一四年十二月三十一日，本公司之一間直接全資附屬公司Icy Snow Limited與四名獨立第三方訂立一項買賣協議，以出售妙盛有限公司(「妙盛」)70%股權(連同其附屬公司朗力福集團控股有限公司及廣州獅馬龍藥業有限公司(「獅馬龍」)(統稱「妙盛集團」)，總代價現金12,600,000港元。是項出售已於二零一五年一月三十日完成，而妙盛集團各成員公司自此以後不再為本公司之附屬公司，而成為本公司之聯營公司。妙盛之投資成本包括商譽約4,860,000港元。
- (b) 於二零一五年二月二十六日，銀智發展有限公司(「銀智」，本公司之間接全資附屬公司)與中國華仁之一間直接全資附屬公司New Health Elite International Limited(「**New Health**」)訂立認購協議，據此，銀智有條件同意認購而New Health有條件同意配發及發行New Health之23股認購股份(佔其經配發及發行該等認購股份擴大後之已發行股本之23%)，現金代價4,830,000港元(「**NH認購事項**」)。於NH認購事項於二零一五年四月二十二日完成時，New Health成為本公司一間聯營公司。

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## 綜合財務報表附註

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

(c) On 28 January 2016, Exquisite Beauty Holding Limited (“**Exquisite**”), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (“**Ultimate Synergy Group SPA**”) with Mr. Yip Hai Tak (“**Mr. Yip**”), an independent third party, to acquire approximately 27.80% of the issued share capital in the Ultimate Synergy Limited and its subsidiaries (collectively, the “**Ultimate Synergy Group**”), at a cash consideration of HK\$27,951,000 (“**Consideration**”). The completion of the acquisition took place on the same date, and each member of the Ultimate Synergy Group is owned as to approximately 27.80% by Exquisite and has become an associate of the Group since then. Details of the acquisition of the Ultimate Synergy Group are disclosed in the announcement of the Company dated 28 January 2016. Included in the cost of investment in Ultimate Synergy was goodwill of approximately HK\$17,811,000.

Pursuant to the Ultimate Synergy Group SPA, Mr. Yip has irrevocably and unconditionally guaranteed to Exquisite that the unaudited consolidated profits before interest, taxation, depreciation and amortisation of the Ultimate Synergy Group for the year ended 31 December 2015, year ended 31 December 2016 and year ending 31 December 2017 (collectively, referred to as “**Accumulated Profits**”) shall in aggregate be not less than HK\$43,000,000 (“**Guaranteed Accumulated Profits**”). The Accumulated Profits shall be generated from the ordinary course of business of the Ultimate Synergy Group excluding any items in one-off, non-recurring and non-operating nature. If the Guaranteed Accumulated Profits are not met, Mr. Yip shall pay to the Company a sum (“**Shortfall Compensation**”) calculated according to the following formula but such Accumulated Profits shall be regarded as “zero” for the purpose of calculation where the Accumulated Profits is a negative figure:

### 22. 於聯營公司之投資(續)

(c) 於二零一六年一月二十八日，本公司之一間間接全資附屬公司 Exquisite Beauty Holding Limited (「**Exquisite**」) 與獨立第三方葉希德先生 (「**葉先生**」) 訂立買賣協議 (「**Ultimate Synergy集團買賣協議**」)，以收購 Ultimate Synergy Limited 及其附屬公司 (統稱「**Ultimate Synergy集團**」) 已發行股本約27.80%，現金代價為27,951,000港元 (「**代價**」)。是項收購已於同日完成，而 Ultimate Synergy集團各成員公司由 Exquisite 擁有約27.80%，自此以後成為本集團之聯營公司。有關收購 Ultimate Synergy集團之詳情乃披露於本公司日期為二零一六年一月二十八日之公告。Ultimate Synergy之投資成本包括商譽約17,811,000港元。

根據 Ultimate Synergy集團買賣協議，葉先生已不可撤銷及無條件向 Exquisite 作出保證，於二零一五年度、二零一六年度及截至二零一七年十二月三十一日止年度 Ultimate Synergy集團之未經審核綜合溢利 (未計利息、稅項、折舊及攤銷) 合計 (統稱「**累計溢利**」) 將不會少於43,000,000港元 (「**保證累計溢利**」)。累計溢利將自 Ultimate Synergy集團日常業務過程中產生，不包括任何一次性、非經常性及非營運性項目。倘若未達到保證累計溢利，葉先生將向本公司支付按下列公式計算之款額 (「**差額補償**」)，惟如累計溢利為負數，就計算而言，累計溢利將視作為「零」：

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## 綜合財務報表附註

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

(c) (continued)

Shortfall Compensation = (Guaranteed Accumulated Profits – Accumulated Profits) x 27.80% x 2.33

The maximum liability of Mr. Yip to Exquisite for the Shortfall Compensation under the Guaranteed Accumulated Profits shall not exceed the Consideration. In the event that the shares of any members of the Ultimate Synergy Group or the holding company of Ultimate Synergy Limited successfully becomes listed on the Stock Exchange on or before 31 December 2018, the right to claim the Shortfall Compensation shall be waived by Exquisite.

The unaudited consolidated profits before interest, taxation, depreciation and amortisation of the Ultimate Synergy Group for the two years ended 31 December 2015 and 31 December 2016 was approximately HK\$19,746,000 in total. The Company has not recognised any contingent assets which might arise from the downward adjustment of the Consideration after considering the trend of the turnover and development plan of the Ultimate Synergy Group and the Directors considered that the Ultimate Synergy Group will be able to meet the Guaranteed Accumulated Profits.

### 22. 於聯營公司之投資(續)

(c) (續)

差額補償 = (保證累計溢利 – 累計溢利) x 27.80% x 2.33

葉先生根據保證累計溢利就差額補償須向Exquisite承擔之最大負債將不會超過代價。倘若Ultimate Synergy集團之任何成員公司或Ultimate Synergy Limited之控股公司於二零一八年十二月三十一日或之前成功在交易所上市，Exquisite將放棄申索差額補償之權利。

截至二零一五年十二月三十一日及二零一六年十二月三十一日止兩個年度Ultimate Synergy集團之未經審核綜合溢利(未計利息、稅項、折舊及攤銷)合計約為19,746,000港元。經考慮Ultimate Synergy集團之營業額走勢及發展計劃，本公司並無確認代價下調後可能產生之任何或然資產，而董事認為Ultimate Synergy集團能夠達到保證累計溢利。

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

Details of the Group's investments in associates, which are accounted for using the equity method in the consolidated financial statements, are as follows:

### 22. 於聯營公司之投資(續)

本集團於聯營公司之投資乃按權益法計算並於綜合財務報表入賬，詳情如下：

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interests/voting rights/profit sharing 所有權權益/投票權/ 分佔溢利比例		Principal activities 主要業務
			2016 Indirect 二零一六年 間接	2015 Indirect 二零一五年 間接	
Magical Bloom Limited 妙盛有限公司	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	30%	30%	Investment holding of subsidiaries which are principally engaged in sale of medicated oil products 投資控股，其附屬公司主要從事藥油產品銷售
New Health Elite International Limited	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	23%	23%	Investment holding of subsidiaries which are principally engaged in provision of health management and well-being services 投資控股，其附屬公司主要從事提供健康管理及康樂服務
Ultimate Synergy Limited	Republic of Seychelles 塞舌爾共和國	Ordinary shares US\$9,141 普通股9,141美元	Approximately 27.80% 約27.80%	-	Investment holding of subsidiaries which are principally engaged in development, manufacture and sale of cosmetic products under the brand name of Bellefontaine and as private-label and management of spa centre in Switzerland 投資控股，其附屬公司主要於瑞士從事開發、製造及銷售Bellefontaine品牌及自有品牌旗下化妝品及管理水療中心

In the opinion of the Directors, Magical Bloom and Ultimate Synergy have a significant effect on the results or assets of the Group.

董事認為，妙盛及Ultimate Synergy對本集團之業績或資產產生重大影響。

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## 綜合財務報表附註

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements adjusted for any differences in accounting policies, prepared in accordance with HKFRSs and reconciled to the carrying amounts in the consolidated financial statements.

(a) *Magical Bloom*

#### Summarised statement of financial position

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	資產淨值
Included in the above assets and liabilities:	包括於上述資產及負債：
Cash and cash equivalents	現金及現金等價物

### 22. 於聯營公司之投資(續)

#### 重大聯營公司之財務資料概要

以下為有關本集團重大聯營公司各自之財務資料概要。下文所載之財務資料概要為聯營公司財務報表所示之金額，有關財務報表已就任何會計政策差異作出調整，根據香港財務報告準則編製並與綜合財務報表之賬面值對賬。

(a) *妙盛*

#### 財務狀況表概要

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	16,515	16,366
Current assets	60,675	29,368
Current liabilities	(37,507)	(22,185)
Net assets	39,683	23,549
Included in the above assets and liabilities:		
Cash and cash equivalents	8,840	1,029



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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (continued)

(a) *Magical Bloom (continued)*

#### Summarised statement of profit or loss and other comprehensive income

Turnover	營業額
Profit for the year	本年度溢利
Other comprehensive loss for the year	本年度之其他全面虧損
Total comprehensive income for the year	本年度之其他全面收益總額
Dividend received during the year	於本年度收取股息
Included in the above income for the year:	包括於上述本年度收入：
Depreciation	折舊
Interest income	利息收入
Income tax expenses	所得稅開支

#### Reconciled to the Group's interests in Magical Bloom

Gross amounts of Magical Bloom's net assets	妙盛資產淨值總額
The Group's effective interests	本集團之實際權益
The Group's share of Magical Bloom's net assets	本集團應佔妙盛之資產淨值

### 22. 於聯營公司之投資(續)

#### 重大聯營公司之財務資料概要(續)

(a) *妙盛(續)*

#### 綜合損益及其他全面收益表概要

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	<b>101,241</b>	102,204
	<b>17,100</b>	4,622
	<b>(967)</b>	(461)
	<b>16,134</b>	4,161
	-	-
	<b>(68)</b>	(65)
	<b>8</b>	12
	<b>(5,873)</b>	(2,248)

#### 與本集團於妙盛之權益對賬

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	<b>39,683</b>	23,549
	<b>30%</b>	30%
	<b>11,905</b>	7,065

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## 綜合財務報表附註

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (continued)

(b) *Ultimate Synergy*

#### Summarised statement of financial position

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	資產淨值
Included in the above assets and liabilities:	包括於上述資產及負債：
Cash and cash equivalents	現金及現金等價物

### 22. 於聯營公司之投資(續)

#### 重大聯營公司之財務資料概要(續)

(b) *Ultimate Synergy*

#### 財務狀況表概要

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	6,098	—
Current assets	42,690	—
Current liabilities	(18,928)	—
Net assets	29,860	—
Included in the above assets and liabilities:		
Cash and cash equivalents	855	—

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### 22. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (continued)

(b) Ultimate Synergy (continued)

#### Summarised statement of profit or loss and other comprehensive income

Turnover	營業額
Profit for the year	本年度溢利
Other comprehensive income for the year	本年度其他全面收益
Total comprehensive income for the year	本年度之其他全面收益總額
Dividend received during the year	於本年度收取股息
Included in the above income for the year:	包括於上述本年度收入：
Depreciation	折舊
Interest income	利息收入
Income tax expenses	所得稅開支

#### Reconciled to the Group's interests in Ultimate Synergy

Gross amounts of Ultimate Synergy's net assets	Ultimate Synergy資產淨值總額
The Group's effective interests	本集團之實際權益
The Group's share of Ultimate Synergy's net assets	本集團應佔Ultimate Synergy之資產淨值
Goodwill and intangible assets form acquisition	來自收購之商譽及無形資產

Note:

No comparative information for 2015 is required to be disclosed as Ultimate Synergy was newly-acquired during the year ended 31 December 2016.

### 22. 於聯營公司之投資(續)

#### 重大聯營公司之財務資料概要(續)

(b) Ultimate Synergy(續)

#### 綜合損益及其他全面收益表概要

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
30,526	—
11,617	—
(1,286)	—
10,331	—
—	—
1,113	—
(3)	—
48	—

#### 與本集團於Ultimate Synergy之權益對賬

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
29,860	—
27.80%	—
8,301	—
22,725	—
31,026	—

附註：

由於Ultimate Synergy乃於截至二零一六年十二月三十一日止年度之新增收購，無須披露二零一五年之比較資料。

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## 綜合財務報表附註

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### 23. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 23. 可供出售金融資產

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted equity securities, at cost	23,816	3,600
Less: Impairment loss	(3,195)	-
	<b>20,621</b>	3,600

Notes:

- (a) On 15 July 2016, Angel Rise International Limited (“Angel Rise”), an indirect wholly-owned subsidiary of the Company, as purchaser, entered into the sale and purchase agreement with an independent third party, JFA Capital, as vendor, pursuant to which Angel Rise has conditionally agreed to acquire, and JFA Capital has conditionally agreed to sell, 400 shares of C&C International Healthcare Group Limited (“C&C”), representing 4% of its issued share capital, at a cash consideration of HK\$19,416,800. C&C, its subsidiaries and various joint venture companies are principally engaged in provision of contracted medical schemes for integrated medical and healthcare check-up services. Details of the acquisition of C&C are disclosed in the announcement of the Company dated 15 July 2016. The completion of the acquisition took place on 25 August 2016, and C&C was accounted for as an available-for-sale financial asset of the Group.
- (b) As at 31 December 2016, certain unlisted equity securities of original cost of HK\$3,600,000 were individually determined to be impaired based on its present value of net cash flows. Impairment loss of approximately HK\$3,195,000 was recognised in consolidated statement of profit and loss and other comprehensive income during the year ended 31 December 2016 (2015: HK\$Nil).

附註：

- (a) 於二零一六年七月十五日，本公司一間間接全資附屬公司天晉國際有限公司（「天晉」，作為買方）與獨立第三方JFA Capital（作為賣方）訂立買賣協議，據此，天晉有條件同意收購，而JFA Capital有條件同意出售400股C&C International Healthcare Group Limited（「C&C」）股份，佔其已發行股本之4%，現金代價為19,416,800港元。C&C、其附屬公司及多間合營公司主要從事提供綜合醫療及保健檢查服務定點醫療計劃。有關收購C&C之詳情乃披露於本公司日期為二零一六年七月十五日公告。是項收購於二零一六年八月二十五日完成，而C&C已作為本集團可供出售金融資產入賬。
- (b) 於二零一六年十二月三十一日，初始成本為3,600,000港元之若干非上市股本證券基於其現金流量淨額之現值，故個別釐定減值。於截至二零一六年十二月三十一日止年度約3,195,000港元之減值虧損於綜合損益及其他全面收益表內確認（二零一五年：零港元）。

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## 綜合財務報表附註

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### 24. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品

### 24. 存貨

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
1,821	1,770
32	1,510
5,542	6,425
<b>7,395</b>	<b>9,705</b>

### 25. TRADE RECEIVABLES

Trade receivables	貿易應收賬款及應收票據
Less: Allowance for bad and doubtful debts	減：呆壞賬備抵

### 25. 貿易應收賬款

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
26,685	22,645
(4,711)	(116)
<b>21,974</b>	<b>22,529</b>

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## 綜合財務報表附註

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### 25. TRADE RECEIVABLES (CONTINUED)

The Group has a policy of allowing an average credit period of 90 days to its trade customers. The following is an aged analysis of trade receivables, based on the invoice date and net of allowance for doubtful debts, at the end of the reporting period:

0 to 90 days	0至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	365日以上

Trade receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Ageing analysis of trade receivables past due but not impaired:

Less than 90 days past due	逾期少於90日
91 to 275 days past due	逾期91至275日
Over 275 days past due	逾期超過275日

Trade receivables that were past due but not impaired related to customers that had a good repayment record with the Group. Based on past experience, the Directors believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

### 25. 貿易應收賬款 (續)

本集團的政策給予貿易客戶平均為期90日之信貸期。以下為於報告期末按發票日期及扣除呆壞賬備抵後的貿易應收賬款之賬齡分析：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
16,516	14,368
2,104	1,691
1,604	2,526
1,750	3,944
<b>21,974</b>	<b>22,529</b>

未逾期亦未減值的貿易應收賬款與近期無拖欠記錄的眾多客戶有關。

已逾期惟尚未減值的貿易應收賬款之賬齡分析：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2,104	1,691
1,604	2,526
1,750	3,944
<b>5,458</b>	<b>8,161</b>

已逾期但未減值的貿易應收賬款與本集團還款記錄良好的客戶有關。根據過往經驗，由於信貸質素並無重大改變且結餘視為仍可全數收回，故董事認為該等結餘毋須作出減值備抵。本集團並無就該等結餘持有任何抵押品。

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## 綜合財務報表附註

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### 25. TRADE RECEIVABLES (CONTINUED)

Impairment losses in respect of trade receivables are recorded using an allowance accounts unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. The movement in the allowance for bad and doubtful debts is as follows:

At beginning of the year	於年初結餘
Acquisition of subsidiaries	收購附屬公司
Impairment loss recognised on trade receivables	已確認貿易應收賬款之減值虧損
Uncollectible amounts written off	撇銷無法收回款項
Reclassified to assets held for sale	重新分類至持作出售之資產
Exchange alignment	匯兌調整
At end of the year	於年終

The individually impaired receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions. At the end of the reporting period, included in the allowance for doubtful debts were individually impaired trade receivables with an aggregate balance of approximately HK\$4,711,000 (2015: HK\$116,000).

### 25. 貿易應收賬款 (續)

貿易應收賬款之減值虧損於備抵賬入賬，惟倘本集團認為收回款項機會極微，則自貿易應收賬款直接撇銷減值虧損。呆壞賬備抵變動如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
116	407
–	116
5,075	–
(263)	–
–	(407)
(217)	–
4,711	116

個別減值之應收賬款根據客戶過往的信貸記錄(例如是否有財政困難或拖欠還款)及當時的市況予以確認。於報告期末，結餘總額約4,711,000港元(二零一五年：116,000港元)個別減值的貿易應收賬款計入呆壞賬備抵。

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## 綜合財務報表附註

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### 26. LOAN RECEIVABLE

Fixed rate loan receivable 固定利率應收貸款

The loan receivable is neither past due nor impaired at the end of the reporting period. As at 31 December 2015, loan receivable is unsecured, interest-bearing at 10% per annum and repayable on 16 December 2016.

### 26. 應收貸款

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
-	6,025

於報告期末之應收貸款概無逾期或減值。於二零一五年十二月三十一日，應收貸款為無抵押、按年利率10厘計息，並須於二零一六年十二月十六日償還。

### 27. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Rental and other deposits 租金及其他按金  
Prepayments 預付款項  
Other receivables (Note) 其他應收款項（附註）  
Cash held in securities trading accounts with stock brokers 以在證券經紀開之設證券交易賬戶持有的現金

Note:

As at 31 December 2016, included in other receivables is the balance due from an associate of approximately HK\$2,317,000 (2015: HK\$2,331,000) which is unsecured, interest-free and repayable on demand.

### 27. 按金、預付款項及其他應收款項

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2,031	2,377
3,462	2,191
11,817	6,660
813	37,867
18,123	49,095

附註：

於二零一六年十二月三十一日，計入其他應收款項中乃約2,317,000港元（二零一五年：2,331,000港元）之應收聯營公司結餘，該筆款項為無抵押、免息及須按要求償還。



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## 綜合財務報表附註

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### 28. HELD FOR TRADING SECURITIES

Securities listed in Hong Kong, at fair value	於香港上市的證券，公平值
Securities listed outside Hong Kong, at fair value	於香港境外上市的證券，公平值

All securities listed in Hong Kong are denominated in Hong Kong dollars and all securities listed outside Hong Kong are denominated in Australian dollars. The fair values of all equity securities are based on their current bid price, in an active market.

The fair value measurements are categorised as follows:

As at 31 December 2016	於二零一六年十二月三十一日
As at 31 December 2015	於二零一五年十二月三十一日

During the years ended 31 December 2016 and 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

### 29. CASH AND BANK BALANCES

Cash and bank balances comprise short-term bank deposits carry interest at prevailing deposit rates.

At 31 December 2016, bank deposits of approximately RMB12,919,000 (equivalent to HK\$14,431,000) (2015: RMB12,137,000 (equivalent to HK\$14,486,000)) were placed with the banks in the PRC. Remittance of funds out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

### 28. 持作買賣之證券

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
53,844	33,428
-	21,365
<b>53,844</b>	<b>54,793</b>

所有於香港上市之證券均以港元計值，而所有於香港境外上市之證券均以澳元計值。所有股本證券之公平值乃基於彼等於活躍市場之當前買入價。

公平值計量之分類如下：

Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
53,844	-	-	53,844
54,793	-	-	54,793

於截至二零一六年及二零一五年十二月三十一日止年度，第1級與第2級之間並無轉撥，或撥入或撥出第3級。本集團之政策為於轉撥發生之報告期末確認公平值層級間之轉撥。

### 29. 現金及銀行結餘

現金及銀行結餘包括按現行存款年利率計息之短期銀行存款。

於二零一六年十二月三十一日，存放於中國銀行的銀行存款合共為約人民幣12,919,000（相當於約14,431,000港元）（二零一五年：人民幣12,137,000元（相當於約14,486,000港元））。從中國匯出資金須遵守中國政府頒佈的相關外匯管制規則及規例。

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### 30. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 22 April 2016, DVF Holdco Limited (“**DVF**”), an indirect non-wholly owned subsidiary of the Company, as purchaser, and Mr. Wong So Nam (“**Mr. Wong**”), an independent third party, as vendor, entered into a sale and purchase agreement, pursuant to which DVF conditionally agreed to acquire, and Mr. Wong conditionally agreed to sell (i) the entire issued share capital of T.F. Industries Limited (“**T.F. Industries**”) and (ii) the entire sum then owing by T.F. Industries to Mr. Wong, at a cash consideration of HK\$14,888,000 (subject to adjustment). The completion of the acquisition took place on 23 May 2016 and the final consideration paid by DVF was HK\$14,888,000. The principal business of T.F. Industries is property holding and the principal asset is an industrial unit which has been occupied by the Group for operating the laboratory testing business since then. Details of the acquisition of T.F. Industries are disclosed in the announcement of the Company dated 22 April 2016. The acquisition-related direct costs were approximately HK\$318,000.

The consideration was determined based on the fair value of such industrial unit as at 31 March 2016. The acquisition was treated as an acquisition of assets as the transaction involved the acquisition of an industrial unit in a building constructed on a leasehold land in Hong Kong only.

### 30. 透過收購一間附屬公司所收購資產

於二零一六年四月二十二日，DVF Holdco Limited (「**DVF Holdco**」，本公司一間間接非全資附屬公司，作為買方)與王素南先生(「**王先生**」，一名獨立第三方，作為賣方)訂立買賣協議。據此，DVF Holdco有條件同意收購，而王先生有條件同意出售(i)載福實業有限公司(「**載福實業**」)全部已發行股本及(ii)載福實業當時結欠王先生之全部款項，現金代價為14,888,000港元(可予調整)。是項收購已於二零一六年五月二十三日完成，而DVF Holdco支付的最終代價為14,888,000港元。載福實業之主要業務為物業控股及其主要資產(一個工業單位)自此由本集團用作經營實驗室檢測業務。有關收購載福實業之詳情已披露於本公司日期為二零一六年四月二十二日之公告。是項收購有關直接成本約為318,000港元。

代價乃根據該工業單位於二零一六年三月三十一日之公平值而釐定。由於有關交易僅涉及收購於香港租賃土地上所建樓宇之一個工業單位，故是項收購被當作收購資產處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 30. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY (CONTINUED)

### 30. 透過收購一間附屬公司所收購 資產(續)

		T.F. Industries 載福實業 HK\$'000 千港元
<b>Assets acquired and liabilities recognised at the date of acquisition are as follows:</b>	於收購日期所收購資產與所確認負債如下：	
Property, plant and equipment	物業、廠房及設備	15,210
Deposits	按金	4
Other payables	其他應付款項	<u>(12,420)</u>
Net assets acquired	所收購淨資產	<u>2,794</u>
<b>Consideration satisfied by:</b>	代價以下列方式支付：	
Cash and cash equivalents	現金及現金等價物	15,206
Less: Assignment of debts	減：債務轉讓	<u>(12,412)</u>
		<u>2,794</u>
<b>Net cash outflow arising on acquisition:</b>	收購所產生之現金流出淨額：	
Consideration paid in cash	已付現金代價	<u>(15,206)</u>

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## 綜合財務報表附註

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### 31. ACQUISITION OF SUBSIDIARIES

#### For the year ended 31 December 2015

- (a) On 28 May 2015, the Company entered into a memorandum of understanding with Deep Value Financing Fund (“**Deep Value**”) in relation to the proposed acquisition from Deep Value of a group of companies which are principally engaged in the provision of medical laboratory testing services and health check services in Hong Kong. Subsequently, on 18 September 2015, Fair Brilliant Group Limited (“**Fair Brilliant**”), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Deep Value, pursuant to which Fair Brilliant has conditionally agreed to purchase, and Deep Value has conditionally agreed to sell (i) 100% of the issued share capital of the DVF Holdco (Cayman) Limited and its subsidiaries, DVF Holdco Limited, PHC Medical Diagnostic Centre Limited, Premier Medi Care Services Limited, Victory Medical Laboratory Limited, Asia Molecular Pathology Laboratory Development Limited (collectively, the “**DVF Group**”), and (ii) the aggregate amount of loan owed by a subsidiary of DVF Holdco to Deep Value, at a cash consideration of HK\$103,000,000 (“**DVF Acquisition**”). The completion of the DVF Acquisition took place on 16 December 2015. Details of the DVF Acquisition are disclosed in the announcements of the Company dated 28 May 2015, 18 September 2015 and 16 December 2015, and the circular of the Company dated 25 November 2015.

Acquisition-related costs amounting to approximately HK\$1,315,000 was excluded from the cost of acquisition and recognised as an expense within the administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

### 31. 收購附屬公司

#### 截至二零一五年十二月三十一日止年度

- (a) 於二零一五年五月二十八日，本公司與Deep Value Financing Fund (“**Deep Value**”)訂立一份諒解備忘錄，內容有關建議向Deep Value收購一組主要於香港從事提供醫療實驗室檢測服務及健康檢查服務之公司。隨後，於二零一五年九月十八日，本公司之間接全資附屬公司誠輝集團有限公司 (“**誠輝**”)與Deep Value訂立買賣協議。據此，誠輝有條件同意購買而Deep Value有條件同意出售(i)DVF Holdco (Cayman) Limited及其附屬公司DVF Holdco Limited、標準病理檢驗所有限公司、卓紀保健有限公司、勝利醫學化驗所有限公司、為亞洲分子病理診斷研究所發展有限公司(統稱“**DVF集團**”)100%已發行股本；及(ii)DVF Holdco一間附屬公司結欠Deep Value之貸款總額，現金代價為103,000,000港元 (“**DVF收購事項**”)。DVF收購事項已於二零一五年十二月十六日完成。DVF收購事項之詳情已披露於本公司日期為二零一五年五月二十八日、二零一五年九月十八日及二零一五年十二月十六日之公告，以及本公司日期為二零一五年十一月二十五日之通函。

收購相關費用約1,315,000港元並無計入收購成本，而綜合損益及其他全面收益表內確認為行政開支項下的開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES (CONTINUED)

For the year ended 31 December 2015  
(continued)

- (b) On 18 September 2015, Fair Brilliant entered into a sale and purchase agreement with Mr. Ng Kam Cheung Stephen and Ms. Foo Wye Chan Marie as the vendors, pursuant to which Fair Brilliant has conditionally agreed to purchase, and the vendors has conditionally agreed to sell (i) the entire issued share capital of a diagnostic testing services laboratory (“**AMDL**”) and (ii) the aggregate amount of loans owed by AMDL to the vendors, at a cash consideration of approximately HK\$1,874,000 (“**AMDL Acquisition**”). AMDL is principally engaged in the provision of medical diagnostic services in Hong Kong. The completion of AMDL Acquisition took place on 2 October 2015. Details of the AMDL Acquisition are disclosed in the announcement of the Company dated 18 September 2015.

Acquisition-related costs amounting to approximately HK\$255,000 was excluded from the cost of acquisition and recognised as an expense within the administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

### 31. 收購附屬公司 (續)

截至二零一五年十二月三十一日止年度  
(續)

- (b) 於二零一五年九月十八日，誠輝與吳錦祥先生及符輝珍女士(作為該等賣方)訂立買賣協議，據此，誠輝已有條件同意購買及該等賣方已有條件同意出售(i)一間診斷測試服務化驗所(「**AMDL**」)之全部已發行股本；及(ii)AMDL結欠該等賣方之貸款總額，現金代價約為1,874,000港元(「**AMDL收購事項**」)。AMDL主要於香港從事提供醫學診斷服務。AMDL收購事項於二零一五年十月二日完成。有關AMDL收購事項之詳情已披露於本公司日期為二零一五年九月十八日之公告。

收購相關費用約255,000港元並無計入收購成本，而綜合損益及其他全面收益表內確認為行政開支項下的開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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截至二零一六年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES (CONTINUED)

For the year ended 31 December 2015  
(continued)

### 31. 收購附屬公司(續)

截至二零一五年十二月三十一日止年度  
(續)

		The DVF Group DVF集團 HK\$'000 千港元	AMD AMD HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>Assets acquired and liabilities recognised at the date of acquisition are as follows:</b>	於收購日期所收購資產與所確認負債如下：			
Property, plant and equipment	物業、廠房及設備	2,456	23	2,479
Intangible assets	無形資產	47,162	-	47,162
Inventories	存貨	1,690	164	1,854
Trade receivables	貿易應收賬款	13,725	917	14,642
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	1,807	219	2,026
Cash and cash equivalents	現金及現金等價物	17,226	430	17,656
Trade payables	貿易應付賬款	(1,306)	(386)	(1,692)
Other payables and accruals	其他應付款項及應計費用	(92,631)	(1,039)	(93,670)
Tax payable	應付稅項	(970)	(31)	(1,001)
Deferred tax liabilities	遞延稅項負債	(2,020)	-	(2,020)
Net (liabilities)/assets	(負債) / 資產淨值	(12,861)	297	(12,564)
<b>Goodwill arising on acquisition:</b>	收購所產生之商譽：			
Consideration	代價	103,000	1,874	104,874
Less: Assignment of debts	減：債務轉讓	(88,622)	(883)	(89,505)
Less: Net liabilities/(assets) acquired	減：所收購之負債 / (資產)淨值	12,861	(297)	12,564
Goodwill arising on acquisition	收購所產生之商譽	27,239	694	27,933
<b>Net cash outflow arising on acquisition:</b>	收購所產生之現金流出淨額：			
Consideration paid in cash	已付現金代價	(103,000)	(1,874)	(104,874)
Cash and cash equivalents acquired	所收購之現金及現金等價物	17,226	430	17,656
		(85,774)	(1,444)	(87,218)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 31. ACQUISITION OF SUBSIDIARIES (CONTINUED)

#### Impact of acquisitions on the results of the Group

The DVF Group and AMDL contributed turnover of approximately HK\$5,646,000 and HK\$1,728,000 respectively, and net profit of approximately of HK\$876,000 and HK\$180,000 respectively to the Group for the period from the relevant acquisition dates to 31 December 2015.

If the acquisitions of the DVF Group and AMDL had been completed on 1 January 2015, the DVF Group and AMDL would have contributed turnover of approximately HK\$60,490,000 and HK\$6,645,000 respectively, and net profit of approximately of HK\$10,881,000 and HK\$434,000 respectively to the Group for the year ended 31 December 2015.

The unaudited pro-forma financial information set out above is for illustrative purpose only on the effect of the acquisitions of the DVF Group and AMDL having been completed at the beginning of the year ended 31 December 2015. The unaudited pro-forma financial information set out above is not necessarily an indication of turnover and results of the continuing operations of the Group nor is it intended to be a projection of future results.

The fair value of trade receivables acquired from the DVF Group and AMDL amounted to approximately HK\$13,725,000 and approximately HK\$917,000 at the respective acquisition dates respectively, of which all is the best estimate of the contractual cash flows expected to be collected.

### 31. 收購附屬公司(續)

#### 收購事項對本集團業績之影響

由相關收購日期起至二零一五年十二月三十一日止期間，DVF集團及AMDL向本集團分別貢獻營業額約5,646,000港元及1,728,000港元，以及產生純利約876,000港元及180,000港元。

倘收購DVF集團及AMDL於二零一五年一月一日已完成，則DVF集團及AMDL將於截至二零一五年十二月三十一日止年度向本集團分別貢獻營業額約60,490,000港元及6,645,000港元及產生純利約10,881,000港元及434,000港元。

上文所載未經審核備考財務資料僅作說明收購DVF集團及AMDL之影響之用，猶如收購事項於截至二零一五年十二月三十一日止年度之初已完成。上文所載之未經審核備考財務資料未必表示本集團持續經營業務之收入及業績，亦不擬作未來業績之預測。

收購DVF集團及AMDL所得之貿易應收賬款公平值，於其各自之收購日期分別為約13,725,000港元及約917,000港元，其中所有均對預期將收回之合約現金流量作最佳估算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 32. DISPOSAL OF A SUBSIDIARY

#### For the year ended 31 December 2016

On 30 December 2016, the Board passed a written resolution to (i) transfer the entire issued share capital in Splendid Rich Holdings Limited (“**Splendid Rich**”); and (ii) enter into a deed of assignment to assign the entire sum then owing by Splendid Rich to the Company of approximately HK\$2,341,000 to Mr. Cheung Hung (“**Mr. Cheung**”), the former chairman and executive Director of the Company, at a cash consideration of HK\$2,400,000. The completion of the share transfer and loan assignment took place on the same date.

An analysis of the net assets of Splendid Rich at the date on which the Group lost control (i.e. 30 December 2016), were as follows:

### 32. 出售一間附屬公司

截至二零一六年十二月三十一日止年度於二零一六年十二月三十日，董事會通過一項書面決議案(i)轉讓偉發控股有限公司(「偉發」)全部已發行股本；及(ii)訂立一項轉讓契據，以現金代價2,400,000港元將偉發當時結欠本公司之全部總額約2,341,000港元轉讓予本公司前主席兼執行董事張鴻先生(「張先生」)。股份轉讓及貸款轉讓已於同日完成。

偉發於本集團失去控制權當日(即二零一六年十二月三十日)之淨資產分析如下：

		<b>Splendid Rich</b> 偉發 HK\$'000 千港元
Held for trading securities	持作買賣證券	9,295
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	781
Cash and cash equivalents	現金及現金等價物	8
<b>Total assets</b>	<b>總資產</b>	<b>10,084</b>
Other payables and accruals	其他應付款項及應計費用	9,808
<b>Total liabilities</b>	<b>總負債</b>	<b>9,808</b>
<b>Net assets disposed of</b>	<b>所出售之淨資產</b>	<b>276</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 32. DISPOSAL OF A SUBSIDIARY (CONTINUED)

For the year ended 31 December 2016  
(continued)

### 32. 出售一間附屬公司(續)

截至二零一六年十二月三十一日止年度  
(續)

		HK\$'000
		千港元
<b>Loss on disposal of Splendid Rich:</b>	<b>出售偉發之虧損：</b>	
Cash consideration receivable	應收現金代價	2,400
Less: Assignment of debts	減：債務轉讓	(2,341)
Less: Net assets disposed of	減：所出售之淨資產	(276)
		<hr/>
		(217)
		<hr/>
<b>Net cash inflow arising on disposal:</b>	<b>出售所產生之現金流入淨額：</b>	
Consideration receivable	應收代價	2,400
Cash and cash equivalents disposed of	所出售之現金及現金等價物	(8)
		<hr/>
		2,392
		<hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 33. ASSETS HELD FOR SALE

### 33. 持作出售之資產

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Assets classified as held for sale</b>	<b>分類為持作出售之資產</b>		
The Wallfaith Group (Note a)	Wallfaith集團(附註a)	-	102,899
Allied View (Note b)	滙景(附註b)	<b>8,777</b>	13,508
		<b>8,777</b>	116,407
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Liabilities associated with assets classified as held for sale</b>	<b>與分類為持作出售之資產有關之負債</b>		
The Wallfaith Group (Note a)	Wallfaith集團(附註a)	-	98,535
Allied View (Note b)	滙景(附註b)	-	-
		-	98,535

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (a) The Wallfaith Group

The major classes of assets and liabilities classified as held for sale of the Wallfaith Group as at 31 December 2015 which have been presented separately in the consolidated statement of financial position, are as follows:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	13,242
Prepaid lease payments	預付租賃款項	4,214
Inventories	存貨	59,886
Trade and bills receivables	貿易應收賬款	16,105
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	6,411
Tax recoverable	可收回稅項	38
Cash and cash equivalents	現金及現金等價物	3,003
<b>Total assets classified as held for sale</b>	<b>分類為持作出售之總資產</b>	<b>102,899</b>
Trade payables	貿易應付賬款	22,314
Other payables and accruals (Note)	其他應付款項及應計費用(附註)	58,317
Bank borrowings	銀行借款	17,904
<b>Total liabilities associated with assets classified as held for sale</b>	<b>與分類為持作出售之資產有關之總負債</b>	<b>98,535</b>
<b>Net assets classified as held for sale</b>	<b>分類為持作出售之淨資產</b>	<b>4,364</b>

Note:

Excluded in other payables and accruals is the balance owed by the Wallfaith Group to the Company of approximately HK\$41,767,000 as at 31 December 2015, which the Company undertakes to Mr. Yang Shunfeng to effect the completion of the capitalisation of the entire amount for the allotment and issue, credited as fully paid, of one share of Wallfaith by Wallfaith to the Company before completion which took place on 16 March 2016.

### 33. 持作出售之資產(續)

#### (a) Wallfaith集團

於二零一五年十二月三十一日，Wallfaith集團分類為持作出售之主要類別資產及負債並已於綜合財務狀況表獨立呈列者如下：

附註：

其他應付款項及應計費用並無計入Wallfaith集團結欠本公司之結餘，於二零一五年十二月三十一日約為41,767,000港元。本公司已向楊順峰先生承諾，就Wallfaith於二零一六年三月十六日完成前向本公司配發及發行Wallfaith入賬列為繳足之一股股份，落實完成將全部款項資本化。

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## 綜合財務報表附註

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### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (b) Allied View

Allied View International Limited (“**Allied View**”) holds 6.136% of the total issued share capital of Trillion Epoch Limited (“**Trillion Epoch**”), which, in turn, holds the entire issued share capital of Bravo Star Holdings Limited (“**Bravo Star**”). 重慶兩江新區利亨小額貸款有限公司 (in English, for identification purpose only, Chongqing Liangjing New Area Li Hang Microfinance Co., Ltd.) (formerly known as 重慶市北部新區利亨小額貸款有限公司 (in English, for identification purpose only, Chongqing City North New District Li Hang Microfinance Co., Ltd.)), a direct wholly-owned subsidiary of Bravo Star, is principally engaged in the money lending business in the PRC.

Details of the Group’s investment in Trillion Epoch, which is accounted for using the equity method in the consolidated financial statements, are as follows:

### 33. 持作出售之資產(續)

#### (b) 滙景

滙景國際有限公司(「滙景」)持有億世有限公司(「億世」)已發行股本總數之6.136%，而億世則持有茂帆控股有限公司(「茂帆」)之全部已發行股本。重慶兩江新區利亨小額貸款有限公司(前稱重慶市北部新區利亨小額貸款有限公司)為茂帆之一間直接全資附屬公司，主要於中國從事放貸業務。

本集團於億世之投資乃按權益法計算並於綜合財務報表入賬，詳情如下：

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/經營地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of ownership interests/voting rights/profit sharing 所有權益/投票權/ 分佔溢利比例		Principal activities 主要業務
			2016 Indirect 二零一六年 間接	2015 Indirect 二零一五年 間接	
Trillion Epoch Limited	BVI	Ordinary shares US\$25,000	6.136%	6.136%	Investment holding of subsidiaries which carry on money lending business in the PRC
億世有限公司	英屬處女群島	普通股25,000美元	6.136%	6.136%	投資控股，其附屬公司於 中國從事放貸業務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (b) Allied View (continued)

On 28 January 2016, Dynasty Well Limited (“**Dynasty**”), a direct wholly-owned subsidiary of the Company, as vendor, entered into a sale and purchase agreement with an independent third party, Mr. Jiang Lin (“**Mr. Jiang**”), as purchaser, to dispose of the entire issued share capital in Allied View and the entire sum owed by Allied View to the Company (“**Sale Loan**”) at a cash consideration of HK\$13,600,000 (“**1st Disposal Agreement**”). The original completion of the disposal took place on the same date. The consideration should be settled by Mr. Jiang on or before 28 February 2016. Details of the disposal of Allied View are disclosed in the announcement of the Company dated 28 January 2016.

On 26 February 2016, Dynasty and Mr. Jiang entered into a supplemental agreement to extend the payment date of the consideration to 31 May 2016 and pursuant to which Mr. Jiang agreed to pay (i) 10% of the consideration in cash (i.e. HK\$1,360,000) (“**First Part Consideration**”) within 10 days from the date of the signing of the supplemental agreement, and (ii) the remaining amount of the consideration (i.e. HK\$12,240,000) (“**Second Part Consideration**”) on or before 31 May 2016. The First Part Consideration was paid by Mr. Jiang to Dynasty according to the supplemental agreement. Details of the supplemental agreement are disclosed in the announcement of the Company dated 26 February 2016.

### 33. 持作出售之資產(續)

#### (b) 滙景(續)

於二零一六年一月二十八日，本公司之一間直接全資附屬公司朝正有限公司(「朝正」，作為賣方)與一名獨立第三方江林先生(「江先生」，作為買方)訂立買賣協議，以出售滙景全部已發行股本及滙景結欠本公司之全部款項(「待售貸款」)，現金代價為13,600,000港元(「第一份出售協議」)。是項出售原定已於同日完成。有關代價須於二零一六年二月二十八日或之前由江先生結清。有關出售滙景之詳情乃披露於本公司日期為二零一六年一月二十八日之公告。

於二零一六年二月二十六日，朝正與江先生訂立補充協議以延長代價之付款日期至二零一六年五月三十一日。據此，江先生同意(i)於簽署補充協議之日起10日內以現金支付代價之10%(即1,360,000港元)(「第一部份代價」)；及(ii)於二零一六年五月三十一日或之前支付該代價餘款(即12,240,000港元)(「第二部份代價」)。第一部份代價已根據補充協議由江先生向朝正支付。有關補充協議之詳情乃披露於本公司日期為二零一六年二月二十六日之公告。

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## 綜合財務報表附註

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### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (b) Allied View (continued)

On 31 May 2016, the 1st Disposal Agreement and the supplementary agreement became invalid as Mr. Jiang failed to settle the Second Part Consideration in full by 31 May 2016, the Company retained the First Part Consideration and Mr. Jiang reversed the disposal to the effect that all interests in the entire issued share capital in Allied View and the Sale Loan were reverted back to the Group at HK\$Nil consideration (“**Reversal**”) on 1 June 2016. Details of the Reversal are disclosed in the announcement of the Company dated 31 May 2016.

On 17 November 2016, Dynasty, as vendor, entered into another sale and purchase agreement with an independent third party, Mr. U Man long (“**Mr. U**”), as purchaser, to dispose of the entire issued share capital in Allied View and the Sale Loan at a cash consideration of HK\$10,000,000 (“**2nd Disposal Agreement**”). The completion of the disposal took place on 15 February 2017. Details of the disposal of Allied View are disclosed in the announcement of the Company dated 17 November 2016.

The major classes of assets and liabilities classified as held for sale of Allied View as at 31 December 2016 and 2015 which have been presented separately in the consolidated statement of financial position, are as follows:

### 33. 持作出售之資產(續)

#### (b) 滙景(續)

由於江先生並未於二零一六年五月三十一日全數支付第二部份代價，第一份出售協議及補充協議於二零一六年五月三十一日失效，本公司保留第一部份代價，而江先生撤銷出售，致使於滙景全部已發行股本之所有權益及待售貸款已於二零一六年六月一日以零港元代價重回到本集團(「**撤銷**」)。有關撤銷之詳情乃披露於本公司日期為二零一六年五月三十一日之公告。

於二零一六年十一月十七日，朝正(作為賣方)與一名獨立第三方于文勇先生(「**于先生**」，作為買方)訂立另外一份買賣協議，以出售滙景全部已發行股本及待售貸款，現金代價為10,000,000港元(「**第二份出售協議**」)。是項出售於二零一七年二月十五日完成。有關出售滙景之詳情乃披露於本公司日期為二零一六年十一月十七日之公告。

於二零一六年及二零一五年十二月三十一日，滙景分類為持作出售之主要類別資產及負債並已於綜合財務狀況表獨立呈列者如下：

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## 綜合財務報表附註

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### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (b) Allied View (continued)

Investment in a joint venture (Note a)	於一間合營企業之投資 (附註a)
<b>Total assets classified as held for sale</b>	分類為持作出售之總資產
Other payable (Note b)	其他應付款項 (附註b)
<b>Total liabilities associated with assets classified as held for sale</b>	與分類為持作出售之資產有關之總負債
<b>Net assets classified as held for sale</b>	分類為持作出售之淨資產

Notes:

- (a) Summarised financial information of Trillion Epoch, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below:

#### Summarised statement of financial position

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	資產淨值
Included in the above assets and liabilities:	包括於上述資產及負債：
Cash and cash equivalents	現金及現金等價物

### 33. 持作出售之資產(續)

#### (b) 滙景(續)

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
8,777	13,508
8,777	13,508
-	-
-	-
8,777	13,508

附註：

- (a) 億世財務資料概要已就任何會計政策差異作出調整，根據香港財務報告準則編製並與綜合財務報表之賬面值對賬，披露如下：

#### 財務狀況表概要

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
562	29,414
142,607	190,832
(131)	(98)
143,038	220,148
419	87

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## 綜合財務報表附註

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### 33. ASSETS HELD FOR SALE (CONTINUED)

#### (b) Allied View (continued)

#### Summarised statement of profit or loss and other comprehensive income

Turnover	營業額	
Loss for the year	本年度虧損	
Other comprehensive loss for the year	本年度之其他全面虧損	
Total comprehensive loss for the year	本年度之其他全面虧損總額	
Dividend received during the year	於本年度收取股息	
Included in the above loss for the year:	包括於上述本年度收入：	
Depreciation	折舊	
Interest income	利息收入	
Income tax expenses	所得稅開支	

#### Reconciled to the Group's interest in Trillion Epoch

Gross amounts of Trillion Epoch's net assets	億世資產淨值總額	
The Group's effective interests	本集團之實際權益	
The Group's share of Trillion Epoch's net assets	本集團應佔億世之資產淨值	

(b) Pursuant to the 2nd Disposal Agreement and the 1st Disposal Agreement, excluded in other payable is the balance owed by Allied View to the Company of approximately HK\$29,036,000 and HK\$29,027,000 as at 31 December 2016 and 2015, which Dynasty assigned to Mr. U and Mr. Jiang as part of the Sale Loan, respectively.

### 33. 持作出售之資產(續)

#### (b) 滙景(續)

#### 綜合損益及其他全面收益表概要

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
4,142	46,437
(65,889)	(137,623)
(11,221)	(16,455)
(77,110)	(154,078)
-	-
(1,578)	(1,677)
-	-
(3,775)	(3,027)

#### 與本集團於億世之權益對賬

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
143,038	220,148
6.136%	6.136%
8,777	13,508

(b) 根據第二份出售協議及第一份出售協議，其他應付款項並無計入滙景結欠本公司之結餘，於二零一六年及二零一五年十二月三十一日約為29,036,000港元及29,027,000港元，並分別已由朝正作為待售貸款之一部份轉讓予于先生及江先生。



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## 綜合財務報表附註

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### 34. TRADE PAYABLES

The following is an aged analysis of trade payables, based on the invoice date, at the end of the reporting period:

0 to 90 days	0至90日
91 to 180 days	91至180日
181 to 365 days	181至365日
Over 365 days	365日以上

### 34. 貿易應付賬款

以下為貿易應付賬款於報告期末按發票日期之賬齡分析：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
5,348	2,591
61	1,224
2,042	443
939	12
<b>8,390</b>	<b>4,270</b>

### 35. OTHER PAYABLES AND ACCRUALS

Accrued expenses	應計開支
Receipt in advance	預收款項
Other payables	其他應付款項

### 35. 其他應付款項及應計費用

Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	4,733	7,212
	5,866	153
(a)	4,990	21,110
	<b>15,589</b>	<b>28,475</b>

Note:

- (a) As at 31 December 2016, other payables include the margin payables of approximately HK\$Nil (2015: HK\$2,485,000) from the securities trading accounts with interest of 8.25% per annum.

附註：

- (a) 於二零一六年十二月三十一日，其他應付款項包括附有年息8.25厘之證券買賣賬戶應付保證金約零港元（二零一五年：2,485,000港元）。

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## 綜合財務報表附註

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### 36. BANK AND OTHER BORROWINGS

Secured bank borrowing 有抵押銀行借款  
Unsecured other borrowings 無抵押其他借款

### 36. 銀行及其他借款

Notes 附註	2016	2015
	二零一六年	二零一五年
	HK\$'000	HK\$'000
	千港元	千港元
(a)	5,065	–
(b)	13,789	1,917
	<b>18,854</b>	1,917

The Group's secured bank borrowing is denominated in HK\$ and the unsecured other borrowings are denominated in RMB.

本集團的有抵押銀行借款以港元計值而無抵押其他借款均以人民幣計值。

Notes:

附註：

- (a) At 31 December 2016, secured bank borrowing of approximately HK\$5,065,000 (2015: HK\$Nil) was secured by a legal charge on leasehold land and buildings in Hong Kong with the carrying amounts of approximately HK\$14,914,000 and a corporate guarantee executed by a subsidiary in favour of the bank for the banking facilities of HK\$5,500,000. The secured bank borrowing carried a floating interest rate (i.e. HK\$ best lending rate offered by the bank minus 2.7%) and is not repayable within one year from the end of the reporting period but contains a repayment on demand clause.

- (a) 於二零一六年十二月三十一日，有抵押銀行借款約5,065,000港元（二零一五年：零港元）由賬面值約14,914,000港元之香港租賃土地及樓宇作出法定抵押並由一間附屬公司以銀行為受益人就銀行融資5,500,000港元簽立企業擔保。有抵押銀行借款按浮動利率計息（即銀行提供之港元最優惠借貸利率減2.7%）且毋須於自報告期結束起一年內償還但附有按要求償還之條文。

As at 31 December 2016, the Group's total unutilised banking facilities amounted to approximately HK\$435,000 (2015: HK\$Nil). The banking facilities are subject to the fulfilment of restrictive covenants including certain financial ratios of a subsidiary as a guarantor, as at 31 December 2016, none of the restrictive covenants relating to drawn down facilities had been breached (2015: Nil).

於二零一六年十二月三十一日，本集團之未動用銀行融資總額為435,000港元（二零一五年：零港元）。銀行融資須符合限制性契約方可作實，包括一間附屬公司作為擔保人之若干財務比率，於二零一六年十二月三十一日，概無有關提取融資之限制性契約已遭違反（二零一五年：無）。

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## 綜合財務報表附註

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### 36. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (continued)

- (b) As at 31 December 2016, the unsecured other borrowings included (i) RMB3,120,000 (equivalent to approximately HK\$3,485,000) carried interest at 1% per month and is repayable on 30 June 2017; (ii) RMB5,200,000 (equivalent to approximately HK\$5,809,000) carried interest at 1% per month and is repayable on 1 September 2017; and (iii) RMB4,024,000 (equivalent to approximately HK\$4,495,000) carried interest at 1% per month and is repayable on 12 December 2017 respectively.

As at 31 December 2015, the unsecured other borrowings included (i) RMB700,000 (equivalent to approximately HK\$836,000) carried interest at 12% per annum and are repayable on 23 August 2016; and (ii) RMB906,000 (equivalent to approximately HK\$1,081,000) carried interest at 8% per annum and repayable on 26 November 2016, respectively.

### 37. LOAN FROM A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

As at 31 December 2016, the loan from a non-controlling shareholder of a subsidiary is non-trade in nature, unsecured, interest-free and repayable on 31 May 2019 subject to certain financial conditions and ratios. Such amount is recorded at amortised cost based on the market interest rate (2015: Nil).

### 36. 銀行及其他借款(續)

附註：(續)

- (b) 於二零一六年十二月三十一日，無抵押其他借款包括(i)人民幣3,120,000元(相當於約3,485,000港元)按月利率1厘計息，並須於二零一七年六月三十日償還；(ii)人民幣5,200,000元(相當於約5,809,000港元)按月利率1厘計息，並須於二零一七年九月一日償還；及(iii)人民幣4,024,000元(相當於約4,495,000港元)按月利率1厘計息，並須於二零一七年十二月十二日償還。

於二零一五年十二月三十一日，無抵押其他借款包括(i)人民幣700,000元(相當於約836,000港元)按年利率12厘計息，須於二零一六年八月二十三日償還；及(ii)人民幣906,000元(相當於約1,081,000港元)按年利率8厘計息，須於二零一六年十一月二十六日償還。

### 37. 來自一間附屬公司非控股股東 之貸款

於二零一六年十二月三十一日，來自一間附屬公司非控股股東之貸款為非貿易性質、無抵押、免息及須於二零一九年五月三十一日償還(受限於若干財務狀況及財務比率)。該筆款項根據市場利率按攤銷成本入賬(二零一五年：零)。

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## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 38. DEFERRED TAXATION LIABILITIES

### 38. 遞延稅項負債

		<b>Accelerated Tax depreciation</b>
		加速稅項折舊
		HK\$'000
		千港元
At 1 January 2015	於二零一五年一月一日	–
Acquisition of subsidiaries (Note 31)	收購資產 (附註31)	2,020
Credited to consolidated statement of profit or loss and other comprehensive income	計入綜合損益及其他全面收益表	(8)
		<hr/>
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	2,012
Credited to consolidated statement of profit or loss and other comprehensive income	計入綜合損益及其他全面收益表	(226)
		<hr/>
<b>At 31 December 2016</b>	<b>於二零一六年十二月三十一日</b>	<b>1,786</b>

At the end of the reporting period, the Group had unused tax losses arising in the PRC and Hong Kong of approximately HK\$34,172,000 (2015: HK\$76,771,000) and HK\$75,778,000 (2015: HK\$157,222,000) respectively available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profits stream. Under current tax regulation, tax losses arising in the PRC can be carried forward for five years from the year in which the respective loss arose while the tax losses arising in Hong Kong can be carried forward indefinitely.

於報告期末，本集團來自中國及香港可用於抵消日後溢利之未動用稅項虧損分別約為34,172,000港元(二零一五年：76,771,000港元)及75,778,000港元(二零一五年：157,222,000港元)。由於未能預測日後溢利來源，故並無為未動用稅項虧損確認任何遞延稅項資產。根據現行稅務法規，來自中國的稅項虧損可於自各虧損產生年度起計五年內結轉，而來自香港的稅務虧損則可無限期結轉。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 39. SHARE CAPITAL

### 39. 股本

		Number of ordinary shares 普通股數目 '000 千股	Par value 面值 HK\$ 港元	Share capital 股本 HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>			
At 1 January 2015	於二零一五年一月一日	20,000,000	0.01	200,000
Share consolidation	股份合併	(16,000,000)	-	-
At 31 December 2015 and 1 January 2016	於二零一五年 十二月三十一日及 二零一六年一月一日	4,000,000	0.05	200,000
Share consolidation	股份合併	(2,000,000)	-	-
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>	<b>2,000,000</b>	<b>0.10</b>	<b>200,000</b>
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>			
At 1 January 2015	於二零一五年一月一日	1,005,624	0.01	10,056
Issue of ordinary shares by subscription	以認購方式發行普通股	257,813	0.01	2,578
Share consolidation	股份合併	(1,010,749)	-	-
Issue of ordinary shares by way of rights issue	以供股方式發行普通股	1,010,749	0.05	50,538
Issue of ordinary shares by placing	以配售方式發行普通股	50,537	0.05	2,527
At 31 December 2015 and 1 January 2016	於二零一五年 十二月三十一日及 二零一六年一月一日	1,313,974	0.05	65,699
Share consolidation	股份合併	(656,987)	-	-
Issue of ordinary shares by placing	以配售方式發行普通股	131,380	0.10	13,138
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>	<b>788,367</b>	<b>0.10</b>	<b>78,837</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 39. SHARE CAPITAL (CONTINUED)

Notes:

(a) 2015 Share Consolidation

On 5 March 2015, the Board proposed that every 5 existing shares of HK\$0.01 each in the issued and unissued share capital of the Company will be consolidated into 1 share of HK\$0.05 in the issued and unissued share capital of the Company (“**2015 Share Consolidation**”). The authorised share capital of the Company will be HK\$200,000,000 divided into 4,000,000,000 consolidated shares of HK\$0.05 each, of which 252,687,300 consolidated shares will be in issue immediately following the 2015 Share Consolidation becoming effective. The 2015 Share Consolidation was conditional upon, among other conditions, the approval by the shareholders of the Company.

The resolution approving the 2015 Share Consolidation was duly passed as an ordinary resolution of the Company by the shareholders of the Company at the special general meeting held on 31 March 2015. The 2015 Share Consolidation became effective on 1 April 2015. For details, please refer to the announcements of the Company dated 5 March 2015 and 31 March 2015, and the circular of the Company dated 13 March 2015.

(b) 2016 Share Consolidation

On 8 January 2016, the Board proposed that every 2 existing shares of HK\$0.05 each in the issued and unissued share capital of the Company will be consolidated into 1 share of HK\$0.1 in the issued and unissued share capital of the Company (“**2016 Share Consolidation**”). The authorised share capital of the Company will be HK\$200,000,000 divided into 2,000,000,000 consolidated shares of HK\$0.1 each, of which 656,986,750 consolidated shares will be in issue immediately following the 2016 Share Consolidation becoming effective. The 2016 Share Consolidation was conditional upon, among other conditions, the approval by the shareholders of the Company.

The resolution approving the 2016 Share Consolidation was duly passed as an ordinary resolution of the Company by the shareholders of the Company at the special general meeting held on 22 February 2016. The 2016 Share Consolidation became effective on 23 February 2016. For details, please refer to the announcements of the Company dated 8 January 2016 and 22 February 2016, and the circular of the Company dated 2 February 2016.

### 39. 股本(續)

附註：

(a) 二零一五年股份合併

於二零一五年三月五日，董事會建議將每五股本公司已發行及未發行股本中每股面值0.01港元之現有股份將合併為一股本公司已發行及未發行股本中面值0.05港元之股份（「**二零一五年股份合併**」）。緊隨二零一五年股份合併生效後，本公司法定股本將變為200,000,000港元，分為4,000,000,000股每股面值0.05港元合併股份，當中252,687,300股合併股份為已發行。二零一五年股份合併須待（其中包括其他條件）本公司股東批准後方可作實。

批准二零一五年股份合併之決議案已於二零一五年三月三十一日舉行之股東特別大會上經本公司股東正式通過為本公司普通決議案。二零一五年股份合併已於二零一五年四月一日生效。有關詳情請參閱本公司日期為二零一五年三月五日及二零一五年三月三十一日之公告，以及本公司日期為二零一五年三月十三日之通函。

(b) 二零一六年股份合併

於二零一六年一月八日，董事會建議將每兩股本公司已發行及未發行股本中每股面值0.05港元之現有股份合併為一股本公司股本中每股面值0.10港元之股份（「**二零一六年股份合併**」）。緊隨二零一六年股份合併生效後，本公司法定股本變為200,000,000港元，分為2,000,000,000股每股面值0.1港元合併股份，當中656,986,750股合併股份為已發行。二零一六年股份合併須待（其中包括其他條件）本公司股東批准後方可作實。

批准二零一六年股份合併之決議案已於二零一六年二月二十二日舉行之股東特別大會上經本公司股東正式通過為本公司普通決議案。二零一六年股份合併已於二零一六年二月二十三日生效。有關詳情請參閱本公司日期為二零一六年一月八日及二零一六年二月二十二日之公告，以及本公司日期為二零一六年二月二日之通函。

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### 39. SHARE CAPITAL (CONTINUED)

Notes: (continued)

- (c) 2015 Placing  
On 21 December 2015, the Company and Convoy Securities Limited (“Convoy”) entered into a placing agreement pursuant to which the Company has conditionally agreed to procure, as placing agent of the Company, not less than six placees, to subscribe, failing which, Convoy itself will subscribe for 50,537,000 shares at a price of HK\$0.10 per placing share (“2015 Placing”). The net proceeds after deduction of expenses from the 2015 Placing were approximately HK\$4.76 million. The completion of the 2015 Placing took place on 31 December 2015. Details of the 2015 Placing are disclosed in the announcements of the Company dated 21 December 2015 and 31 December 2015.
- (d) WY Subscription  
On 14 November 2014, the Company and China Wah Yan entered into the subscription agreement pursuant to which China Wah Yan conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, 257,812,500 subscription shares (“WY Subscription Shares”) at the subscription price of HK\$0.128 per WY Subscription Share (“WY Subscription”). The completion of the WY Subscription took place on 23 January 2015. The net issue price per WY Subscription Share was approximately HK\$0.127 and the nominal value of the WY Subscription Shares was HK\$2,578,125. Details of the WY Subscription are disclosed in the announcements of the Company dated 14 November 2014 and 23 January 2015, and the circular of the Company dated 24 December 2014.
- (e) 2015 Rights Issue  
On 10 July 2015, the Company announced to raise not less than approximately HK\$181.9 million and not more than approximately HK\$189.1 million before expenses on the basis of four rights shares (“2015 Rights Shares”) for every one existing share of the Company then in issue held on the record date at the subscription price of HK\$0.18 per 2015 Rights Share by way of rights issue of not less than 1,010,749,200 2015 Rights Shares and not more than 1,050,378,296 2015 Rights Shares (“2015 Rights Issue”). The completion of the 2015 Rights Issue took place on 18 September 2015. 335,208,000 2015 Rights Shares were allotted and issued pursuant to the 2015 Rights Issue and the net proceeds after deduction of expenses from the 2015 Rights Issue were approximately HK\$175.0 million. Details of the 2015 Rights Issue are disclosed in the announcements of the Company dated 11 June 2015, 10 July 2015, 20 July 2015 and 17 September 2015, the circular of the Company dated 27 July 2015, and the prospectus dated 26 August 2015.

### 39. 股本(續)

附註：(續)

- (c) 二零一五年配售  
於二零一五年十二月二十一日，本公司與康宏證券有限公司(「康宏」)訂立配售協議，據此，本公司已有條件同意(作為本公司配售代理)促成不少於六名承配人認購50,537,000股股份，如未能成功促成，則康宏將自行認購有關股份，每股配售股份作價0.10港元(「二零一五年配售」)。經扣除開支，二零一五年配售之所得款項淨額約為4,760,000港元。二零一五年配售已於二零一五年十二月三十一日完成。有關二零一五年配售之詳情乃披露於本公司日期為二零一五年十二月二十一日及二零一五年十二月三十一日之公告。
- (d) 華仁醫療認購事項  
於二零一四年十一月十四日，本公司與中國華仁訂立認購協議，據此，中國華仁有條件同意認購而本公司有條件同意配發及發行257,812,500股認購股份(「華仁認購股份」)，認購價為每股華仁認購股份0.128港元(「華仁認購事項」)。華仁認購事項已於二零一五年一月二十三日完成。每股華仁認購股份之發行價淨額約0.127港元，而華仁認購股份面值為2,578,125港元。有關華仁認購事項之詳情乃披露於本公司日期為二零一四年十一月十四日及二零一五年一月二十三日之公告，以及本公司日期為二零一四年十二月二十四日之通函。
- (e) 二零一五年供股  
於二零一五年七月十日，本公司宣佈按於記錄日期每持有一股本公司現有當時已發行股份可獲發四股供股股份(「二零一五年供股股份」)之基準，按每股供股股份0.18港元之認購價發行不少於1,010,749,200股二零一五年供股股份及不多於1,050,378,296股二零一五年供股股份，集資不少於約181,900,000港元及不多於約189,100,000港元(扣除開支前)(「二零一五年供股」)。二零一五年供股已於二零一五年九月十八日完成。335,208,000股二零一五年供股股份根據二零一五年供股予以配發及發行，而二零一五年供股所得款項淨額(經扣除開支後)約為175,000,000港元。二零一五年供股之詳情已披露於本公司日期為二零一五年六月十一日、二零一五年七月十日、二零一五年七月二十日及二零一五年九月十七日之公告、本公司日期為二零一五年七月二十七日之通函，以及日期為二零一五年八月二十六日之章程。

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### 39. SHARE CAPITAL (CONTINUED)

Notes: (continued)

- (f) 2016 Placing
- On 22 July 2016, the Company and Supreme China Securities Limited (“**Supreme**”) entered into a placing agreement, pursuant to which Supreme has conditionally agreed to place, on a best endeavours basis, up to 131,380,000 new shares of the Company, to not less than six placees who and whose ultimate beneficial owners are independent third parties at a price of HK\$0.169 per placing share (“**2016 Placing**”). The net issue price was approximately HK\$0.162 per placing share and the aggregate nominal value of the placing shares under the 2016 Placing was HK\$13,138,000. The net proceeds after deduction of expenses from the 2016 Placing were approximately HK\$21.22 million. Details of the 2016 Placing are disclosed in the announcements of the Company dated 22 July 2016 and 15 August 2016.

### 40. SHARE OPTION SCHEME

#### (a) Scheme

The share option scheme was approved to be adopted by the shareholders of the Company on 29 May 2014 (“**Scheme**”). The Scheme will remain in force for 10 years from that date, unless otherwise terminated earlier by shareholders in a general meeting. The Scheme adopted is for the purpose of providing incentives and rewards to eligible participants who contribute to success of the Group’s operations as detailed below.

Eligible participants of the Scheme include the Directors, independent non-executive Directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, persons or entity provides research, development or other technological support to the Group, any non-controlling shareholder in the Company’s subsidiaries, and adviser to business development of the Group.

### 39. 股本 (續)

附註：(續)

- (f) 二零一六年配售
- 於二零一六年七月二十二日，本公司與智華證券有限公司(「智華」)訂立配售協議，據此，智華已有條件同意按盡最大努力基準，向不少於六名承配人(彼等及其各自之最終實益擁有人須為獨立第三方)配售131,380,000股本公司新股份，每股配售股份作價0.169港元(「二零一六年配售」)。發行價淨額為每股配售股份約0.162港元，而根據二零一六年配售所配售的配售股份的最高總面值為13,138,000港元。經扣除費用，二零一六年配售之所得款項淨額約為21.22百萬港元。二零一六年配售之詳情乃披露於本公司日期為二零一六年七月二十二日及二零一六年八月十五日之公告。

### 40. 購股權計劃

#### (a) 計劃

本公司股東已於二零一四年五月二十九日批准採納一項購股權計劃(「該計劃」)。該計劃將由該日期起有效10年，除非另行獲股東於股東大會上提早終止。採納該計劃旨在鼓勵及嘉獎合資格參與者對本集團業務成功的貢獻(詳見下文)。

該計劃的合資格參與者包括董事、獨立非執行董事、本集團其他僱員、本集團貨品或服務供應商、本集團客戶、向本集團提供研究、開發或其他技術支援的人士或公司、本公司附屬公司的任何非控股股東及本集團的業務發展顧問。



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## 綜合財務報表附註

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (a) Scheme (continued)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at the date of approval of the Scheme. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

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

The offer of a grant of share options may be accepted in writing within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted shall be determined by the Directors at their absolute discretion, but in any event shall not be more than 10 years from the date of the offer of the share options.

### 40. 購股權計劃(續)

#### (a) 計劃(續)

因行使現時可根據該計劃授出的未行使購股權而可發行的股份最高數目相當於(在其行使時)該計劃批准日期本公司已發行股份的10%。於任何十二個月期間因行使購股權而可向該計劃項下各合資格參與者發行股份的最高數目,不得超過本公司於任何時間已發行股份的1%。凡進一步授出超過此限額的購股權,必須於股東大會獲得股東批准。

向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授出購股權,必須獲得獨立非執行董事的事先批准。此外,倘在任何十二個月期間向本公司主要股東或獨立非執行董事或彼等任何聯繫人士授出的任何購股權超過本公司任何時間已發行股份的0.1%,或總值(按本公司股份於授出日期的價格計算)超過5,000,000港元,則必須經股東於股東大會上事先批准。

承授人可於授出購股權要約日期起計21日內書面接納購股權,惟須支付象徵式代價合共1港元。所授出購股權的行使期由董事全權酌情釐定,惟無論如何不得於授出購股權日期起計滿10年後到期。

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## 綜合財務報表附註

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (a) Scheme (continued)

The exercise price of the share options is determinable by the Directors, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of the offer of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Company's shares.

#### (b) Options granted

*Movement in number of share options*

At beginning of the year	於年初
Adjustment due to the 2016 Share Consolidation (Note a)	因二零一六年股份合併而調整 (附註a)
Lapsed during the year (Note b)	年內已失效 (附註b)
At end of the year	於年終

### 40. 購股權計劃 (續)

#### (a) 計劃 (續)

購股權的行使價由董事釐定，惟不得少於以下三者中的最高者：(i) 授出購股權當日聯交所每日報價表所載本公司股份的收市價；(ii) 緊接授出購股權當日之前五個營業日聯交所每日報價表所載本公司股份的平均收市價；及(iii)本公司股份面值。

#### (b) 授出之購股權

*購股權數目之變動*

		2016 二零一六年		2015 二零一五年	
		Weighted average exercise price per share HK\$ 每股加權平均 行使價 港元	Number of outstanding share options 尚未行使 購股權數目	Weighted average exercise price per share HK\$ 每股加權平均 行使價 港元	Number of outstanding share options 尚未行使 購股權數目
				(Restated) (經重列)	(Restated) (經重列)
At beginning of the year	於年初	1.2674	6,288,295	0.6337	12,576,591
Adjustment due to the 2016 Share Consolidation (Note a)	因二零一六年股份合併而調整 (附註a)	-	-	-	(6,288,296)
Lapsed during the year (Note b)	年內已失效 (附註b)	1.2674	(6,288,295)	-	-
At end of the year	於年終	-	-	1.2674	6,288,295

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (b) Options granted (continued)

*Movement in number of share options  
(continued)*

Notes:

- (a) Upon the completion of the 2016 Share Consolidation on 23 February 2016, the number of outstanding share options and the exercise price per share have been restated on a retrospective basis.
- (b) On 5 February 2016, China Wah Yan proposed to the Board that China Wah Yan would, subject to fulfillment of certain conditions, make the voluntary conditional securities exchange offers (i) to acquire all of the issued shares of the Company (other than those already owned by China Wah Yan and parties acting in concert with it); and (ii) to cancel all of the outstanding share options granted by the Company pursuant to the share option scheme adopted by the Company, whether vested or not ("**Voluntary Securities Exchange Offers**"). All of the conditions of the Voluntary Securities Exchange Offers have been fulfilled and the Voluntary Securities Exchange Offers have become unconditional in all respects on 11 May 2016. The minimum public float of the Company was restored on 27 May 2016 by way of disposal of the Shares by China Wah Yan on the Stock Exchange, details of which are disclosed in the announcement of the Company dated 27 May 2016.

As the Voluntary Securities Exchange Offers have become unconditional in all respects on 11 May 2016, any share options which remain outstanding upon the close of the Voluntary Securities Exchange Offers lapsed.

Details of the Voluntary Securities Exchange Offers are disclosed in the announcements dated 17 February 2016, 6 April 2016, 19 April 2016, 10 May 2016, 11 May 2016 and 25 May 2016, and the composite document in respect of the Voluntary Securities Exchange Offers dated 20 April 2016 jointly published by China Wah Yan and the Company.

- (c) During the years ended 31 December 2016 and 2015, no share option was granted, exercised or cancelled.

### 40. 購股權計劃(續)

#### (b) 授出之購股權(續)

*購股權數目之變動(續)*

附註:

- (a) 待二零一六年股份合併於二零一六年二月二十三日完成後，尚未行使購股權數目及每股行使價已作出追溯調整而重列。
- (b) 於二零一六年二月五日，中國華仁向董事會建議，指中國華仁待達成若干條件後將提出自願有條件證券交換要約，以(i)收購本公司所有已發行股份(中國華仁及其一致行動人士已擁有者除外)；及(ii)註銷所有由本公司根據本公司所採納之購股權計劃授出而尚未行使之購股權，不論是否已歸屬(「**自願證券交換要約**」)。自願證券交換要約之所有條款已獲履行，而自願證券交換要約已於二零一六年五月十一日在各方面成為無條件。藉著中國華仁於聯交所出售股份，本公司已於二零一六年五月二十七日恢復其公眾持股量，有關詳情披露於本公司日期為二零一六年五月二十七日之公告。

由於自願證券交換要約已於二零一六年五月十一日在各方面成為無條件，任何尚未行使之購股權於自願證券交換要約結束時失效。

有關自願證券交換要約之詳情乃披露於日期為二零一六年二月十七日、二零一六年四月六日、二零一六年四月十九日、二零一六年五月十日、二零一六年五月十一日及二零一六年五月二十五日之公告，以及中國華仁與本公司聯合刊發之日期為二零一六年四月二十日之綜合文件，內容有關自願證券交換要約。

- (c) 截至二零一六年及二零一五年十二月三十一日止年度，並無購股權獲授出、行使或註銷。

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## 綜合財務報表附註

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (b) Options granted (continued)

Movement in number of share options  
(continued)

### 40. 購股權計劃 (續)

#### (b) 授出之購股權 (續)

購股權數目之變動 (續)

	Date of grant	Exercisable period	Exercise price per share	Number of share options		Outstanding as at 31 December 2016
				Outstanding as at 1 January 2016	Lapsed during the year	
	授出日期	可行使期間	每股行使價 HK\$ 港元 (Restated) (經重列)	於二零一六年 一月一日 尚未行使 (Restated) (經重列)	於年內失效	於二零一六年 十二月 三十一日 尚未行使
Directors 董事	28 August 2014 二零一四年 八月二十八日	1 January 2015 to 31 December 2016 二零一五年一月一日 至二零一六年 十二月三十一日	1.2674	1,018,620	(1,018,620)	—
Employees and service providers 僱員及服務供應商	28 August 2014 二零一四年 八月二十八日	1 January 2015 to 31 December 2016 二零一五年一月一日 至二零一六年 十二月三十一日	1.2674	5,269,675	(5,269,675)	—
Exercisable options 可行使購股權				6,288,295	(6,288,295)	—
Weighted average exercise price (HK\$) 加權平均行使價 (港元)				1.2674	1.2674	—

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## 綜合財務報表附註

For the Year Ended 31 December 2016

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (b) Options granted (continued)

*Movement in number of share options  
(continued)*

Notes:

(a) The number of outstanding share options and exercise price per share have been retrospectively adjusted from 12,576,591 to 6,288,295 and from HK\$0.6337 to HK\$1.2674 for the 2016 Share Consolidation respectively with effect from 22 February 2016.

(b) During the year ended 31 December 2016, no share option was granted, exercised and cancelled. As the Voluntary Securities Exchange Offers have become unconditional in all respects on 11 May 2016, any share options which remain outstanding upon the close of the Voluntary Securities Exchange Offers (i.e. 25 May 2016) lapsed.

#### *Details of the share options granted*

The average fair value of the share options granted at date of grant was HK\$0.0731 each. Options were priced using the Black-Scholes Option Pricing Model. As it requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

The expected volatility is based on the historical volatility of the share prices of the Company over a period that is equal to the expected life before the grant date.

The vesting period of the share options is from the date of grant until the commencement of the exercise period. The share options would be fully exercisable from the commencement of the exercise period.

The fair value of the shares options granted as determined by using the Black-Scholes Option Pricing Model was approximately HK\$3,385,000 was recognised in profit or loss during the year ended 31 December 2014.

### 40. 購股權計劃(續)

#### (b) 授出之購股權(續)

*購股權數目之變動(續)*

附註：

(a) 尚未行使購股權數目及每股行使價已就二零一五年股份合併作出追溯調整，自二零一六年二月二十二日起分別由12,576,591調整至6,288,295以及由0.6337港元調整至1.2674港元。

(b) 於截至二零一六年十二月三十一日止年度，概無購股權獲授出、行使及註銷。由於自願證券交換要約於二零一六年五月十一日在所有方面成為無條件，故任何尚未行使之購股權於自願證券交換要約結束(即二零一六年五月二十五日)後失效。

#### *已授出購股權之詳情*

於授出日期授出的購股權公平值平均為0.0731港元。購股權採用柏力克-舒爾斯期權定價模式定價。因其要求輸入高度主觀的假設，包括股份價格波幅，故主觀輸入假設的變動可能重大影響公平值估計。

預期波幅是根據本公司某一段期間內股份價格的歷史波幅計算，該段期間相當於授出日期前的預期年期。

購股權的歸屬期由授出之日起計，直至行使期開始。購股權可自行行使期開始悉數行使。

授出購股權的公平值以柏力克-舒爾斯期權定價模式釐定，約3,385,000港元，並已於截至二零一四年十二月三十一日止年度之損益內確認。

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## 綜合財務報表附註

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### 40. SHARE OPTION SCHEME (CONTINUED)

#### (b) Options granted (continued)

*Details of the share options granted (continued)*

The significant inputs into the model are as follows:

Date of grant	28 August 2014
授出日期	二零一四年 八月二十八日
Fair value at measurement date 於計量日期之公平值	HK\$0.0731 0.0731港元
Share price 股份價格	HK\$0.1722 0.1722港元
Exercise price per share 每股行使價	HK\$0.1722 0.1722港元
Expected volatility 預期波幅	100.936% 100.936%
Option life 購股權年期	1 year and 4 months 1年及4個月
Expected dividend yield 預期股息率	0% 0%
Risk-free rate 無風險權益利率	0.19% 0.19%

### 40. 購股權計劃(續)

#### (b) 授出之購股權(續)

*已授出購股權之詳情(續)*

模式之重要輸入如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 41. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL

On 18 September 2015, Fair Brilliant entered into a subscription deed with an independent third party, Mr. Wong Sou Him Lawrence (“**Mr. Lawrence Wong**”), pursuant to which Fair Brilliant has conditionally agreed to issue and allot, and Mr. Lawrence Wong has conditionally agreed to purchase, three new shares of Fair Brilliant at a total subscription price of HK\$3,138,000 (“**FB Subscription**”). The completion of FB Subscription took place on 16 December 2015 and the Group’s equity interests of Fair Brilliant were diluted from 100% to 97%. An amount of approximately HK\$16,000 (being the proportionate share of the carrying amount of the net assets of Fair Brilliant) has been transferred and debited to non-controlling interests. The difference of approximately HK\$3,154,000 between the increase in the non-controlling interests and the consideration received has been credited to other reserve.

On 31 May 2016, Huge Profit Trading Limited (“**Huge Profit**”), a then direct wholly-owned subsidiary of the Company, as issuer, entered into a subscription agreement with an independent third party, Wise Health Investments Limited (“**Wise Health**”), as subscriber, pursuant to which Huge Profit agreed to issue, and Wise Health agreed to subscribe for, 220 new shares of Huge Profit, representing 22% of the issued share capital in Huge Profit, at a total subscription price of HK\$1,716. The completion of the subscription took place on the same date, and the Group’s equity interests in Huge Profit were diluted from 100% to 78%. An amount of approximately HK\$1,007,000 (being the proportionate share of the then carrying amount of the net liabilities of Huge Profit) has been transferred and debited to non-controlling interests. The excess of the consideration received from non-controlling interests over the then carrying amount of non-controlling interests disposed of, being approximately HK\$1,009,000, has been credited to other reserves.

### 41. 於附屬公司之所有權權益變動而未有失去控制權

於二零一五年九月十八日，誠輝與一名獨立第三方王守謙先生（「王先生」）訂立認購契據，據此，誠輝有條件同意發行及配發而王先生有條件同意購買三股誠輝新股份，總認購價為3,138,000港元（「誠輝認購事項」）。誠輝認購事項於二零一五年十二月十六日完成，而本集團於誠輝之股權則由100%攤薄至97%。約16,000港元之款項（即按比例分佔誠輝之淨資產賬面金額）已獲轉撥並記入非控股權益。非控股權益增加與已收代價之差額約3,154,000港元已記入其他儲備。

於二零一六年五月三十一日，本公司當時一間直接全資附屬公司浩盈貿易有限公司（「浩盈」，作為發行人）與一名獨立第三方Wise Health Investments Limited（「Wise Health」，作為認購人）訂立認購協議，據此，浩盈同意發行而Wise Health同意認購220股浩盈新股份（佔浩盈已發行股本之22%），總認購價為1,716港元。是項認購於同日完成，而本集團於浩盈之股權則由100%攤薄至78%。約1,007,000港元之款項（即按比例分佔浩盈當時之淨負債賬面金額）已獲轉撥並記入非控股權益。已收取非控股權益之代價超逾所出售非控股權益當時之賬面值約1,009,000港元，並已記入其他儲備。

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## 綜合財務報表附註

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### 42. OPERATING LEASE COMMITMENTS

#### Operating lease commitments – the Group as the lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	年內
In the second to fifth year inclusive	第二年至第五年（包括首尾兩年）

Operating lease payments represent rentals payable by the Group for certain of its office premises, warehouses and staff quarters. Leases are negotiated and rentals are fixed for a term ranging from one to eight years (2015: one to three years).

### 43. CAPITAL COMMITMENT

Authorised but not contracted for	已授權，惟未訂約
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On 29 September 2013, the Group has established an indirect wholly-owned wholly foreign-owned enterprise (“WFOE”) in Guizhou Province, the PRC, pursuant to the cooperation agreement dated 28 June 2013 entered into with 貴州紅花崗區經濟開發區委員會 (in English, for identification purpose, Guizhou Hong Hua Gang District Economic Development District Management Committee) in relation to the cooperation for the investment and construction of a pharmaceutical factory in Hong Hua Gang Economic Development District, Guizhou Province, the PRC. The registered capital of the WFOE is RMB30,000,000 and the Group has paid the registered capital of RMB10,000,000. The remaining capital commitment was RMB20,000,000 (equivalent to approximately HK\$25,438,000).

### 42. 經營租約承擔

#### 經營租約承擔 – 本集團作為承租人

於報告期末，本集團根據於下列日期到期的不可註銷經營租約的未來最低租賃付款承擔如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
5,935	5,990
5,475	3,044
<b>11,410</b>	<b>9,034</b>

經營租賃付款指本集團就其若干辦公室物業、倉庫及員工宿舍應付之租金。租約及租金按一年至八年（二零一五年：一年至三年）不等之年期磋商及釐定。

### 43. 資本承擔

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
25,438	25,438

於二零一三年九月二十九日，根據與貴州紅花崗區經濟開發區管委會就有關合作於中國貴州紅花崗區經濟開發區投資及興建藥廠而於二零一三年六月二十八日所訂立合作協議，本集團在中國貴州省成立一間間接擁有之外商獨資企業（「外商獨資企業」）。該外商獨資企業之註冊資本為人民幣30,000,000元，而本集團已繳納註冊資本人民幣10,000,000元。餘下資本承擔約為人民幣20,000,000元（相當於約25,438,000港元）。



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## 綜合財務報表附註

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### 44. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged by the Group to secure financing facilities of the Group

### 44. 資產抵押

於報告期末，本集團已抵押下列資產作為本集團融資擔保：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Property, plant and equipment (Note a)	物業、廠房及設備(附註a)	14,914	4,401
Prepaid lease payments (Note a)	預付租賃款項(附註a)	-	4,214
Held for trading securities	持作買賣證券	-	54,793
Cash held in securities trading accounts with stock brokers included in "Deposits, prepayments and other receivables"	以在股票經紀開設之證券買賣賬戶 持有的現金(計入「按金、 預付款項及其他應收款項」)	-	29,456
		<b>14,914</b>	<b>92,864</b>

Note:

- (a) As at 31 December 2016, the Group had a secured bank borrowing of approximately HK\$5,065,000 (2015: HK\$Nil) relating to continuing operations, which was secured by a legal charge on leasehold land and buildings in Hong Kong with the carrying amounts of approximately HK\$14,914,000 and a corporate guarantee executed by a subsidiary in favour of the bank for the banking facilities of HK\$5,500,000.

As at 31 December 2015, the Group's bank borrowings were secured by charges on its prepaid lease payments and certain buildings held by the Wallfaith Group with the carrying amounts of approximately HK\$4,214,000 and HK\$4,401,000 respectively. The relevant assets and liabilities were relating to discontinued operation, reclassified as assets held for sale and liabilities associated with assets classified as held for sale as at 31 December 2015 and subsequently disposed on 16 March 2016.

附註：

- (a) 於二零一六年十二月三十一日，本集團有關持續經營業務之有抵押銀行借款約為5,065,000港元(二零一五年：零港元)，以賬面值約14,914,000港元於香港之租賃土地及樓宇法定押記，以及由一間附屬公司就銀行融資向銀行簽立之公司擔保5,500,000港元作抵押。

於二零一五年十二月三十一日，本集團之銀行借款以其賬面值分別約為4,214,000港元及4,401,000港元之預付租賃款項及由Wallfaith集團持有之若干樓宇之押記作抵押。相關資產及負債與已終止經營業務有關，並且於二零一五年十二月三十一日重新分類為持作出售之資產及與分類為持作出售之資產有關之負債，其後已於二零一六年三月十六日出售。

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## 綜合財務報表附註

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### 45. RETIREMENT BENEFITS SCHEME

Provident fund benefits are offered to certain full-time employees through a registered scheme under the ORSO. The ORSO scheme is administered by trustees, which are independent, with assets held separately from those of the Group. Under the ORSO scheme, the Group contributes 5% of monthly salaries of employees.

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong (other than those who are covered under ORSO scheme). The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme subject to a maximum of HK\$1,500 per month which contribution is matched by employees.

The employees in the PRC are members of respective state-managed defined contribution retirement benefits schemes operated by the local government. The employer and the employees are obliged to make contributions at a certain percentage of the basic payroll under rules of the schemes. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

The total contributions payable to the above schemes by the Group and charged to the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2016 were approximately HK\$2,232,000 (2015: HK\$2,763,000), of which total contribution payable from continuing operations shared approximately HK\$1,911,000 for the year ended 31 December 2016 (2015: HK\$996,000).

### 45. 退休福利計劃

透過根據職業退休計劃，若干全職僱員獲提供公積金福利。職業退休計劃由獨立於本集團之信託人管理，有關資產與本集團分開持有。根據《職業退休計劃條例》，本集團按照僱員月薪5%作出供款。

本集團為所有香港合資格僱員（不包括根據職業退休計劃條例所獲保障者）設立強積金計劃。計劃之資產與本集團之資產分開處理，並由受託人管理之基金持有。本集團向該計劃作出之供款為有關薪金成本之5%，每月最高金額為1,500港元，與僱員之供款相同。

本集團之中國僱員均為個別地方政府營辦之國家管理定額供款退休福利計劃之成員。根據計劃規則，僱主及僱員均有責任按薪金之若干百分比作出供款。本集團對於該等退休福利計劃之唯一責任為作出特定供款。

截至二零一六年十二月三十一日止年度，本集團根據上述計劃及已於綜合損益及其他全面收益表扣除之應付供款總額約為2,232,000港元（二零一五年：2,763,000港元）。持續經營業務截至二零一六年十二月三十一日止年度分佔之應付供款總額約為1,911,000港元（二零一五年：996,000港元）。

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## 綜合財務報表附註

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### 46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 46. 本公司的財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	24,451	24,444
Property, plant and equipment	物業、廠房及設備	886	129
		<b>25,337</b>	24,573
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Prepayments and other receivables	預付款項及其他應收款項	6,773	820
Amounts due from subsidiaries (Note a)	應收附屬公司款項(附註a)	240,095	292,442
Cash and cash equivalents	現金及現金等價物	8,384	27,268
		<b>255,252</b>	320,530
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計費用	1,832	2,107
Amount due to a subsidiary (Note a)	應付一間附屬公司款項(附註a)	12,313	12,504
		<b>14,145</b>	14,611
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	<b>241,107</b>	305,919
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>266,444</b>	330,492
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	78,837	65,699
Reserves (Note b)	儲備(附註b)	187,607	264,793
		<b>266,444</b>	330,492

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## 綜合財務報表附註

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### 46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes:

- (a) The amounts due from/(to) subsidiaries are unsecured, interest-free and repayable on demand.
- (b) Reserves

### 46. 本公司的財務狀況表(續)

附註：

- (a) 應收／(付)附屬公司款項乃無抵押、免息及須按要求償還。
- (b) 儲備

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 1 January 2015</b>	於二零一五年一月一日	113,728	3,385	212,948	(7,150)	322,911
Loss and total comprehensive loss for the year	本年度虧損及全面虧損總額	-	-	-	(215,362)	(215,362)
Issue of ordinary shares	發行普通股	164,346	-	-	-	164,346
Less: Share issue expenses	減：股份發行開支	(7,102)	-	-	-	(7,102)
<b>At 31 December 2015 and 1 January 2016</b>	於二零一五年十二月三十一日及二零一六年一月一日	270,972	3,385	212,948	(222,512)	264,793
Loss and total comprehensive loss for the year	本年度虧損及全面虧損總額	-	-	-	(85,282)	(85,282)
Issue of ordinary shares	發行普通股	9,065	-	-	-	9,065
Less: Share issue expenses	減：股份發行開支	(969)	-	-	-	(969)
Lapse of share options	購股權失效	-	(3,385)	-	3,385	-
<b>At 31 December 2016</b>	於二零一六年十二月三十一日	<b>279,068</b>	<b>-</b>	<b>212,948</b>	<b>(304,409)</b>	<b>187,607</b>

As at 31 December 2016, the aggregate amount of reserves of the Company available for distribution to owners of the Company was approximately HK\$187,607,000 (2015: HK\$261,408,000). The distributable reserves which include the Company's share premium, special reserve and accumulated losses, under the Companies Act 1981 of Bermuda, are distributable to owners of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company is still able to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

於二零一六年十二月三十一日，本公司可分發予本公司擁有人之儲備合共約187,607,000港元（二零一五年：261,408,000港元）。可分發儲備當中包括本公司之股份溢價、特別儲備及累計虧損，根據百慕達一九八一年公司法，可分派予本公司擁有人，惟緊隨建議分派股息之日後，本公司仍有能力支付到期負債或令其資產可變現價值低於其負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's principal subsidiaries are as follows:

### 47. 附屬公司詳情

本公司主要附屬公司的詳情如下：

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital/ registered capital 已發行及 繳足股本/ 註冊資本詳情	Percentage of ownership interests/voting rights/profit sharing held by the Company 本公司所持有權權益/ 投票權/分佔溢利百分比				Principal activities 主要業務
			2016 二零一六年		2015 二零一五年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Dynasty Well Limited 朝正有限公司	BVI 英屬處女群島	Ordinary shares US\$1 普通股1美元	100%	-	100%	-	Investment holding 投資控股
Icy Snow Limited	BVI 英屬處女群島	Ordinary shares US\$1 普通股1美元	100%	-	100%	-	Investment holding 投資控股
Splendid Rich Holdings Limited (Note f) 偉發控股有限公司 (附註f)	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	-	-	100%	-	Trading of securities 買賣證券
Wallfaith Company Limited (Note f) (附註f)	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	-	-	100%	-	Investment holding 投資控股
Keyun Limited 科運有限公司	BVI 英屬處女群島	Ordinary shares US\$1 普通股1美元	-	100%	-	100%	Investment holding 投資控股
Ferran Finance Limited 富運財務有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	-	100%	-	100%	Provision of money lending in Hong Kong 在香港提供放債業務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 47. 附屬公司詳情(續)

本公司主要附屬公司的詳情如下：(續)

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital/ registered capital 已發行及 繳足股本/ 註冊資本詳情	Percentage of ownership interests/voting rights/profit sharing held by the Company 本公司所持擁有權權益/ 投票權/分佔溢利百分比				Principal activities 主要業務
			2016 二零一六年		2015 二零一五年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Healthy International Limited 健康國際有限公司	Hong Kong 香港	Ordinary shares HK\$10,000 普通股 10,000港元	-	100%	-	100%	Marketing and sale of health supplements, slimming pills and beauty products and trading of pharmaceutical intermediates 推廣及銷售保健品、 減肥丸及美容產品及 買賣醫藥中間體
PHC Medical Diagnostic Centre Limited 標準病理檢驗所 有限公司	Hong Kong 香港	Ordinary shares HK\$198,000 普通股 198,000港元	-	97%	-	97%	Provision of medical laboratory testing services and health check services 提供醫學實驗室檢測 服務及健康檢查服務
Pherson Limited	Hong Kong 香港	Ordinary shares HK\$500,000 普通股 500,000港元	-	100%	-	100%	Property holding 物業控股
Premier MediCare Services Limited 卓紀保健有限公司	Hong Kong 香港	Ordinary shares HK\$500,002 普通股 500,002港元	-	97%	-	97%	Provision of health check services 提供健康檢查服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 47. 附屬公司詳情(續)

本公司主要附屬公司的詳情如下：(續)

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital/ registered capital 已發行及 繳足股本/ 註冊資本詳情	Percentage of ownership interests/voting rights/profit sharing held by the Company 本公司所持擁有權權益/ 投票權/分佔溢利百分比				Principal activities 主要業務
			2016 二零一六年		2015 二零一五年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
ProGene Molecular Diagnostic Center Limited 準誠分子診斷中心 有限公司	Hong Kong 香港	Ordinary shares HK\$70 普通股70港元	-	78%	-	100%	Provision of molecular diagnostic test and genetic investigations 提供分子診斷測試及 基因調查
Town Health Choice Limited 康健之選有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	-	100%	-	100%	Sale of health supplements, traditional Chinese medicines, slimming pills and beauty products 銷售保健品、傳統中藥、 減肥丸及美容產品
Ultra Leap Holdings Limited 超躍控股有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	-	100%	-	100%	Trading of securities 買賣證券
V-Express Pharmaceutical Limited 樂康達藥業有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	-	100%	-	100%	Trading of pharmaceutical and healthcare products and provision of the management services 買賣醫藥及保健產品及提 供管理服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 47. 附屬公司詳情(續)

本公司主要附屬公司的詳情如下:(續)

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital/ registered capital 已發行及 繳足股本/ 註冊資本詳情	Percentage of ownership interests/voting rights/profit sharing held by the Company 本公司所持擁有權權益/ 投票權/分佔溢利百分比				Principal activities 主要業務
			2016 二零一六年		2015 二零一五年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Victory Medical Laboratory Limited 勝利醫學化驗所有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股1,000港元	-	97%	-	97%	Provision of medical laboratory testing services and health check services 提供醫學實驗室檢測服務及健康檢查服務
T. F. Industries Limited (Note e) 載福實業有限公司(附註e)	Hong Kong 香港	Ordinary shares HK\$1,000 普通股1,000港元	-	97%	-	-	Property investment 物業投資
Beijing Chuangxin Meikai Technology Development Co., Ltd. (北京創新美凱科技開發有限公司) (Notes a & d) 北京創新美凱科技開發有限公司(附註a及d)	The PRC 中國	Registered capital RMB30,000,000 註冊資本 人民幣 30,000,000元	-	100%	-	100%	Research and development of medicine centre 醫藥研發中心
Guizhou Shuang Sheng Pharmaceutical Co., Ltd. (Note c & d) 貴州雙升製藥有限公司(附註c及d)	The PRC 中國	Registered capital RMB50,000,000 註冊資本人民幣 50,000,000元	-	51%	-	51%	Manufacture and sale of proprietary Chinese medicine products and research and development of proprietary Chinese medicine products 製造及銷售專利中成藥產品及研發專利中成藥
Suzhou Beautiful Biochemistry Co., Ltd. (Notes a & f) 蘇州別特福生化有限公司 (附註a及f)	The PRC 中國	Registered capital US\$3,800,000 註冊資本 3,800,000美元	-	-	-	100%	Manufacturing and sale of cosmetics 製造及銷售化妝品



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 47. 附屬公司詳情(續)

本公司主要附屬公司的詳情如下:(續)

Name 名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記註冊/ 經營地點	Particulars of issued and paid up capital/ registered capital 已發行及 繳足股本/ 註冊資本詳情	Percentage of ownership interests/voting rights/profit sharing held by the Company 本公司所持擁有權權益/ 投票權/分佔溢利百分比				Principal activities 主要業務
			2016 二零一六年		2015 二零一五年		
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Suzhou Longlifu Health Food Co., Ltd. (Notes a & f) 蘇州朗力福保健品有限公司(附註a及f)	The PRC 中國	Registered capital RMB70,000,000 註冊資本 人民幣 70,000,000元	-	-	-	100%	Manufacture and sale of dietary products, cosmetics, body products and health supplement wine 製造及銷售膳食產品、化妝品、護膚產品及保健酒
Suzhou Longlife Medical Devices Co., Ltd.(蘇州朗力福醫療器械有限公司)(Notes b, d & f) 蘇州朗力福醫療器械有限公司(附註b、d及f)	The PRC 中國	Registered capital RMB5,000,000 註冊資本 人民幣 5,000,000元	-	-	-	100%	Trading of dental materials and equipment, cosmetics and body products 買賣牙科材料及設備、化妝品及護膚產品
Suzhou Longlifu Trading Co., Ltd.(蘇州朗力福商貿有限公司)(Notes b, d & f) 蘇州朗力福商貿有限公司(附註b、d及f)	The PRC 中國	Registered capital RMB5,000,000 註冊資本 人民幣 5,000,000元	-	-	-	100%	Trading of dietary products, cosmetics and body products 買賣膳食產品、化妝品及護膚產品

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affected the results or asset of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

Notes:

- (a) These subsidiaries are wholly-foreign owned enterprises established in the PRC
- (b) These subsidiaries are limited companies established in the PRC
- (c) The subsidiary is a sino-foreign equity joint venture enterprise established in the PRC
- (d) The English names of the PRC subsidiaries are for identification purpose only
- (e) The subsidiary was acquired during the year ended 31 December 2016
- (f) These subsidiaries were disposed during the year ended 31 December 2016

The total non-controlling interests at the end of the reporting period are HK\$9,707,000 (2015: HK\$21,680,000), which are mainly attributable to Shuang Sheng.

### 47. 附屬公司詳情(續)

上表載列本公司之附屬公司，董事認為其主要影響本集團之業績或資產。董事認為載列其他附屬公司之詳情會導致附屬公司詳情過於冗長。

於年終時，附屬公司概無發行任何債務證券。

附註：

- (a) 該等附屬公司為在中國成立之外商獨資企業
- (b) 該等附屬公司為在中國成立之有限公司
- (c) 該附屬公司為在中國成立之中外合資經營企業
- (d) 中國附屬公司之英文名稱僅供識別之用
- (e) 該附屬公司於截至二零一六年十二月三十一日止年度內新收購之公司。
- (f) 該等附屬公司於截至二零一六年十二月三十一日止年度內出售。

於報告期末之非控股權益總額為約9,707,000港元(二零一五年：21,680,000港元)，主要歸屬於雙升。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Details of non-wholly owned subsidiary that have material non-controlling interests

### 47. 附屬公司詳情(續)

擁有重大非控股權益之非全資擁有附屬公司詳情

Name	Place of incorporation/ registration/operation 註冊成立/登記註冊/ 經營地點	Percentage of ownership interests/voting rights/profit sharing held by non-controlling interests 非控股權益所持擁有權權益/ 投票權/分佔溢利百分比		Loss attributable to non-controlling interests 非控股權益應佔年內虧損		Accumulated non-controlling interests 累計非控股權益	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 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	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Shuang Sheng 雙升	The PRC 中國	49%	49%	8,317	5,511	12,335	21,676

#### Summarised financial information of Shuang Sheng with material non-controlling interests

Summarised financial information in respect of Shuang Sheng that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

#### Summarised statement of financial position

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	資產淨值
Equity attributable to owners of the Company	本公司擁有人應佔權益
Non-controlling interests	非控股權益

#### 雙升重大非控股權益財務報表概要

有關雙升(當中擁有重大非控股權益)之財務資料概要載列如下。下文財務資料概要乃扣除集團內部撇銷前之數額。

#### 財務狀況表概要

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	29,807	36,088
	16,395	16,853
	(21,029)	(8,704)
	25,173	44,237
	12,838	22,561
	12,335	21,676

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## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

#### Summarised financial information of Shuang Sheng with material non-controlling interests (continued)

Summarised statement of profit or loss and other comprehensive income

### 47. 附屬公司詳情(續)

#### 雙升重大非控股權益財務報表概要(續)

損益及其他全面收益表概要

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Turnover	營業額	<b>13,292</b>	15,897
Other income and gains/(losses)	其他收入及收益/(虧損)	<b>(5,177)</b>	(7,351)
Expenses	開支	<b>(25,089)</b>	(19,793)
Loss before tax	除稅前虧損	<b>(16,974)</b>	(11,247)
Income tax expenses	所得稅開支	-	-
Loss for the year	本年度虧損	<b>(16,974)</b>	(11,247)
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損	<b>(8,657)</b>	(5,736)
Loss for the year attributable to non-controlling interests	非控股權益應佔本年度虧損	<b>(8,317)</b>	(5,511)
Loss for the year	本年度虧損	<b>(16,974)</b>	(11,247)
Other comprehensive loss for the year attributable to owners of the Company	本公司擁有人應佔本年度其他全面虧損	<b>(1,066)</b>	(1,515)
Other comprehensive loss for the year attributable to non-controlling interests	非控股權益應佔本年度其他全面虧損	<b>(1,024)</b>	(1,456)
Other comprehensive loss for the year	本年度其他全面虧損	<b>(2,090)</b>	(2,971)
Total comprehensive loss for the year attributable to owners of the Company	本公司擁有人應佔本年度全面虧損總額	<b>(9,723)</b>	(7,251)
Total comprehensive loss for the year attributable to non-controlling interests	非控股權益應佔之本年度全面虧損總額	<b>(9,341)</b>	(6,967)
Total comprehensive loss for the year	本年度全面虧損收入總額	<b>(19,064)</b>	(14,218)
Dividends paid to non-controlling interests	已付非控股權益之股息	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 47. PARTICULARS OF SUBSIDIARIES (CONTINUED)

#### Summarised financial information of Shuang Sheng with material non-controlling interests (continued)

Summarised statement of cash flows

Net cash outflow from operating activities	經營業務之現金流出淨額
Net cash outflow from investing activities	投資活動之現金流出淨額
Net cash inflow from financing activities	融資活動之現金流入淨額
Net cash outflow	現金流出淨額

### 47. 附屬公司詳情(續)

#### 雙升重大非控股權益財務報表概要(續)

現金流量表概要

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(8,507)	(2,278)
(3,743)	(1,728)
11,852	1,875
(398)	(2,131)

### 48. RELATED PARTY AND CONNECTED TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had also entered into the following material related party and connected transactions during the years ended 31 December 2016 and 2015:

#### (a) Key management personnel remuneration

Salaries, bonuses and other benefits	薪金、花紅及其他福利
Retirement benefits scheme contributions	退休福利計劃供款
Comprise amounts paid to:	包括支付下列人士款項：
– Directors	– 董事
– Other key management personnel	– 其他主要管理人員

Further details of the directors' remuneration are included in note 17(a).

### 48. 關聯人士及關連交易

除本綜合財務報表其他章節所披露者外，本集團亦已於截至二零一六年及二零一五年十二月三十一日止年度訂立下列重大關聯人士及關連交易：

#### (a) 主要管理人員酬金

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
3,756	3,048
83	39
3,839	3,087
2,308	2,419
1,531	668
3,839	3,087

關於董事薪金的進一步詳情載於附註17(a)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 48. RELATED PARTY AND CONNECTED TRANSACTIONS (CONTINUED)

#### (b) Transaction with related parties

##### For the year ended 31 December 2016

As disclosed in note 32 relating to the transfer of the entire issued share capital in Splendid Rich and assignment of the entire sum then owing by Splendid Rich to the Company of approximately HK\$2,341,000 to Mr. Cheung, at a cash consideration of HK\$2,400,000, the disposal of Splendid Rich took place on 30 December 2016.

Mr. Cheung is a connected person of the Company, a director of the Company in the last twelve months, under Chapter 20 of the GEM Listing Rules. As all the applicable percentage ratio (other than the profits ratio) are less than 5% and the total consideration is less than HK\$3,000,000, the disposal of Splendid Rich is fully exempt from the reporting, announcement and independent shareholder's approval requirements under Chapter 20 of the GEM Listing Rules.

##### For the year ended 31 December 2015

As disclosed in note 16 relating to the disposal of 100% of the equity interests in the Wallfaith Group to Mr. Yang Shunfeng, a director of certain subsidiaries of Wallfaith Company Limited, at a cash consideration of HK\$15,000,000, the disposal of the Wallfaith Group took place on 16 March 2016.

The disposal of the Wallfaith Group constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules, and the terms of the disposal are fair and reasonable, the disposal are on normal commercial terms and in the interests of the Company and the shareholders as a whole, by virtue of Rule 20.99 of the GEM Listing Rules, the disposal is only subject to the reporting and announcement requirements, and is exempt from the circular, independent financial advice and shareholders' approval requirements.

### 48. 關聯人士及關連交易 (續)

#### (b) 與關聯人士之交易

##### 截至二零一六年十二月三十一日止年度

見附註32所披露以現金代價2,400,000港元將偉發當時結欠本公司的全部總額約2,341,000港元轉讓予張先生，出售偉發於二零一六年十二月三十日完成。

根據創業板上市規則第20章，張先生於過去十二個月為本公司董事，故屬於本公司關連人士。由於所有適用百分比率（盈利比率除外）均少於5%，而總代價低於3,000,000港元，故根據創業板上市規則第20章出售偉發全面豁免遵守相關申報、公告及獨立股東批准規定。

##### 截至二零一五年十二月三十一日止年度

見附註16所披露以現金代價15,000,000港元向Wallfaith集團若干附屬公司之董事楊順峰先生出售Wallfaith Company Limited之100%股權，出售Wallfaith集團於二零一六年三月十六日完成。

出售Wallfaith集團根據創業板上市規則第二十章構成本公司之關連交易，而是項出售之條款屬公平合理，並按一般商業條款進行，且符合本公司及股東整體之利益，根據創業板上市規則第20.99條，是項出售僅須遵守申報及公告之規定，獲豁免遵守通函、獨立財務顧問及股東批准之規定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the Year Ended 31 December 2016

截至二零一六年十二月三十一日止年度

### 49. MAJOR NON-CASH TRANSACTIONS

Except as disclosed in notes 30, 31 and 32 relating to assignments of debts, there is no additional major non-cash transactions required to be disclosed for the years ended 31 December 2016 and 2015.

### 50. EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in note 33 relating to disposal of Allied View which took place on 15 February 2017 in the consolidated financial statements, the Group has no other significant events after the end of the reporting period.

### 51. COMPARATIVE FIGURES

Certain comparative figures have been restated to conform with the current year's presentation.

#### Change in classification

During the year ended 31 December 2016, the Group modified the consolidated statement of profit or loss and other comprehensive income classification of certain staff costs within cost of sales, selling and distribution expenses and administrative expenses to reflect more appropriately the nature of expenses by function. Comparative amounts in the consolidated statement of profit or loss and other comprehensive income were reclassified for consistency.

### 49. 主要非現金交易

除與債務轉讓有關的附註30、31及32所披露外，於截至二零一六年及二零一五年十二月三十一日止年度，並無其他主要非現金交易須予披露。

### 50. 報告期後事項

除綜合財務報表附註33有所披露有關於二零一七年二月十五日出售滙景外，本集團於報告期末後並無其他重大事項。

### 51. 比較數字

若干比較數字已經重列，以符合本年度之呈報方式。

#### 分類更改

於截至二零一六年十二月三十一日止年度，本集團修訂綜合損益及其他全面收益表有關銷售成本、銷售及分銷開支以及行政開支內的若干員工成本分類，以便更適當地按職能反映開支性質。為保持一致，綜合損益及其他全面收益表的比較數字已重新分類。

# FIVE YEAR FINANCIAL SUMMARY

## 五年財務概要

### Results

### 業績

		For the period/year 於期間／年度				
		1.10.2011 – 30.9.2012	1.10.2012 – 31.12.2013	1.1.2014 – 31.12.2014	1.1.2015 – 31.12.2015	1.1.2016 – 31.12.2016
		二零一一年 十月一日至 二零一二年 九月三十日	二零一二年 十月一日至 二零一三年 十二月 三十一日	二零一四年 一月一日至 二零一四年 十二月 三十一日	二零一五年 一月一日至 二零一五年 十二月 三十一日	二零一六年 一月一日至 二零一六年 十二月 三十一日
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Turnover	營業額	110,109	227,062	140,385	119,386	109,828
Cost of sales	銷售成本	(63,672)	(181,442)	(87,448)	(87,072)	(71,918)
Gross profit	毛利	46,437	45,620	52,937	32,314	37,910
Net loss on financial assets at fair value through profit or loss	透過損益按公平值列賬之 金融資產虧損淨額	(4,105)	(23,910)	(36,916)	(9,094)	(25,679)
Other income and gains/(losses)	其他收入及收益／(虧損)	(3,541)	38,992	1,126	(6,186)	36,064
Selling and distribution expenses	銷售及分銷開支	(24,550)	(35,773)	(31,582)	(27,608)	(24,742)
Administrative expenses	行政開支	(33,138)	(38,545)	(48,995)	(45,067)	(57,251)
Loss from operation	經營虧損	(18,897)	(13,616)	(63,430)	(55,641)	(33,698)
Finance costs	融資成本	(3,795)	(4,528)	(4,433)	(3,118)	(2,583)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-	-	-	-	(217)
Loss on disposal of assets held for sale	出售持作出售之資產之虧損	-	-	-	(986)	-
Loss on deemed disposal of partial interest in a joint venture	視作出售於一間合營企業部份 權益之虧損	-	-	(5,892)	-	-
Share of profits of associates	應佔聯營公司溢利	-	-	-	1,055	8,648
Share of (loss)/profit of a joint venture	應佔一間合營企業之 (虧損)／溢利	-	(191)	83	(8,445)	(4,043)
Impairment loss recognised on goodwill	已確認商譽之減值虧損	-	(20,945)	(8,240)	(1,000)	(27,669)
Impairment loss recognised on intangible assets	已確認無形資產之減值虧損	-	(7,223)	(421)	-	-
Loss before tax	除稅前虧損	(22,692)	(46,503)	(82,333)	(68,135)	(59,562)
Income tax (expenses)/credit	所得稅(開支)／抵免	(86)	(778)	(613)	375	(530)
Loss for the period/year	本期間／年度虧損	(22,778)	(47,281)	(82,946)	(67,760)	(60,092)
Loss attributable to:	下列人士應佔虧損：					
Owners of the Company	本公司擁有人	(20,698)	(47,281)	(82,929)	(62,269)	(50,151)
Non-controlling interests	非控股權益	(2,080)	-	(17)	(5,491)	(9,941)
Loss for the period/year	本期間／年度虧損	(22,778)	(47,281)	(82,946)	(67,760)	(60,092)



# FIVE YEAR FINANCIAL SUMMARY

## 五年財務概要

### Assets and liabilities

### 資產與負債

		As at				
		於				
		30.9.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016
		二零一二年	二零一三年	二零一四年	二零一五年	二零一六年
		九月三十日	十二月三十一日	十二月三十一日	十二月三十一日	十二月三十一日
		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
Total assets	總資產	190,925	274,380	327,016	478,018	<b>322,956</b>
Total liabilities	總負債	(84,110)	(146,189)	(129,103)	(135,280)	<b>(47,739)</b>
Total equity	總權益	106,815	128,191	197,913	342,738	<b>275,217</b>
Non-controlling interests	非控股權益	(318)	-	(28,643)	(21,680)	<b>(9,707)</b>
Equity attributable to owners of the Company	本公司擁有人應佔權益	106,497	128,191	169,270	321,058	<b>265,510</b>



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