



SINO-LIFE GROUP LIMITED
中國生命集團有限公司

Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立的有限公司
Stock Code 股份代號: 8296

資本服務科技

科技創造價值

2021
ANNUAL REPORT
年報

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The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading; and there are no other matters the omission of which would make any statement herein or in this report misleading.

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各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導成分，且並無遺漏任何事項，足以令致本報告或其所載任何陳述產生誤導。

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Corporate Information 公司資料

Corporate information of the Company as at the date of this report is as follows:

以下為本公司於本報告日期的公司資料：

BOARD OF DIRECTORS

Executive Directors

Mr. Xu Jianchun (*Chairman*)
Mr. Liu Tien-Tsai (*Chief executive officer*)
Dr. Xu Qiang (*Chief executive officer*)
(Redesignated on 22 January 2021)

Independent non-executive Directors

Mr. Chai Chung Wai
Mr. Sun Fei
Mr. Wang Jun (Resigned on 4 March 2022)
Dr. Yang Jingjing (Appointed on 4 March 2022)

COMPANY SECRETARY

Mr. Chu Kin Ming *CPA, FCCA, ACIS, ACMA*

AUTHORISED REPRESENTATIVES

Mr. Liu Tien-Tsai
Mr. Chu Kin Ming *CPA, FCCA, ACIS, ACMA*

COMPLIANCE OFFICER

Mr. Liu Tien-Tsai

AUDIT COMMITTEE

Mr. Sun Fei (*Chairman*)
Mr. Chai Chung Wai
Mr. Wang Jun (Resigned on 4 March 2022)
Dr. Yang Jingjing (Appointed on 4 March 2022)

REMUNERATION COMMITTEE

Mr. Chai Chung Wai (*Chairman*)
Mr. Sun Fei
Mr. Wang Jun (Resigned on 4 March 2022)
Dr. Yang Jingjing (Appointed on 4 March 2022)

NOMINATION COMMITTEE

Dr. Yang Jingjing (*Chairman*) (Appointed on 4 March 2022)
Mr. Wang Jun (Resigned on 4 March 2022)
Mr. Chai Chung Wai
Mr. Sun Fei

AUDITOR

Crowe (HK) CPA Limited
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

董事會

執行董事

許建春先生 (*主席*)
劉添財先生 (*行政總裁*)
徐強博士 (*首席執行官*)
(於二零二一年一月二十二日調任)

獨立非執行董事

齊忠偉先生
孫飛先生
王均先生 (於二零二二年三月四日辭任)
楊菁菁博士
(於二零二二年三月四日獲委任)

公司秘書

朱健明先生 *CPA, FCCA, ACIS, ACMA*

授權代表

劉添財先生
朱健明先生 *CPA, FCCA, ACIS, ACMA*

監察主任

劉添財先生

審核委員會

孫飛先生 (*主席*)
齊忠偉先生
王均先生 (於二零二二年三月四日辭任)
楊菁菁博士 (於二零二二年三月四日獲委任)

薪酬委員會

齊忠偉先生 (*主席*)
孫飛先生
王均先生 (於二零二二年三月四日辭任)
楊菁菁博士 (於二零二二年三月四日獲委任)

提名委員會

楊菁菁博士 (*主席*)
(於二零二二年三月四日獲委任)
王均先生 (於二零二二年三月四日辭任)
齊忠偉先生
孫飛先生

核數師

國富浩華 (香港) 會計師事務所有限公司
執業會計師及註冊公眾利益實體核數師

Corporate Information 公司資料

PRINCIPAL BANKER

Bank SinoPac
First Commercial Bank
The Hongkong and Shanghai Banking Corporation Limited
China Merchants Bank

REGISTERED OFFICE

The Grand Pavilion Commercial Centre
Oleander Way
802 West Bay Road
P.O. Box 32052
Grand Cayman KY1-1208
Cayman Islands

REGISTERED OFFICE IN HONG KONG

Unit 601, 6/F., Ovest
77 Wing Lok Street
Sheung Wan
Hong Kong

SHARE REGISTRARS AND TRANSFER OFFICES

Principal share registrar and transfer office
Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

8296

WEBSITE

www.sinolifegroup.com

主要往來銀行

永豐銀行
第一商業銀行
香港上海滙豐銀行有限公司
招商銀行

註冊辦事處

The Grand Pavilion Commercial Centre
Oleander Way
802 West Bay Road
P.O. Box 32052
Grand Cayman KY1-1208
Cayman Islands

香港註冊辦事處

香港
上環
永樂街77號
Ovest 6樓601室

股份過戶登記處

主要股份過戶登記處
Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

8296

網站

www.sinolifegroup.com

Chairman's Statement

主席報告

During the year ended 31 December 2021 (the "Year"), with the phased results achieved in the prevention and control of coronavirus disease ("COVID-19") pandemic in Mainland China and the rapid recovery of social and economic activities, China's Gross Domestic Product ("GDP") reached Renminbi ("RMB") 114.4 trillion in 2021, ranking the second largest economy in the world. The real GDP growth rate was 8.1%, with a two-year average growth of 5.1%, and the economic development was in a leading position in the world. From the perspective of economic structure, the performance of traditional industries such as real estate and infrastructure was sluggish, the consumption of residents has not yet fully recovered, and strategic emerging industries such as new energy, intelligent manufacturing, biomedicine and semiconductors have further emerged, becomes a new engine for economic growth and promoting the high-quality development of China's economy. In November 2021, the Chinese government established the Beijing Stock Exchange to expand financing channels for small and medium-sized enterprises and further promote the innovative development of emerging industries.

The Sino-Life Group Limited (the "Company"), and its subsidiaries (together, the "Group"). The Group has formed a business pattern focusing on traditional funeral services and emerging biotechnology. At present, the traditional funeral services business accounts for a large proportion of the Group's business and the revenue of the Group is mainly derived from the People's Republic of China (the "PRC"). Therefore, the operating results for the Year maintained a stable and positive trend. The revenue for the Year was approximately RMB72,864,000, as compared with RMB68,340,000 for the year ended 31 December 2020 (the "Prior Year"), representing a year-on-year increase of 6.6%.

Due to its special business nature of the funeral services, the funeral services business of the Group was less affected by the macro-economy, and the overall operation remained stable. In the second quarter of 2021, due to the new round of outbreak of the pandemic in Taiwan, the Taiwan government adopted strict control measures, resulting in a decline in the revenue of the funeral business in Taiwan. During the Year, revenue from the Taiwan market was approximately RMB1,450,000 (Prior Year: RMB2,148,000), representing a year-on-year decrease of 32.5%. In the third quarter of 2021, Hong Kong Special Administrative Region, the PRC ("Hong Kong") gradually relaxed the measures for pandemic prevention and control, and the funeral arrangement and related consultancy services in Hong Kong resumed development and achieved a revenue of approximately RMB892,000 (Prior year: RMB488,000), representing a year-on-year increase of 82.8%.

截至二零二一年十二月三十一日止年度（「本年度」），隨著中國內地新型冠狀病毒（「COVID-19」）疫情防控取得階段性成效，社會經濟活動快速復甦，二零二一年中國國內生產總值（「GDP」）規模達人民幣（「人民幣」）114.4萬億元，穩居全球第二大經濟體，GDP實際增長率為8.1%，兩年平均增長5.1%，經濟發展處於全球領先地位。從經濟結構來看，房地產、基建等傳統行業表現低迷，居民消費尚未完全復甦，新能源、智能製造、生物醫藥、半導體等戰略新興產業進一步崛起，成為拉動經濟增長的新引擎，推動中國經濟高質量發展。二零二一年十一月，中國政府推出北京證券交易所，為中小型企業拓寬融資渠道，進一步推動新興產業創新發展。

中國生命集團有限公司（「本公司」），及其附屬公司（統稱「本集團」）已形成傳統殯葬服務、新興生物科技為主的業務格局，目前傳統殯葬服務業務佔本集團業務比重較大，且本集團收入主要來源於中華人民共和國（「中國」），因此本年度經營業績保持穩中向好的態勢。本年度之收益約為人民幣72,864,000元，較截至二零二零年十二月三十一日止年度（「過往年度」）人民幣68,340,000元，同比增長6.6%。

因殯葬服務其特殊的業務性質，本集團殯葬服務業務受宏觀經濟的影響較小，經營總體保持穩健。二零二一年第二季度，因台灣爆發新一輪疫情，台灣政府採取了嚴格的管控措施，導致台灣殯葬業務收入出現下滑。本年度，台灣市場的收益約人民幣1,450,000元（過往年度：人民幣2,148,000元），同比減少32.5%。二零二一年第三季度，中國香港特別行政區（「香港」）逐步放寬疫情防控的措施，香港殯葬安排及相關諮詢服務恢復發展，取得收入約為人民幣892,000元（過往年度：人民幣488,000元），同比增長82.8%。

Chairman's Statement

主席報告

Biotechnology is the Group's long-term focus for its business expansion. Currently, the Group has mainly made presence in the subdivided fields such as stem cells and advanced biotechnical equipment, and substantial progress has been achieved. As the policy for the application of stem cell in Mainland China has not been completely liberalized, the stem cell business has not yet formed a large-scale development. In order to avoid any adverse impact on the Group's overall operating results, the Group will reduce its investments in stem cell business in the short term. With the gradual resumption of economic activities in Europe, the Group's European suppliers have accelerated the resumption of work and production, and the Group will fully utilize its resource advantages and seize the opportunities arising from the rapid development of the electron microscope industry in Mainland China to further expand the business scale of advanced biotechnical equipment.

In addition, in order to further promote the rapid development of the biotechnology business, the Group established a specialized and comprehensive investment platform in December 2021, mainly focusing on investment in the development direction of the biotechnology industry, including but not limited to, biomedicine, medical healthcare, life science instruments etc., as well as those emerging industries which could create synergy effect.

Looking ahead, the world is undergoing major changes unseen in a century. The COVID-19 pandemic is still evolving and geopolitical risks are intensifying. China is also facing the triple pressure of "shrinking demand, supply shock and expected weakening", and the uncertainty of economic development is increasing. However, China's strategic goal of deepening innovation-driven development, supporting the rapid development of emerging industries and promoting high-quality economic development remain unchanged. Therefore, the Group will continue to adhere to diversified development. While consolidating the traditional funeral services business, the Group will actively seize the strategic opportunities arising from the booming development of the biotechnology industry, allocate more resources to support the development of the Group's biotechnology business, and will actively seek suitable investment targets and opportunities from time to time to diversify income sources and promote business development.

生物科技為本集團長期重點拓展的業務，目前主要在干細胞、高端生命科學儀器等細分領域進行佈局，已經取得實質性進展。由於中國內地對干細胞應用政策一直未完全放開，干細胞業務尚未形成規模化發展，為避免對本集團整體經營業績產生任何不利影響，本集團短期將減少干細胞業務的投入。隨著歐洲經濟活動逐步恢復，本集團的歐洲供應商加快復工復產，本集團將充分發揮資源優勢，抓住中國內地電鏡產業高速發展的契機，進一步做大高端生命科學儀器的業務規模。

此外，為進一步推動生物科技業務的快速發展，本集團於二零二一年十二月設立專業化、綜合性投資平台，主要圍繞生物科技產業的發展方向進行投資，包括但不限於：生物醫藥、醫療健康、生命科學儀器以及能夠產生協同效應的新興行業。

展望未來，世界處於百年未有之大變局，COVID-19疫情反覆不斷，地緣政治風險加劇，中國同時面臨「需求收縮、供給衝擊、預期轉弱」三重壓力，經濟發展的不確定性加大。但是，國家深入推進創新驅動，支持新興產業快速發展，推進經濟高質量發展的戰略目標不變。因此，本集團將繼續堅持多元化發展，在鞏固傳統殯葬服務業務的同時，積極把握生物科技行業蓬勃發展的戰略機遇，分配更多資源支持集團生物科技業務的發展，並將不時積極尋求合適的投資目標及機遇，實現收入來源多元化並促進業務發展。

Chairman's Statement

主席報告

Finally, I would again like to acknowledge and thank the health and emergency personnel who have worked so hard to ensure the safety of the nation. I would also like to thank the Group's entire management and staff for their efforts and contributions. I would also like to take this opportunity to express heartfelt thanks to the Company's shareholders and business partners for their longtime support and trust.

Chairman
Xu Jianchun

14 April 2022

最後，我要再次感謝所有醫護及救援人員，盡忠職守確保國家安全。本人謹代表董事會感謝本集團全體管理層及員工的勤勞及貢獻。同時亦向本公司股東及業務合作夥伴長遠的支持及信賴致以衷心謝意。

主席
許建春

二零二二年四月十四日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year ended 31 December 2021 (the “Year”), despite the growth of the mainland China’s economy continued to slow down as the result of the coronavirus disease (“COVID-19”) pandemic, the revenue from the operation of Sino-Life Group Limited (the “Company”) and its subsidiaries (the “Group”) in People’s Republic of China (the “PRC”) remained relatively steady as compared with the corresponding year in 2020 (the “Prior Year”), while performance in Hong Kong Special Administrative Region, the PRC (“Hong Kong”) and Taiwan has been sluggish. The operations in Socialist Republic of Vietnam (“Vietnam”) also remained steady over the Year.

During the Year, the mainland Chinese government successfully controlled the outbreak of that the COVID-19 pandemic. According to the National Bureau of Statistics of China (the “National Bureau of Statistics”), the preliminary results of the Gross Domestic Product (“GDP”) of the PRC for the 2021 was approximately RMB114,367 billion, representing a year-on-year increase of 8.1% at comparable prices and a two-year average growth rate of 5.1%. From the perspective of economic structure, the performance of traditional industries such as real estate and infrastructure was sluggish, the consumption of residents has not yet fully recovered, and strategic emerging industries such as new energy, intelligent manufacturing, biomedicine and semiconductors have further emerged, becoming a new engine for economic growth and promoting the high-quality development of China’s economy. In November 2021, the Chinese government established the Beijing Stock Exchange to expand financing channels for small and medium-sized enterprises and further promote the innovative development of emerging industries.

The Group has formed a business pattern focusing on traditional funeral services and emerging biotechnology. While the traditional funeral services business currently accounts for a large proportion of the Group’s business and the revenue of the Group is mainly derived from the PRC market, the biotechnology is the Group’s long-term focus for its business expansion.

業務回顧

截至二零二一年十二月三十一日止年度（「本年度」），儘管中國內地經濟增長因新型冠狀病毒（「COVID-19」）疫情繼續放緩，中國生命集團有限公司（「本公司」）及其附屬公司（「本集團」）於中華人民共和國（「中國」）之業務收益較二零二零年同年（「過往年度」）保持相對穩定，而於中國香港特別行政區（「香港」）及台灣的表現不佳。於本年度，越南社會主義共和國（「越南」）的經營亦保持穩定。

於本年度，中國內地政府成功控制 COVID-19 疫情的爆發。根據中國國家統計局（「國家統計局」）發佈的初步數據，中國於二零二一年的國內生產總值（「GDP」）約為人民幣 1,143,670 億元，按可比價格計算，同比增長 8.1%，兩年平均增長率為 5.1%。從經濟結構看，房地產、基礎設施等傳統產業表現低迷，居民消費尚未完全恢復，而新能源、智慧製造、生物醫藥、半導體等戰略性新興產業進一步崛起，並成為經濟增長的新引擎，推動中國經濟高質量發展。於二零二一年十一月，中國政府設立北京證券交易所拓寬中小企業融資管道，進一步推動新興產業的創新發展。

本集團已形成以傳統殯儀服務及新興生物科技為主的業務格局。雖然目前傳統殯儀服務業務佔本集團業務比重比較大，且本集團收益主要來自中國市場，但生物科技仍是本集團拓展其業務的長期重點。

Management Discussion and Analysis

管理層討論及分析

Currently, the Group has mainly made presence in the subdivided fields such as stem cells and advanced biotechnical equipment, and substantial progress has been achieved. As the policy for application of stem cell in Mainland China has not been completely liberalized, the stem cell business has not yet formed a large-scale development. In order to avoid any adverse impact of the Group's overall operating results, the Group will reduce its investment in stem cell business in the short term. With the gradual resumption of economic activities in Europe, the Group's European suppliers have accelerated the resumption of work and production, and the Group will fully utilize its resource advantages and seize the opportunities arising from the rapid development of the electron microscope industry in Mainland China to further expand the business scale of advanced biotechnical equipment.

In addition, in order to further promote the rapid development of the biotechnology business, the Group established a specialized and comprehensive investment platform in December 2021, mainly focusing on investment in the development direction of the biotechnology industry, including but not limited to, biomedicine, medical healthcare, life science instruments etc., as well as those emerging industries which could create synergy effect.

During the Year and the Prior Year, the amount and percentage of the revenue derived from respective geographical segments were as follow:

目前，本集團主要涉足幹細胞及高端生物科技儀器等細分領域，並取得實質性進展。由於中國內地幹細胞應用政策尚未完全放開，幹細胞業務尚未形成大規模發展。為避免對本集團整體經營業績產生任何不利影響，本集團短期內將減少對幹細胞業務的投資。隨著歐洲經濟活動逐步恢復，本集團的歐洲供應商已加快復工復產。本集團將充分發揮資源優勢，抓住中國內地電子顯微鏡行業快速發展的機遇，從而進一步擴大高端生物科技儀器業務規模。

此外，為進一步推動生物科技業務的快速發展，本集團於二零二一年十二月建立了專業化、綜合性的投資平臺，主要專注於生物科技產業發展方向的投資，包括但不限於生物醫藥、醫療保健、生命科學儀器等，以及可以產生協同效應的新興產業。

於本年度及過往年度，來自相應地區分部之收益金額及百分比如下：

		2021 二零二一年		2020 二零二零年	
		RMB'000 人民幣千元	% 百分比	RMB'000 人民幣千元	% 百分比
The PRC	中國	70,294	96.5	61,317	89.8
Taiwan	台灣	1,450	2.0	2,148	3.1
Hong Kong	香港	892	1.2	4,440	6.5
Vietnam	越南	228	0.3	435	0.6
		72,864	100.0	68,340	100.0

Management Discussion and Analysis

管理層討論及分析

The PRC

Business in the PRC continues to be the major source of income of the operations of the Group during the Year. The Group's revenue that was derived from the PRC market recorded on year-on-year increase of 14.6% to approximately RMB70,294,000 to the Group for the Year from approximately RMB61,317,000 of the Prior Year. In the PRC, the Group is principally engaged in provision of funeral, cremation and cemetery services in funeral parlours and funeral service centres under the Group's management in Chongqing. The Group also carried out the advisory service on stem cells and immunocytes under an agency agreement in Guangzhou city, Guangdong province.

The provision of funeral, cremation and cemetery services business and advisory service on stem cells and immunocytes contributed approximately RMB69,561,000 (The Prior Year: RMB60,961,000) and RMB733,000 (The Prior Year: RMB356,000), respectively, of the revenue in the PRC during the Year.

In the PRC, there had been a phased suspension of group gathering activities such as vigil and farewell in Chongqing due to the outbreak of the COVID-19 pandemic in the first quarter of 2020. Benefited from the recovery of the impact of COVID-19 outbreak, the performance of the Group's funeral services in the PRC bounced back from COVID-19 outbreak impact during the Year.

中國

於本年度，中國之業務繼續為本集團業務之主要收入來源。本集團來自中國市場的收益自過往年度的約人民幣61,317,000元同比增長14.6%至本年度的約人民幣70,294,000元。於中國，本集團主要在本集團於重慶管理之殯儀館及殯儀服務中心提供殯儀、火化及墓園服務。本集團亦於廣東省廣州市根據代理協議從事幹細胞及免疫細胞諮詢服務。

於本年度，於中國提供殯儀、火化及墓園服務業務及幹細胞及免疫細胞諮詢服務分別貢獻收益約人民幣69,561,000元（過往年度：人民幣60,961,000元）及人民幣733,000元（過往年度：人民幣356,000元）。

在中國，於二零二零年第一季度COVID-19疫情爆發導致重慶階段性暫停守靈、告別等人員聚集活動。得益於自COVID-19爆發的影響中恢復，本集團於本年度在中國殯儀服務的表現自COVID-19爆發的影響中反彈。

Management Discussion and Analysis

管理層討論及分析

Taiwan and Hong Kong

In Taiwan and Hong Kong, the Group is principally engaged in the sales of funeral services deeds, which was accounted for by the Group as contract liabilities, and provision of funeral arrangement services to the deed holders and non-funeral services deed holders, which are accounted for by the Group as revenue. The Group also carries out sales of biotechnical machineries and other electronics products in Hong Kong during the Year.

Revenue from the Taiwan market was approximately RMB1,450,000 for the Year (The Prior Year: RMB2,148,000), representing a decrease of approximately 32.5% from the Prior Year. On the other hand, revenue from the Hong Kong market was approximately RMB892,000 for the Year (The Prior Year: RMB4,440,000), representing a decrease of approximately 79.9% from the Prior Year.

During the second quarter of 2021 in Taiwan, there was another round of outbreak of COVID-19 pandemic and the Taiwan government has adopted another round of control measures including business shutdown, traffic control and personnel isolation, causing a drop in revenue from Taiwan's business.

On the other hand, as the foreign governments requested biotechnical companies to give priority to the production of epidemic prevention supplies in order to cope with the COVID-19 pandemic, the Group's sales of biotechnical machinery business were deferred because overseas suppliers of this business segment were unable to produce and deliver on time and accept new orders. However, the revenue from funeral arrangement and related consultancy services in Hong Kong recorded an increase of approximately RMB404,000, representing an year on year increase of approximately 82.8%, after the relaxation of the COVID-19 pandemic control measures during the Year.

Vietnam

The Group's revenue from the sales of burial plots in Vietnam was approximately RMB228,000 for the Year (The Prior Year: RMB435,000), representing a decrease of approximately 47.6% from the Prior Year. The decrease was mainly because the government imposed a temporary lockdown in Vietnam as the result of another round of outbreak of the COVID-19 pandemic during the Year.

台灣及香港

於台灣及香港，本集團主要從事銷售殯儀服務契約（本集團將其列賬為合約負債）及向殯儀服務契約持有人及非殯儀服務契約持有人提供殯儀安排服務（本集團將其列賬為收益）。本集團於本年度亦在香港銷售生物科技儀器及其他電子產品。

於本年度來自於台灣市場之收益約為人民幣1,450,000元（過往年度：人民幣2,148,000元），較過往年度減少約32.5%。另一方面，本年度來自於香港市場之收益約為人民幣892,000元（過往年度：人民幣4,440,000元），較過往年度減少約79.9%。

於二零二一年第二季度期間，台灣爆發另一輪COVID-19疫情，而台灣政府已採取新一輪的管控措施，包括企業停工、交通管制及人員隔離等，導致台灣業務的收益下跌。

另一方面，為應對COVID-19疫情，外國政府要求生物科技公司優先生產防疫用品，導致該業務分部之海外供應商無法按時生產交貨及接受新訂單，本集團推遲銷售生物科技儀器業務。然而，於本年度，放寬COVID-19疫情管控措施後，香港殯葬安排及相關諮詢服務錄得收益增加約人民幣404,000元，同比增加約82.8%。

越南

本年度，本集團來自於越南墓地銷售之收益約為人民幣228,000元（過往年度：人民幣435,000元），較過往年度減少約47.6%。該減少乃主要由於本年度又一輪COVID-19疫情爆發，越南政府實行暫時性封閉所導致。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

財務回顧

Revenue

收益

	2021 二零二一年			2020 二零二零年		
	Revenue	Segment operating profit/(loss)	Segment operating profit/(loss) margin	Revenue	Segment operating profit/(loss)	Segment operating profit/(loss) margin
	收益	溢利/(虧損)	溢利/(虧損)率	收益	溢利/(虧損)	溢利/(虧損)率
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
	人民幣千元	人民幣千元	百分比	人民幣千元	人民幣千元	百分比
Funeral services	72,131	3,071	4.3%	63,686	9,598	15.1%
Stem cells and immunocytes and other business	733	(520)	(70.9)%	4,654	(366)	(7.9)%
	72,864	2,551	3.5%	68,340	9,232	13.5%

The Group generated its revenue from its:

本集團收益產生自其：

- | | |
|--|--|
| <p>(i) funeral services, which mainly involve provision of funeral related service, including arrangement services and related consultancy services, provision of funeral and cremation services and sale of burial plots and tombstones;</p> <p>(ii) provision of advisory service on stem cells and immunocytes; and</p> <p>(iii) sales of biotechnical machineries and other electronic products.</p> | <p>(i) 殯儀服務，主要涉及提供殯儀相關服務（包括安排服務及相關諮詢服務、提供殯儀及火化服務以及銷售墓地及墓碑）；</p> <p>(ii) 提供幹細胞及免疫細胞諮詢服務；及</p> <p>(iii) 生物科技儀器及其他電子產品銷售。</p> |
|--|--|

For the Year, the Group's revenue was approximately RMB72,864,000 (The Prior Year: RMB68,340,000), representing an increase of approximately 6.6% as compared with the Prior Year. The increase was mainly contributed by the funeral services business in the PRC as the business in the PRC bounced back from COVID-19 outbreak impact during the Year.

於本年度，本集團之收益約為人民幣72,864,000元（過往年度：人民幣68,340,000元），較過往年度增加約6.6%。該增加主要歸因於中國殯儀服務業務，原因是中國之業務於本年度自COVID-19爆發的影響中反彈。

Management Discussion and Analysis

管理層討論及分析

Cost of sales

For the Group's funeral services, the cost of sales primarily consists of costs directly attributable to the provision of its services, which mainly include: (i) direct labour and staff cost for the funeral services provided by individuals during the funeral ceremony held in a funeral parlour or a funeral service centre managed by the Group; (ii) subcontracting charges for services provided by the subcontractors in Taiwan; (iii) commission expenses from the recognition of commission paid to sales agents for funeral services deeds at the point when the services of the funeral services deeds are provided; (iv) the management fee and operating lease charges for hire of funeral parlours and funeral service centres; and (v) materials used for funeral ceremonies and cremation services such as fresh flowers, fuel for the cremation furnace and cost of the goods sold in the funeral parlour and funeral service centres under the Group's management in the PRC.

On the other hand, the Group's business in provision of advisory service on stem cells and immunocytes and sales of biotechnical machineries and other electronic products, the cost of sales primarily consists of the costs of provision of advisory services on stem cells and immunocytes and biotechnical machineries and other electronic products.

Cost of sales for the Year was approximately RMB34,887,000 (The Prior Year: RMB39,173,000), decreased by approximately 10.9% as compared with the Prior Year. The decrease in cost of sales for the Year was mainly contributed by the decrease in the sales volume of the sales of biotechnology machineries and other electronic products business in Hong Kong.

Gross profit

Gross profit for the Year was approximately RMB37,977,000 (The Prior Year: RMB29,167,000), and representing a year on year increase of 30.2% and the gross profit margin was approximately 52.1% (The Prior Year: 42.7%). The increase in gross profit was mainly contributed by the funeral services in the PRC. The increase in the gross profit margin was mainly because of decrease in sales volume of the sales of biotechnical machineries and other electronic products business, which has lower gross profit margin and the increase in the sales volume of the funeral services business, which has higher gross profit margin.

銷售成本

就本集團之殯儀服務而言，銷售成本主要包括提供服務之直接應佔成本，其主要包括：(i) 個人於本集團管理之殯儀館或殯儀服務中心舉行之殯儀儀式上提供殯儀服務之直接勞工及員工成本；(ii) 台灣分包商提供服務的分包費用；(iii) 於提供殯儀服務契約的服務時確認就殯儀服務契約支付予銷售代理之佣金所產生之佣金開支；(iv) 租用殯儀館及殯儀服務中心之管理費及經營租賃開支；及(v) 殯儀儀式及火化服務所使用之物料（如鮮花、焚化爐燃料）以及本集團於中國所管理的殯儀館及殯儀服務中心出售貨品之成本。

另一方面，就本集團提供幹細胞及免疫細胞諮詢服務以及生物科技儀器及其他電子產品銷售之業務而言，銷售成本主要包括提供幹細胞及免疫細胞諮詢服務以及生物科技儀器及其他電子產品之成本。

本年度之銷售成本約為人民幣34,887,000元（過往年度：人民幣39,173,000元），較過往年度減少約10.9%。本年度銷售成本減少主要歸因於香港生物科技儀器及其他電子產品業務銷售之銷量減少。

毛利

本年度毛利約為人民幣37,977,000元（過往年度：人民幣29,167,000元），同比增加30.2%且毛利率約為52.1%（過往年度：42.7%）。毛利增加主要由於中國的殯儀服務。毛利率上升主要由於具有較低毛利率的生物科技儀器及其他電子產品業務銷售之銷量減少及具有較高毛利率的殯儀服務業務銷量增加。

Management Discussion and Analysis

管理層討論及分析

Other income and other net (loss)/gain

Other loss, which was approximately RMB10,771,000 during the Year, against the other gain of approximately RMB2,314,000 for the Prior Year. Other loss for the Year was mainly contributed by the written off of prepayment of approximately RMB12,013,000, while other gain for the Prior Year was mainly contributed by reversal of impairment losses on prepayment of approximately RMB784,000, government grant of approximately RMB712,000 and written back of provision for cost of service of approximately RMB399,000.

During the Year, one of the agents, which was incorporated in Taiwan with limited liability, was dissolved. The Company considered that the Group is no longer able to request future services from this agent, and the chance of recovering the prepayments made to this agent is remote as advised by the Group's Taiwan legal adviser. Thus, the Group has written off the relevant amount of prepayments with this agent in full under the funeral services segment, and recognised a loss on written off of prepayment of approximately RMB12,013,000 (2020: Nil) during the Year.

Selling and administrative expenses

Compared with the Prior Year, selling expenses for the Year decreased by approximately 24.9% to approximately RMB2,385,000 as the result of the reduction of advertising activities during the Year. Administrative expenses, which accounted for approximately 48.6% (The Prior Year: 36.5%) of revenue, increased by approximately 42.2% to approximately RMB35,432,000 (The Prior Year: RMB24,922,000) due to the general increase in the salary level across different geographical segments during the Year.

Finance costs

Finance costs of the Group mainly consisted of the interest expenses on the bank borrowings and the interest expenses on the lease liabilities under HKFRS 16. The finance costs remained relatively stable at approximately RMB2,182,000, as compared to that of the Prior Year of approximately RMB2,521,000.

其他收入及其他(虧損)/收益淨額

於本年度，其他虧損約為人民幣10,771,000元，而過往年度則為其他收益約人民幣2,314,000元。本年度錄得其他虧損主要由於撇銷預付款項約人民幣12,013,000元，而過往年度錄得其他收益主要由於撥回預付款項減值虧損約人民幣784,000元、政府補助約人民幣712,000元及撤回服務成本撥備約人民幣399,000元。

年內，其中一名代理（於台灣註冊成立的有限公司）解散。本公司認為，根據本集團台灣法律顧問的意見，本集團不再能夠向該代理要求未來服務，且收回向該代理支付的預付款項的機會甚微。因此，本集團於年內已悉數撇銷殯儀服務分部下與該代理的相關預付款項，並確認撇銷預付款項虧損約人民幣12,013,000元（二零二零年：零）。

銷售及行政開支

與過往年度相比，本年度之銷售開支減少約24.9%至約人民幣2,385,000元，原因為本年度推廣活動減少。於本年度，行政開支佔收益約48.6%（過往年度：36.5%），增加約42.2%至約人民幣35,432,000元（過往年度：人民幣24,922,000元），乃由於各地區分部的工資水平總體上升。

融資成本

本集團融資成本主要包括銀行借貸利息開支及香港財務報告準則第16號項下租賃負債利息開支。融資成本維持相對穩定約人民幣2,182,000元，而過往年度約為人民幣2,521,000元。

Management Discussion and Analysis

管理層討論及分析

Income tax expense

Income tax expense was mainly incurred by operations in the PRC, which was approximately RMB2,902,000 (The Prior Year: RMB3,421,000) for the Year, representing a decrease of approximately RMB519,000 or approximately 15.2% as compared with the Prior Year. The decrease was mainly attributable to decrease in withholding tax of RMB1,538,000 arising from the dividend received from the Group's subsidiaries located in the PRC, netted by the increase in PRC Enterprise Income Tax of RMB1,005,000 as the result of increase in taxable profit from the funeral services segment.

Loss for the Year attributable to the owners of the Company

As the result of the cumulative effect from the above-mentioned factors, the loss attributable to the owners of the Company for the Year was approximately RMB9,872,000, as compared with that of approximately RMB2,974,000 for the Prior Year. Loss per share for the Year was approximately RMB1.33 cents (The Prior Year: RMB0.40 cents).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintains a stable financial position. As at 31 December 2021, the Group had cash and bank balances of approximately RMB117,557,000 (2020: RMB123,674,000), while current and non-current bank borrowings were approximately RMB1,192,000 and approximately RMB4,812,000 respectively (2020: RMB1,138,000 and RMB5,826,000 respectively). All bank loans were denominated in New Taiwan Dollars ("NTD"), at prevailing market interest rate.

During the Year, the Group did not use any financial instruments for hedging purposes. It is the Group's policy to adopt a prudent financial management strategy and maintain a suitable level of liquidity facilities to meet operation requirements and acquisition opportunities. As at 31 December 2021, the gearing ratio representing the ratio of total borrowing to the total assets of the Group was approximately 2.3% (2020: 2.5%).

As at 31 December 2021, the Group had commitment for the capital injections in associates, a joint venture and construction in progress, in aggregate, amounted to RMB18,428,000 (2020: capital injections in associates and a joint venture of RMB15,200,000).

所得稅開支

所得稅開支主要為中國業務所產生，本年度約為人民幣2,902,000元（過往年度：人民幣3,421,000元），較過往年度減少約人民幣519,000元或約15.2%。該減少主要由於自本集團位於中國的附屬公司收取的股息產生的預扣稅經來自殯儀服務分部的應課稅溢利增加所導致的中國企業所得稅人民幣1,005,000元所抵銷而減少人民幣1,538,000元。

本公司擁有人應佔年度虧損

基於上述因素所帶來的累計影響，本年度本公司擁有人應佔虧損約為人民幣9,872,000元，而過往年度約為人民幣2,974,000元。於本年度每股虧損約為人民幣1.33分（過往年度：人民幣0.40分）。

流動資金、財務資源及資本架構

本集團維持穩健的財務狀況。於二零二一年十二月三十一日，本集團擁有現金及銀行結餘約人民幣117,557,000元（二零二零年：人民幣123,674,000元），而流動及非流動的銀行借貸分別約為人民幣1,192,000元及約人民幣4,812,000元（二零二零年：分別為人民幣1,138,000元及人民幣5,826,000元）。所有銀行貸款以新台幣（「新台幣」）計值並按現行市場利率計息。

於本年度，本集團並未使用任何財務工具作對沖用途。本集團之政策為採納審慎財務管理策略，並維持流動資金於合適水平，以應付營運所需及把握收購機會。於二零二一年十二月三十一日，資產負債比率（即本集團總借貸對總資產的比率）約為2.3%（二零二零年：2.5%）。

於二零二一年十二月三十一日，本集團注入聯營公司、一間合營企業及在建工程資本承擔合共為人民幣18,428,000元（二零二零年：注資聯營公司及一間合營企業為人民幣15,200,000元）。

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Save as disclosed above, the Group had no other material capital commitments, material contracts, contingent liabilities or significant investment plans.

Since January 2020, the outbreak of the COVID-19 pandemic has impacted on the global business environment. Given the ongoing and dynamic nature of the circumstances surrounding COVID-19 pandemic, it is difficult to predict how significant the impact of this coronavirus outbreak, including any responses to it, will be on the global economy, the Group's customers and businesses or for how long disruptions are likely to continue. Up to the date of this report, COVID-19 pandemic has not caused material financial difficulties to the Group.

The Group remained in a healthy and sound liquidity position as at 31 December 2021. Depending on the development and spread of COVID-19 pandemic, subsequent to the date of this report, further changes in economic conditions for the Group arising thereof may have impact on the financial results for the year ending 31 December 2022 of the Group, the extent of which could not be estimated as at the date of this report. The Group will keep continuous attention on the situation of COVID-19 pandemic and react actively to its impact on the financial position and operating results of the Group.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The Group's operations are geographically based in the PRC, Taiwan, Hong Kong and Vietnam.

These consolidated financial statements of the Group are presented in RMB, except for certain incomes and expenses which are denominated in United States Dollars ("USD"), NTD, Hong Kong Dollars ("HKD") and Vietnamese Dong ("VTD").

It is possible that the value of RMB may fluctuate against that of USD, NTD, HKD and VTD. The Group's operating results and financial condition may be affected by changes in the exchange rates of RMB against USD, NTD, HKD and VTD in which the Group's revenue and expenses are denominated.

As at 31 December 2021, the Group did not have any borrowings, foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purpose. Therefore, the Group is not exposed to any material interest and exchange risks.

除上文所披露者外，本集團並無其他重大資本承擔、重大合約、或然負債或重大投資計劃。

自二零二零年一月以來，COVID-19疫情爆發對全球業務環境造成影響。鑒於COVID-19疫情狀況持續多變，難以預測此次新型冠狀病毒爆發（包括其任何應對措施）將對全球經濟、本集團的客戶及業務的影響程度，或其破壞可能持續的時長。直至本報告日期，COVID-19疫情並未導致本集團面臨重大財務困難。

於二零二一年十二月三十一日，本集團維持穩健的流動資金狀況。就本報告日期之後的COVID-19疫情發展及擴散而言，本集團因此產生的經濟狀況進一步變化或會對本集團截至二零二二年十二月三十一日止年度之財務業績造成影響，而於本報告日期尚未能對其程度作出估計。本集團將持續關注COVID-19疫情的情況並積極應對其對本集團的財務狀況及經營業績造成的影響。

匯率波動風險

本集團業務在地理上位於中國、台灣、香港及越南。

除若干收入及開支以美元（「美元」）、新台幣、港元（「港元」）及越南盾（「越南盾」）計值外，本集團之綜合財務報表均以人民幣呈列。

人民幣兌美元、新台幣、港元及越南盾的價值可能出現波動。本集團經營業績及財務狀況可能受人民幣兌美元、新台幣、港元及越南盾（本集團收益及開支的計值貨幣）的匯率變動影響。

於二零二一年十二月三十一日，本集團並無任何借貸、外匯合約、利率或貨幣掉期或其他作對沖用途的金融衍生工具。因此，本集團概無面臨任何重大利率及外匯風險。

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT ACQUISITIONS AND DISPOSAL OF INVESTMENTS

On 13 September 2021, Zhongke Xunda Biotechnology (Shenzhen) Company Limited* (中科訊達生物科技(深圳)有限公司) (“Zhongke Xunda”), an indirect wholly-owned subsidiary of the Company, entered into a capital increase agreement (the “Capital Increase Agreement”) with Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd.* (深圳市南嶽天車生物智能裝備投資有限公司) (“Nanyue CB”) to increase the registered capital of Zhongke Zhenhui (Guangdong) Medical Technology Company Limited* (中科臻慧(廣東)醫療科技有限公司) (“Zhongke Zhenhui”) from RMB10,000,000 to RMB80,000,000 on a pro rata basis. Pursuant to the Capital Increase Agreement, Zhongke Xunda and Nanyue CB agreed to contribute, by way of cash, RMB35,700,000 and RMB34,300,000 into the registered capital of Zhongke Zhenhui, respectively.

On 13 September 2021, Zhongke Zhenhui entered into a joint venture agreement (the “JV Agreement”) with Shenzhen Huaxin Times Investment Co., Ltd.* (深圳市華信時代投資有限公司) (“JV Partner”) pursuant to which the parties thereto agreed to jointly establish a limited liability company (the “JV Company”) in the PRC which will be principally engaged in investment activities and corporate management consultation. The registered capital of the JV Company shall be amounted to RMB70,000,000, among which, Zhongke Zhenhui and the JV Partner shall contribute, by way of cash, as to RMB40,000,000 and RMB30,000,000, respectively, representing approximately 57.14% and 42.86% equity interest in the JV Company, respectively.

Zhongke Zhenhui is planned to be a comprehensive investment platform of the Group and will actively look for suitable investments and/or business opportunities to diversify the business of Group with an objective to broaden the Group’s source of income and enhance the long-term growth potential of the Group.

重大收購及出售投資

於二零二一年九月十三日，本公司間接全資附屬公司中科訊達生物科技(深圳)有限公司(「中科訊達」)與深圳市南嶽天車生物智能裝備投資有限公司(「南嶽天車」)訂立增資協議(「增資協議」)，將中科臻慧(廣東)醫療科技有限公司(「中科臻慧」)之註冊資本由人民幣10,000,000元按比例增加至人民幣80,000,000元。根據增資協議，中科訊達及南嶽天車同意以現金方式分別向中科臻慧之註冊資本出資人民幣35,700,000元及人民幣34,300,000元。

於二零二一年九月十三日，中科臻慧與深圳市華信時代投資有限公司(「合營夥伴」)訂立合營協議(「合營協議」)，據此，訂約雙方同意於中國共同成立主要從事投資活動及企業管理諮詢的有限公司(「合營公司」)。合營公司之註冊資本將為人民幣70,000,000元，其中，中科臻慧及合營夥伴分別以現金方式出資人民幣40,000,000元及人民幣30,000,000元，分別佔合營公司股權約57.14%及42.86%。

中科臻慧計劃成為本集團之綜合投資平台，並將積極物色合適的投資及／或商機，以使本集團之業務多元化，旨在拓寬本集團之收入來源並增加本集團長期發展的潛力。

Management Discussion and Analysis

管理層討論及分析

The increased registered capital of Zhongke Zhenhui, together with the further investment from Nanyue CB, can provide sufficient funding for Zhongke Zhenhui to grasp the investment opportunities that become available from time to time, which in turn is expected to bring in investment income to the Group. The formation of the JV Company enables the Group to introduce the JV Partner, being a company that is principally engaged in venture capital and investment consultation which focuses on investment in emerging industries, and has a professional investment team with extensive investment experience, will benefit the Group in obtaining strategic support in the long run and promote the sustainability and stability for the Group's business development, whereas strengthening the competitive edges of the Group. The formation of the JV Company also allows the Company to further expand the scale of investment, and thus, increase the investment income of the Group as well as the return to the shareholders of the Company.

For details of the Capital Increase Agreement and the JV Agreement, please refer to the announcements of the Company dated 13 September 2021, 26 October 2021 and 22 November 2021, and the circular of the Company dated 29 October 2021.

THE NUMBER AND REMUNERATION OF EMPLOYEES

As at 31 December 2021, the Group employed approximately 171 employees (The Prior Year: 179 employees). The Group determines staff remuneration in accordance with prevailing market salary scales, individual qualifications and performance. Remuneration packages including performance bonuses and entitlements to share options are reviewed on regular basis.

在增加中科臻慧註冊資本的同時，連同南嶽天車之進一步投資，可為中科臻慧提供充足資金以把握不時出現的投資機會，從而預期為本集團帶來投資收益。成立合營公司使本集團能夠引入合營夥伴，合營夥伴為一間主要從事創業投資及投資諮詢的公司，專注於新興產業投資，並且擁有一支具有豐富投資經驗的專業投資團隊，有利於本集團長期得到戰略支持，促進本集團業務發展的持續性和穩定性，同時加強本集團的競爭優勢。同時，成立合營公司使本公司能夠進一步擴大投資規模，從而增加本集團之投資收益以及本公司之股東回報。

有關增資協議及合營協議之詳情，請參閱本公司日期為二零二一年九月十三日、二零二一年十月二十六日及二零二一年十一月二十二日之公告，以及本公司日期為二零二一年十月二十九日之通函。

僱員數目及薪酬

於二零二一年十二月三十一日，本集團僱用約171名僱員（過往年度：179名僱員）。本集團根據現行市場薪酬基準、個人資歷及表現釐定員工薪酬。包括表現花紅及獲得購股權的資格在內的薪酬組合會被定期審閱。

Management Discussion and Analysis

管理層討論及分析

CHARGE ON GROUP ASSETS

As at 31 December 2021, the carrying amount of property, plant and equipment pledged as security for the Group's bank borrowings was approximately RMB23,552,000 (2020: RMB20,394,000).

CAPITAL EXPENDITURE

For the Year, capital expenditure of the Group for property, plant and equipment amounted to approximately RMB1,303,000 (The Prior Year: RMB3,713,000).

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2021, the Group had commitment for the capital injections in associates, a joint venture and construction in progress, in aggregate, amounted to RMB18,428,000 (2020: capital injections in associates and a joint venture of RMB15,200,000).

The Group did not have any contingent liabilities as at 31 December 2021 and 2020.

Save as disclosed above and in note 37 to these consolidated financial statements, the Group had no other material capital commitments, material contracts, contingent liabilities or significant investment plans.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including business risks and operational risks.

抵押本集團資產

於二零二一年十二月三十一日，作為本集團銀行借貸的擔保而被抵押的物業、廠房及設備的賬面值約為人民幣23,552,000元（二零二零年：人民幣20,394,000元）。

資本開支

於本年度，本集團的物業、廠房及設備資本開支約為人民幣1,303,000元（過往年度：人民幣3,713,000元）。

資本承擔及或然負債

於二零二一年十二月三十一日，本集團注入聯營公司、一間合營企業及在建工程資本承擔合共為人民幣18,428,000元（二零二零年：注資聯營公司及一間合營企業為人民幣15,200,000元）。

於二零二一年及二零二零年十二月三十一日，本集團概無任何或然負債。

除上文及於該等綜合財務報表附註37所披露者外，本集團並無其他重大資本承擔、重大合約、或然負債或重大投資計劃。

主要風險及不確定因素

本集團之財務狀況、營運業績、業務及前景受多項風險及不確定因素影響，包括業務風險及營運風險。

Management Discussion and Analysis

管理層討論及分析

The key business and operations risk exposure by the Group are summarised as follows:

- (i) Slowing down of the economy and customer spending;
- (ii) Deterioration of market competition;
- (iii) Increasing life expectancy and decline in the number of deceased persons;
- (iv) Non-compliance with any relevant rules and regulations in the PRC by the owners of funeral parlour and funeral service centres in the PRC; and
- (v) Reliance on qualified and skilled employees as the business operations of the Group are service-oriented.

本集團所面對的主要業務及營運風險概列如下：

- (i) 經濟及顧客消費放緩；
- (ii) 市場競爭惡化；
- (iii) 預期壽命延長及死亡人數減少；
- (iv) 位於中國的殯儀館及殯儀服務中心的擁有人違反中國任何相關規則及規例；及
- (v) 由於本集團業務營運屬服務為主，需要依賴合資格及熟練僱員。

PROSPECTS

Since January 2020, the outbreak of the COVID-19 pandemic has continued to adversely affect the global economic environment. Given the ongoing and dynamic nature of the circumstances surrounding COVID-19 pandemic, it is difficult to predict how significant the impact of this coronavirus outbreak, including any responses to it, will be on the global economy, the Group's customers and businesses or for how long disruptions are likely to continue. In light of the economic environment, the Company continues to closely monitor developments of the pandemic. The longer-term impacts of the restrictions will depend on future developments, which are highly uncertain, constantly evolving and difficult to predict. These impacts may differ in magnitude depending on a number of scenarios, which we continue to monitor and take into consideration in our decision making as we continue to assess medium to long-term impacts.

前景

自二零二零年一月以來，COVID-19疫情爆發對全球經濟環境持續造成不利影響。鑒於COVID-19疫情狀況持續多變，難以預測此次新型冠狀病毒爆發（包括其任何應對措施）將對全球經濟、本集團的客戶及業務的影響程度，或其破壞可能持續的時長。鑒於經濟環境，本公司繼續密切監控與疫情相關的事態發展。限制措施的長期影響將取決於未來的發展情況，而其具有高度不確定性、不斷演變且難以預測。該等影響程度或會因不同情況而有所不同，在我們繼續評估中長期影響時，我們會繼續監測該等情況並在決策中予以考慮。

Management Discussion and Analysis

管理層討論及分析

In 2021, the prevention and control of the COVID-19 pandemic in Mainland China has achieved phased results, and social and economic activities have recovered rapidly. At the same time, it is also under the triple pressure of “shrinking demand, supply shock, and expected weakening”, and the uncertainty of economic development has increased. However, China’s strategic goals of deepening innovation-driven development, supporting the rapid development of emerging industries and promoting high-quality economic development remain unchanged. Strategic emerging industries which focus on new energy, new materials, Internet of Things and biotechnology will usher in vigorous development.

The Group has formed a business system focusing on traditional funeral services and emerging biotechnology. Due to the Groups business nature of funeral services, the COVID-19 pandemic has limited adverse effect on the provision of funeral services, and cremation and cemetery services. The Group recorded positive year-on-year growth in the PRC. On the other hand, the Group has made a presence in the biotechnology business since early 2019, which prioritising in pilot stem cells, advanced biotechnical equipment and other related businesses, and made a substantial progress.

In order to further promote the development of the biotechnology business, the Group positions Zhongke Zhenhui as a specialized and comprehensive investment platform, focusing on investment in the development direction of biotechnology, including but not limited to, biomedicine, medical healthcare, life science instruments etc., as well as those emerging industries which could create synergy effect.

二零二一年，中國內地COVID-19疫情防控取得階段性成效，社會經濟活動快速復甦，也同樣面臨「需求收縮、供給衝擊、預期轉弱」三重壓力，經濟發展的不確定性加大。但國家深入推進創新驅動，支持新興產業快速發展，推進經濟高質量發展的戰略目標不變，以新能源、新材料、物聯網、生物科技等為主的戰略新興產業蓬勃發展。

本集團已形成傳統殯葬服務、新興生物科技為主的業務體系，由於本集團的殯儀服務業務性質，COVID-19疫情對提供殯儀服務、火化及墓園服務幾乎沒有不利影響，本集團於中國錄得同比正增長。另一方面，本集團於二零一九年年初佈局生物科技業務，優先試點干細胞、高端生命科學儀器相關業務，已經取得實質性進展。

為進一步推動生物科技業務的發展，本集團將中科臻慧定位為專業化、綜合性投資平台，重點圍繞生物科技的發展方向進行投資，包括但不限於：生物醫藥、醫療健康、生命科學儀器以及能夠產生協同效應的新興行業。

Management Discussion and Analysis

管理層討論及分析

In September 2021, the Group, through its indirect wholly-owned subsidiary, Zhongke Xunda entered into the Capital Increase Agreement with Nanyue CB to increase the registered capital of Zhongke Zhenhui from RMB10,000,000 to RMB80,000,000 on a pro rata basis. At the same time, Zhongke Zhenhui entered into the JV Agreement with the JV Partner, pursuant to which both parties agreed to jointly establish the JV Company with registered capital of RMB70,000,000 in the PRC which will be principally engaged in investment activities.

While increasing the registered capital of Zhongke Zhenhui, together with the further investment from Nanyue CB, it can provide sufficient funds for Zhongke Zhenhui to grasp the investment opportunities that become available from time to time, which in turn is expected to bring in investment income to the Group and facilitate its business development. Further formation of the JV Company and introduction of the JV Partner, being a company that is principally engaged in venture capital and investment consultation which focuses on investment in emerging industries, and has a professional investment team with extensive investment experience, will provide the Group with long-term strategic support to accelerate the Group's business development, and at the same time help expand the Group's investment scale, increase the Group's investment income as well as the return to the shareholders of the Company.

Up to the date of this report, COVID-19 pandemic has not caused material financial difficulties to the Group. The Group will keep continuous attention on the situation of COVID-19 pandemic and react actively to its impact on the financial position and operating results of the Group.

二零二一年九月，本集團透過其間接全資附屬公司中科訊達與南嶽天車訂立增資協議，將中科臻慧之註冊資本由人民幣10,000,000元按比例增加至人民幣80,000,000元。與此同時，中科臻慧與合營夥伴訂立合營協議，雙方同意於中國共同成立主要從事投資活動的合營公司，註冊資本為人民幣70,000,000元。

在增加中科臻慧註冊資本的同時，連同南嶽天車之進一步投資，可為中科臻慧提供充足資金以把握不時出現的投資機會，從而預期為本集團帶來投資收益並促進業務發展。進一步成立合營公司，引入合營夥伴，合營夥伴為一間主要從事創業投資及投資諮詢的公司，專注於新興產業投資，並且擁有一支具有豐富投資經驗的專業投資團隊，將為本集團提供長期戰略支持，以更快促進本集團的業務發展，同時也有助於擴大本集團的投資規模，增加本集團之投資收益以及本公司之股東回報。

直至本報告日期，COVID-19疫情並未導致本集團面臨重大財務困難。本集團將持續關注COVID-19疫情的情況並積極應對其對本集團的財務狀況及經營業績造成的影響。

Management Discussion and Analysis

管理層討論及分析

Looking forward, the Board remains cautiously optimistic about the prospects of our core businesses, including funeral services business, stem cell service business and sales of biotechnical machineries business. The Group will adopt a prudent and diversified business strategy to ensure sustainable business development in 2022.

While consolidating the traditional funeral services, the Group will actively seize the significant opportunities arising from the booming development of the emerging biotechnology industry, and allocate more resources to support the development of the Group's biotechnology business. Through commencing equity and securities investment business, which is centered on the development direction of the biotechnology industry, and will actively seek suitable investment goals and opportunities from time to time to expand the investment scale of the Group and maximize the investment income of the Group and the return to shareholders of the Company.

From operational management perspective, the Group will formulate a combination of various incentives to attract and retain cutting-edge talents, management talents and relevant persons who have contributed to the development of the Group, so as to improve the current operating conditions of the Group, optimize the business structure, enhance profitability, and promote the long-term sustainable and high-quality development of the Group's business. Nonetheless, the Group will pay continuous attention on the situation of the COVID-19 pandemic and react actively to its impact on the financial position and operating results of the Group.

展望未來，董事會對我們核心業務（包括殯儀服務業務、干細胞服務業務以及生物科技儀器銷售業務）的前景保持審慎樂觀。本集團將採取謹慎的、多元化的經營策略，以確保二零二二年業務的可持續發展。

在鞏固傳統殯儀服務的同時，本集團將積極把握生物科技新興產業蓬勃發展的重大機遇，分配更多資源支持本集團生物科技業務的發展，通過開展股權類、證券類投資業務，圍繞生物科技行業的發展方向進行投資，並將不時積極尋求合適的投資目標及機遇，擴大本集團的投資規模，使本集團的投資收入及本公司股東的回報最大化。

在運營管理方面，本集團將制定多種方式相結合的激勵措施，吸引並留住尖端人才、管理人才以及對本集團發展起到貢獻的有關人士，藉此改善本集團的經營現狀，優化業務結構，提升盈利能力，推動本集團業務長期可持續、高質量發展。另外，本集團將持續關注COVID-19疫情的情況並積極應對其對本集團的財務狀況及經營業績造成的影響。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The corporate governance practices of Sino-Life Group Limited (the "Company") are based on the principles and the code provisions as set out in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 15 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules"). The principles adopted by the Company emphasis a quality board, transparency and accountability to shareholders. In the opinion of the board (the "Board") of directors (the "Director(s)") of the Company, the Company has complied with the Code for the year ended 31 December 2021 (the "Year"), with the exception for the following deviation:

Under the code provision A.6.7 of the Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Certain Directors, for the time when the annual general meeting of the Company held on 4 June 2021 ("2021 AGM") and one of the extraordinary general meeting of the Company (the "2022 EGM") held on 22 November 2022, had other business engagements and thus, were not able to attend the 2021 AGM and the said EGM. In this regard, the compliance officer (the "Compliance Officer") and company secretary (the "Company Secretary") of the Company had reminded the relevant Directors as well as other current independent non-executive Directors and non-executive Director to attend general meetings of the Company in future for compliance of code provision A.6.7 as set out in the Code.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and the Code and align with the latest developments.

企業管治常規

中國生命集團有限公司(「本公司」)之企業管治常規乃基於聯交所GEM證券上市規則(「GEM上市規則」)附錄十五之企業管治常規守則(「守則」)所載原則及守則條文。本公司所採納之原則著重高質素之董事會及對股東之透明度及問責性。本公司董事(「董事」)會(「董事會」)認為，於截至二零二一年十二月三十一日止年度(「本年度」)內，本公司一直遵守守則，惟以下背離除外：

根據守則第A.6.7條守則條文，獨立非執行董事及其他非執行董事應出席股東大會並全面了解股東的意見。若干董事於二零二一年六月四日本公司舉行股東週年大會(「二零二一年股東週年大會」)及於二零二二年十一月二十二日本公司舉行股東特別大會(「二零二二年股東特別大會」)時因有其他事務在身，而未能出席二零二一年股東週年大會及上述股東特別大會。就此而言，本公司監察主任(「監察主任」)及公司秘書(「公司秘書」)已提醒有關董事、現任其他獨立非執行董事及非執行董事，於未來出席本公司的股東大會，以符合守則第A.6.7條守則條文的規定。

本公司將繼續改進其企業管治常規以適應其業務的進行及發展，並會不時審閱其企業管治常規以保證其遵守守則的法定規定以及符合最新發展。

Corporate Governance Report

企業管治報告

NON-COMPLIANCE WITH FINANCIAL REPORTING PROVISIONS OF THE GEM LISTING RULES

Due to the travel restriction in force in Taiwan and Republic of Vietnam (“Vietnam”) to combat the outbreak of coronavirus disease (“COVID-19”) pandemic, the audit of the financial statements of the Group for the year ended 31 December 2020 has been affected. The Company was unable to publish and despatch the audited annual results for the financial year ended 31 December 2020 (the “2020 Annual Results”) and the related annual report for the year ended 31 December 2020 (the “2020 Annual Report”) on or before 31 March 2021 as required by the GEM Listing Rules. Such delay has constituted non-compliance with Rules 18.03 and 18.49 of the GEM Listing Rules. However, in accordance with the FURTHER GUIDANCE ON THE JOINT STATEMENT IN RELATION TO RESULTS ANNOUNCEMENTS IN LIGHT OF THE COVID-19 PANDEMIC released on 16 March 2020 (“Further Guidance”) by The Securities and Futures Commission and the Stock Exchange, an issuer may defer the publication of the annual report initially for up to 60 days from the date of the Further Guidance if, among other things, on or before 15 May 2021. The Company has published its preliminary 2020 Annual Results without its auditors’ agreement pursuant to the Further Guidance on 31 March 2021. The supplemental announcements on the 2020 Annual Results have been published on 16 April 2021 and the 2020 Annual Report has been published and delivered on 30 April 2021.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with such code of conduct throughout the Year.

未能遵守GEM上市規則之財務申報條文

由於台灣及越南社會主義共和國（「越南」）實施的旅遊限制以抵禦新型冠狀病毒（「COVID-19」）疫情，本集團截至二零二零年十二月三十一日止年度之財務報表審核受到影響。本公司未能於二零二一年三月三十一日或之前根據GEM上市規則的規定刊發及寄發截至二零二零年十二月三十一日止財政年度之經審核全年業績（「二零二零年全年業績」）及截至二零二零年十二月三十一日止年度之相關年度報告（「二零二零年年報」）。相關延遲已構成未能遵守GEM上市規則第18.03及18.49條。然而，根據證券及期貨事務監察委員會與聯交所於二零二零年三月十六日刊發的「有關在COVID-19大流行下刊發業績公告的聯合聲明的進一步指引」（「進一步指引」），倘（其中包括）發行人可延遲刊發年度報告，初次延期最多為進一步指引日期起計的60天（即於二零二一年五月十五日或之前）。本公司根據進一步指引已於二零二一年三月三十一日刊發其未與其核數師議定的初步二零二零年全年業績。二零二零年全年業績之補充公告已於二零二一年四月十六日刊發以及二零二零年年報已於二零二一年四月三十日刊發及寄發。

董事進行證券交易之行為守則

本公司採納有關董事進行證券交易之行為守則，其條款與GEM上市規則第5.48至5.67條所載的規定交易標準同樣嚴謹。已向所有董事作出特定查詢，董事確認，彼等於本年度內一直遵守該等行為守則。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

A) Board Composition

For the Year and until the date of this report, the Board comprises members as follows:

Executive Directors

Mr. Xu Jianchun (*Chairman*)

Mr. Liu Tien-Tsai (*Chief executive officer*)

Dr. Xu Qiang (*Chief executive officer*)

(Redesignated on 22 January 2021)

Independent non-executive Directors

Mr. Chai Chung Wai

Mr. Sun Fei

Dr. Yang Jingjing

(Appointed on 4 March 2022)

Mr. Wang Jun

(Resigned on 4 March 2022)

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. Pursuant to the Code, the Board adopted a board diversity policy (the "Board Diversity Policy", and further elaborate below). The Company recognises and embraces the benefits of diversity of Board members. While all Board's appointments will continue to be made on a merit basis, the Company will ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the needs of the Company's business. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. There were changes in members of the Board during the Year and up to the date of this annual report as below:

- Dr. XU Qiang has been redesignated from a non-executive Director to an executive Director with effect from 22 January 2021.

董事會

A) 董事會成員

於本年度及直至本報告日期，董事會成員如下：

執行董事

許建春先生 (*主席*)

劉添財先生 (*行政總裁*)

徐強博士 (*首席執行官*)

(於二零二一年一月二十二日調任)

獨立非執行董事

齊忠偉先生

孫飛先生

楊菁菁博士

(於二零二二年三月四日獲委任)

王均先生

(於二零二二年三月四日辭任)

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專才。根據守則，董事會採納董事會成員多元化政策（「董事會成員多元化政策」，並於下文進一步闡述）。本公司肯定及接受董事會成員多元化的益處。在董事會所有任命將繼續奉行任人唯才的原則的同時，本公司將確保董事會在切合本公司業務所需的技能、經驗、不同觀點方面取得平衡。挑選候選人將基於多種不同觀點，包括但不限於性別、年齡、文化及教育背景、專業或其他經驗、技術及知識。董事會成員於年內及直至本年報日期的變動如下：

- 徐強博士自二零二一年一月二十二日由非執行董事調任為執行董事。

Corporate Governance Report

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- Dr. Yang Jingjing was appointed as an independent non-executive Director, the chairman and member of nomination committee and member of each of audit committee and remuneration committee of the Company on 4 March 2022.
- Mr. Wang Jun resigned as an independent non-executive Director, the chairman and member of nomination committee and member of each of audit committee and remuneration committee of the Company on 4 March 2022.

The biographical details of the Directors and the relationship among the members of the Board, if any, are set out in the “Biographical Details of the Directors and Senior Management” on pages from 48 to 51 of this annual report.

B) Role and Function

The Board is responsible for formulating the strategic business development, reviewing and monitoring the business performance of the Group, as well as preparing and approving the consolidated financial statements of the Company. The Directors, collectively and individually, are aware of their responsibilities to the shareholders of the Company (the “Shareholder(s)”), for the manner in which the affairs of the Group are managed and operated. As and when necessary, the Directors can access to the advice and services of the Company Secretary, and in the appropriate circumstances, seeking of independent professional advice at the Group’s expense to ensure that the Board’s procedures, and all applicable rules and regulations are followed.

The Board gives clear directions as to the powers delegated to the management for the day-to-day management and administration functions of the Group, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Group. The Board fully supports the senior management to discharge its duties and responsibilities in all circumstances. The Board will review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

- 楊菁菁博士於二零二二年三月四日獲委任本公司獨立非執行董事、提名委員會主席及成員以及審核委員會及薪酬委員會各委員會成員。
- 王均先生於二零二二年三月四日辭任本公司獨立非執行董事、提名委員會主席及成員以及審核委員會及薪酬委員會各委員會成員。

董事會成員董事的履歷資料及董事會成員間關係（如有）載於本年報第48至51頁之「董事及高級管理層之履歷」。

B) 角色及職能

董事會負責制訂業務發展策略、審閱及監察本集團的業務表現以及編製及批核本公司的綜合財務報表。董事明白，須就本集團的管理及營運事宜共同及個別向本公司股東（「股東」）承擔責任。於有需要時，董事可獲取公司秘書的意見及服務，並在適當的情況下徵求獨立專業意見，以確保依循董事會程序及一切適用的規則及規定，有關費用由本集團支付。

董事會對委派予管理層有關執行本集團日常管理及行政職能的權力，給予清晰的指引，特別是涉及管理層在何種情況下須作出匯報，及於代表本集團作出決定或作出任何承諾前須事先取得董事會批准等事宜方面。在任何情況下，董事會會全力支持高級管理層履行其職務及責任。董事會將定期審閱該等安排，以確保有關安排仍切合本集團的需要。

Corporate Governance Report

企業管治報告

The independent non-executive Directors have brought in a wide range of business and financial expertise, experiences and independent judgment to the Board. Through active participation in the Board meetings and serving on various Board committees, all independent non-executive Directors will make various contributions to the Company.

The Board normally should schedule four meetings a year at quarterly intervals and meets as and when required to discuss the overall business, development strategy, operations and financial reporting of the Company. For the Year, the Board held 7 meetings. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association (the "Articles of Association"). The Directors will receive agenda and details of items for decision in advance of each board meeting. The following table shows the attendance of individual Directors at the Board meetings and general meetings held during the Year:

獨立非執行董事為董事會帶來了廣博的業務及財務專業知識、經驗及獨立判斷。透過積極出席董事會會議及在各個董事委員會中任職，全體獨立非執行董事將為本公司做出諸多貢獻。

董事會一般應每年安排四次例會，每季舉行一次，以討論本公司的整體業務、發展策略、營運及財務申報事宜。本年度，董事會共舉行七次會議。董事可親自或透過本公司組織章程細則（「組織章程細則」）所容許之其他電子通訊方式出席會議。董事在各董事會會議舉行前將會收到議程及議事項目詳情。下表載列個別董事本年度出席董事會會議及股東大會之情況：

		Board meeting 董事會會議	2021 AGM 二零二一年 股東週年大會	EGM held on 22 April 2021 and 22 November 2021 於二零二一年四 月二十二日及 二零二一年 十一月二十二日 舉行的 股東特別大會
Executive Directors	執行董事			
Mr. Xu Jianchun (<i>Chairman</i>)	許建春先生 (<i>主席</i>)	7/7	1/1	2/2
Mr. Liu Tien-Tsai (<i>Chief executive officer</i>)	劉添財先生 (<i>行政總裁</i>)	6/7	0/1	1/2
Dr. Xu Qiang* (<i>Chief executive officer</i>)	徐強博士* (<i>首席執行官</i>)	7/7	1/1	1/2
Independent non-executive Directors	獨立非執行董事			
Mr. Chai Chung Wai	齊忠偉先生	7/7	1/1	2/2
Mr. Sun Fei	孫飛先生	1/7	1/1	2/2
Mr. Wang Jun (Resigned on 4 March 2022)	王均先生 (於二零二二年 三月四日辭任)	4/7	1/1	1/2
Dr. Yang Jingjing (Appointed on 4 March 2022)	楊菁菁博士 (於二零二二年 三月四日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用

Corporate Governance Report

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* Dr. Xu has been redesignated from a non-executive Director to an executive Director on 22 January 2021.

During the Year, the independent non-executive Directors held a closed-session where issues were discussed in the absence of the executive Directors and the management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision A.2.1 of the Code, the roles of chairman of the Board (the "Chairman") and chief executive officer (the "CEO(s)") of the Company should be segregated and should not be performed by the same individual. The division of responsibilities between the Chairman and CEOs should be clearly established and set out in writing.

The positions of Chairman and CEOs of the Company for the Year are held separately by Mr. Xu Jianchun as Chairman, and Mr. Liu Tien-Tsai as CEO and Dr. Xu Qiang as CEO. The Chairman is responsible for the Group's strategic planning and the management of the operations of the Board, while the CEOs take the lead in the Group's operations and business development. There is a clear division of responsibilities between the Chairman and CEOs of the Company which provides a balance of power and authority.

Dr. Xu Qiang was appointed as the CEO of the Company on 22 January 2021.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Year, the Board complies at all times with the requirement of the GEM Listing Rules relating to the appointment of at least 3 independent non-executive Directors presenting at least one-third of the Board with at least one of them has appropriate professional qualifications of accounting or related financial management expertise. The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers all the independent non-executive Directors to be independent for the Year.

* 徐強博士自二零二一年一月二十二日由非執行董事調任為執行董事。

年內，獨立非執行董事在執行董事及管理層不在場的情況下曾舉行閉門會議。

主席及行政總裁

根據守則第A.2.1條守則條文，本公司之董事會主席（「主席」）與行政總裁（「行政總裁」）的角色應有區分，不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

於本年度內本公司之主席及行政總裁之職務由許建春先生（主席）、劉添財先生（行政總裁）及徐強博士（首席執行官）擔任。主席負責本集團的策略規劃及董事會運作的管理，而行政總裁將領導本集團的經營及業務發展。主席及行政總裁的職責有清晰劃分能夠保持權力與授權的平衡。

徐強博士於二零二一年一月二十二日獲任命為本公司首席執行官。

獨立非執行董事

於本年度，董事會始終遵守GEM上市規則之相關規定，委任至少三名獨立非執行董事（佔董事會至少三分之一），彼等至少一名擁有適當之會計專業資格或相關財務管理專長。本公司已根據GEM上市規則第5.09條收到每名獨立非執行董事之年度獨立性確認書。本公司認為於本年度全體獨立非執行董事確屬獨立人士。

Corporate Governance Report

企業管治報告

DIRECTORS' TRAINING

According to the code provision A.6.5 of the Code, all Directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the Directors.

During the Year and up to the date of this report, all Directors have confirmed that they have participated in continuous professional development by attending training course or reading relevant materials on the topics related to roles, functions and duties of a director of a listed company. All newly appointed Directors before their appointment will be given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group. All Directors have been updated on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices.

BOARD COMMITTEES

The Board has also established the following committees with defined terms of reference:

- Audit Committee
- Remuneration Committee
- Nomination Committee

Each Board committee makes decisions on matters within its terms of reference and applicable limits of authority. The terms of reference as well as the structure and membership of each committee will be reviewed from time to time.

董事培訓

根據守則第A.6.5條守則條文，全體董事應參與一項發展及更新其知識及技能之持續專業發展課程，以確保彼等對董事會之貢獻仍屬知情及相關。本公司應負責安排培訓及撥款，適當地著重董事之角色、職能及職責。

於本年度及截至本報告日期，所有董事均確認彼等通過參加培訓課程或閱讀有關上市公司董事的角色、職能及職責的資料進行持續專業發展。所有新委任的董事在彼等上任前將會獲得有關董事職責及責任、適用於董事的相關法律及法規、本集團權益及業務的披露義務的相關指引材料。全體董事已獲告知有關GEM上市規則及其他適用監管規定的最新發展，以保證遵守良好的企業管治常規及提升彼等的相關意識。

董事委員會

董事會亦已成立下列委員會，並界定職權範圍：

- 審核委員會
- 薪酬委員會
- 提名委員會

各董事委員會對其所屬職權範圍及適用權限內之事宜作出決定。本公司將不時檢討各委員會之職權範圍、架構及成員。

Corporate Governance Report

企業管治報告

A) Audit Committee

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules which consists of three independent non-executive Directors. The terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website.

Composition and Meeting Record of the Audit Committee

For the Year, 6 meetings were held. The following table shows the attendance of individual Directors at the meetings held during the Year:

Mr. Sun Fei (<i>Chairman</i>)	6/6
Mr. Chai Chung Wai	6/6
Mr. Wang Jun	
(Resigned on 4 March 2022)	4/6
Dr. Yang Jingjing	
(Appointed on 4 March 2022)	N/A

Role and Function

The major responsibilities of the Audit Committee include, among others, the followings:

- making recommendation to the Board on the appointment, re-appointment and removal of external auditor of the Company (the "External Auditor");
- reviewing and monitoring the External Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable accounting standard;
- monitoring the integrity of the Group's consolidated financial statements, annual reports and accounts, half-yearly reports and quarterly reports;
- liaising with the Board and the senior management and to meet with the External Auditor;
- overseeing the Group's financial controls, internal control and risk management systems; and
- reviewing the financial and accounting policies and practices of the Group.

A) 審核委員會

本公司已成立審核委員會（「審核委員會」）並遵守GEM上市規則第5.28至5.33條制訂其書面職權範圍，其由三名獨立非執行董事組成。載有審核委員會職權、職責及責任的職權範圍可於GEM網站及本公司網站進行查閱。

審核委員會成員及會議記錄

本年度，已舉行六次會議。下表載列個別董事於本年度出席會議之情況：

孫飛先生（主席）	6/6
齊忠偉先生	6/6
王均先生（於二零二二年三月四日辭任）	4/6
楊菁菁博士（於二零二二年三月四日獲委任）	不適用

角色及職能

審核委員會之主要職責包括（其中包括）以下各項：

- 就本公司外聘核數師（「外聘核數師」）之委任、重新委任及罷免向董事會提供推薦意見；
- 根據適用會計標準檢討及監察外聘核數師的獨立性及客觀性及核數程序的有效性；
- 監察本集團之綜合財務報表、年度報告及賬目、半年度報告及季度報告之完整性；
- 與董事會及高級管理層聯絡及與外聘核數師會面；
- 監督本集團之財務控制、內部控制及風險管理系統；及
- 檢討本集團之財務及會計政策以及慣例。

Corporate Governance Report

企業管治報告

During the Year, the Audit Committee has reviewed the quarterly reports, half-yearly report and annual report before submission to the Board. The Audit Committee focused not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the GEM Listing Rules and the legal requirements in the review of the Group's quarterly reports, half-yearly report and annual report. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems, considered the re-election of External Auditor, discussed with the External Auditor about the audit plan and reviewed the continuing connected transactions of the Company.

B) Remuneration Committee

The Company has established a remuneration committee (the "Remuneration Committee") according to the relevant provision of the GEM Listing Rules with written terms of reference which consists of three independent non-executive Directors. The terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management.

Composition and Meeting Record of the Remuneration Committee

For the Year, 1 meeting was held. The following table shows the attendance of individual Directors at the meetings held during the Year:

Mr. Chai Chung Wai (<i>Chairman</i>)	1/1
Mr. Sun Fei	1/1
Mr. Wang Jun (Resigned on 4 March 2022)	1/1
Dr. Yang Jingjing (Appointed on 4 March 2022)	N/A

於本年度，審核委員會已於季度報告、半年度報告及年度報告提呈董事會前負責有關審閱工作。審核委員會在審閱本集團的季度報告、半年度報告及年度報告方面不僅關注會計政策及慣例變動造成的影響，亦關注有關會計準則、GEM上市規則及法律規定的合規情況。審核委員會亦已審閱風險管理及內部控制系統的有效性，考慮外聘核數師的重選，與外聘核數師討論核數計劃並審閱本公司的持續關連交易。

B) 薪酬委員會

本公司已根據GEM上市規則相關條例成立薪酬委員會（「薪酬委員會」）並制訂其書面職權範圍，其由三名獨立非執行董事組成。載有薪酬委員會職權、職責及責任的職權範圍可於GEM網站及本公司網站進行查閱。薪酬委員會採納的運作模式為擔任董事會的諮詢角色，惟董事會保留批准個別執行董事及高級管理層的薪酬待遇的最終權利。

薪酬委員會成員及會議記錄

於本年度，已舉行一次會議。下表載列個別董事年內出席會議之情況：

齊忠偉先生 (<i>主席</i>)	1/1
孫飛先生	1/1
王均先生 (於二零二二年 三月四日辭任)	1/1
楊菁菁博士 (於二零二二年 三月四日獲委任)	不適用

Corporate Governance Report

企業管治報告

Role and Function

The major responsibilities of the Remuneration Committee include, among others, the followings:

- i. making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management;
- ii. determining the specific remuneration packages of all executive Directors and senior management;
- iii. reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; and
- iv. reviewing and approving the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company.

During the Year, the Remuneration Committee has reviewed the remuneration package of the Board members and the senior management of the Company. No Director was involved in deciding his/her own remuneration.

Particulars of the Directors' emoluments for the Year are set out in note 8 to the consolidated financial statements.

角色及職能

薪酬委員會之主要職責包括(其中包括)以下各項:

- i. 就本公司有關董事及高級管理層之所有薪酬政策及架構向董事會提供推薦意見;
- ii. 釐定所有執行董事及高級管理層之特別薪酬組合;
- iii. 經參照董事會不時議決之公司目標及指標檢討及批准以表現為基礎之酬金;及
- iv. 審閱及批准就有關喪失或終止職務或委任而須向執行董事及高級管理層作出的賠償,以確保該賠償符合有關合約條款且賠償款項對本公司而言屬公平及不會產生過高費用。

於本年度,薪酬委員會已審閱本公司之董事會成員及高級管理層之薪酬組合。概無董事參與決定自身的薪酬。

本年度董事酬金的詳情乃載於綜合財務報表附註8。

Corporate Governance Report

企業管治報告

Remuneration of Senior Management by Band

Pursuant to code provision B.1.5 the Code, details of the annual remuneration of the members of the senior management by band for the Year were as follows:

按範圍劃分的高級管理層薪酬

根據守則第B.1.5條守則條文，高級管理層成員於本年度的年度薪酬詳情按範圍載列如下：

		Number of employee(s) 僱員數目
Nil to HK\$1,000,000 (equivalent to approximately RMB829,601 (2020: RMB889,162))	零至1,000,000港元 (相當於約人民幣829,601元 (二零二零年：人民幣889,162元))	0
HK\$1,000,000 to HK\$2,000,000 (equivalent to approximately RMB829,601 to RMB1,659,203) (2020: RMB889,162 to RMB1,778,325)	1,000,000港元至2,000,000港元 (相當於約人民幣829,601元至 人民幣1,659,203元) (二零二零年：人民幣889,162元至 人民幣1,778,325元)	3

C) Nomination Committee

The Company has established a nomination committee (the "Nomination Committee") with written terms of reference in accordance with requirements of the Stock Exchange which consists of three independent non-executive Directors. The terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website.

C) 提名委員會

本公司已成立提名委員會（「提名委員會」）並根據聯交所規定制訂其書面職權範圍，其由三名獨立非執行董事組成。載有提名委員會職權、職責及責任的職權範圍可於GEM網站及本公司網站進行查閱。

Composition and Meeting Record of the Nomination Committee

For the Year, 1 meeting was held. The following table shows the attendance of individual Directors at the meetings held during the Year:

提名委員會成員及會議記錄

於本年度，已舉行一次會議。下表載列個別董事於本年度出席會議之情況：

Mr. Wang Jun (Resigned on 4 March 2022)	1/1
Mr. Chai Chung Wai	1/1
Mr. Sun Fei	1/1
Dr. Yang Jingjing (Appointed on 4 March 2022)	N/A

王均先生（於二零二二年 三月四日辭任）	1/1
齊忠偉先生	1/1
孫飛先生	1/1
楊菁菁博士（於二零二二年 三月四日獲委任）	不適用

Corporate Governance Report

企業管治報告

Role and Function

The major responsibilities of the Nomination Committee include, among others, the followings:

- i. reviewing the structure, size, composition and diversify for consistency (including the skills, knowledge and experience) of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- ii. identifying individuals suitably qualified to become Board members and making recommendations to the Board on the selection of individuals nominated for directorships;
- iii. assessing the independence of independent non-executive Directors;
- iv. 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 CEO;
- v. making recommendations to the Board on the policy concerning the diversity of Board members; and
- vi. reviewing and giving full consideration to the Board Diversity Policy adopted from time to time.

The summary of work performed by the Nomination Committee during the Year is as follows:

- To review the existing Board's structure, size, composition and diversity;
- To review the Board Diversity Policy;
- To review the nomination policy of the Board ("Board Nomination Policy" and further elaborate below);
- To review and assess the independence of the independent non-executive Directors; and
- To make recommendations on the retiring Directors at the 2021 AGM of the Company.

角色及職能

提名委員會之主要職責包括(其中包括)以下各項:

- i. 定期檢討董事會的架構、規模、組成及多元化(包括技能、知識及經驗),並就任何建議變動定期向董事會提出推薦意見;
- ii. 識別具適合資格成為董事會成員之個別人士,並向董事會作出有關遴選獲提名參選董事之個別人士之推薦意見;
- iii. 評估獨立非執行董事的獨立性;
- iv. 就有關委任或重新委任董事及董事(尤其是主席及行政總裁)的繼任計劃向董事會提出推薦意見;
- v. 就董事會成員多元化的政策向董事會提出推薦意見;及
- vi. 對已採納的董事會成員多元化政策不時給予審閱及充份考慮。

於本年度,提名委員會所履行的工作概要如下:

- 檢討現有董事會的架構、規模、組成及多元化情況;
- 檢討董事會成員多元化政策;
- 檢討董事會提名政策(「董事會提名政策」,及於下文進一步闡述);
- 檢討及評估獨立非執行董事的獨立性;及
- 於本公司二零二一年股東週年大會提出有關退任董事的推薦意見。

Corporate Governance Report

企業管治報告

Board Nomination Policy

The Company adopted the Board Nomination Policy, which establishes written guidelines to the Nomination Committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors.

The Board, through the delegation of its authority to the Nomination Committee, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills critical to the Group's business to enable the Board to make sound and well considered decisions. Collectively, they have competencies in areas which are relevant and valuable to the Group.

Nomination Process

The Nomination Committee shall assess whether any vacancy on the Board has been created or is expected on a regular basis or as required.

The Nomination Committee utilises various methods for identifying candidates, including recommendations from Board members, management, and professional search firms. All candidates, including incumbents and candidates nominated by Shareholders are evaluated by the Nomination Committee based upon the Director's qualifications. While candidates will be evaluated on the same criteria through review of resume, personal interview and performance of background checks. The Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, age, gender and experiences of the collective Board rather than on the individual candidate for the purpose of diversity perspectives appropriate to the requirement of the Company's businesses.

董事會提名政策

本公司已採納董事會提名政策，為提名委員會確立書面指引，以識別具適合資格成為董事會成員之個別人士，並經參考所制定標準向董事會作出有關遴選獲提名參選董事之個別人士之推薦意見。董事會最終負責遴選及委任新董事。

董事會通過授予提名委員會權力以盡力確保委任加入董事會之董事具商業、財務及管理技能等對本集團業務屬關鍵之相關背景、經驗及知識，以使董事會能作出明智及熟慮決策。彼等共同具備對本集團相關及重要領域之能力。

提名過程

提名委員會須定期或於需要時評估董事會是否已出現或預期會出現任何空缺。

提名委員會使用多個方法識別候選人，包括來自董事會成員、管理層及專業獵頭公司之建議。所有候選人（包括現任董事及由股東提名之候選人）由提名委員會根據董事資格進行評估。候選人將按相同標準通過審閱履歷表、個人面試及進行背景審查而評估。提名委員會具酌情權確立該標準之加權比重，可就對本公司業務需求而言屬適合的多元化角度目的，根據董事會整體組成、技能組合、年齡、性別及經驗（而非個別候選人）而有所不同。

Corporate Governance Report

企業管治報告

Selection Criteria

The Nomination Committee will take into account a variety of factors including without limitation to whether a candidate has the qualifications, skills, experience and gender diversity that add to and complement the range of skills, experience and background of existing Directors by considering the highest personal and professional ethics and integrity of the candidates, proven achievement and competence in the nominee's field and the ability to exercise sound business judgment, skills that are complementary to those of the existing Board, the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and the Shareholders.

During the Year, no new Director was appointed. Dr. Xu Qiang was redesignated from a non-executive Director to an executive Director on 22 January 2021 by going through the Board Nomination Policy.

The Company shall review and reassess the Board Nomination Policy and its effectiveness on a regular basis or as required.

Board Diversity Policy

The composition of the Board is reviewed on an annual basis by the Nomination Committee to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competence for informed decision-making and effective functioning. The Company adopted the Board Diversity Policy and recognises the benefits of having diversity in the composition of the Board.

Measurable Objectives

The Company noted that people from different background and with different professional and life experience are likely to approach problems in different ways and accordingly, members of the Board with diverse background will bring different concerns and questions to the table, and allow the Board to consider a wider range of options and solutions when deciding on corporate issues and formulating policies for the Group. In determining the Board's composition and selection of candidates to the Board, the Nomination Committee will consider factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, industry knowledge and length of service.

遴選標準

提名委員會將考慮多種因素，包括但不限於候選人是否具有關資歷、技能、經驗及性別多元化，可補足現有董事之技能、經驗及背景，其中會考慮候選人之最高個人及職業操守及信譽、於獲提名人士範疇內的已證實成就及能力以及作出良好商業判斷之能力、補足現有董事會之技能、協助及支援管理層並對本公司之成功作出重大貢獻之能力以及提名委員會認為符合本公司及股東最佳利益之其他因素。

於本年度，並無新董事獲委任。徐強博士於二零二一年一月二十二日通過董事會提名政策已由非執行董事調任為執行董事。

本公司將定期或按需要檢討及重新評核董事會提名政策及其效能。

董事會成員多元化政策

提名委員會每年檢討董事會成員之組成，以確保董事會具適當專業知識及經驗組合，共同作出知情決策及有效運作的必要核心能力。本公司已採納董事會成員多元化政策，並認同董事會組成多元化之裨益。

可計量目標

本公司注意到，來自不同背景且具不同專業和人生經驗的人士很可能會以不同方法解決問題，因此，具多元化背景的董事會成員將於議事時提出不同考慮因素及提問，使董事會能就公司問題和為本集團制定政策作出決策時考慮更多選擇及解決方案。於釐定董事會成員組成及遴選董事會候選人時，提名委員會將考慮之因素包括但不限於性別、年齡、文化、學歷背景、種族、專業經驗、技能、行業知識及服務年期。

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All Board appointments will be based on meritocracy, and candidates will be considered against the selection criteria, having regard for the benefits of diversity on the Board, the business model and specific needs of the Group. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

所有董事會委任將基於用人唯才原則，並按遴選標準考慮候選人，當中會考慮董事會成員多元化裨益、本集團業務模式及具體需求。最終決定將視乎選定候選人之優點及將為董事會帶來的貢獻而定。

Composition of the Diversified Board

As at the date of this annual report, the Board comprises six Directors. The following table further illustrate the composition and diversity of the Board in terms of age, length of service with the Group, educational background and professional experience as of the date of this annual report:

具多元化成員之董事會之組成

於本年報日期，董事會由六位董事組成。下表進一步說明於本年報日期，董事會在年齡、於本集團之服務年期、學歷背景及專業經驗方面之組成及成員多元化程度：

Name of Directors 董事姓名	Age Group 年齡層		Length of Service 服務年期		Educational Background 學歷背景			Professional Experience 專業經驗		
	35 to 50 35歲至50歲	over 50 50歲以上	less than 5 years 5年或以下	more than 5 years 5年以上	Science 科學	Accountancy 會計	Others 其他	Science 科學	Accounting and Finance 會計及金融	Management 管理
Mr. Xu Jianchun 許建春先生	✓		✓				✓	✓		✓
Mr. Liu Tien-Tsai 劉添財先生		✓		✓			✓			✓
Dr. Xu Qiang (Note 1) 徐強博士 (附註1)	✓		✓		✓			✓		✓
Mr. Chai Chung Wai 齊忠偉先生		✓		✓		✓		✓		✓
Mr. Sun Fei 孫飛先生	✓		✓		✓			✓		
Mr. Wang Jun (Note 2) 王均先生 (附註2)	✓		✓		✓			✓		
Dr. Yang Jingjing (Note 3) 楊菁菁博士 (附註3)	✓		✓			✓		✓		

Note 1: Dr. Xu Qiang was redesignated from a non-executive Director to an executive Director on 22 January 2021.

附註1：徐強博士自二零二一年一月二十二日由非執行董事調任為執行董事。

Note 2: Mr. Wang Jun resigned as an independent non-executive Director on 4 March 2022.

附註2：王均先生於二零二二年三月四日辭任獨立非執行董事。

Note 3: Dr. Yang Jingjing was appointed as an independent non-executive Director on 4 March 2022.

附註3：楊菁菁博士於二零二二年三月四日獲委任為獨立非執行董事。

The Nomination Committee believes that the current composition of the Board demonstrates a thorough consideration of the measurable objectives for achieving board diversity.

提名委員會認為董事會的現有成員之構成充分考慮了在實現董事會多元化方面的可計量目標。

The Board will take opportunities to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity.

董事會在甄選及建議董事會的合適候選人時將伺機增加女性成員的比例。董事會將參考股東的預期以及國際及當地的最佳常規保證維持適當的性別多元化平衡，最終目標是實現董事會的性別平等。

Corporate Governance Report

企業管治報告

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Under code provision A.4.1 of the Code, all the non-executive Directors should be appointed for a specific term, subject to re-election. At present, each of Mr. Chai Chung Wai, Mr. Sun Fei and Mr. Wang Jun, the independent non-executive Directors, have been appointed for a specific term of three years.

According to the requirements of article 16.18 of the Articles of Association, 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. The Directors to retire every year shall be those appointed by the Board during the year and those who have been longest in office since their last re-election. Where a retiring Director, being eligible, offers himself for re-election, the Board shall consider and, if consider appropriate, recommend such retiring Director to stand for re-election at a general meeting. A circular containing the requisite information on such retiring Director will be sent to Shareholders prior to a general meeting in accordance with the GEM Listing Rules.

CORPORATE GOVERNANCE FUNCTIONS

All members of the Board are responsible for performing the corporate governance functions set out in code provision D.3.1 of the Code, which include developing and reviewing the Company's policies and practices on corporate governance (including those on compliance with legal and regulatory requirements), monitoring the Company's compliance with the Code and reviewing the disclosures in the Corporate Governance Report.

AUDITOR'S REMUNERATION

Crowe (HK) CPA Limited was appointed as the External Auditor of the Company. The External Auditor is primarily responsible for providing audit services in connection with the annual consolidated financial statements. During the Year, the total remuneration in respect of services provided by Crowe (HK) CPA Limited amounted to approximately RMB1,161,000, of which approximately RMB954,000 was incurred for statutory audit and RMB207,000 was incurred for non-audit services which mainly included the review of the preliminary result announcement of the Group and other professional services.

董事之委任、重選及罷免

根據守則第A.4.1條守則條文，所有非執行董事的委任應有指定任期，並須接受重新選舉。目前，各獨立非執行董事齊忠偉先生、孫飛先生及王均先生均以固定年期獲委任，為期三年。

根據組織章程細則第16.18條之規定，三分之一董事須於各股東週年大會退任，而各董事亦須至少每三年輪席退任一次。每年退任之董事須為董事會於該年度委任且自彼等最近獲重選以來任職最長之董事。倘退任董事合資格重選連任，董事會應考慮並在適當情況下建議有關退任董事在股東大會上重選連任。載有有關退任董事必要資料的通函將根據GEM上市規則於股東大會前寄發予股東。

企業管治職能

所有董事會成員負責執行守則第D.3.1條守則條文中規定的企業管治職能，其中包括制定及檢討本公司關於企業管治的政策及常規（包括遵守法律及法規要求的政策及常規）、監督本公司遵守守則的情況以及審查企業管治報告中的披露事項。

核數師酬金

國富浩華（香港）會計師事務所有限公司已獲委任為本公司之外聘核數師。外聘核數師主要負責提供有關年度綜合財務報表之審計服務。本年度內，就國富浩華（香港）會計師事務所有限公司提供之服務所付之酬金總額約為人民幣1,161,000元，其中約人民幣954,000元有關法定審計服務，而人民幣207,000元有關非審計服務（主要包括審閱本集團初步業績公告及其他專業服務）。

Corporate Governance Report

企業管治報告

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for the period. In preparing the consolidated financial statements for the Year, the Directors have selected appropriate accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and on a going concern basis. The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group. Having made appropriate enquiries, the Board is not aware any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. It is the External Auditor's responsibility to form an independent opinion, based on their audit, on those consolidated financial statements and to report their opinion solely to the Shareholders, as a body, and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the independent auditor's report. The statement of the External Auditor about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 73 to 80 of this annual report.

COMPANY SECRETARY

Mr. Chu Kin Ming ("Mr. Chu") was appointed as the Company Secretary on 11 June 2019. Mr. Chu has taken no less than 15 hours of relevant professional training during the Year.

Biographical detail of Mr. Chu is set out in the section headed "Biographical Details of the Directors and Senior Management" in this annual report.

董事及核數師就財務報表之責任

董事負責編製本集團各財政期間真實及公允反映其財務狀況之綜合財務報表，以及有關期間之業績及現金流量。於編製本年度之綜合財務報表時，董事已貫徹選用合適之會計政策，並按持續基準作出審慎、公平及合理之判斷及估計。董事知悉彼等編製本集團綜合財務報表之責任。經作出適當查詢後，董事會並不知悉任何有關可質疑本集團能否繼續按持續基準經營之事件或狀況之重大不明朗因素。外聘核數師之責任是根據彼等審核工作的結果，對綜合財務報表表達獨立意見，並僅向股東作為一個整體作出報告。除此之外，該報告不可用作其他用途。外聘核數師概不就獨立核數師報告的內容，對任何其他人士負責或承擔責任。外聘核數師有關彼等就綜合財務報表的申報責任載於本年報第73頁至第80頁的獨立核數師報告。

公司秘書

朱健明先生（「朱先生」）於二零一九年六月十一日獲委任為公司秘書。於本年度，朱先生已接受不少於15個小時之相關專業培訓。

有關朱先生之履歷載於本年報「董事及高級管理層之履歷」一節。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

The Company has established the framework of risk management and internal control below with a view to adopting the Code as set out in Appendix 15 to the GEM Listing Rules:

本公司已建立以下風險管理及內部監控框架，以採納GEM上市規則附錄十五所載之守則：

(a) *The process used to identify, evaluate and manage significant risks*

(a) *用於辨認、評估及管理重大風險的程序*

The processes used to identify, evaluate and manage significant risks by the Group are summarised as follows:

本集團用於辨認、評估及管理重大風險的程序概述如下：

Risk Identification – Identifies risks that may potentially affect the Group's business and operations.

風險識別—識別可能對本集團業務及營運構成潛在影響之風險。

Risk Assessment – (i) Assesses the risks identified by using the assessment criteria developed by the management; and (ii) Considers the impacts and consequences on the business and the likelihood of their occurrence.

風險評估—(i)使用管理層建立之評估標準，評估已識別之風險；及(ii)考慮風險對業務之影響及後果，以及風險出現之可能性。

Risk Response – (i) Prioritises the risks by comparing the results of the risk assessment; and (ii) Determines the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

風險應對—(i)透過比較風險評估之結果，排列風險優先次序；及(ii)釐定風險管理策略及內部監控程序，以防止、避免或降低風險。

Risk Monitoring and Reporting – (i) Performs ongoing and periodic monitoring of the risk and ensures that appropriate internal control processes are in place; (ii) Revises the risk management strategies and internal control processes in case of any significant change of situation; and (iii) Reports the results of risk monitoring to the management and the Board regularly.

風險監察及匯報—(i)持續並定期監察有關風險，以及確保設有適當的內部監控程序；(ii)於出現任何重大變動時，修訂風險管理策略及內部監控程序；及(iii)向管理層及董事會定期匯報風險監察的結果。

(b) *The main features of the risk management and internal control systems*

(b) *風險管理及內部監控系統的主要特點*

Control procedures have been designed to: (i) safeguard assets against misappropriation and disposition; (ii) ensure compliance with relevant laws, rules and regulations; (iii) ensure proper maintenance of accounting records for provision of reliable financial information used within the business or for publication; and (iv) to provide reasonable assurance against material misstatement, loss or fraud.

本集團已制定監控程序，旨在(i)保障資產不會被挪用及處置；(ii)確保遵守有關法例、規則及規例；(iii)確保有關為業務用途或公眾使用提供可靠財務資料之會計記錄得到妥善保管；及(iv)針對重大錯誤陳述、損失或欺詐行為提供合理保證。

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(c) *An acknowledgement by the Board that it is responsible for the risk management and internal control systems and reviewing their effectiveness. It should also explain that such systems are 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 misstatements or losses*

The Board is responsible for establishing and maintaining the sound risk management and internal control systems of the Company on an ongoing basis, as well as reviewing and evaluating their design and effectiveness at least annually. The Board oversees the overall risk management of the Group, endeavours to identify respective risks of major business segments, analyse control impact of the identified risks and facilitate implementation of coordinated mitigating measures. The risk management and internal control systems of the Company are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatements or losses.

(d) *The process used to review the effectiveness of the risk management and internal control systems and to resolve material internal control defects*

The Company has engaged Crowe (HK) Risk Advisory Limited as its risk management and internal control review adviser (the "Adviser") with a view to facilitate the Company in maintaining an internal audit function. The Company has also formulated an internal audit charter to define the scope, duties, responsibilities and reporting protocol of the internal audit function. The Adviser has assisted the Company in conducting an annual risk assessment to identify significant risks by strategic risks, operational risks, financial risks and compliance risks of its major business segments. A three-year internal audit plan was determined based upon the results of risk assessment under the risk-based audit approach. The Adviser also assisted the Board and the Audit Committee in performing an independent annual review of the effectiveness and adequacy of the risk management and internal control systems for the Year. Such review is conducted annually according to the three-year internal audit plan approved by the Audit Committee. The Adviser has reported findings and areas for improvement to the Audit Committee and management. The Board

(c) 董事會確認其負責風險管理及內部監控系統及檢討其成效。其亦須詮釋該等系統乃為管理而非消除未能達到業務目標的風險而設計，且僅能對於重大誤報或虧損提供合理而非絕對之保障

董事會負責持續建立及維持本公司之健全風險管理及內部監控系統，並至少每年檢討及評估其設計及成效。董事會監督本集團整體之風險管理，致力識別主要業務分部各自的風險、分析控制已識別風險之影響及促進配合實行減輕風險的措施。本公司之風險管理及內部監控系統旨在管理而非消除未達致業務目標之風險，且僅能對於重大誤報或虧損提供合理而非絕對之保障。

(d) 用於檢討風險管理及內部監控系統有效性的程序及解決嚴重內部監控缺失的程序

本公司已委任國富(香港)風險顧問有限公司擔任其風險管理及內部監控檢討顧問(「顧問」)以促進本公司維持內部審核職能。本公司亦制定內部審核章程，以界定內部審核職能的範圍、職責、責任及匯報協議。顧問已協助本公司進行年度風險評估，以根據其主要業務部門的戰略風險、運營風險、財務風險及合規風險來識別重大風險。根據以風險為基礎的審核方法項下的風險評估結果，釐定三年內部審核計劃。顧問亦協助董事會及審核委員會對本年度的風險管理及內部控制系統的有效性及其充分性進行獨立年度審查。有關審核每年根據審核委員會批准的三年內部審核計劃進行。顧問向審核委員會及管理層匯報結果及需改進之範疇。董事會及審核委員會認為，本年度並無發現重大內部監控缺失。本集團將適當跟進顧問的全部建議，以確保於合理時間

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企業管治報告

and the Audit Committee are of the view that there were no material internal control defeats noted for the Year. All recommendations from the Adviser would be properly followed up by the Group to ensure that they would be implemented within a reasonable period of time. The Board therefore considered that the risk management and internal control systems are effective and adequate for the Year.

(e) *The procedures and internal controls for the handling and dissemination of inside information*

An information disclosure policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the GEM Listing Rules. The policy regulates the handling and dissemination of inside information, which includes: (i) designated reporting channels from different operations informing any potential inside information to designated departments; (ii) designated persons and departments to determine further escalation and disclosure as required; and (iii) designated persons authorised to act as spokespersons and respond to external enquiries.

內落實執行。因此，董事會認為，本年度風險管理及內部監控系統有效且足夠。

(e) *用於處理及傳播內幕消息之程序及內部監控*

本集團已制訂信息披露政策，確保在保密的情況下存取潛在內幕消息，直至根據GEM上市規則作出一致和及時的披露為止。該政策規管處理及發放內幕消息的方式，包括(i)為不同營運單位向指定部門匯報任何潛在內幕消息指定匯報渠道；(ii)指定人士及部門按規定決定進一步匯報及披露方式；及(iii)指定獲授權人士作為發言人及回應外界查詢。

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企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene an extraordinary general meeting

Pursuant to article 12.3 of the Articles of Association, extraordinary general meetings of the Company (the "EGM(s)") shall also be convened on the requisition of two or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Directors or the Company Secretary for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition. If within twenty-one days of such deposit the Directors fail to proceed to convene such meeting, the requisitionist(s) himself (themselves) representing more than one-half of the total voting rights of all of them may do so in the same manner, provided that such meeting shall be held within three months after the deposit of such requisition, 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.

Procedures for Shareholders to nominate a person for election as a Director

Pursuant to article 16.4 of the Articles of Association, no person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Company Secretary notice in writing by a Shareholder (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

The details of the Company's procedures for Shareholders to propose a person for election as a Director are set out in the "Procedures for shareholders to propose a person for election as a Director" which is available on the Company's website at www.sinolifegroup.com.

股東權利

股東召開股東特別大會的程序

根據組織章程細則第12.3條，本公司之股東特別大會（「股東特別大會」）亦須由兩名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票之繳足股本十分之一的股東要求時召開。該項要求須以書面形式向董事或公司秘書提呈，以要求董事會就該項要求所指定之任何業務交易召開股東特別大會。倘董事未能於有關遞呈後21日內正式召開該大會，則遞呈要求人士本人（擁有所有遞呈要求人士全部投票權一半以上）可按相同方式召開股東大會，惟該大會應於遞呈要求後三個月內召開。所有因董事會未有召開大會致使遞呈要求人士產生的合理開支，須由本公司向遞呈要求人士償付。

股東提名人士參選董事的程序

根據組織章程細則第16.4條，任何未經董事會推薦的人士均不可於任何股東大會參選董事，除非在此期間（應最少七天，不早於該選舉大會通知發出後的第二天開始，並不遲於該大會日期前七天結束），由合資格出席大會並於會上投票的股東（非該獲提名人士）以書面通知公司秘書，擬於會上提名該名人士參加選舉，且遞交該名擬獲提名人士簽署的書面通知以證明其願意參與選舉。

本公司關於股東提名人士參選董事的程序詳情，載於本公司網站（www.sinolifegroup.com）的「股東提名人士參選董事的程序」。

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Procedures for Shareholders to put enquiries to the Board

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available. Any such questions shall be first directed to the Company Secretary at the Company's head office and principal place of business in Hong Kong or the Company's Hong Kong branch share registrar and transfer office.

Shareholders or investors can raise questions or provide comments and suggestions to the Company through the following means:

By post: Unit 601, 6/F., Ovest
77 Wing Lok Street
Sheung Wan
Hong Kong
By email: ir@sinolifegroup.com

Procedures for Shareholders to put forward proposals at Shareholders' meeting

There are no provisions allowing Shareholders to make proposals or move resolutions at the general meetings under the memorandum of the Company and the Articles of Association or the laws of the Cayman Islands. However, Shareholders are welcomed to put forward proposals relating to the operations and management of the Group to be discussed at Shareholders' meetings. The proposals shall be sent to the Company Secretary at the contact details as set out in the paragraph headed "Procedures for Shareholders to put enquiries to the Board" above by a written requisition. Shareholders who wish to put forward a proposal should convene an EGM by following the procedures set out in the paragraphs headed "Procedures for Shareholders to convene an extraordinary general meeting" above.

股東向董事會提出查詢的程序

股東可隨時索取本公司之公開資料。股東應於本公司之總部及香港主要營業地點向公司秘書或透過本公司之香港股份過戶登記分處提出任何有關查詢。

股東或投資者可透過以下方式向本公司查詢及提出意見：

郵遞： 香港
上環
永樂街77號
Ovest 6樓601室
電郵： ir@sinolifegroup.com

股東在股東大會上提出議案的程序

本公司組織章程文件及組織章程細則或開曼群島法律中並無任何條款允許股東在股東大會上提出議案或動議決議案。然而，本公司歡迎股東提出與本集團的運營及管理有關的議案，以供在股東大會上進行討論。議案應以書面要求形式按上文「股東向董事會提出查詢的程序」一段所載的聯繫詳情發送予公司秘書。意欲提出議案的股東應按照上文「股東召開股東特別大會的程序」一段所載的程序召開股東特別大會。

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企業管治報告

DIRECTORS AND OFFICERS INSURANCE

Appropriate insurance covers on Directors' and officers' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure arising from the business of the Group.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the Year.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

To ensure effective communication between the Board and the Shareholders, the Company has adopted a Shareholders' communication policy (the "Communication Policy"). Under the Communication Policy, the Company's information shall be communicated to the Shareholders mainly through general meetings, including annual general meetings, the Group's financial reports (quarterly reports, half-yearly report and annual report), its corporate communications and other corporate publications on the Company's website and the Stock Exchange's website and meetings with investors and analysts.

DIVIDEND POLICY

The Company adopted a policy on payment of dividends (the "Dividend Policy") in March 2019, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company.

董事及高級人員責任保險

涵蓋董事及高級人員法律責任之適當保險已有效保障本集團董事及高級人員因本集團業務產生之風險。

憲章文件

於本年度，本公司的憲章文件並無變動。

以投票方式表決

根據GEM上市規則第17.47(4)條之規定，除主席以誠實信用之原則做出決定，容許純粹有關程序或行政事宜之決議案以舉手方式表決外，在股東大會上，股東所作之任何表決必須以投票方式進行。

投資者關係及與股東之溝通

為確保董事會與股東保持有效溝通，本公司已採納一項股東溝通政策（「溝通政策」）。根據溝通政策，本公司將主要透過股東大會（包括股東週年大會）、本集團之財務報告（季度、半年度及年度報告）、於本公司及聯交所網站上刊登之公司通訊及其他企業刊物以及投資者及分析師會議向股東提供其資料。

股息政策

本公司於二零一九年三月採納派付股息之政策（「股息政策」），確立本公司宣派及建議派發股息之適當程序。

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The Company will declare and/or recommend the payment of dividends to the Shareholders after considering the Company's ability to pay dividends, which will depend on a number of factors, including but not limited to:

- (i) the Group's actual and expected financial performance;
- (ii) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (iii) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (iv) the Group's liquidity position;
- (v) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (vi) any other factors that the Board deems relevant.

The Board has complete discretion on whether to pay a dividend, subject to Shareholders' approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The Board may also consider declaring interim dividends from time to time.

The Company shall review and reassess the Dividend Policy and its effectiveness on a regular basis or as required.

本公司經考慮本公司派付股息之能力後將向股東宣派及／或建議派發股息，其將視乎若干因素，包括但不限於：

- (i) 本集團之實際及預期財務表現；
- (ii) 本集團之預期營運資金需求、資本開支需求及未來擴展計劃；
- (iii) 本公司及本集團各成員公司之保留盈利及可供分派儲備；
- (iv) 本集團之流動資金狀況；
- (v) 普遍經濟情況及其他或會影響本集團之業務或財務表現及狀況的內部或外部因素；及
- (vi) 任何其他董事會認為相關的因素。

董事會可全權酌情決定是否派付股息（視乎情況須獲股東批准）（倘適用）。即使董事會決議建議並派付股息，其形式、密度及金額將取決於營運及盈利、資金需求及盈餘、整體財務狀況、合約限制及其他本集團之其他影響本集團之因素。董事會亦可不時考慮宣派中期股息。

本公司將定期（或按需要）檢討及重新評核股息政策及其效能。

Biographical Details of the Directors and Senior Management 董事及高級管理層之履歷

As the date of this annual report, the biographical information of the Group's Directors and senior management are as follows:

EXECUTIVE DIRECTORS

Mr. Xu Jianchun (許建春), aged 43, was appointed on 22 December 2017 as the Chairman of the Board. Mr. Xu holds a doctorate degree in economics from Renmin University of China. Mr. Xu has many years of investment experience in the biotechnology sector. He has extensive experience in the biotechnology investment and operation field.

Mr. Liu Tien-Tsai (劉添財), aged 64, was appointed on 24 February 2005. Mr. Liu is responsible for the overall corporate strategies, planning, overall operational management and business development of the Group. Mr. Liu is a director of all subsidiaries of the Group (including Bau Shan Life Science Technology Co., Ltd (寶山生命科技股份有限公司) ("Bau Shan"). Mr. Liu founded Bau Shan and became its controlling shareholder in 1998, and has since then been continuously expanding its management team. Mr. Liu is also the team head of the funeral services deed team. Since the Group's establishment, Mr. Liu has played an active role in training its team. Mr. Liu obtained certificates in Non-Profit Making Organisation Management and Mortuary Science and Funeral Service Management from Nanhua University (南華大學) in 2000 and 2001 respectively. Having over 10 years of managerial, corporate and business experience, Mr. Liu began his career in funeral business since 1998. Mr. Liu has been a member of Japan Environmental Zhai Yuan Association (日本環境齋苑協會), the National Funeral Director Association of the United States and the FIAT-IFTA of Holland, and a council member of Society of Chinese Funeral Education (中華民國殯葬教育學會) and Chinese Society of Life and Death Studies (中華生死學會). Mr. Liu had also been a lecturer holding seminars on the skills of being a ceremonial master and cosmetology at the Continuing Education Centre, Ling Tung College (嶺東技術學院進修暨推廣教育中心) in Taiwan. Mr. Liu is currently an honorary member of the China Funeral Association (中國殯葬協會) in the PRC.

於本年報日期，本集團董事及高級管理層的履歷資料如下：

執行董事

許建春先生，43歲，於二零一七年十二月二十二日獲委任為董事會主席。許先生持有中國人民大學經濟學博士學位。許先生擁有多年生命科技領域投資經驗，彼於生命科技領域投資運營具備豐富經驗。

劉添財先生，64歲，於二零零五年二月二十四日獲委任。劉先生負責本集團之整體企業策略、規劃、整體營運管理及業務發展。劉先生為本集團所有附屬公司（包括寶山生命科技股份有限公司（「寶山」））之董事。劉先生創立寶山，並於一九九八年成為其控股股東，並自此一直擴充其管理團隊。劉先生亦為殯儀服務契約團隊的主管。自本集團成立以來，劉先生一直於培訓團隊方面擔當積極的角色。劉先生分別於二零零零年及二零零一年取得南華大學非營利事業管理及殯葬學及殯儀館服務管理證書。劉先生自一九九八年起開展其殯儀事業，彼擁有逾十年管理、企業及業務經驗。劉先生曾為日本環境齋苑協會、美國國家殯儀業董事協會及荷蘭FIAT-IFTA成員，並為中華民國殯葬教育學會及中華生死學會協會成員。劉先生亦於台灣嶺東技術學院進修暨推廣教育中心擔任成為禮儀師及美容技能課堂講師。劉先生目前為中國殯葬協會名譽會員。

Biographical Details of the Directors and Senior Management

董事及高級管理層之履歷

Dr. Xu Qiang (徐強), aged 44, was appointed on 1 March 2019 as a non-executive Director and was redesignated from a non-executive Director to an executive Director on 22 January 2021. Dr. Xu obtained his master's degree in Materials Physics and Chemistry from Tsinghua University in 2003. In 2008, he has obtained a doctorate's degree in Quantitative Electron Diffraction from Delft University of Technology in the Netherlands. Since 2012, Dr. Xu has served successively as Product Manager, Director of Application and is now the Vice President of Business Development in a nanotechnology company, focusing on the development of electron microscope related products, in the Netherlands.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chai Chung Wai (齊忠偉), aged 55, was appointed on 16 February 2009. Mr. Chai obtained his master degree of Accounting from Jinan University on 6 January 2004 and of business administration from the University of Manchester in December 2006. Mr. Chai is a fellow member of the Association of Chartered Certified Accountants, a fellow of the Hong Kong Institute of Certified Public Accountants, a Fellow of the Institute of Chartered Accountants in England and Wales and a Fellow of The Hong Kong Institute of Directors. Mr. Chai has extensive experience of over 20 years in the accounting and financial field. Mr. Chai has been the company secretary of Ping Shan Tea Group Limited. He is currently independent non-executive director of Sino Energy International Holdings Group Limited (a company listed in Hong Kong, stock code: 1096). Mr. Chai was an independent non-executive director of Asia Coal Limited (a company formerly listed in Hong Kong, stock code: 835, and cancelled listing on 18 June 2019) from September 2018 to June 2019.

徐強博士，44歲，於二零一九年三月一日獲委任非執行董事，並於二零二一年一月二十二日由非執行董事調任為執行董事。徐博士於二零零三年獲取清華大學材料物理與化學專業碩士學位。於二零零八年，彼獲取荷蘭Delft University of Technology定量電子衍射博士學位。自二零一二年起，徐博士於荷蘭一間納米技術公司先後出任產品經理、技術應用總監且現為業務發展副總裁，專門研發電子顯微鏡相關產品。

獨立非執行董事

齊忠偉先生，55歲，於二零零九年二月十六日獲委任。齊先生於二零零四年一月六日在暨南大學取得會計碩士學位及於二零零六年十二月在曼徹斯特大學取得工商管理碩士學位。齊先生為特許公認會計師公會資深會員、香港會計師公會資深會員、英格蘭及威爾斯特許會計師公會資深會員及香港董事學會資深會員。齊先生於會計及金融領域擁有逾20年的豐富經驗。齊先生曾任坪山茶業集團有限公司之公司秘書。彼現為中能國際控股集團有限公司（香港上市公司，股份代號：1096）之獨立非執行董事。齊先生於二零一八年九月至二零一九年六月為亞洲煤業有限公司之獨立非執行董事（一間前香港上市公司，股份代號：835，已於二零一九年六月十八日取消上市）。

Biographical Details of the Directors and Senior Management 董事及高級管理層之履歷

Mr. Sun Fei (孫飛), aged 42, was appointed on 23 January 2018. Mr. Sun obtained a Bachelor of Science degree in biophysics from the Department for Intensive Instruction of Science and Arts of Nanjing University in 2001, and obtained a doctorate degree in biophysics from the School of Medicine, Tsinghua University in 2006. Since 2006, he has been a researcher at the Institute of Biophysics of the Chinese Academy of Sciences, conducting an independent research on biophysics and structural biology. Since 2012, he has served as the director of the Center for Biological Imaging of the Institute of Biophysics of the Chinese Academy of Sciences, leading the establishment and operation of the international-class Center for Biological Imaging. Since 2015, he has been appointed as professor at the University of Chinese Academy of Sciences, teaching graduate and undergraduate students. He has extensive research experience in biophysical technology, cryo-electron microscopy, biological macromolecular structure and biological imaging, and has extensive management experience in the operation and maintenance of research platforms. In 2009, Mr. Sun was awarded the Shizhang Bei Prize in Biophysics. In 2013, he was chosen to participate as a teenage talent in the National Special Support Program for High-Level Talents, the "Ten Thousand Talent Program". In 2017, Mr. Sun was awarded the Outstanding Contribution Award for his contributions to cryo-electron microscopy in China. In 2017, he was elected as the managing director of the Biophysical Society of China and the vice-chairman of the Cryo-electron Microscopy Branch of the Biophysical Society of China.

孫飛先生，42歲，於二零一八年一月二十三日獲委任。孫先生於二零零一年本科畢業於南京大學基礎教學強化部，獲生物物理學理學學士學位，並於二零零六年畢業於清華大學醫學院，獲生物物理學理學博士學位。二零零六年至今任中國科學院生物物理研究所研究員，獨立開展生物物理與結構生物學研究。二零一二年至今擔任中國科學院生物物理研究所生物成像中心主任，領導建設和運行國際一流生物成像研究平台。二零一五年至今被聘為中國科學院大學崗位教授，開展研究生和本科生的教學工作。彼於生物物理技術、冷凍電子顯微成像技術、生物大分子構造、生物影像處理等方面擁有豐富的研究經驗，並在研究平台運行維護方面擁有豐富的管理經驗。孫先生於二零零九年榮獲貝時璋青年生物物理學家獎。於二零一三年彼入選國家高層次人才特殊支持計劃「萬人計劃」青年拔尖人才。於二零一七年孫先生榮獲中國冷凍電鏡傑出貢獻獎。於二零一七年彼當選中國生物物理學會常務理事及中國生物物理學會冷凍電鏡分會副理事長。

Biographical Details of the Directors and Senior Management

董事及高級管理層之履歷

Dr. YANG Jingjing (楊菁菁), aged 39, was appointed on 4 March 2022. He obtained a master's degree in finance from University of Technology Sydney in Australia and a doctorate degree in finance from Massey University in New Zealand. He worked as a visiting researcher at City University of Hong Kong. He is a professor, doctoral tutor, and deputy dean of the School of Finance, Guangdong University of Foreign Studies, and has been selected as a high-level financial specialist in Guangzhou. Currently, he is mainly engaged in teaching and scientific research in corporate finance and corporate governance.

SENIOR MANAGEMENT

Mr. Chu Kin Ming, aged 41, was appointed as the company secretary of the Company on 1 June 2019. He is a fellow member of The Association of Chartered Certified Accountants. He is also a member of The Hong Kong Institute of Certified Public Accountants, The Chartered Governance Institute and The Hong Kong Chartered Governance Institute. Mr. Chu holds a Bachelor of Arts degree in Accountancy from the Hong Kong Polytechnic University and he has extensive experiences in the field of accounting and financial management.

楊菁菁博士，39歲，於二零二二年三月四日獲委任。彼於澳大利亞University of Technology Sydney獲得金融學碩士學位，在紐西蘭Massey University獲得金融學博士學位，曾在香港城市大學從事訪問研究。現為廣東外語外貿大學金融學院教授、博士生導師、副院長，入選廣州市高層次金融人才。目前主要從事公司金融、公司治理方面的教學與科研工作。

高級管理層

朱健明先生，41歲，於二零一九年六月一日獲委任為本公司之公司秘書。彼為特許公認會計師公會資深會員，亦為香港會計師公會、英國特許公司治理公會以及香港公司治理公會成員。朱先生持有香港理工大學會計文學士學位，彼於會計及財務管理方面具有豐富經驗。

Directors' Report

董事會報告

The board (the "Board") of directors (the "Director(s)") of Sino-Life Group Limited (the "Company", together with its subsidiaries as the "Group") is here to present the annual report and the audited consolidated financial statements for the year ended 31 December 2021 (the "Year").

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the activities of its subsidiaries are set out in note 39 to the consolidated financial statements. There were no significant changes in nature of Group's principal activities during the Year.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the group's business, can be found in the section headed "Management Discussion and Analysis" set out on pages 8 to 23 of this annual report. This discussion forms part of this report.

RESULTS AND APPROPRIATIONS

The Group's loss for the Year is set out in the consolidated statement of profit or loss and other comprehensive income on pages 81 and 82 and the state of affairs of the Group at that date are set out in the consolidated statement of financial position on pages 83 and 84.

The Board does not recommend the payment of any dividend for the Year (2020: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

Since the Group is principally engaged in the provision of funeral services, none of its customers accounted for more than 10% of its total turnover during the Year. Purchases from the Group's five largest suppliers accounted for 19.5% of the total purchases for the Year and purchases from the largest supplier included therein amounted to 6.0%.

At no time during the Year, none of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any material beneficial interest in the Group's five largest customers and suppliers.

中國生命集團有限公司(「本公司」, 連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)謹此提呈截至二零二一年十二月三十一日止年度(「本年度」)的年度報告及經審核綜合財務報表。

主要活動及業務回顧

本公司的主要活動為投資控股而其附屬公司的活動載於綜合財務報表附註39。本集團主要活動的性質於本年度並無重大變化。

香港公司條例附表5所要求對該等活動作出的進一步討論及分析載於本年報第8至23頁的「管理層討論及分析」一節, 當中包括本集團所面對的主要風險及不確定因素的討論, 以及本集團業務可能進行的未來發展指標。本討論為董事會報告的一部份。

業績及撥付

本集團於本年度的虧損載於第81頁及82頁的綜合損益及其他全面收益表及本集團於該日的財務狀況載於第83頁及84頁的綜合財務狀況表。

董事會並不建議就本年度支付任何股息(二零二零年: 無)。

主要客戶及供應商

本集團主要從事供應殯儀服務, 於本年度, 概無其客戶佔超過本集團總營業額的10%。向本集團五大供應商作出的購買佔本年度總購買額的19.5%, 而向其中最大供應商作出的購買佔6.0%。

於本年度內任何時間, 概無本公司董事或彼等的任何聯繫人或任何股東(就董事深知, 擁有本公司已發行股本5%以上的股東)於本集團的五大客戶及供應商擁有任何重大實益權益。

Directors' Report

董事會報告

SEGMENT REPORTING

Details of segment reporting for the Year are set out in note 4 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of movements in investment properties of the Group during the Year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

There are no movements in either the Company's authorised or issued share capital during the Year.

RESERVES

Details of movements in the reserves of the Company and of the Group during the Year are set out in note 32 to the consolidated financial statements and in the consolidated statement of changes in equity on page 85, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2021, the Company's reserves available for distribution to owners comprising share premium account less accumulated losses, amounted to approximately RMB28,790,000.

DONATIONS

No charitable donations was made by the Group during the Year (2020: Nil).

分部報告

本年度分部報告詳情載於綜合財務報表附註4。

物業、廠房及設備

本集團的物業、廠房及設備於本年度的變動詳情載於綜合財務報表附註14。

投資物業

本集團投資物業於本年度的變動詳情載於綜合財務報表附註16。

股本

本公司的法定或已發行股本於本年度並無變動。

儲備

本公司及本集團的儲備於本年度的變動詳情分別載於綜合財務報表附註32及載於本年報第85頁的綜合權益變動表。

可分派儲備

於二零二一年十二月三十一日，本公司可供分派予擁有人的儲備（包括股份溢價賬減累積虧損）約人民幣28,790,000元。

捐款

本集團於本年度概無作出慈善捐款（二零二零年：無）。

Directors' Report

董事會報告

DIRECTORS

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

Executive Directors

Mr. Xu Jianchun

Mr. Liu Tien-Tsai

Dr. Xu Qiang (redesignated from non-executive Director to executive Director on 22 January 2021)

Independent non-executive Directors

Mr. Chai Chung Wai

Mr. Sun Fei

Dr. Yang Jingjing

(Appointed on 4 March 2022)

Mr. Wang Jun (Resigned on 4 March 2022)

According to the requirements of article 16.2 of the articles of association of the Company (the "Articles of Association"), the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Dr. Yang Jingjing will retire in accordance with article 16.2 of the Articles of Association, and, being eligible, offer himself for re-election in the forthcoming annual general meeting of the Company (the "AGM").

According to the requirements of article 16.18 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, 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 an annual general meeting at least once every three years. Mr. Xu Jianchun and Mr. Chai Chung Wai will retire by rotation in accordance with article 16.18 of the Article of Association, and, being eligible, offer themselves for re-election in the forthcoming AGM.

董事

於本年度及直至本報告日期的董事為：

執行董事

許建春先生

劉添財先生

徐強博士（於二零二一年一月二十二日
由非執行董事調任為執行董事）

獨立非執行董事

齊忠偉先生

孫飛先生

楊菁菁博士

（於二零二二年三月四日獲委任）

王均先生（於二零二二年三月四日辭任）

根據本公司組織章程細則（「組織章程細則」）第16.2條之規定，董事會有權不時及隨時委任任何人士為董事，以填補董事會臨時空缺或增加董事會成員的名額。任何以此方式獲委任的董事任期僅至本公司下屆股東週年大會為止，此等董事屆時有資格在該大會上膺選連任。楊菁菁博士將根據組織章程細則第16.2條輪席退任，並符合資格且願意於本公司應屆股東週年大會（「股東週年大會」）膺選連任。

根據組織章程細則第16.18條之規定，在每屆股東週年大會上，當時在任之三分之一董事（或如果董事數目並非三之倍數，則為最接近三分之一而又不少於三分之一之數目）必須輪席退任，而每名董事須最少每三年於股東週年大會輪席退任一次。許建春先生及齊忠偉先生將根據組織章程細則第16.18條輪席退任，並符合資格且願意於本公司應屆股東週年大會膺選連任。

Directors' Report

董事會報告

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

As at the date of this report, biographical details of the Directors and senior management of the Group are set out on pages from 48 to 51 of this annual report.

DIRECTORS' SERVICE AGREEMENT

Mr. Xu Jianchun ("Mr. Xu"), an executive Director, has entered into a service agreement with the Company for a term of three years commencing from 22 December 2017, which continues thereafter until terminated by either party giving not less than two months' notice in writing to the other party.

Mr. Liu Tien-Tsai, an executive Director, has entered into a service agreement with the Company for a term of three years commencing from 9 September 2009, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party.

Dr. Xu Qiang, an executive Director, has entered into a service agreement with the Company for a term of three years commencing from 22 January 2021, which continues thereafter until terminated by either party giving not less than two month's notice in writing to the other party.

Mr. Chai Chung Wai, an independent non-executive Director, has renewed his letter of appointment with the Company for a term of three years commencing from 9 September 2021, which can be terminated by either party giving not less than one month's notice in writing to the other party.

Mr. Sun Fei, an independent non-executive Director, has renewed his letter of appointment with the Company for a term of three years from 23 January 2021, which can be terminated by either party giving not less than one month's notice in writing to the other party.

Dr. Yang Jingjing, an independent non-executive Director, has entered into a letter of appointment with the Company for a term of three years from 4 March 2022, which can be terminated by either party giving not less than one month's notice in writing to the other party.

董事會及高級管理層

於本報告日期，董事及本集團高級管理層的履歷詳情載於本年報第48頁至第51頁。

董事的服務協議

執行董事許建春先生（「許先生」）已與本公司訂立服務協議，自二零一七年十二月二十二日起計為期三年且其後續期，直至由任何一方向另一方發出不少於兩個月的書面通知終止為止。

執行董事劉添財先生已與本公司訂立服務協議，自二零零九年九月九日起計為期三年且其後續期，直至由任何一方向另一方發出不少於三個月的書面通知終止為止。

執行董事徐強博士已與本公司訂立服務協議，自二零二一年一月二十二日起計為期三年且其後續期，直至由任何一方向另一方發出不少於兩個月的書面通知終止。

獨立非執行董事齊忠偉先生已與本公司重續委任函件，自二零二一年九月九日起計為期三年，直至由任何一方向另一方發出不少於一個月的書面通知終止。

獨立非執行董事孫飛先生已與本公司續簽委任函件，自二零二一年一月二十三日起計為期三年，直至由任何一方向另一方發出不少於一個月的書面通知終止。

獨立非執行董事楊菁菁博士已與本公司訂立委任函件，自二零二二年三月四日起計為期三年，直至由任何一方向另一方發出不少於一個月的書面通知終止。

Directors' Report

董事會報告

None of the Directors, including those to be re-elected at the forthcoming AGM, has a service agreement which is not determinable by the Group within one year without the payment of compensation (other than statutory compensation).

EMOLUMENT POLICY

A remuneration committee is set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices.

The Company has adopted a share option scheme (the "Share Option Scheme") to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, advisors, consultants, service providers, agents, customers, partners or joint-venture partners of the Group and to promote the success of the business of the Group.

For details of the Share Option Scheme, please refer to the section headed "Share Option Scheme" below.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five individuals with highest emoluments for the Year are set out in note 8 and note 9 to the consolidated financial statements.

概無任何董事（包括將於下屆股東週年大會參加重選的董事）擁有本集團在不支付賠償（法定賠償除外）的情況下不可於一年內終止的服務協議。

薪酬政策

本公司已成立薪酬委員會，旨在考慮本集團的經營業績、個別表現及可比較的市場慣例後，檢討本集團的薪酬政策及本集團全體董事及高級管理層的薪酬結構。

本公司已採納購股權計劃（「購股權計劃」）乃為吸引及挽留最稱職人員，為本集團之僱員（全職及兼職）、董事、顧問、諮詢人、服務提供商、代理、客戶、合作夥伴或合營企業夥伴提供額外獎勵及推動本集團業務之成功。

有關購股權計劃詳情，請參閱下文「購股權計劃」一節。

董事及五位最高薪酬人士的酬金

於本年度董事及五位最高薪酬人士酬金的詳情載於綜合財務報表附註8及附註9。

Directors' Report

董事會報告

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

As at 31 December 2021, the interests and short positions held by the Directors or chief executives of the Company had any interests or short positions in the shares (the "Shares"), underlying shares (the "Underlying Shares") and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Aggregate long positions in the Shares

Name	Nature of interests	Number of Shares held	Approximate percentage of total issued share capital
姓名	權益性質	所持股份數目	佔已發行股本概約百分比
Mr. XU Jianchun ("Mr. Xu") (Chairman and executive Director)	Interests of controlled corporation (Note 1)	220,475,000	29.69%
許建春先生(「許先生」) (主席兼執行董事)	受控制法團權益 (附註1)		

董事及主要行政人員於本公司或其相聯法團之股份、相關股份及債權證之權益及淡倉

於二零二一年十二月三十一日，董事或本公司高級行政人員擁有於本公司或任何其相聯法團（根據香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XV部所界定）之股份（「股份」）、相關股份（「相關股份」）及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或被視為擁有之任何權益或淡倉）；或須根據證券及期貨條例第352條列入該條例所指之登記冊之相關權益或淡倉；或須根據GEM上市規則第5.46條至第5.67條之規定知會本公司及聯交所之任何權益或淡倉如下：

於股份之好倉總額

Directors' Report

董事會報告

Note:

1. Mr. Xu is interested in 220,475,000 Shares through his controlling interests in Hong Kong Gaoqi Biological Technology Company Limited ("HK Gaoqi"). Mr. Xu is interested in HK Gaoqi through his 25.55% direct beneficial interests and 9.78% through Houq Bio-Technology Limited ("HBT Limited"), a company incorporated in the British Virgin Islands. HBT Limited has two classes of shares, namely class A and class B, in which shareholders of class A and class B have 30 votes and 1 vote per share in the shareholders' meeting respectively. Mr. Xu holds 94.07% class A interests and Ms. Qiu Qi (邱琪), the spouse of Mr. Xu, holds 5.93% class A interests and 10.74% class B interests in HBT Limited. By virtue of the SFO, Mr. Xu is taken to be interested in all the shares held by Ms. Qiu Qi, so Mr. Xu collectively holds 86.78% of the total voting rights of HBT Limited, and in turn is interested in 9.78% of HK Gaoqi. Accordingly, Mr. Xu is deemed to be interested in all the Shares held by HK Gaoqi by virtue of SFO.

Save as disclosed above, as at 31 December 2021, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in the Shares, Underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

So far as the Directors are aware, as at 31 December 2021, other than the Directors or chief executives of the Company whose interests or short positions are disclosed under the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, the following persons and corporations have interests or short position in the Shares or Underlying Shares which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, and who were expected, directly or indirectly, to be interested in 5% or more of the Shares is listed as follows:

附註:

1. 許先生透過其於香港高崎生物科技有限公司(「香港高崎」)的控股權益於220,475,000股股份中擁有權益。許先生擁有香港高崎25.55%之直接實益權益及Houq Bio-Technology Limited(「HBT Limited」)(該公司於英屬處女群島註冊成立)9.78%之權益。HBT Limited擁有兩類股份,包括A類股份及B類股份,其中持有A類股份及B類股份的股東分別持有股東大會上每股30票投票權及每股1票投票權。許先生擁有HBT Limited 94.07%之A類權益,其配偶邱琪女士擁有HBT Limited 5.93%之A類權益及10.74%之B類權益。根據證券及期貨條例,許先生於邱琪女士持有的所有股份中擁有權益,故此,許先生合共持有HBT Limited之總投票權的86.78%,另擁有香港高崎9.78%之權益。因此,根據證券及期貨條例,許先生被視為於香港高崎持有的所有股份中擁有權益。

除上文所披露者外,於二零二一年十二月三十一日,概無董事、本公司高級行政人員或彼等各自之聯繫人於本公司或其相聯法團(具有證券及期貨條例第XV部所賦予之涵義)之股份、相關股份及債權證中,持有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之該等條文彼等被當作或視為持有之權益及淡倉),或根據證券及期貨條例第352條須列入該條文指定之登記冊之權益及淡倉,或根據GEM上市規則第5.46至5.67條所指本公司董事進行交易之最低標準,須知會本公司及聯交所之權益或淡倉。

主要股東於股份及相關股份之權益及淡倉

就董事所悉,於二零二一年十二月三十一日,除上段「董事及高級行政人員於本公司或其相聯法團之股份、相關股份及債權證之權益及淡倉」披露的董事或本公司高級行政人員的權益或淡倉外,於股份中或相關股份中擁有任何根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露並根據證券及期貨條例第336條須予備存的登記冊所記錄之權益或淡倉,且預期直接或間接於股份中擁有5%或以上權益的人士及公司名列如下:

Directors' Report

董事會報告

Aggregate long positions in the Shares

於股份之好倉總額

Name of Shareholder	Nature of interest	Number of Shares held	Approximate percentage of the issued share capital of the Company
股東名稱	權益性質	所持股份數目	佔本公司已發行股本的概約百分比
Hong Kong Gaoqi Biological Technology Company Limited ("HK Gaoqi") 香港高崎生物科技有限公司 ("香港高崎")	Beneficial Owner 實益擁有人	220,475,000	29.69%
Ms. QIU Qi 邱琪女士	Interests of controlled corporation (Note 2) 控股公司權益(附註2)	220,475,000	29.69%

Notes:

- Mr. Xu is the director of HK Gaoqi, which holds 29.69% Shares, and the director of HBT Limited, which holds 9.78% of equity interests in HK Gaoqi. Mr. Xu is interested in HK Gaoqi through his 25.55% direct beneficial interests and 9.78% through HBT Limited. HBT Limited has two classes of shares, namely class A and class B, in which shareholders of class A and class B have 30 votes and 1 vote per share in the shareholders' meeting respectively, and Mr. Xu holds 94.07% class A interests in HBT Limited and Ms. Qiu Qi, the spouse of Mr. Xu, holds 5.93% class A interests and 10.74% class B interests in HBT Limited. By virtue of the SFO, Mr. Xu is taken to be interested in all the shares held by Ms. Qiu Qi, so Mr. Xu collectively holds 86.78% of the total voting rights of the HBT Limited, and in turn is interested in 9.78% of HK Gaoqi.
- By virtue of the SFO, Ms. Qiu Qi, the spouse of Mr. Xu, is taken to be interested in all the shares held by Mr. Xu.

附註:

- 許先生為香港高崎之董事，彼擁有該公司29.69%之股份，亦為HBT Limited之董事，擁有香港高崎9.78%之權益。許先生擁有香港高崎25.55%之直接實益權益及HBT Limited 9.78%之權益。HBT Limited擁有兩類股份，包括A類股份及B類股份，其中持有A類股份及B類股份的股東分別持有股東大會上每股30票投票權及每股1票投票權。並且許先生擁有HBT Limited 94.07%之A類權益，其配偶邱琪女士擁有HBT Limited 5.93%之A類權益及10.74%之B類權益。根據證券及期貨條例，許先生於邱琪女士持有的所有股份中擁有權益，故此，許先生合共持有HBT Limited之總投票權的86.78%，另擁有香港高崎9.78%之權益。
- 根據證券及期貨條例，作為許先生之配偶，邱琪女士被視為於許先生所持有的所有股份中擁有權益。

Save as disclosed above and the Directors' interests as disclosed in "Directors' and Chief Executives' Interests in and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations", no person had interests in shares or short positions in the shares of the Company or underlying shares which are required to be recorded in the register to be kept by the Company pursuant to section 336 of the Securities and Futures Ordinance as at 31 December 2021.

除上文所披露者外及於「董事及主要行政人員於本公司或其相聯法團之股份、相關股份及債權證之權益及淡倉」披露的董事的權益外，於二零二一年十二月三十一日，概無人士於本公司之股份及相關股份中擁有根據證券及期貨條例第336條須予備存的登記冊所記錄之權益或淡倉。

Directors' Report

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

Save as the transactions disclosed in note 35 to the consolidated financial statements, no transaction, arrangement or contract that is significant in relation to the Group's business to which the Company or any of its subsidiaries, fellow subsidiaries or parent company was a party and in which a Director or his connected entity had, directly or indirectly, a material interest subsisted at the end of the Year or at any time during the Year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the details as disclosed under the heading "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporation" above, at no time during the 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 executives 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 shares in, or debentures of, the Company or any other body corporate.

CONTINUING CONNECTED TRANSACTIONS

Agency Agreement

On 31 January 2019, Zhongke Guangju Cell Therapy (Guangdong) Co., Ltd.* (中科廣聚細胞醫療(廣東)有限公司) ("Zhongke Guangju"), a company indirectly held as to 30% equity interest by Mr. XU Jianchun ("Mr. Xu") and his Associates through a controlled company, entered into an agency agreement (the "Agency Agreement") with Zhongke Zhenqi Biotechnology (Guangdong) Co., Ltd.* (中科臻祺生物科技(廣東)有限公司) ("Zhongke Zhenqi"), a wholly-owned subsidiary of the Company. Pursuant to the Agency Agreement, Zhongke Guangju has agreed to engage Zhongke Zhenqi as a distribution agent to market development and market promotion of stem cells and immunocytes in the PRC, Hong Kong and Macau and also providing market feedback to Zhongke Guangju for three years commencing from 31 January 2019.

董事於合約中的權益

除綜合財務報表附註35中所披露的交易外，於本年度末或本年度內任何時間，概無董事或其關連實體於對本集團業務而言屬重大的任何交易、安排或合約（本公司或其任何附屬公司、同系附屬公司或母公司為訂約方）中直接或間接擁有重大權益。

董事認購股份或債權證的權利

除上文「董事及主要行政人員於本公司或其相聯法團的股份、相關股份及債權證之權益及淡倉」一節所披露的詳情外，於本年度任何時間，本公司或其任何附屬公司或同系附屬公司概無任何安排，致使本公司之董事或主要行政人員或其各自聯繫人（定義見GEM上市規則）獲取可認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券的權利，或透過購入本公司或任何其他法人團體之股份或債權證而獲益之權利。

持續關連交易

代理協議

於二零一九年一月三十一日，中科廣聚細胞醫療(廣東)有限公司（「中科廣聚」，其30%股權由許建春先生（「許先生」）及其聯繫人透過受控公司間接持有）與中科臻祺生物科技(廣東)有限公司（「中科臻祺」，為本公司全資附屬公司）訂立代理協議（「代理協議」）。根據代理協議，中科廣聚已同意聘請中科臻祺為中國、香港及澳門的幹細胞及免疫細胞市場開發及市場推廣的分銷代理，並向中科廣聚提供市場反饋，於二零一九年一月三十一日開始為期三年。

Directors' Report

董事會報告

Mr. XU, the chairman of the Board and executive Director of the Company, and his Associates indirectly hold through a controlled company 30% of the shares in Zhongke Guangju. Accordingly, the transactions contemplated under the Agency Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

The Directors estimate that for the period from the effective date of the Agency Agreement to 31 December 2019, the year ended 31 December 2020 and the year ended 31 December 2021, the aggregate value of the products and/or services provided to Zhongke Zhenqi under the Agency Agreement by Zhongke Guangju will not exceed RMB8,000,000 (approximately HK\$9,290,000), RMB8,500,000 (approximately HK\$9,871,000) and RMB8,500,000 (approximately HK\$9,871,000) respectively.

The annual cap of the aggregate value of the products and/or services provided to Zhongke Zhenqi under the Agency Agreement by Zhongke Guangju set by the Board for the period from 31 January 2021 to 31 December 2021 is RMB8,500,000 (approximately HK\$9,871,000). During the year ended 31 December 2021, the total amount incurred by Zhongke Guangju to Zhongke Zhenqi pursuant to the Agency Agreement was approximately RMB212,000. Further details of this continuing connected transaction are set out in the announcements of the Company dated 31 January 2019 and 1 February 2019.

The Company has adopted the following internal control measures to ensure that the continuing connected transaction is conducted in accordance with the pricing policy and terms of the Agency Agreement as well as the GEM Listing Rules:

- (i) The Company's finance department will from time to time obtain proof of market prices of products and/or services provided by Zhongke Guangju. All quotations and/or prices will be filed as reference prices for the continuing connected transaction to ensure that prices for products and/or services provided to Zhongke Zhenqi by Zhongke Guangju do not exceed general market price and prices for identical or similar for products and/or services provided to other independent third party agents by Zhongke Guangju;
- (ii) The Company's finance department will monitor and ensure that the continuing connected transaction is conducted in accordance with the terms of the Agency Agreement and do not exceed the annual caps of the continuing connected transaction;

中科廣聚之30%股份由本公司董事會主席兼執行董事許先生及其聯繫人透過受控公司間接持有。因此，根據GEM上市規則第20章，代理協議項下擬進行之交易構成本公司之關連交易。

董事預期，自代理協議生效日期至二零一九年十二月三十一日止期間、截至二零二零年十二月三十一日止年度及截至二零二一年十二月三十一日止年度，中科廣聚根據代理協議向中科臻祺供應之產品及／或提供服務之總價值分別將不會超過人民幣8,000,000元（約9,290,000港元）、人民幣8,500,000元（約9,871,000港元）及人民幣8,500,000元（約9,871,000港元）。

董事會就二零二一年一月三十一日至二零二一年十二月三十一日期間為中科廣聚根據代理協議向中科臻祺供應之產品及／或提供服務之總價值所設定的年度上限為人民幣8,500,000元（約9,871,000港元）。於截至二零二一年十二月三十一日止年度，中科廣聚根據代理協議向中科臻祺產生的總金額為約人民幣212,000元。有關該持續關連交易的進一步詳情，載於本公司日期為二零一九年一月三十一日及二零一九年二月一日的公告。

本公司已採用以下內部監控措施以確保持續關連交易按照代理協議的定價政策及條款執行並遵守GEM上市規則：

- (i) 本公司財務部將可不時獲取中科廣聚提供產品及／或服務市場價格的證明。所有報價及／或定價記錄會被存檔作為持續關連交易的參考價格，以確保中科廣聚向中科臻祺提供產品及／或服務的價格不高於市場一般價格及中科廣聚向其他獨立第三方代理提供相同或相似種類產品及／或服務所提供的價格；
- (ii) 本公司財務部將監控及確保持續關連交易按照代理協議的條款進行且並沒有超出持續關連交易的年度上限；

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- (iii) The Board will continue to review on a regular basis the Group's internal control system and its effectiveness; and
- (iv) The Company will appoint an external auditor pursuant to the GEM Listing Rules to conduct annual reviews of the continuing connected transactions and its annual caps.

The independent non-executive Directors have reviewed the aforesaid continuing connected transaction and confirmed that the transaction has been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the aforesaid continuing connected transaction in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The auditor has issued their unqualified letter containing the auditor's findings and conclusions in respect of the aforesaid continuing connected transaction in accordance with Rule 20.54 of the GEM Listing Rules as follows, a copy of the auditor's letter has been provided by the Company to the Stock Exchange:

- (1) nothing has come to the auditor's attention that causes them to believe that the continuing connected transaction has not been approved by the Board;
- (2) nothing has come to the auditor's attention that causes them to believe that the continuing connected transaction was not entered into, in all material respects, in accordance with the relevant agreements governing such transaction; and

- (iii) 董事會將持續定期檢討本集團的內部監控制度及其有效性；及
- (iv) 本公司將根據GEM上市規則委聘外部核數師對持續關連交易及其年度上限進行年度審閱。

獨立非執行董事已審閱上述持續關連交易，並確認該交易：

- (1) 於本集團的日常及一般業務過程中訂立；
- (2) 按正常商業條款或更佳條款訂立；及
- (3) 根據按公平合理且符合本公司股東整體利益的條款對其規管的協議訂立。

本公司核數師獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號（經修訂）「審核或審閱過往財務資料以外的核證委聘」並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就上述持續關連交易作出報告。

核數師已根據GEM上市規則第20.54條發出載有其對上述持續關連交易的發現及結論的無保留意見函件（本公司已將該核數師函件副本呈交聯交所），如下：

- (1) 概無事項引起核數師注意，使彼等相信持續關連交易尚未得到董事會的批准；
- (2) 概無事項引起核數師注意，使彼等相信持續關連交易並未在所有重大方面根據規管該交易的相關協議訂立；及

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(3) nothing has come to the auditor's attention that causes them to believe that the continuing connected transaction has exceeded the respective maximum aggregate annual value as set by the Company.

A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

CONNECTED TRANSACTION

Discloseable Transaction and Connected Transaction in relation to the Acquisition of the sale equity in the Target Company and entering into the VIE Agreements

On 26 November 2019, 深圳富盈達信生物科技合夥企業(有限合夥) Shenzhen Fuying Daxin Biotechnology Partnership (Limited Partnership)* (the "Vendor"), the Company (the "Purchaser A") and 中科訊達生物科技(深圳)有限公司 Zhongke Xunda Biotechnology (Shenzhen) Co., Ltd.*, a wholly owned subsidiary of the Company (the "Purchaser B"), entered into a sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Vendor conditionally agreed to sell, and the Purchasers conditionally agreed to acquire the sale equity, including 32% equity interest in 廣州銳鑄生物科技有限公司 ("GZRT"), at the aggregated consideration of HK\$28,880,000 (the "Acquisition").

廣東艾時代生物科技有限責任公司 Guangdong Xtem Biotechnology Co., Ltd.*, a company established in the PRC with limited liability (the "Target Company"), GZRT, and the PRC equity owners (the "PRC Equity Owners"), which consisting of the Vendor, 深圳市南嶽資產管理有限公司 Shenzhen Nanyue Asset Management Co., Ltd.* (a company established in the PRC with limited liability) (the "PRC Shareholder A"), 深圳市耶寶微納米芯片研究院有限公司 Shenzhen Yebao Micro-Nano Chip Research Institute Co., Ltd.* (a company established in the PRC with limited liability) (the "PRC Shareholder B"), 深圳市厚朴投資管理有限公司, Shenzhen Houpu Investment Management Co., Ltd.* (a company established in the PRC with limited liability) (the "PRC Shareholder C"), and 藍志男(Mr. Lan Zhinan) ("Mr. Lan"), will implement a reorganization and enter into the variable interest entity agreements (the "VIE Agreements"), pursuant to which GZRT will have effective control over the finance and operation of the Target Company and will be entitled to 95% economic interests and benefits generated by the Target Company.

* for reference only

(3) 概無事項引起核數師注意，使彼等相信持續關連交易已超出本公司設定的有關最大年度總價值。

本公司已將該核數師函件副本呈交聯交所。

關連交易

有關收購目標公司之銷售股權及訂立VIE協議的須予披露交易及關連交易

於二零一九年十一月二十六日，深圳富盈達信生物科技合夥企業(有限合夥) (「賣方」)、本公司(「買方甲」)及本公司之全資附屬公司中科訊達生物科技(深圳)有限公司(「買方乙」)訂立買賣協議(「買賣協議」)，據此賣方有條件同意出售而買方有條件同意收購銷售股權(包括於廣州銳鑄生物科技有限公司(「GZRT」)的32%股權)，總代價為28,880,000港元(「收購事項」)。

廣東艾時代生物科技有限責任公司(一家於中國成立的有限公司，「目標公司」)、GZRT及中國股權擁有人(「中國股權擁有人」，當中包括賣方、深圳市南嶽資產管理有限公司(一家於中國成立的有限公司，「中國股東甲」)、深圳市耶寶微納米芯片研究院有限公司(一家於中國成立的有限公司，「中國股東乙」)、深圳市厚朴投資管理有限公司(一家於中國成立的有限公司，「中國股東丙」)及藍志男先生(「藍先生」)將實行重組及訂立可變權益實體協議(「VIE協議」)，據此，GZRT將可實際控制目標公司的財務及營運，並將有權享有目標公司產生的95%經濟利益及得益。

* 僅供參考

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Due to the impact of the anomalous coronavirus pneumonia pandemic, the due diligence workload and the delay in all other relevant tasks, the Vendor and the Purchasers mutually agreed not to proceed with the transactions and entered into a termination agreement on 8 March 2021 to terminate the Sale and Purchase Agreement with immediate effect, and all relevant parties shall be released and discharged from their respective rights and obligations therein. Given that the Sale and Purchase Agreement will not proceed, the Company will not prepare the corresponding circular and will not convene an extraordinary general meeting in approving the agreements. The Board is of the view that the termination of the S&P Agreement will not cause material adverse effect on the operation, business and financial position of the Group.

Further details of this discloseable transaction and connected transaction are set out in the announcements of the Company dated 26 November 2019, 16 December 2019, 9 January 2020, 2 March 2020, 9 April 2020, 1 June 2020, 30 June 2020, 3 August 2020, 15 September 2020, 15 October 2020, 20 November 2020, 18 December 2020, 29 January 2021 and 9 March 2021.

Major and Connected Transaction in relation to Capital Increase of Zhongke Zhenhui (Guangdong) Medical Technology Company Limited* (中科臻慧(廣東)醫療科技有限公司)

On 13 September 2021, the Company has entered into a capital increase agreement (the "Capital Increase Agreement") between Zhongke Xunda Biotechnology (Shenzhen) Company Limited* (中科訊達生物科技(深圳)有限公司)("Zhongke Xunda"), a company established in the PRC on 17 September 2019 with limited liability, Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd.* (深圳市南嶽天車生物智能裝備投資有限公司)("Nanyue CB"), a company established in the PRC on 8 March 2021 with limited liability, and Zhongke Zhenhui (Guangdong) Medical Technology Company Limited* (中科臻慧(廣東)醫療科技有限公司)("Zhongke Zhenhui"), a company established in the PRC on 19 May 2020 with limited liability, to increase the registered capital of Zhongke Zhenhui from RMB10,000,000 to RMB80,000,000 on a pro rata basis. Pursuant to the Capital Increase Agreement, Zhongke Xunda and Nanyue CB agreed to contribute, by way of cash, RMB35,700,000 and RMB34,300,000 into the registered capital of Zhongke Zhenhui, respectively.

由於反常的冠狀病毒性肺炎大流行的影響，盡職調查工作過量且延遲所有其他相關工作，賣方與買方一致同意不再進行交易並於二零二一年三月八日就終止買賣協議訂立終止協議，即刻生效，且所有相關方均獲免除及解除彼等各自於此項下的權利及義務。鑑於買賣協議不再繼續進行，本公司將不會編製相應的通函，亦不會召開臨時股東大會批准該等協議。董事會認為，買賣協議的終止不會對本集團的經營、業務及財務狀況構成重大不利影響。

有關須予披露交易及關連交易進一步詳情載於本公司日期為二零一九年十一月二十六日、二零一九年十二月十六日、二零二零年一月九日、二零二零年三月二日、二零二零年四月九日、二零二零年六月一日、二零二零年六月三十日、二零二零年八月三日、二零二零年九月十五日、二零二零年十月十五日、二零二零年十一月二十日、二零二零年十二月十八日、二零二一年一月二十九日及二零二一年三月九日的公告。

有關中科臻慧(廣東)醫療科技有限公司增資之重大及關連交易

於二零二一年九月十三日，本公司與中科訊達生物科技(深圳)有限公司(「中科訊達」，一間於二零一九年九月十七日在中國成立的有限公司)、深圳市南嶽天車生物智能裝備投資有限公司(「南嶽天車」，一間於二零二一年三月八日在中國成立的有限公司)及中科臻慧(廣東)醫療科技有限公司(「中科臻慧」，一間於二零二零年五月十九日在中國成立的有限公司)訂立增資協議(「增資協議」)，將中科臻慧的註冊資本按比例自人民幣10,000,000元增加至人民幣80,000,000元。根據增資協議，中科訊達及南嶽天車同意以現金方式分別向中科臻慧之註冊資本出資人民幣35,700,000元及人民幣34,300,000元。

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Nanyue CB, is controlled as to 71.25% by Mr. Xu (together with his associates), an executive Director and therefore a connected person of the Company. Accordingly, pursuant to Rule 20.10 of the GEM Listing Rules, Nanyue CB is an associate of a connected person of the Company and the entering into of the Capital Increase Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. For details of the Capital Increase Agreement, please refer to the announcements of the Company dated 13 September 2021 and 26 October 2021 and the circular of the Company dated 29 October 2021.

Details of related party transactions undertaken in the normal course of business of the Group during the Year are set out in note 35 to the consolidated financial statements.

Save as disclosed above, all other related party transactions and balances did not constitute connected transactions or continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules which are required to comply with any of the reporting, announcement or independent shareholders' approval requirements under the GEM Listing Rules.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES

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

MANAGEMENT CONTRACTS

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

南嶽天車71.25%的權益由執行董事許先生（連同其聯繫人）控制，故為本公司的關連人士。因此，根據GEM上市規則第20.10條，南嶽天車為本公司關連人士的聯繫人，且訂立增資協議構成GEM上市規則第20章項下本公司一項關連交易。有關增資協議的詳情，請參閱本公司日期為二零二一年九月十三日及二零二一年十月二十六日的公告以及本公司日期為二零二一年十月二十九日的通函。

本集團於本年度正常業務過程中進行的關連方交易之詳情載於綜合財務報表附註35。

除上文所披露者外，根據GEM上市規則第20章，所有其他關連方交易及結餘均不構成須遵守GEM上市規則項下的申報、公佈或獨立股東批准規定的本公司的關連交易或持續關連交易。

購買、出售及贖回上市證券

本公司或其任何附屬公司於本年度概無購買、出售或贖回本公司任何上市證券。

管理合約

於本年度，就本公司整體或任何重大部分業務方面概無訂立或存在管理及行政合約。

Directors' Report

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DIRECTORS' INTEREST IN A COMPETING BUSINESS

As disclosed in the announcement (the "Announcement") dated 13 September 2021 and the circular (the "Circular") dated 29 October 2021 of the Company with respect to (i) the major and connected transaction in relation to the capital increase in Zhongke Zhenhui; and (ii) the major transaction in relation to the formation of the JV Company, the Company has entered into the Capital Increase Agreement and the JV Agreement on 13 September 2021. Capitalised terms used in this report shall bear the same meanings as those defined in the Announcement and the Circular unless the context requires otherwise.

If the Capital Increase and the Formation of the JV Company are crystallised, the Group through (i) the JV Company will engage in equity and/or securities investment business; and (ii) Zhongke Zhenhui engaged in technical development and consultation services, investment activities and business management consultation. The businesses of Nanyue AM are mainly engaged in asset management, investment management, equity investment and investment consulting services through its private equity funds. Mr. Xu is a director of Nanyue AM and, together with his associates, ultimately owned as to approximately 71.25% equity interests of Nanyue AM, therefore, Mr. Xu may be regarded as being interested in the competing business with the business of the Group. As the Company's management and administrative structure are independent to that of Nanyue AM, and coupled with the diligence of the independent non-executive Directors and the audit committee of the Company (the "Audit Committee"), the Group is capable of carrying its businesses independently on an arm's length basis.

For more details, please refer to the Announcement and the Circular.

Save as disclosed above, during the Year and up to the date of this annual report, none of the Directors, the controlling shareholders of the Company, or any of their respective close associates (as defined in the GEM Listing Rules) is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the businesses of the Group, and is required to be disclosed pursuant to Rule 11.04 of the GEM Listing Rules.

董事於競爭業務之權益

誠如本公司日期為二零二一年九月十三日之公告(「該公告」)及日期為二零二一年十月二十九日之通函(「該通函」),內容有關(i)向中科臻慧增資之主要及關連交易;及(ii)組建合營公司之主要交易,本公司已於二零二一年九月十三日訂立增資協議及合營協議。除文義另有所指外,本報告所用詞彙與該公告所界定者具備相同涵義。

倘增資及組建合營公司之事項敲定後,本集團透過(i)合營公司將從事股權及/或證券投資業務;及(ii)中科臻慧從事技術開發及諮詢服務、投資活動及業務管理諮詢。Nanyue AM主要透過其私募股權基金從事資產管理、投資管理、股權投資及投資諮詢服務業務。許先生為Nanyue AM之董事,與其聯繫人最終擁有Nanyue AM約71.25%之股權,故此,許先生被視為於與本集團業務有競爭之業務中擁有權益。由於本公司之管理及行政架構獨立於Nanyue AM,加之本公司獨立非執行董事及審核委員會(「審核委員會」)之勤勉,本集團能夠按公平基準獨立營運其業務。

更多詳情請參閱該公告及該通函。

除上文所披露者外,於本年度及截至本年報日期,除本集團業務外,概無董事、本公司之控股股東或任何彼等各自的緊密聯繫人(定義見GEM上市規則)於與本集團業務直接或間接構成或可能構成競爭之業務中擁有根據GEM上市規則第11.04條須予披露之權益。

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BANK BORROWINGS

Particulars of bank borrowings of the Group as at 31 December 2021 are set out in note 28 to the consolidated financial statements.

RETIREMENT SCHEMES

Particulars of the retirement schemes of the Group are set out in note 13 to the consolidated financial statements.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors a written annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers all the independent non-executive Directors are independent.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with such code of conduct throughout the Year.

銀行借貸

本集團於二零二一年十二月三十一日的銀行借貸的詳情載於綜合財務報表附註28。

退休計劃

本集團退休計劃的詳情載於綜合財務報表附註13。

獨立性確認

本公司已收到各獨立非執行董事根據GEM上市規則第5.09條所作的書面年度獨立性確認書，並認為全體獨立非執行董事均屬獨立人士。

有關董事進行證券交易之行為守則

本公司採納有關董事進行證券交易之行為守則，其條款與GEM上市規則第5.48至5.67條所載的交易標準同樣嚴謹。已向所有董事作出特定查詢，董事確認，彼等於本年度內一直遵守該等行為守則。

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SHARE OPTION SCHEME

The old share option scheme, which was adopted by the Company on 24 August 2009, was expired and there was no outstanding share option. A new share option scheme (the "Share Option Scheme") was adopted by the shareholders of the Company at the extraordinary general meeting of the Company held on 22 April 2021. The Share Option Scheme will remain in force for a period of 10 years commencing from the date of adoption of the Share Option Scheme from 22 April 2021 (the "Date of Adoption") (that is from 22 April 2021 to 21 April 2031). The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to the participants and to promote the success of the business of the Group. The participants include any director, employee (full-time and part-time), advisor, consultant, supplier, agent, customer, partner or joint-venture partner of the Company or any subsidiary of the Company, who, in the absolute discretion of the Board, has contributed or may contribute to the Group so as to promote the success of the business of the Group.

The Company may grant to eligible participants (including any director, employee, advisors consultant, supplier, agent, customer, partner or jointventure partner of the Company or any subsidiary of the Company whom the Board considers, in its sole discretion, have contributed or will contribute to the Group) options to subscribe shares in the Company, subject to a maximum of 10% of the total number of shares of the Company in issue as at the Date of Adoption and as at the approval date of refreshment from time to time, excluding for this purpose shares issued on the exercise of options.

The subscription price for Shares under the Share Option Scheme shall be determined at the absolute discretion of the Directors but in any event will not be less than the highest of (a) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive business days immediately preceding the offer date of that particular option; and (c) the nominal value of a Share on the offer date of the particular option.

購股權計劃

本公司於二零零九年八月二十四日採納的舊購股權計劃已失效且無發行在外的購股權。於二零二一年四月二十二日本公司舉行的特別股東大會上，本公司股東採納了新的購股權計劃（「購股權計劃」）。購股權計劃將由購股權計劃之採納日期二零二一年四月二十二日（「採納日期」）起計十年期間（即二零二一年四月二十二日至二零三一年四月二十一日）維持有效。購股權計劃之目的為吸引及保留最可用人員、向參與者提供額外鼓勵及推動本集團業務取得成功。董事會全權酌情認為對本集團有貢獻或可能會有貢獻之參與者，包括任何董事、僱員（全職及兼職）、顧問、諮詢人、供應商、代理、客戶、本公司或本公司任何附屬公司之合作夥伴或合營夥伴。

本公司可能向合資格參與者（包括董事會全權酌情認為對本集團有貢獻或將有貢獻之任何董事、僱員、顧問、諮詢人、供應商、代理、客戶、本公司或本公司任何附屬公司之合作夥伴或合營夥伴）授出購股權以認購本公司股份，惟最多可認購本公司於採納日期及於不時之更新批准日期的已發行股份總數10%（不包括就此目的行使購股權而發行的股份）。

購股權計劃項下之股份認購價須由董事全權酌情決定，但無論任何情況其將不會少於下列最高者：(a)於特定購股權的要約日期（必須為營業日）股份於聯交所每日報價表上顯示在聯交所的收市價；(b)緊接該特定購股權的要約日期前五個連續營業日股份於聯交所每日報價表上顯示的平均收市價；及(c)股份於特定購股權要約日期的面值。

Directors' Report

董事會報告

Upon acceptance of the options, the grantee of the Share Option Scheme shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 10 days from the date of offer. The exercise period of any option granted under the Share Option Scheme is determined by the Board upon granting the options but in any event must not be more than 10 years commencing on the date of grant.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of approval of the Share Option Scheme. The Board may seek approval by the shareholders of the Company at general meeting to refresh the 10% limit. However, the total number of shares available for issue under exercise of options which may be granted under the Share Option Scheme in these circumstances must not exceed 10% of the total number of shares of the Company in issue as at the date of approval of the refreshment of the 10% limit.

The total number of shares available for issue under the Share Option Scheme is 74,250,000 shares of the Company, representing approximately 10% of the total number of shares of the Company in issue as at the date of this interim report.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time and the maximum number of shares in respect of which options may be granted to each eligible participant shall not exceed 1% of the total number of shares of the Company in issue for the time being in any 12-month period up to and including the date of offer of the grant.

No share option has been granted under the Share Option Scheme since the Date of Adoption.

購股權計劃之承授人接納所授購股權時須向本公司支付1.00港元作為授出代價。授出購股權之要約必須於授出日期後10日內接納。任何根據購股權計劃授出之購股權之行使期由董事會於授出購股權時釐定，且於任何情況下不得超過自授出日期起計十年。

未經股東同意，根據購股權計劃及本公司任何其他購股權計劃將予授出的全部購股權獲行使後可能發行的股份總數合共不得超過於購股權計劃之批准日期本公司已發行股份總數的10%。董事會可於股東大會上向本公司股東尋求同意對10%上限予以更新。然而，於該等情況下，根據購股權計劃可能授出的購股權獲行使後可予發行的股份總數不得超過於批准更新10%上限當日本公司已發行股份總數的10%。

本公司根據購股權計劃可予發行的股份總數為74,250,000股股份，相當於本中期業績報告日期本公司已發行股份總數的10%。

就根據購股權計劃可授出的購股權及本公司任何其他購股權計劃之股份數目最多不得超出不時之本公司已發行股份總數之30%，且就可向每名合資格參與者授出的購股權之股份數目最多不得超出於提呈授出日期前（包括該日）之任何12個月期間當時已發行股份總數之1%。

自採納日期以來，並無根據購股權計劃授出任何購股權。

Directors' Report

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association and the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the Corporate Governance Report on pages 24 to 47 of this annual report.

PERMITTED INDEMNITY PROVISION

During the Year, a permitted indemnity provision that meets the requirements specified in section 469(2) of the Companies Ordinance for the benefit of the Directors is in force.

The Articles of Association provides that the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty by any of the Directors.

The Company has arranged appropriate insurance cover in respect of legal action against its Directors and officers during the Year and the indemnity provision and Directors' and officers' liability insurance remains in force as of the date of this annual report.

公眾持股量的充足性

根據本公司可公開獲得的資料及就董事所知，於本年報日期，本公司已發行股本總額的至少25%由公眾人士持有。

優先權

組織章程細則及開曼群島法律項下並無提供優先權，令本公司可按現有股東股權比例發售新股份。

企業管治

本公司企業管治詳情載於本年報第24頁至第47頁之企業管治報告。

獲准許之彌償條文

於本年度，基於董事利益之符合公司條例第469(2)條所述規定而獲准許之彌償條文已生效。

組織章程細則規定，董事將獲以本公司資產及利潤作為彌償保證，並確保其不會因彼等執行彼等之職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支受損；惟本彌償保證不延伸至與任何董事欺詐或不忠誠有關的任何事宜。

本公司已於本年度就其董事及高級管理人員可能面對之法律訴訟作適當之投保安排，且於本年報日期，彌償條文及董事及高級管理人員之責任保險維持有效。

Directors' Report

董事會報告

CHANGES IN INFORMATION OF DIRECTORS

董事資料變動

The changes in Directors' information subsequent to the date of interim report for the six months ended 30 June 2021, as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules, are set out below:

截至二零二一年六月三十日止六個月的中期報告日期後，董事資料的變動（根據GEM上市規則第17.50A(1)條所要求披露）載列如下：

Name of Directors 董事姓名	Details of Changes 變動詳情
Dr. Yang Jingjing 楊菁菁博士	Appointed as an independent non-executive Director, the chairman and member of nomination committee and member of each of audit committee and remuneration committee of the Company on 4 March 2022. 於二零二二年三月四日獲委任為本公司獨立非執行董事、提名委員會主席及成員以及審核委員會及薪酬委員會各委員會成員。
Mr. Wang Jun 王均先生	Resigned as an independent non-executive Director, the chairman and member of nomination committee and member of each of audit committee and remuneration committee of the Company on 4 March 2022. 於二零二二年三月四日辭任本公司獨立非執行董事、提名委員會主席及成員以及審核委員會及薪酬委員會各委員會成員。

FINANCIAL SUMMARY

財務概要

A summary of the published results and assets and liabilities of the Group for the past five financial years, as extracted from the audited consolidated financial statements, is set out on page 240 of this annual report. This summary does not form part of the audited financial statements.

本集團過去五個財政年度之已刊發業績以及資產及負債概要（摘錄自經審核綜合財務報表）載於本年報第240頁。該概要並不構成經審核財務報表的一部分。

REVIEW BY AUDIT COMMITTEE

審核委員會審閱

The audited consolidated financial statements of the Group for the Year have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the Year comply with applicable reporting standards, GEM Listing Rules, and that adequate disclosures have been made.

本集團於本年度之經審核綜合財務報表已由審核委員會審閱。審核委員會認為本集團之本年度綜合財務報表符合適用的申報準則及GEM上市規則，並已作出充分披露。

Directors' Report 董事會報告

AUDITOR

On 14 December 2020, Elite Partners CPA Limited resigned as the auditor of the Company and Crowe (HK) CPA Limited was then appointed as the auditor of the Company thereafter. The consolidated financial statements for the year ended 31 December 2019 and 2020 have been audited by Elite Partners CPA Limited and Crowe (HK) CPA Limited respectively.

Crowe (HK) CPA Limited will retire at the end of the forthcoming AGM and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Crowe (HK) CPA Limited as auditor of the Company is to be proposed at the forthcoming AGM.

On behalf of the Board

Xu Jianchun

Chairman and Executive Director

14 April 2022

核數師

於二零二零年十二月十四日，開元信德會計師事務所有限公司辭任本公司核數師職務，而國富浩華（香港）會計師事務所有限公司則獲委任為本公司核數師。截至二零一九年及二零二零年十二月三十一日止年度的綜合財務報表乃分別由開元信德會計師事務所有限公司及國富浩華（香港）會計師事務所有限公司審核。

國富浩華（香港）會計師事務所有限公司將於應屆股東週年大會上退任，並符合資格且願意獲重新委任連任。本公司將於應屆股東週年大會上提呈一項續聘國富浩華（香港）會計師事務所有限公司為本公司核數師之決議案。

代表董事會

許建春

主席兼執行董事

二零二二年四月十四日

Independent Auditor's Report 獨立核數師報告



國富浩華（香港）會計師事務所有限公司
Crowe (HK) CPA Limited
香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

To the shareholders of Sino-Life Group Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Sino-Life Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 81 to 239, which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, 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.

致中國生命集團有限公司 股東

(於開曼群島註冊成立之有限公司)

意見

本核數師已審計第81至239頁所載中國生命集團有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）之綜合財務報表，此綜合財務報表包括於二零二一年十二月三十一日的綜合財務狀況表、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，以及該等綜合財務報表的附註，包括主要會計政策概要。

本核數師認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）所頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映 貴集團於二零二一年十二月三十一日的綜合財務狀況，以及其於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》的披露規定妥為編製。

Independent Auditor's Report

獨立核數師報告

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 Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), 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 of our opinion.

KEY AUDIT MATTERS

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

意見基準

本核數師已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。本核數師在該等準則項下的責任在本報告「核數師對綜合財務報表的審計責任」一節進一步闡述。根據香港會計師公會的職業會計師道德守則（「守則」），本核數師獨立於貴集團，並已按照守則履行其他道德責任。本核數師相信已獲得足夠及適當的審計憑證，為本核數師的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是本核數師專業判斷所認為，對本核數師審計本期綜合財務報表最為重要的事項。該等事項已於本核數師審計整份綜合財務報表及就其出具意見處理，而本核數師不會就該等事項獨立提供意見。

Independent Auditor's Report

獨立核數師報告

Key audit matter 關鍵審計事項

Valuation of freehold land and buildings and investment properties 永久業權土地及樓宇以及投資物業的估值

We identified the valuation of freehold land and buildings and investment properties as a key audit matter due to the inherent level of subjective judgements and estimates required in determining the fair values.

我們確認永久業權土地及樓宇以及投資物業的估值為關鍵審計事項鑒於釐定公平值時涉及固有的主觀性判斷及估計。

As disclosed in notes 14 and 16 to the consolidated financial statements, the carrying amounts of freehold land and buildings and investment properties were approximately RMB28,339,000 and RMB7,401,000 as at 31 December 2021 respectively. During the year ended 31 December 2021, a revaluation surplus on freehold land and buildings of approximately RMB3,704,000 and a revaluation deficit on freehold land and buildings of approximately RMB158,000 were recognised in other comprehensive income and in profit or loss respectively, and a fair value gain on investment properties of approximately RMB711,000 was recognised in the consolidated statement of profit or loss and other comprehensive income.

誠如綜合財務報表附註14及16所披露，於二零二一年十二月三十一日，永久業權土地及樓宇以及投資物業的賬面值分別約為人民幣28,339,000元及人民幣7,401,000元。截至二零二一年十二月三十一日止年度，永久業權土地及樓宇之重新估值盈餘約人民幣3,704,000元及永久業權土地及樓宇之重新估值虧絀約人民幣158,000元分別於其他全面收益及損益內確認，而投資物業之公平值收益約人民幣711,000元於綜合損益及其他全面收益表確認。

How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to the valuation of freehold land and buildings and investment properties included:

我們有關評估永久業權土地及樓宇及投資物業之程序包括：

- Obtaining an understanding of the management's valuation processes and significant assumptions to assess if these approaches are in compliance with the requirements of HKFRSs and industry norms;
- 了解管理層的估值程序及重大假設，以評估該等方法是否符合香港財務報告準則和行業準則的要求；
- Evaluating the competence, capabilities and objectivity of the Valuer;
- 評估估值師之專長、能力及客觀性；
- Obtaining the detailed work of the Valuer to evaluate the accuracy and relevance of key inputs used in the valuation;
- 獲取估值師的工作詳情，以評價估值所用輸入數據之準確性及相關性；
- Evaluating the appropriateness of the valuation methods used based on our knowledge of the property markets; and
- 根據吾等對物業市場的了解來評估所使用的估值方法的合適性；及
- Assessing the reasonableness of the key inputs and assumptions, including unit sale rate by comparing these estimates to entity-specific information and market data based on our knowledge of the property markets.
- 根據吾等對物業市場的了解，透過將該等估計與實體特定資料及市場數據相比，以評估關鍵輸入數據及假設（包括單位售價）的合理性。

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審計事項

永久業權土地及樓宇以及投資物業的估值 (續)

As disclosed in notes 2(g) and 2(f) to the consolidated financial statements, the Group's freehold land and buildings and investment properties are stated at fair value based on the valuations performed by an independent qualified professional valuer ("Valuer"). Details of the valuation techniques and key inputs used in the valuations of freehold land and buildings, and investment properties are disclosed in notes 14 and 16 to the consolidated financial statements respectively.

誠如綜合財務報表附註2(g)及2(f)所披露，貴集團永久業權土地及樓宇及投資物業乃根據獨立合資格估值師（「估值師」）進行的估值按公平值列賬。有關永久業權土地及樓宇及投資物業估值所用的估值方法及關鍵輸入數據之詳情分別披露於綜合財務報表附註14及16。

The valuations have been arrived at using direct comparison method, which are dependent on certain key inputs and assumptions in respect of prevailing market conditions such as unit sale rate.

該等估值乃採用直接比較法達致，其取決於有關現行市況之若干關鍵輸入數據及假設（如單位售價）。

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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.

其他資料

貴公司董事對其他資料負責。其他資料包括年報內綜合財務報表及就其發出的核數師報告以外的資料。

本核數師就綜合財務報表發出的意見並不涵蓋其他資料，本核數師亦不對該等資料發表任何形式的核證結論。

就綜合財務報表的審計而言，本核數師的責任為閱讀其他資料，並在過程中考慮其他資料與綜合財務報表或本核數師於審計過程中所了解的情況是否有重大抵觸，或是否可能有重大錯誤陳述。基於本核數師已執行的工作，倘本核數師認為其他資料存在重大錯誤陳述，本核數師需要報告有關事實。就此而言，本核數師並無任何報告。

董事及治理層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》的披露規定編製真實而公平的綜合財務報表，以及落實其認為屬必要的內部控制，以使所編製的綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

董事及治理層就綜合財務報表須承擔的責任 (續)

於編製綜合財務報表時，董事負責評估貴集團以持續基準經營的能力，並在適用情況下披露與持續基準有關的事項，以及使用持續經營的會計基礎，惟董事有意將貴集團清盤或停止經營，或除此以外別無其他實際的替代方案則除外。

治理層負責監督貴集團財務報告流程。

核數師對綜合財務報表的審計責任

本核數師的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並根據協定的委聘條款，僅向閣下整體出具載有本核數師意見的核數師報告，且並無其他目的。本核數師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。合理核證是高水平的核證，但並不保證按照《香港審計準則》進行的審計總能發現已存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期有關錯誤陳述（個別或共同）會影響使用者根據該等綜合財務報表所作出的經濟決定，則有關錯誤陳述被視為重大錯誤陳述。

在根據《香港審計準則》進行審計的過程中，本核數師會作出專業判斷，並保持專業懷疑態度。本核數師亦：

- 識別和評估綜合財務報表因欺詐或錯誤而存在重大錯誤陳述的風險，因應該等風險設計及執行審計程序，以及獲取充足和適當的審計憑證為本核數師的意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、失實陳述，或凌駕內部控制，因此，與未能發現因錯誤而導致的重大錯誤陳述相比，未能發現因欺詐而導致的重大錯誤陳述的風險較高。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

核數師對綜合財務報表的審計責任 (續)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- 了解與審核有關的內部控制，以設計適用於有關情況的審核程序，但並非旨在對 貴集團內部控制的成效發表意見。
- 評估董事所採用會計政策是否恰當，以及董事所作出的會計估計及相關披露是否合理。
- 就董事採用持續經營基礎的會計法是否恰當作出結論，並根據已獲取的審計憑證，就是否有對 貴集團繼續以持續基準經營的能力構成重大疑問的事件或情況的相關重大不確定因素作出結論。倘本核數師的結論為存在重大不確定因素，則本核數師需要於核數師報告中提出須注意綜合財務報表內的相關資料披露，或倘有關披露資料不足，則需要修訂本核數師的意見。本核數師的結論以截至核數師報告日期所獲得的審計憑證為基礎。然而， 貴集團可能因未來事件或情況而不再持續經營。
- 評估綜合財務報表的整體呈列方式、架構及內容（包括披露資料），以及綜合財務報表是否以達致公平呈列反映相關交易及事件。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的合適審計憑證，以就綜合財務報表發表意見。本核數師須負責指導、監督及執行集團的審計工作。本核數師須為所作出的審計意見承擔全部責任。

We communicate with those charged with governance 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.

本核數師與管治層就（其中包括）審計工作的計劃範圍及時間安排及重大審計發現（包括本核數師於審計期間識別出的內部監控的任何重大缺陷）進行溝通。

Independent Auditor's Report 獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We also provide those charged with governance 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, actions taken to eliminate threats or safeguards applied.

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

Crowe (HK) CPA Limited
Certified Public Accountants
Hong Kong, 14 April 2022

Chan Wing Fai
Practising Certificate Number P07327

核數師對綜合財務報表的審計 責任 (續)

本核數師亦向管治層提交聲明，說明本核數師已遵守有關獨立性的道德要求，並就所有被合理認為可能影響本核數師獨立性的關係及其他事宜及（如適用）用以消除威脅採取的行動及防範措施，與彼等進行溝通。

從與管治層溝通的事項中，本核數師決定對本期綜合財務報表的審計工作最為重要的事項，而有關事項因而為關鍵審計事項。除非法律或法規不容許公開披露此等事項，或於極罕見的情況下，本核數師認為由於可合理預期披露此等事項的不良後果將超越公眾知悉此等事項的利益，因而不應於報告中披露，否則本核數師會於核數師報告中說明此等事項。

國富浩華（香港）會計師事務所有限公司
執業會計師
香港，二零二二年四月十四日

陳穎輝
執業證書編號：P07327

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 2021 截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Revenue	收益	4	72,864	68,340
Cost of sales and services rendered	銷售及服務成本		(34,887)	(39,173)
Gross profit	毛利		37,977	29,167
Fair value gain on investment properties	投資物業之公平值收益	16	711	101
Fair value gain/(loss) on financial assets measured at fair value through profit or loss ("FVTPL")	按公平值計入損益 (「按公平值計入損益」) 計量之財務資產之 公平值收益／(虧損)	19	811	(32)
Other income and other net (loss)/gain	其他收入及其他 (虧損)／收益淨額	5	(10,771)	2,314
Selling expenses	銷售開支		(2,385)	(3,175)
Administrative expenses	行政開支		(35,432)	(24,922)
(Impairment losses)/reversal of impairment losses recognised under expected credit loss ("ECL") model on trade and other receivables, net	貿易及其他應收款項之 預期信貸虧損 (「預期信貸虧損」) 模型項下之已確認 減值虧損)／ 減值虧損回撥淨額	6(d), 34(a)	(2,797)	1,226
Other operating expenses	其他經營開支		(674)	(679)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	41	(31)	-
(Loss)/profit from operations	經營(虧損)／溢利		(12,591)	4,000
Finance costs	融資成本	6(a)	(2,182)	(2,521)
(Loss)/profit before taxation	除稅前(虧損)／溢利	6	(14,773)	1,479
Income tax expense	所得稅開支	7	(2,902)	(3,421)
Loss for the year	年度虧損		(17,675)	(1,942)
Other comprehensive income/(expense)	其他全面收益／(開支)			
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益的項目：</i>			
Surplus on revaluation of land and buildings	土地及樓宇之 重估盈餘	14(c)	3,704	279
Exchange difference arising on translation	換算所產生之匯兌 差額		(2,803)	(5,187)
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能會重新分類至損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務所產生 之匯兌差額		5,686	927
Other comprehensive income/(expense) for the year, net of income tax	年度其他全面收益／ (開支)(扣除所得稅)	10	6,587	(3,981)
Total comprehensive income/(expense) for the year, net of income tax	年度全面收益／(開支) 總額(扣除所得稅)		(11,088)	(5,923)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

			2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	32,773	30,142
Right-of-use assets	使用權資產	15	27,638	32,619
Investment properties	投資物業	16	7,401	6,531
Intangible assets	無形資產	17	2,024	2
Interests in associates	於聯營公司的權益	18	-	-
Goodwill	商譽	20	-	-
Other deposits	其他按金	23	44	99
Deposits for hire of funeral parlours and funeral services centres	租用殯儀館及殯儀服務中心之按金	23	1,000	1,000
			70,880	70,393
CURRENT ASSETS	流動資產			
Financial assets measured at FVTPL	按公平值計入損益計量之財務資產	19	38,577	33,639
Development and formation costs	開發及成立成本	21	4,529	4,542
Inventories	存貨	22	1,625	1,546
Trade and other receivables	貿易及其他應收款項	23	30,686	43,820
Cash and bank balances	現金及銀行結餘	24	117,557	123,674
			192,974	207,221
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	25	14,099	16,876
Contract liabilities	合約負債	26	90,207	87,994
Lease liabilities	租賃負債	27	4,564	4,403
Bank borrowings	銀行借貸	28	1,192	1,138
Income tax liabilities	所得稅負債	29(a)	3,567	3,567
Amounts due to directors	應付董事之款項	35(e)	1,563	3,660
Amount due to a shareholder	應付一名股東之款項	35(f)	11,899	10,544
Provisions	撥備	30	3,086	2,550
			130,177	130,732
NET CURRENT ASSETS	流動資產淨值		62,797	76,489
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		133,677	146,882
NON-CURRENT LIABILITIES	非流動負債			
Contract liabilities	合約負債	26	353	186
Lease liabilities	租賃負債	27	22,924	27,467
Bank borrowings	銀行借貸	28	4,812	5,826
Amount due to a shareholder	應付一名股東之款項	35(f)	-	1,677
			28,089	35,156
NET ASSETS	資產淨值		105,588	111,726

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

			2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	31	69,218	69,218
Reserves	儲備	32	45,390	50,052
			114,608	119,270
Non-controlling interests	非控股權益		(9,020)	(7,544)
TOTAL EQUITY	權益總額		105,588	111,726

Approved and authorised for issue by the board of directors on 14 April 2022 and are signed on its behalf by:

由董事會於二零二二年四月十四日批准及授權發佈並由以下人士代表簽署：

Xu Jianchun
Chairman and Executive Director
許建春
主席兼執行董事

Liu Tien-Tsai
Executive Director
劉添財
執行董事

The notes on pages 89 to 239 form part of these consolidated financial statements.

第89頁至239頁之附註為該等綜合財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2021 截至二零二一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 (Note 31)	Share premium (Note 32 (b) (i))	Merger reserve (Note 32 (b) (ii))	Statutory reserve (Note 32 (b) (iii))	Statutory surplus reserve (Note 32 (b) (iv))	Properties revaluation reserve (Note 32 (b) (v))	Foreign currency translation reserve (Note 32 (b) (vi))	Share-based compensation reserve (Note 32 (b) (viii))	Other reserve (Note 32 (b) (vii))	Accumulated losses	Sub-total	Non-controlling interests	Total	
	股本 (附註31)	股份溢價 (附註32(b)(i))	合併儲備 (附註32(b)(ii))	法定儲備 (附註32(b)(iii))	法定盈餘儲備 (附註32(b)(iv))	物業重估儲備 (附註32(b)(v))	外幣匯兌儲備 (附註32(b)(vi))	以股份為基礎之補償儲備 (附註32(b)(viii))	其他儲備 (附註32(b)(vii))	累計虧損	小計	非控股權益	總額	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 1 January 2020	於二零二零年一月一日	69,218	220,633	(16,261)	790	1,550	2,998	(15,242)	7,027	-	(144,684)	126,029	(8,380)	117,649
(Loss)/profit for the year	年度(虧損)/溢利	-	-	-	-	-	-	-	-	(2,974)	(2,974)	1,032	(1,942)	
Surplus on revaluation of land and buildings	土地及樓宇之重估盈餘	-	-	-	-	143	-	-	-	-	143	136	279	
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	(3,928)	-	-	-	(3,928)	(332)	(4,260)	
Other comprehensive income/(expense)	其他全面收益/(開支)	-	-	-	-	143	(3,928)	-	-	-	(3,785)	(196)	(3,981)	
Total comprehensive income/(expense) for the year	年度全面收益/(開支)總額	-	-	-	-	143	(3,928)	-	-	(2,974)	(6,759)	836	(5,923)	
Transfer to reserves	儲備轉撥	-	-	-	10,508	-	-	-	-	(10,508)	-	-	-	
Lapse of share options	購股權失效	-	-	-	-	-	-	(7,027)	-	7,027	-	-	-	
At 31 December 2020	於二零二零年十二月三十一日	69,218	220,633	(16,261)	790	12,058	3,141	(19,170)	-	(151,139)	119,270	(7,544)	111,726	
At 1 January 2021	於二零二一年一月一日	69,218	220,633	(16,261)	790	12,058	3,141	(19,170)	-	(151,139)	119,270	(7,544)	111,726	
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(9,872)	(9,872)	(7,803)	(17,675)	
Surplus on revaluation of land and buildings	土地及樓宇之重估盈餘	-	-	-	-	2,354	-	-	-	-	2,354	1,350	3,704	
Exchange differences arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	2,495	-	-	-	2,495	388	2,883	
Other comprehensive income	其他全面收益	-	-	-	-	2,354	2,495	-	-	-	4,849	1,738	6,587	
Total comprehensive income/(expense) for the year	年度全面收益/(開支)總額	-	-	-	-	2,354	2,495	-	-	(9,872)	(5,023)	(6,065)	(11,088)	
Partial disposal of a subsidiary without loss of control (note 40)	部分出售附屬公司(並無失去控制權)(附註40)	-	-	-	-	-	-	-	-	-	361	(361)	-	
Disposal of a subsidiary (note 41)	出售一間附屬公司(附註41)	-	-	-	-	-	-	-	-	-	-	(830)	(830)	
Contribution from non-controlling interest of a subsidiary	附屬公司非控股權益注資	-	-	-	-	-	-	-	-	-	-	5,780	5,780	
At 31 December 2021	於二零二一年十二月三十一日	69,218	220,633	(16,261)	790	12,058	5,495	(16,675)	361	(161,011)	114,608	(9,020)	105,588	

The notes on pages 89 to 239 form part of these consolidated financial statements.

第89頁至239頁之附註為該等綜合財務報表之一部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

			2021	2020
			二零二一年	二零二零年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
OPERATING ACTIVITIES	經營業務			
(Loss)/profit before taxation	除稅前(虧損)/溢利		(14,773)	1,479
Adjustments for:	調整:			
Amortisation of intangible asset	無形資產攤銷	6(c)	578	-
Finance costs	融資成本	6(a)	2,182	2,521
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6(c)	2,707	5,352
Depreciation of right-of-use assets	使用權資產折舊	6(c)	5,031	5,076
Impairment losses/(reversal of impairment losses) recognised under ECL model on trade and other receivables, net	貿易及其他應收款項之預期信貸虧損模型項下之已確認減值虧損/(減值虧損回撥)	6(d)	2,797	(1,226)
Provision/(written back of provision) for cost of service	服務成本撥備/(撥備撤回)	5	454	(399)
Reversal of impairment losses on prepayment	回撥預付款項減值虧損	5	-	(784)
Loss on written off of prepayment	撇銷預付款項之虧損	5	12,013	-
Fair value gain on investment properties	投資物業之公平值收益	16	(711)	(101)
Revaluation deficit on freehold land and buildings	永久業權土地及樓宇之重新估值虧絀	5	158	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	5	35	-
Gain on lease modification	租賃修改之收益	5	(29)	-
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	41	31	-
Interest income	利息收入	5	(587)	(210)
Fair value (gain)/loss on financial assets measured at FVTPL	按公平值計入損益計量之財務資產之公平值(收益)/虧損	19	(811)	32
Net exchange (gain)/loss	匯兌(收益)/虧損淨額	5	(28)	343
			9,047	12,083

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

			2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
	Notes 附註			
CHANGES IN WORKING CAPITAL		營運資金變動		
Increase in inventories		存貨增加	(79)	(640)
(Increase)/decrease in trade and other receivables		貿易及其他應收款項 (增加)/減少	(1,427)	8,197
Decrease in financial assets measured at FVTPL		按公平值計入損益計量 之財務資產減少	518	3,397
Decrease in development and formation costs		開發及成立成本減少	13	419
Decrease in trade and other payables		貿易及其他應付款項 減少	(1,724)	(347)
Increase/(decrease) in contract liabilities		合約負債增加/(減少)	8	(6,432)
Increase in amount due to a shareholder	24(b)	應付一名股東之 款項增加	-	2,666
(Decrease)/increase in amounts due to directors		應付董事款項 (減少)/增加	(3,625)	3,066
			(6,316)	10,326
CASH GENERATED FROM OPERATIONS		經營所得現金	2,731	22,409
Income taxes paid in the People's Republic of China ("PRC")	29(a)	已支付中華人民共和國 ("中國")之所得稅	(3,138)	(4,519)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		經營業務(所用)/所得 現金淨額	(407)	17,890
INVESTING ACTIVITIES		投資活動		
Purchases of property, plant and equipment	14	購買物業、廠房及 設備	(1,303)	(3,713)
Proceeds from disposal of property, plant and equipment		出售物業、廠房及設備之 所得款項	235	-
Net cash outflow arising on disposal of a subsidiary	41	出售一間附屬公司 產生的現金流出淨額	(907)	-
Purchase of an intangible asset	17	購買一項無形資產	(2,600)	-
Purchase of financial assets measured at FVTPL		購買按公平值計入 損益計量之財務資產	(4,906)	-
Proceed from disposal of financial assets measured at FVTPL		出售按公平值計入 損益計量之財務 資產之所得款項	1,282	-
Contribution from non-controlling interest of a subsidiary		附屬公司非控股權益 注資	5,780	-
Interest received		已收利息	587	210
NET CASH USED IN INVESTING ACTIVITIES		投資活動所用現金淨額	(1,832)	(3,503)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

			2021	2020
			二零二一年	二零二零年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
FINANCING ACTIVITIES	融資活動			
Repayment of bank borrowings	償還銀行借貸	24(b)	(1,161)	(1,166)
Interest paid on bank borrowings	已付銀行借貸利息	24(b)	(105)	(155)
Repayment of lease liabilities, including related interests	償還租賃負債(包括 相關利息)	24(b)	(6,480)	(6,523)
Increase in amount due to a shareholder	應付一名股東之 款項增加	24(b)	-	1,677
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額		(7,746)	(6,167)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物 (減少)/增加淨額		(9,985)	8,220
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及 現金等價物		123,674	119,216
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響		3,868	(3,762)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日之 現金及現金等價物		117,557	123,674
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘 分析			
Cash and bank balances	現金及銀行結餘	24(a)	117,557	123,674

The notes on pages 89 to 239 form part of these consolidated financial statements.

第89頁至239頁之附註為該等綜合財務報表之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

1. GENERAL INFORMATION

Sino-Life Group Limited (the “Company”) was incorporated on 24 February 2005 in the Cayman Islands as an exempted company with limited liability under the Cayman Islands Companies Law. Its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 9 September 2009.

The Company is principally engaged in investment holding. The subsidiaries are mainly engaged in the provision of funeral and related services in the PRC, Taiwan and Hong Kong Special Administrative Region, the PRC (“Hong Kong”), sale of burial plots and tombstones and provision of cemetery maintenance services in Socialist Republic of Vietnam (“Vietnam”), provision of advisory services on stem cells and immunocytes in the PRC and sales of advance biotechnical machinery and other electronic products in Hong Kong. The Company and its subsidiaries are herein collectively referred to as the “Group”. The addresses of the Company’s registered office and principal place of business are The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands and Unit 601, 6/F., Ovest, No. 77 Wing Lok Street, Sheung Wan, Hong Kong respectively.

1. 一般資料

中國生命集團有限公司(「本公司」)乃根據開曼群島公司法於二零零五年二月二十四日在開曼群島註冊成立為一間獲豁免有限責任公司，其股份於二零零九年九月九日在香港聯合交易所有限公司(「聯交所」)GEM上市。

本公司主要從事投資控股。其附屬公司主要業務為於中國、台灣及中國香港特別行政區(「香港」)特提供殯儀及相關服務、於越南社會主義共和國(「越南」)銷售墓地及墓碑及提供墓園修繕服務、於中國提供幹細胞及免疫細胞諮詢服務，以及於香港銷售高端生物科技儀器及其他電子產品銷售業務。本公司及其附屬公司於下文統稱為「本集團」。本公司註冊辦事處及主要營業地點之地址分別為The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands及香港上環永樂街77號Ovest 6樓601室。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

2. 主要會計政策

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in the consolidated financial statements.

(b) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2021 comprise the Company and its subsidiaries and the Group’s interests in associates.

(a) 遵例聲明

該等財務報表已根據香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務報告準則（「香港財務報告準則」），合共包括所有適用之個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港公司條例的披露規定而編製。該等財務報表亦遵守聯交所GEM證券上市規則（「GEM上市規則」）之適用披露條文。本集團所採納之主要會計政策披露如下。

香港會計師公會已頒佈若干香港財務報告準則的修訂本（於本集團之本會計期間首次生效或可提早應用）。附註3提供首次應用此等準則的修訂本所導致之會計政策之任何變動之資料，以於該等綜合財務報表中反映現行會計期間與本集團相關者為限。

(b) 編製綜合財務報表之基準

截至二零二一年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司及本集團於聯營公司之權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(b) Basis of preparation of the consolidated financial statements (Continued)

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The functional currency of the Company is United States dollars (“US\$”). The functional currencies are Renminbi (“RMB”), Taiwan dollars (“NTD”), Hong Kong dollars (“HK\$”) and Vietnamese dong (“VND”) for subsidiaries incorporated/established in the PRC, Taiwan, Hong Kong and Vietnam respectively. The consolidated financial statements are presented in RMB, rounded to the nearest thousand, except when otherwise indicated, which is different from the functional currency of the Company as majority of the Group’s transactions are denominated in RMB.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- investment properties;
- freehold land and buildings; and
- financial assets measured at FVTPL.

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

(b) 編製綜合財務報表之基準 (續)

計入本集團各實體財務報表之項目以實體之主要經營經濟環境之貨幣(「功能貨幣」)計量。本公司之功能貨幣為美元(「美元」)。於中國、台灣、香港及越南註冊/成立之附屬公司之功能貨幣分別為人民幣(「人民幣」)、新台幣(「新台幣」)、港元(「港元」)及越南盾(「越南盾」)。由於本集團大部分交易乃以人民幣計值，故綜合財務報表乃以人民幣(其與本公司之功能貨幣不同)呈列，除另有指明外，所有價值均四捨五入至最接近千位數。

編製綜合財務報表時所使用之計量基準為歷史成本基準，惟以下資產乃以其公平值列賬(誠如下文所載會計政策所闡釋)：

- 投資物業；
- 永久業權土地及樓宇；及
- 按公平值計入損益計量之財務資產。

編製符合香港財務報告準則之綜合財務報表要求管理層須作出判斷、估計及假設，該等判斷、估計及假設會影響政策應用以及所呈報之資產、負債、收入及開支金額。此等估計及相關假設乃基於過往經驗及在有關情況下被認為屬合理之各項其他因素，而所得結果乃用作判斷顯然無法輕易透過其他來源獲得有關資產與負債賬面值之依據。實際結果或有別於此等估計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(b) Basis of preparation of the consolidated financial statements (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 44.

(c) Subsidiaries and non-controlling interests

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

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

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

(b) 編製綜合財務報表之基準 (續)

估計及相關假設乃按持續基準審閱。倘修訂僅影響修訂估計之期間，則對會計估計之修訂乃於修訂估計之期間確認，而倘修訂影響目前及未來期間，則會於修訂及未來期間確認。

管理層於應用香港財務報告準則所作出的判斷對綜合財務報表及附註44所討論估計不明朗因素之主要來源有重大影響。

(c) 附屬公司及非控股權益

附屬公司為本集團控制之實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。於評估本集團是否擁有有關權力時，僅會考慮其實質權利（由本集團及其他方擁有）。

於附屬公司之投資會自控制開始日期起綜合計入綜合財務報表內，直至控制結束日期為止。集團內公司間之結餘、交易及現金流和集團內公司間之交易所產生之任何未變現溢利於編製綜合財務報表時悉數抵銷。僅當並無出現減值跡象時，集團內公司間之交易所產生之未變現虧損則按照未變現收益之相同方式抵銷。

非控股權益指並非由本公司直接或間接擁有之附屬公司權益，而本集團未有就此與該等權益持有人達成任何附加條款，致令本集團整體上對該等權益產生符合財務負債定義之合約義務。就各業務合併而言，本集團可選擇按公平值或按非控股權益分佔附屬公司可識別淨資產的比例計量任何非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(c) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income or expense for the year between non-controlling interests and the owners of the Company. Total comprehensive income or expense 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. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position.

Changes in the Group's interests in existing subsidiaries

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

(c) 附屬公司及非控股權益 (續)

非控股權益會在綜合財務狀況表之權益中，與本公司擁有人應佔權益分開呈報。非控股權益所佔本集團業績之權益則會在綜合損益及其他全面收益表中列作為非控股權益與本公司擁有人之間的本年度總損益及全面收益或開支總額分配。即使其將導致非控股權益出現虧絀結餘，附屬公司之全面收益或開支總額仍劃撥至本公司擁有人及非控股權益。來自非控股權益持有人之貸款及對該等持有人之其他合約責任，於綜合財務狀況表中呈列為財務負債。

本集團於現有附屬公司之權益變動

倘本集團於附屬公司之權益出現變動，但並無導致本集團失去控制權，則入賬列作權益交易。控股與非控股權益之金額於綜合權益內均予以調整，以反映相關權益之變動，惟不會對商譽作出調整，亦不會確認任何盈虧。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(c) Subsidiaries and non-controlling interests (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

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

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(d) Goodwill

Goodwill represents the excess of

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

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

(c) 附屬公司及非控股權益 (續)

本集團於現有附屬公司之權益變動 (續)

倘本集團失去對附屬公司之控制權，則入賬列作出售該附屬公司之全部權益，而所產生之盈虧會於損益確認。於失去控制權當日仍保留於前附屬公司之任何權益乃按公平值確認，而該款項將視為於初步確認財務資產時之公平值，或（如適用）於一間聯營公司或一間合營企業之投資之初步確認成本。

於本公司財務狀況表中，於附屬公司之投資按成本減減值虧損列賬，惟投資分類為持作出售（或計入分類為持作出售之出售組別）。

(d) 商譽

商譽指

- (i) 已轉讓代價之公平值、於被收購方之任何非控股權益金額及本集團先前於被收購方持有的股本權益之公平值三者之總和；超出
- (ii) 於收購日期計量之被收購方可辨識資產及負債公平值淨額的部分。

當(ii)大於(i)，則超出部分會作為議價購買收益即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(d) Goodwill (Continued)

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

On disposal of a CGU during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(e) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2(n)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

(d) 商譽 (續)

商譽按成本減累計減值虧損列賬。因業務合併所產生之商譽乃分配至預期可自合併協同效應獲益的各現金產生單位（「現金產生單位」）（或現金產生單位組別）及每年進行減值測試。

於本年度出售現金產生單位時，購入商譽的任何應佔金額於出售時均計入損益的計算內。

(e) 聯營公司

聯營公司指本集團或本公司對其管理層有重大影響力（而非控制或共同控制），包括參與財務及經營決策之實體。

於一間聯營公司之投資按權益法於綜合財務報表入賬，除非分類為持作出售（或計入分類為持作出售之出售組別）。根據權益法，投資初步按成本記賬，並按本集團應佔被投資公司之可識別淨資產於收購日期公平值超出投資成本部分（如有）作出調整。投資成本包括購買價、收購投資直接應佔之其他成本，以及任何於聯營公司之直接投資（構成本集團股本投資一部分）。其後，投資乃就本集團於收購後應佔被投資公司淨資產之變動及任何與投資有關之減值虧損（見附註2(n)）作出調整。於各報告日期，本集團評估投資是否有任何客觀減值證據。任何於收購日期超出成本之部分、本集團應佔被投資公司之收購後及除稅後業績及年內任何減值虧損均於綜合損益表確認，本集團應佔被投資公司其他全面收益的收購後及除稅後項目亦於綜合損益及其他全面收益表內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續) (Continued)

(e) Associates (Continued)

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

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

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

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

(e) 聯營公司 (續)

當本集團應佔聯營公司的虧損超出其權益時，本集團的權益將減少至零，且不再確認進一步虧損，惟倘本集團已產生法定或推定責任，或代表被投資公司作出付款則除外。就此而言，本集團的權益為權益法項下的投資賬面值連同實質上屬於本集團於聯營公司投資淨額一部分的任何其他長期權益（就有關其他長期權益應用預期信貸虧損模式後，倘適用）。

本集團與其聯營公司的交易產生的未變現溢利及虧損按本集團於被投資公司的權益對銷，惟如未變現虧損提供所轉讓資產減值的證據，則未變現溢利及虧損即時於損益內確認。

倘於一間聯營公司的投資變成於一間合營企業的投資，或反之亦然，則保留權益不會重新計量。相反，該投資繼續按權益法入賬。

於所有其他情況下，倘本集團不再對一間聯營公司擁有重大影響，則入賬作為出售於該被投資公司的全部權益，由此產生的收益或虧損則於損益內確認。任何在喪失重大影響力的日期仍保留在該前被投資公司的權益按公平值確認，而此金額被視為初步確認財務資產的公平值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(f) Investment properties

Investment properties are land and/or building which are owned or held under a leasehold interest (see note 2(h)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(s).

(g) Property, plant and equipment

Freehold land and buildings held for own use are stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of the reporting period.

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(n)):

- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 2(h)).

(f) 投資物業

投資物業是指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有的土地及／或建築物（見附註2(h)），當中包括就尚未確定未來用途持有的土地以及現正建造或發展以供未來用作投資物業之物業。

投資物業按公平值列賬，除非於報告期末，投資物業仍然正在建造或發展及當時不能可靠地確定公平值。投資物業公平值的變動，或報廢或出售投資物業所產生的任何收益或虧損均於損益內確認。投資物業的租金收入按照附註2(s)所述方式入賬。

(g) 物業、廠房及設備

持有作自用之永久業權土地及樓宇乃按重估金額（即於重估當日之公平值減去任何其後之累計折舊）列賬。

重估會定期進行，以確保該等資產於報告期末之賬面值將不會與使用公平值釐定之價值有重大差異。

下列為物業、廠房及設備按成本減累計折舊及減值虧損列賬（見附註2(n)）：

- 永久產權或租賃物業（本集團並非該等物業權益的登記擁有人）租約所產生的使用權資產；及
- 廠房及設備項目，包括租賃相關廠房及設備產生的使用權資產（見附註2(h)）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(g) Property, plant and equipment (Continued)

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the properties revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the properties revaluation reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- freehold land is not depreciated;
- buildings situated on freehold land are depreciated over their estimated useful life, being no more than 50 years after the date of completion;

(g) 物業、廠房及設備 (續)

重估持作自用之物業產生之變動一般於其他全面收益內處理，並於權益中之物業重估儲備分開累計。惟以下情況除外：

- 倘出現重估虧絀，則以虧絀額超過就該資產於緊接重估前計入物業重估儲備之數額為限，自損益中扣除；及
- 倘以往曾將同一項資產之重估虧絀自損益中扣除，則在出現重估盈餘時，便會撥入損益賬計算。

折舊乃按照以下估計可使用年期以直線法撇銷物業、廠房及設備項目之成本或估值減其估計殘值（如有）計算：

- 永久業權土地不計提折舊；
- 位於永久業權土地之樓宇按其估計可使用年期（即於竣工日期後不超過50年）計提折舊；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(g) Property, plant and equipment (Continued)

- The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion;
- Leasehold improvements 3 to 10 years or over the remaining term of the lease, if shorter
- Furniture, fixtures and office equipment 2 to 5 years
- Motor vehicles 3 to 5 years

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

Historical cost includes expenditure that is directly attributable to the acquisition and installation of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

(g) 物業、廠房及設備 (續)

- 本集團於位於租賃土地上之樓宇的權益按未屆滿之租賃年期及彼等之估計可使用年期(即不超過竣工日期後50年)之較短者計提折舊;
- 租賃物業裝修 3至10年, 或(倘更短) 剩餘之租賃年期
- 傢俬、裝置及辦公室設備 2至5年
- 汽車 3至5年

倘一項物業、廠房及設備之部分有不同之可使用年期, 該項目之成本或估值按合理基準分配至各部分, 而各部分則獨立計提折舊。資產之可用年期及其殘值(如有)將於每年檢討。

歷史成本包括收購及安裝項目直接應佔之開支。成本亦可能包括轉撥自權益至以外幣購置物業、廠房及設備之合資格現金流量對沖產生之任何收益/虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(g) Property, plant and equipment (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the properties revaluation reserve to accumulated losses and is not reclassified to profit or loss.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as similar assets, commences when the assets are ready for their intended use.

(g) 物業、廠房及設備 (續)

其後成本乃僅當與項目有關之未來經濟利益可能流入本集團且項目成本能可靠計量時，方會計入資產之賬面值或確認為獨立資產（視適用情況而定）。作為單獨資產核算的任何部分的賬面值在被替換時終止確認。所有其他維修及保養成本均於產生的財政期間內自損益扣除。

倘資產之賬面值高於其估計可收回金額，則資產之賬面值即時撇減至其可收回金額。

報廢或出售物業、廠房及設備項目產生之收益或虧損按出售所得款項淨額與該項目賬面值之差額釐定，並於報廢或出售當日在損益中確認。任何相關重估盈餘自物業重估儲備轉撥至累計虧損，且不會重新分類計入損益。

在建作生產、供應或行政用途之物業、廠房及設備按成本減去任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本，及如屬合資格資產，則為根據本集團會計政策資本化之借貸成本。該等資產按類似資產相同之基準於資產可作擬定用途時開始折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(g) Property, plant and equipment (Continued)

If a property becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to accumulated losses.

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

(g) 物業、廠房及設備 (續)

倘物業因已證實結束自用而變更為投資物業，該項目於轉變日之賬面值與公平值（包括分類為使用權資產的相關租賃土地）之間的任何差額，於其他全面收益確認並於物業重估儲備累計。在隨後物業出售或停止使用時，相關重估儲備將直接轉撥至累計虧損。

(h) 租賃資產

本集團會於訂立合約時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制已識別資產用途的權利，則該合約屬租賃或包含租賃。當客戶有權指示已識別資產之用途以及自該用途獲得絕大部分經濟利益時，即表示擁有控制權。

(i) 作為承租人

倘合約包含租賃部分及非租賃部分，則本集團已選擇不區分非租賃部分，並將各租賃部分及任何相關非租賃部分入賬列作所有租賃的單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低價值資產租賃除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等並未資本化租賃相關的租賃付款於租期內按系統化基準確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續)

(Continued)

(h) Leased assets (Continued)

(i) As a lessee (Continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(g) and 2(n)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment properties are carried at fair value in accordance with note 2(f); and
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at fair value in accordance with note 2(g).

(h) 租賃資產 (續)

(i) 作為承租人 (續)

倘租賃已資本化，租賃負債初步按租期內應付租賃付款之現值確認，並採用租賃中所內含之利率貼現，倘該利率不易釐定，則使用相關增量借貸利率。於初步確認後，租賃負債按攤銷成本計量，而利息開支使用實際利率法計算。計量租賃負債時，不依賴指數或利率之可變租賃款項並不包括在內，因此自其所產生會計期間之損益內扣除。

於租賃資本化時確認的使用權資產初步按成本計量，該成本包括租賃負債之初步金額加上於開始日期或之前作出之任何租賃付款，以及產生之任何初步直接成本。於適用情況下，使用權資產成本亦包括拆除及移除相關資產或恢復相關資產或該資產所在地之估計成本，並貼現至彼等之現值再減任何已收租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註2(g)及2(n)），惟以下使用權資產類別除外：

- 符合投資物業定義之使用權資產根據附註2(f)按公平值入賬；及
- 與租賃土地及樓宇有關之使用權資產（當中本集團為租賃權益之登記擁有人）根據附註2(g)按公平值入賬。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(h) Leased assets (Continued)

(i) As a lessee (Continued)

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(h) 租賃資產 (續)

(i) 作為承租人 (續)

根據適用於以攤銷成本列賬的債務證券投資的會計政策，可退還租金按金的初始公平值與使用權資產分開入賬。按金初始公平值與面值之間的任何差額均作為已作出的額外租賃付款入賬，並計入使用權資產成本。

倘指數或利率變動引致未來租賃付款變動，或本集團根據餘值擔保預期應付款項之估計有所變動，或當重新評估本集團是否將合理確定行使購買、續期或終止選擇權而產生變動，則會重新計量租賃負債。當租賃負債以此方式重新計量，則就使用權資產之賬面值作出相應調整，或倘使用權資產之賬面值減至零，則於損益入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續) (Continued)

(h) Leased assets (Continued)

(i) *As a lessee (Continued)*

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the condition set out in paragraph 46B of HKFRS 16 *Leases*. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognised the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concession occurred.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(h) 租賃資產 (續)

(i) 作為承租人 (續)

當租賃範疇發生變動或租賃合約原先並無規定的租賃代價發生變動(「租賃修改」),且未作為單獨的租賃入賬時,則亦要對租賃負債進行重新計量。於此情況下,租賃負債根據經修訂的租賃付款及租賃期限,使用經修訂的貼現率於修改生效日期重新計量。唯一例外情況為因COVID-19疫情直接導致並符合香港財務報告準則第16號租賃第46B段所載條件的租金寬減。在該等情況下,本集團已利用實際權宜方法不對租金寬減是否為租賃修改進行評估,並於觸發租金寬減的事件或條件發生期間的損益內將代價變動確認為負可變租賃付款。

於綜合財務狀況表,長期租賃負債的流動部分釐定為於報告期後十二個月內到期清場的合約付款的現值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(h) Leased assets (Continued)

(ii) *As a lessor*

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(s).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(h)(i), then the Group classifies the sub-lease as an operating lease.

(i) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. 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 market place.

(h) 租賃資產 (續)

(ii) 作為出租人

本集團作為出租人時，其在租賃開始時將每項租賃釐定為融資租賃或經營租賃。倘其將相關資產所有權附帶的絕大部分風險及回報轉移至承租人，則租賃分類為融資租賃。如不屬此情況，則租賃分類為經營租賃。

當合約包含租賃及非租賃部分，本集團按相對獨立的銷售價格將合約中代價分配予各部分。經營租賃產生之租金收入根據附註2(s)確認。

倘本集團為中間出租人，經參考主租賃產生的使用權資產，分租被分類為融資租賃或經營租賃。倘主租賃為短期租賃，而本集團對此應用附註2(h)(i)所述之豁免，則本集團將分租分類為經營租賃。

(i) 財務工具

當集團實體成為工具合約條文之一方時，則於綜合財務狀況表確認財務資產及財務負債。所有常規買賣之財務資產按交易日基準確認及終止確認。常規買賣指須於法規或市場慣例規定時間內交付資產之財務資產買賣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. 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 FVTPL) 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 FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and 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 asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

(i) 財務工具 (續)

財務資產及財務負債初步按公平值計量，惟初步根據香港財務報告準則第15號計量自客戶合約所產生之貿易應收款項除外。收購或發行財務資產及財務負債（按公平值計入損益之財務資產及財務負債除外）直接應佔之交易成本乃於初步確認時加至或扣自財務資產或財務負債之公平值（如適用）。收購按公平值計入損益之財務資產或財務負債直接應佔之交易成本，即時於損益內確認。

實際利率法乃計算有關期間之財務資產或財務負債攤銷成本及利息收入及利息開支分配之方法。實際利率為透過財務資產或財務負債之預期年期或（如適用）較短期間將估計未來現金收付款（包括構成實際利率不可分割部分之所有已付或已收費用及點數、交易成本及其他溢價或折讓）準確折現至初次確認時之賬面淨值之利率。

財務資產

財務資產之分類及其後計量

以下條件的財務資產其後按攤銷成本計量：

- 該財務資產以目的為持有資產以收取合約現金流量之經營模式持有；及
- 該財務資產的合約條款導致於指定日期出現現金流量（其只能用作償還本金及本金結欠所產生的利息）。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term;
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

(i) 財務工具 (續)

財務資產 (續)

財務資產之分類及其後計量 (續)

符合以下條件的財務資產其後按公平值計入其他全面收益 (「按公平值計入其他全面收益」) 計量:

- 該財務資產以目的為持有財務資產以出售及收取合約現金流量之經營模式持有; 及
- 該財務資產的合約條款導致於指定日期出現現金流量 (其只能用作償還本金及本金結欠所產生的利息)。

所有其它財務資產其後按公平值計入損益, 惟倘股本投資並非持作買賣, 亦並非由收購方於香港財務報告準則第3號業務合併所適用的業務合併中確認為或然代價, 則本集團於初步確認財務資產時可以不可撤回地選擇於其他全面收益呈列股本投資之公平值之其後變動。

倘一項財務資產符合以下條件, 則將該財務資產分類為持作買賣:

- 其主要收購作於不久將來出售用途;
- 其於初步確認時為本集團一併管理且具有近期實際短期獲利模式的已識別財務工具之組合之一部分; 或
- 其為並非指定及用作對沖工具的衍生工具。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial assets (Continued)*

Classification and subsequent measurement of financial assets (Continued)

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) *Amortised cost and interest income*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(i) 財務工具 (續) *財務資產 (續)*

財務資產之分類及其後計量 (續)

此外，本集團可以不可撤回地指定按公平值計入損益的方式來計量須按攤銷成本計量或按公平值計入其他全面收益的財務資產，前提是此舉能消除或大幅減少會計不一致的情況。

(i) *攤銷成本及利息收入*

其後按攤銷成本計量的財務資產及其後按公平值計入其他全面收益的債務工具／應收款項的利息收入乃使用實際利率法予以確認。利息收入乃對財務資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的財務資產除外（見下文）。對於其後出現信貸減值的財務資產，利息收入乃透過自下個報告期開始對財務資產之攤銷成本應用實際利率確認。倘出現信貸減值的財務工具的信貸風險好轉，使財務資產不再出現信貸減值，則由釐定該資產不再出現信貸減值後之報告期開始，利息收入以對財務資產賬面總值應用實際利率方式確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other income and other net (loss)/gain" line item.

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and other receivables and cash and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12 months ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

(i) 財務工具 (續)

財務資產 (續)

財務資產之分類及其後計量 (續)

(ii) *按公平值計入損益之財務資產*

並不符合按攤銷成本計量或按公平值計入其他全面收益或指定為按公平值計入其他全面收益之財務資產乃按公平值計入損益計量。

按公平值計入損益之財務資產按於各報告期末之公平值計量，而任何公平值收益或虧損均於損益內確認。於損益內確認之淨收益或虧損並不包括就該財務資產所賺取之任何股息或利息，並計入「其他收入及其他(虧損) / 收益淨額」項目內。

根據香港財務報告準則第9號須進行減值評估的財務資產減值

本集團根據香港財務報告準則第9號就須進行減值評估的財務資產(包括貿易及其他應收款項以及現金及銀行結餘)以預期信貸虧損模式進行減值評估。預期信貸虧損的金額於每個報告日期予以更新，以反映自初步確認以來信貸風險的變動。

全期預期信貸虧損指於相關工具預期年期內發生所有可能的違約事件而導致的預期信貸虧損。相反，十二個月預期信貸虧損(「十二個月預期信貸虧損」)指預期於報告日期後十二個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據債務人特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) *Significant increase in credit risk*

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

(i) 財務工具 (續) *財務資產 (續)*

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

本集團一直就貿易應收款項確認全期預期信貸虧損。

就所有其他工具而言，本集團計量與十二個月預期信貸虧損等額的虧損撥備，除非自初步確認以來信貸風險已大幅增加，在此情況下，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃基於自初步確認起出現違約的可能性或風險是否大幅增加。

(i) *信貸風險大幅增加*

為評估信貸風險自初步確認後是否已大幅增加，本集團會將財務工具於報告日出現違約的風險與該財務工具於初步確認當日出現違約的風險相比較。本集團進行評估時，會考慮合理及有依據的量化及質性資料，包括參考過往經驗及無須耗費不必要的成本或精力而取得的前瞻性資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(i) *Significant increase in credit risk (Continued)*

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

(i) 財務工具 (續) *財務資產 (續)*

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

(i) *信貸風險大幅增加 (續)*

具體而言，評估信貸風險是否已大幅增加時會考慮以下資料：

- 財務工具的外部 (如有) 或內部的信貸評級實際上或預期嚴重惡化；
- 信貸風險的外部市場指標嚴重轉差，例如債務人的信貸息差、信貸違約掉期價格顯著增加；
- 業務、金融或經濟環境目前受到或預期出現不利影響，並預計嚴重使債務人的債務償還能力下降；
- 債務人的經營業績實際上或預期嚴重惡化；或
- 債務人面對的監管、經濟或技術環境在實際上或預計會發生重大不利變動，導致債務人的債務償還能力嚴重下降。

不論上述評估結果，本集團認為，當合約付款逾期超過三十天，則自初步確認以來信貸風險已大幅增加，除非本集團有合理及有依據之資料證明屬其它情況。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(i) *Significant increase in credit risk (Continued)*

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) *Definition of default*

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;

(i) 財務工具 (續) *財務資產 (續)*

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

(i) *信貸風險大幅增加 (續)*

本集團定期監察用於識別信貸風險是否有大幅增加之標準是否有效，並對其進行適當修訂，以確保該標準能於款項逾期前識別信貸風險是否有大幅增加。

(ii) *違約之定義*

就內部信貸風險管理而言，本集團認為，如內部產生或外部來源資料顯示，債務人很可能無法向債權人（包括本集團）悉數還款（不計及本集團所持有任何抵押品），則發生違約事件。

不論上述，本集團認為，如財務資產逾期超過九十天，則違約已經發生，惟本集團擁有合理及有依據資料顯示一項更滯後的違約標準更為合適，則另作別論。

(iii) *出現信貸減值之財務資產*

如一項或多項事件發生，導致財務資產的估計未來現金流量受到負面影響，則該財務資產出現信貸減值。財務資產出現信貸減值之證據包括有關以下事件之可觀察數據：

- (a) 發行人或借款人出現嚴重財務困難；
- (b) 違約，例如逾期或拖欠事件；

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(iii) *Credit-impaired financial assets (Continued)*

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(i) 財務工具 (續)

財務資產 (續)

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

(iii) *出現信貸減值之財務資產 (續)*

- (c) 借款人之貸款人因與借款人出現財務困難相關經濟或合約理由授予借款人貸款人一般不會考慮的寬免；
- (d) 借款人很可能將宣佈破產或進行財務重組；或
- (e) 有關財務資產之活躍市場因財務困難而消失。

(iv) *撇銷政策*

如有資料顯示對手方出現嚴重財務困難且並無實際收回可能性 (例如，對手方被清盤或已進入破產程序，或如屬其他貿易應收款項，有關款項逾期超過兩年 (以較早發生者為準))，則本集團將有關財務資產撇銷。已撇銷財務資產仍可面臨本集團收回款項程序之強制執行活動，包括尋求法律意見 (如適用)。撇銷構成一項終止確認事件。任何其後收回款項確認於損益。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial assets (Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(v) *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effect.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

(i) 財務工具 (續) *財務資產 (續)*

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

(v) *預期信貸虧損的計量及確認*

預期信貸虧損的計量為違約概率、違約損失率程度 (即倘發生違約時的損失程度) 及違約風險敞口的函數。違約概率及違約損失率程度之評估乃按過往數據及前瞻性資料為依據。預期信貸虧損的估計反映以相應發生違約風險作為加權釐訂之公正及概率加權金額。本集團經考慮過往信貸虧損經驗及無須耗費不必要的成本或精力而取得的前瞻性資料後使用撥備矩陣並採用實際權益法估計貿易應收款項的預期信貸虧損。

一般而言，預期信貸虧損為根據合約中應付本集團的所有合約現金流量與本集團預期收取的所有現金流量之間的差額，並按初步確認時釐定的實際利率折現。

若干貿易應收款項的全期預期信貸虧損經考慮過往逾期資料及前瞻性宏觀經濟資料等相關信貸資料按集體基準考慮。

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(v) *Measurement and recognition of ECL (Continued)*

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping;

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

(i) 財務工具 (續)

財務資產 (續)

根據香港財務報告準則第9號須進行減值評估的財務資產減值 (續)

(v) *預期信貸虧損的計量及確認 (續)*

就集體評估而言，本集團分組時考慮以下特徵：

- 逾期狀況；
- 債務人性質、規模及行業；及
- 外部信貸評級（如有）。

分組獲管理層定期檢討，以確保各組之組成繼續具有類似之信貸風險特徵。

利息收入乃根據財務資產的賬面總值計算，除非財務資產出現信貸減值，其利息收入則按有關財務資產的攤銷成本計算。

本集團就所有財務工具通過調整賬面值於損益中確認減值收益或虧損，惟貿易應收款項通過虧損撥備賬對其賬面值進行相應調整。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

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 recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(i) 財務工具 (續)

財務資產 (續)

終止確認財務資產

本集團僅於從資產收取現金流量的合約權利屆滿時，或轉移財務資產及該項資產所有權的絕大部分風險及回報至另一實體時，方會終止確認該項財務資產。倘本集團並無轉移亦無保留所有權的絕大部分風險及回報，並繼續控制已轉移資產，則本集團會確認其於資產的保留權益及可能需要支付的相關負債款項。倘本集團保留已轉移財務資產所有權的絕大部分風險及回報，本集團繼續確認該項財務資產，亦就所收到的所得款項確認抵押借貸。

於終止確認按攤銷成本計量的財務資產時，資產的賬面值與已收及應收代價總和之間的差額於損益中確認。

財務負債及權益

分類為債務或權益

債務及權益工具乃根據合約安排之內容及財務負債及權益工具之定義分類為財務負債或權益。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(i) Financial instruments (Continued) *Financial liabilities and equity (Continued)* Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities including bank borrowings, trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(i) 財務工具 (續) *財務負債及權益 (續)* 權益工具

權益工具乃證明一間實體的資產於扣除其所有負債後之剩餘權益的任何合約。本公司所發行之權益工具乃按已收取之所得款項(扣除直接發行成本)確認。

永續工具(包括本集團不承擔交付現金或其他財務資產之合同義務,或本集團具有全權酌情權無限期遞延支付分派及贖回本金額)被分類為權益工具。

購回本公司本身之權益工具直接於權益內確認並扣減。購買、出售、發行或註銷本公司本身之權益工具不得於損益內確認收益或虧損。

財務負債

所有財務負債均使用實際利率法按攤銷成本或按公平值計入損益其後計量。

按攤銷成本計量之財務負債
財務負債(包括銀行借貸、貿易及其他應付款項)其後使用實際利率法按攤銷成本計量。

終止確認財務負債

本集團於且僅於本集團的責任解除、取消或屆滿時終止確認財務負債。終止確認的財務負債的賬面值與已付及應付的代價之間的差額會於損益中確認。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(j) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives 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.

The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

- trademark	5 to 10 years
- computer system	2 to 3 years

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and 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.

(k) Development and formation costs

The development and formation costs represent development costs incurred for a cemetery site which will be completed for sale and are stated at the lower of cost and net realisable value.

The development costs comprise specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised. Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the burial plots.

(j) 無形資產

獨立收購之可使用年期有限的無形資產按成本減累計攤銷及任何累計減值虧損列賬。攤銷可使用年期有限的無形資產乃按其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末檢討，估計變動之影響按前瞻基準入賬。

以下可使用年期有限之無形資產乃自可使用日期起按以下估計可使用年期攤銷：

- 商標	5至10年
- 電腦系統	2至3年

取消確認無形資產

無形資產於出售，或預計不會自使用或出售產生未來經濟利益時取消確認。因取消確認無形資產而產生的盈虧，乃按出售所得款項淨額與該項資產賬面值之間的差額計量，並於有關資產取消確認時在損益內確認。

(k) 開發及成立成本

開發及成立成本指於將完成待出售之墓園產生之開發成本並按成本及可變現淨值兩者中之較低者列賬。

開發成本包括特別指定成本，包括收購土地成本、開發、材料及供應之成本總額、工資及其他直接開支、適當比例之間接費用及撥充資本之借貸成本。可變現淨值指估計銷售價格減估計完成成本及銷售墓地所產生之成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(I) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

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

Cost of merchandises for resale and marble stones 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.

Cost of burial plots developed for sale is determined by an apportionment of the total development costs (see note 2(k)) attributable to completed but unsold units.

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

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

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

(I) 存貨

存貨是指日常業務過程中持作銷售、處在為該等銷售的生產過程中，或以在生產過程中或提供服務時將予耗用的材料或物料形式持有的資產。

存貨乃以成本與可變現淨值兩者中之較低者列賬。

轉售貨品及大理石之成本以加權平均成本法計算，並包括所有採購成本、兌換成本及將存貨運至現址及變成現狀之其他成本。

發展墓地以供銷售之成本釐定為已落成惟未售出單位應佔總發展成本（見附註2(k)）之份額。

可變現淨值乃按正常業務過程中之估計售價減估計完成成本及估計銷售所需之成本。

存貨出售時，該等存貨之賬面值於確認有關收益之期間確認為開支。

任何存貨撇減至可變現淨值之金額及所有存貨虧損一概在撇減或虧損產生期間確認為開支。任何存貨撇減撥回之金額，在作出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 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續) (Continued)

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(i).

(n) Impairment of non-financial assets

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

- property, plant and equipment (other than properties carried at revalued amounts);
- right-of-use assets;
- intangible assets;
- goodwill;
- deposits and prepayments;
- interests in associates; and
- investments in subsidiaries in the Company's statement of financial position.

(m) 現金及現金等價物

現金及現金等價物指銀行及手頭現金、存於銀行及其他金融機構之活期存款，以及可隨時轉換為已知金額現金且沒有重大價值變動風險之短期及高流通量投資，而於購入後三個月內到期。就綜合現金流量表而言，按要求償還及構成本集團現金管理一個不可或缺部分之銀行透支亦列入現金及現金等價物部分。現金及現金等價物根據附註2(i)所載政策評估預期信貸虧損。

(n) 非財務資產減值

於每個報告期末審閱內部及外部資料來源，以識別是否有跡象顯示以下資產可能出現減值，(商譽除外)或先前確認之減值虧損不再存在或可能已減少：

- 物業、廠房及設備(按經重估金額列賬之物業除外)；
- 使用權資產；
- 無形資產；
- 商譽；
- 按金及預付款項；
- 於聯營公司的權益；及
- 載於本公司財務狀況表之附屬公司投資。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(n) Impairment of non-financial assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– *Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (that is a CGU). A portion of the carrying amount of a corporate asset is allocated to an individual CGU if the allocation can be done on a reasonable and consistent basis, or to the smallest group of CGU if otherwise.

– *Recognition of impairment losses*

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

(n) 非財務資產減值 (續)

如出現任何上述跡象，則估計資產可收回金額。此外，就商譽、未可供使用的無形資產及具有不確定限期可用年期的無形資產而言，其可收回金額會每年進行評估（無論是否存在任何減值跡象）。

– *可收回金額之計算*

資產的可收回金額乃其公平值減出售成本與其使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量會按可以反映當時市場對貨幣時間價值及資產特定風險的評估之稅前貼現率，貼現至其現值。倘資產並不產生基本上獨立於其他資產之現金流入，則就能獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。倘可在合理及一致的基礎上進行分配，則公司資產的一部分賬面值會分配予個別現金產生單位，否則分配予最小的現金產生單位組別。

– *減值虧損之確認*

倘資產或其所屬現金產生單位之賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認之減值虧損，會首先分配以減少分配至現金產生單位（或該單位組別）之任何商譽賬面值，其後按比例減少該單位（或該單位組別）內其他資產之賬面值，惟資產之賬面值將不會減至低於其本身之公平值減去出售成本（如可計量）或使用價值（如能確定）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(n) Impairment of non-financial assets (Continued)

– *Reversals of impairment losses*

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

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

– *Interim financial reporting and impairment*

Under the GEM Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim Financial Reporting*, every three months. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year.

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(n) 非財務資產減值 (續)

– *減值虧損之撥回*

就除商譽以外的資產而言，倘用作釐定可收回金額之估算出現正面的變化，有關減值虧損便會撥回。有關商譽之減值虧損將不予撥回。

撥回減值虧損以過往年度並未確認減值虧損而釐定的資產之賬面值為限。所撥回之減值虧損在確認撥回之年度計入損益內。

– *中期財務報告及減值*

根據GEM上市規則，本集團須遵照香港會計準則第34號*中期財務報告*，每三個月編製中期財務報告。於中期期間末，本集團應用與於財政年度末相同之減值測試、確認及撥回標準。

於中期內就商譽確認之減值虧損並不於其後期間撥回。倘於中期相關之財政年度完結時方評估減值，此時即使不用確認虧損或確認較少虧損時，亦不會撥回減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(o) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

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

(ii) *Termination benefits*

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

(p) Share-based payments

(i) *Share options granted to employees*

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

(o) 僱員福利

(i) 短期僱員福利及定額供款退休計劃之供款

薪金、年度獎金、有薪年假、定額供款退休計劃之供款及非貨幣福利成本於僱員提供相關服務的年度內累計。倘若延遲付款或結算會造成重大的影響，則該等數額會以現值列賬。

(ii) 終止福利

終止福利於本集團無法再收回該等福利及其確認涉及支付終止福利之重組成本時（以較早者為準）確認。

(p) 以股份為基礎之付款

(i) 授予僱員之購股權

授予僱員之購股權按公平值確認為僱員成本，而權益中之以股份為基礎之補償儲備亦會相應增加。公平值乃於授予日以二項式期權定價模型計量，並考慮購股權授予條款及條件。倘僱員須符合歸屬條件方能無條件地享有購股權，於計及購股權會否歸屬之可能性後，便會將購股權之估計公平值總額於歸屬期內分開確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續) (Continued)

(p) Share-based payments (Continued)

(i) *Share options granted to employees (Continued)*

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

(ii) *Share options granted to non-employees*

Share options issued in exchange for services are measured at the fair values of the services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the counterparty renders the services. The fair values of services received are recognised as expenses (unless the services qualify for recognition as assets).

(p) 以股份為基礎之付款 (續)

(i) 授予僱員之購股權 (續)

本集團會於歸屬期內審閱預期歸屬之購股權數目。所導致之已於以往年度確認之累計公平值之任何調整會於審閱年度之損益中列支/計入，除非原來之僱員支出符合確認為資產之資格，便會對以股份為基礎之補償儲備作出相應之調整。已確認為支出之數額會於歸屬日作出調整，以反映所歸屬購股權之實際數目（同時對以股份為基礎之補償儲備作出相應之調整）；但只會於無法符合與本公司股份市價相關之生效條件時方會沒收。權益數額於以股份為基礎之補償儲備中確認，直至購股權獲行使（當轉入股份溢價賬時）或購股權到期（當直接撥入累計虧損時）時為止。

(ii) 授予非僱員之購股權

就換取服務而發行之購股權按獲取服務時之公平值計量，除非公平值不能可靠計量，在此情況下，購股權按所授出權益工具之公平值於對手方提供服務日期計量。所獲取服務之公平值確認為開支（惟該服務符合資格確認為資產則作別論）。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(q) Income tax

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

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

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

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

(q) 所得稅

本年度所得稅包括即期稅項和遞延稅項資產及負債的變動。即期稅項和遞延稅項資產及負債的變動均在損益中確認，倘與於其他全面收益或直接於權益中確認的項目相關，在此情況下，其相關稅項金額分別在其他全面收益或直接於權益中確認。

即期稅項是按本年度應課稅收入，根據在報告期末已生效或實質上已生效的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時差異產生。暫時差異是指資產及負債在就財務申報而言的賬面值與彼等的稅基的差異。遞延稅項資產亦可以由未利用稅項虧損和未利用稅項抵減產生。

除了某些有限的例外情況外，所有遞延稅項負債和所有遞延稅項資產（只限於很可能獲得能利用該遞延稅項資產來抵扣的未來應課稅溢利）均會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應課稅溢利包括因撥回目前存在的應課稅暫時差異而產生的數額；但這些撥回的差異必須與同一稅務機關和同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回的同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉的期間內撥回。在決定目前存在的應課稅暫時差異是否足以支持確認由未利用稅項虧損和抵減所產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關和同一應課稅實體有關，以及是否預期在能夠使用可利用稅項虧損或抵減撥回的同一期間內轉回。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(q) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2(f), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

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

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

(q) 所得稅 (續)

確認遞延稅項資產和負債之暫時差異之有限例外情況為因不可扣稅之商譽而產生之該等暫時差異；初步確認既不影響會計亦不影響應課稅溢利之資產或負債（惟屬業務合併之一部分則除外）；及與於附屬公司之投資有關之暫時差異（惟如屬應課稅差異，只限於本集團可以控制撥回之時間，且在可預見之將來不大可能轉回之差異；或如屬可扣稅差異，則只限於很可能在將來轉回之差異）。

當投資物業根據附註2(f)所載會計政策按公平值列賬，確認遞延稅項的金額按該物業於報告日期假設以賬面值出售該等資產的稅率計算，除非該物業為須折舊的及以一項商業模式持有，而其目的是要透過時間使用而並非出售該物業以獲取隱含於該物業之絕大部分經濟利益。在其他情況下，已確認遞延稅額是按照資產與負債賬面值的預期實現或結算方式，根據在報告期末已生效或實質上已生效的稅率計量。遞延稅項資產與負債均不貼現計算。

本集團會在每個報告期末審閱遞延稅項資產的賬面值並於不再可能獲得足夠的應課稅溢利以抵扣相關的稅務利益時調低賬面值。惟倘若日後有可能獲得足夠的應課稅溢利，有關減額便會撥回。

來自分派股息的額外所得稅於確認派付有關股息之責任時予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(q) Income tax (Continued)

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

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(r) Provisions and contingent liabilities

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

(q) 所得稅 (續)

即期稅項結餘和遞延稅項結餘及其變動額會分開列示，並且不予抵銷。即期稅項資產和遞延稅項資產會在本公司或本集團有法定行使權以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下可以分別抵銷即期稅項負債和遞延稅項負債：

- 即期稅項資產與負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產和結算該負債；或
- 遞延稅項資產與負債：此等資產與負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體。此等實體計劃在日後每個預計有大額遞延稅項負債需要結算或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產和結算即期稅項負債，或同時變現該等資產和結算該等負債。

(r) 撥備及或然負債

倘過去事項導致本集團須承擔法定或既定責任，而履行有關責任可能須撥付經濟利益，且能可靠地作估計，則確認撥備。倘貨幣之時間值屬重大，則撥備將以預計結清責任所需開支之現值列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續)

(Continued)

(r) Provisions and contingent liabilities (Continued)

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

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(s) Revenue recognition

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

(r) 撥備及或然負債 (續)

倘須撥付經濟利益之可能性不大，或無法可靠地估計其金額時，除非須撥付經濟利益之機會極微，否則有關責任將作為或然負債予以披露。至於僅在日後是否出現一項或以上事件時方可確定之有關責任，除非須撥付經濟利益之機會極微，否則亦將披露為或然負債。

倘支付撥備所需的部份或全部開支預期將由另一方償付，則任何預期償付款項於大致上可確定時另行確認為資產。確認的償付金額不超過撥備的賬面值。

(s) 收益確認

來自客戶合約之收益

本集團於(或隨著)履約責任獲履行時確認收益，即當與特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

履約責任指個別的商品及服務(或一組商品或服務)或一系列大致相同的個別商品或服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(s) Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

(s) 收益確認 (續)

來自客戶合約之收益 (續)

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全履行相關履約責任的進展情況而隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益於客戶獲得個別商品或服務控制權的時間點確認。

合約資產指本集團就向客戶換取本集團已轉讓的貨品或服務收取代價的權利（尚未成為無條件）。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即只需待時間過去代價即須到期支付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(s) Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

(s) 收益確認 (續)

來自客戶合約之收益 (續)

合約負債指本集團就本集團已從客戶收取代價 (或應收客戶代價) 向客戶轉讓商品或服務的責任。

合約資產及與該合約相關的合約負債按淨額基準入賬及呈列。

委託人對代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約義務 (即本集團為委託人) 或安排由另一方提供該等商品或服務 (即本集團為代理人)。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

倘本集團的履行義務為安排另一方提供指定的商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的指定商品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定商品或服務預期有權取得的任何收費或佣金的金額確認收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(s) Revenue recognition (Continued)

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentive, granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

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

(s) 收益確認 (續)

利息收入按實際利率法按照將財務資產的預計年限內的估計未來現金收入與財務資產的賬面總值準確折現的利率計算確認。就並無信貸減值之按攤銷成本或按公平值計入其他全面收益(可劃轉)計量的財務資產而言,實際利率應用於資產賬面總值。就出現信貸減值的財務資產而言,實際利率應用於資產的攤銷成本(即賬面總值減虧損撥備)。

根據經營租賃應收的租金收入於租期所涵蓋的期間以等額分期方式在損益中確認;除非有另一基準更能代表租賃資產的使用產生利益的模式。已授出的租賃優惠於損益確認為應收租賃付款總淨額的一部分。並非取決於指數或比率的可變租賃付款在其產生的會計期間內確認為收入。

當可以合理確定本集團將會收到政府補助,且本集團會符合相關補助的附帶條件時,政府補助初步於綜合財務狀況表內確認。用作補償本集團已產生的開支的補助於產生開支的同一期間有系統地於損益確認為收入。補償本集團資產成本的補助將自資產之賬面值扣除,並在其後以減少折舊開支之方式在資產之可使用年內於損益實際確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES 2. 主要會計政策 (續) (Continued)

(t) Translation of foreign currencies

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

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of non-PRC operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the foreign currency translation reserve.

On the disposal of a non-PRC operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(t) 外幣換算

年內之外幣交易按交易日之匯率換算。以外幣計值的貨幣資產及負債則以於報告期末之匯率換算。匯兌收益及虧損均於損益確認，惟用以對沖外國業務淨投資的外幣借貸所產生者則在其他全面收益內確認。

以外幣歷史成本計量的非貨幣資產及負債按交易當日的匯率換算。交易日為本公司初步確認該等非貨幣資產或負債的日期。按公平值列賬的以外幣計值的非貨幣資產及負債按計量公平值當日的匯率換算。

非中國業務之業績按與交易日匯率相若之匯率換算為人民幣。財務狀況表之項目則按報告期末之匯率換算為人民幣。所產生之匯兌差異於其他全面收益確認，以及單獨於權益中之匯兌儲備累計。

於出售非中國業務時，有關外國業務的累計匯兌差異金額將於出售損益獲確認時從權益重新分類至損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(u) Borrowing costs

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

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

(v) Related parties

(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.

(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);

(u) 借貸成本

因收購、興建或生產需經一段長時期準備方可作擬定用途或出售之資產直接產生之借貸成本，會資本化作為有關資產之部分成本。其他借貸成本於產生期間列作開支。

借貸成本乃於資產開支產生、借貸成本產生及有關籌備資產作其擬定用途或出售所需之活動進行時，即資本化作為合資格資產之部分成本。當所有有關籌備合資格資產作其擬定用途或出售所需之活動大致上中斷或完成時，即暫時終止或停止資本化借貸成本。

(v) 關連人士

(a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司的主要管理層成員。

(b) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(v) Related parties (Continued)

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

- (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); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the 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.

(v) 關連人士 (續)

(b) 倘符合下列任何條件，即實體與本集團有關連：(續)

- (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）；
- (iii) 兩間實體均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職後福利計劃；
- (vi) 實體受(a)所識別人土控制或受共同控制；
- (vii) 於(a)(i)所識別人土對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員；或
- (viii) 向本集團或本集團之母公司提供主要管理人員服務之實體或有關實體所屬集團之任何成員公司。

一名人士之近親家庭成員指預期可於有關人士與有關實體交往時對其發揮影響力或受其影響之家庭成員。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued) 2. 主要會計政策 (續)

(w) Segment reporting

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

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

(w) 分部報告

財務報表所報告之經營分部及各分部項目之金額乃自為分配資源予本集團不同業務及地區以及評估該等業務及地區之表現而定期向本公司執行董事(本公司主要經營決策者)提供之財務資料中確認。

就財務報告而言，個別重大經營分部不會合併，惟分部間有類似經濟特點及在產品及服務性質、生產工序性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外。倘並非個別重大之經營分部符合大部分此等準則，則該等經營分部可能會被合併。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. APPLICATION OF AMENDMENTS TO HKFRSs

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements.

Amendment to HKFRS 16	Covid-19 – Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of the amendments to HKFRSs in the current year has no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用香港財務報告準則（修訂本）

於本年度強制生效之香港財務報告準則（修訂本）

於本年度，本集團已首次應用由香港會計師公會頒佈並於二零二一年一月一日或之後開始的年度期間強制生效的下列香港財務報告準則（修訂本），以編製綜合財務報表。

香港財務報告準則第16號（修訂本）	與Covid-19有關的租金優惠
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號（修訂本）	利率基準改革—第二階段

於本年度應用香港財務報告準則（修訂本）對本集團目前及過往年度的財務狀況及表現及／或該等綜合財務報表載列的有關披露並無重大影響。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

Disaggregation of revenue for the year ended 31 December 2021

(a) 收益分拆

按主要產品或服務種類劃分的來自客戶合約之收益分拆如下：

截至二零二一年十二月三十一日止年度的收益分拆

		Funeral services RMB'000 人民幣千元	Stem cells and immunocytes and other businesses 幹細胞及免疫細胞及其他業務 RMB'000 人民幣千元	Total RMB'000 人民幣千元
Major products and services	主要產品及服務			
Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	本集團管理之殯儀館及殯儀服務中心提供之殯儀服務及火化服務	69,561	-	69,561
Funeral arrangement and related consultancy services	殯儀安排及相關諮詢服務	2,342	-	2,342
Sales of burial plots and tombstones	銷售墓地及墓碑	228	-	228
Provision of advisory service on stem cells and immunocytes	提供幹細胞及免疫細胞諮詢服務	-	733	733
Sales of biotechnical machineries and other electronics products	生物科技儀器及其他電子產品銷售	-	-	-
		72,131	733	72,864
Timing of revenue recognition	收益確認時間			
At a point in time	於某一時間點	5,532	-	5,532
Over time	隨時間推移	66,599	733	67,332
		72,131	733	72,864
Primary geographical market	主要地區市場			
The PRC	中國	69,561	733	70,294
Taiwan	台灣	1,450	-	1,450
Hong Kong	香港	892	-	892
Vietnam	越南	228	-	228
		72,131	733	72,864

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料 (續)

(Continued)

(a) Disaggregation of revenue (Continued)

Disaggregation of revenue for the year ended
31 December 2020

(a) 收益分拆 (續)

截至二零二零年十二月
三十一日止年度的收益分拆

		Funeral services 殯儀服務 RMB'000 人民幣千元	Stem cells and immunocytes and other businesses 幹細胞及 免疫細胞 及其他業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Major products and services	主要產品及服務			
Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	本集團管理之殯儀館及殯儀服務中心提供之殯儀服務及火化服務	60,961	-	60,961
Funeral arrangement and related consultancy services	殯儀安排及相關諮詢服務	2,290	-	2,290
Sales of burial plots and tombstones	銷售墓地及墓碑	435	-	435
Provision of advisory service on stem cells and immunocytes	提供幹細胞及免疫細胞諮詢服務	-	356	356
Sales of biotechnical machineries and other electronics products	生物科技儀器及其他電子產品銷售	-	4,298	4,298
		63,686	4,654	68,340
Timing of revenue recognition	收益確認時間			
At a point in time	於某一時間點	4,853	4,298	9,151
Over time	隨時間推移	58,833	356	59,189
		63,686	4,654	68,340
Primary geographical market	主要地區市場			
The PRC	中國	60,961	356	61,317
Taiwan	台灣	1,802	346	2,148
Hong Kong	香港	488	3,952	4,440
Vietnam	越南	435	-	435
		63,686	4,654	68,340

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(a) Disaggregation of revenue (Continued) *Performance obligations for contracts with customers*

Funeral services and cremation services

The Group offers services of planning funeral arrangement and interment, organising and hosting of the funeral. Revenue from funeral services is recognised when services are provided. Except for sales of prepaid funeral services packages offered to individuals, payment of the transaction price is due immediately at the point the funeral services are provided. Sales of prepaid funeral services packages is sales of funeral services based on a contract prior to death occurring. The payment is due when the contract of prepaid funeral services packages is signed, which gives rise to contract liabilities at the inception of a contract, until the revenue recognised when the funeral service is offered. Details of the prepaid funeral services packages contract are disclosed in note 26 to the consolidated financial statements.

Funeral arrangement and related consultancy services

Revenue from funeral arrangement and related consultancy services is recognised when services are provided. Payment of the transaction price is due immediately at the point the funeral arrangement and related consultancy services are provided.

Sales of burial plots and tombstones

Revenue from the sales of burial plots and tombstones is recognised when the control of burial plots and tombstones is transferred to the customer, being when the right to use of burial plots and tombstones has been passed. Payment of the transaction price is due immediately at the point the customer purchases the burial plots and tombstones.

(a) 收益分拆 (續) *客戶合約的履約責任*

殯儀服務及火化服務

本集團提供殯儀安排規劃及安葬服務，組織及主持殯儀服務。殯儀服務的收益於提供服務時確認。除向個人提供銷售預付殯儀服務組合外，交易價格的支付於提供殯儀服務時立即到期。銷售預付殯儀服務組合為根據死亡發生前的合約銷售殯儀服務。於簽訂預付殯儀服務組合時到期支付，於合約開始時產生合約負債，直至於提供殯儀服務時確認收益。預付殯儀服務組合合約詳情於綜合財務報表附註26進一步披露。

殯儀安排及相關諮詢服務

殯儀安排及相關諮詢服務的收益於提供服務時確認。交易價格的支付於提供殯儀安排及相關諮詢服務時立即到期。

銷售墓地及墓碑

銷售墓地及墓碑的收益於墓地及墓碑的控制權轉移至客戶(即墓地及墓碑的使用權已轉移)時確認。交易價格的支付於客戶購買墓地及墓碑時立即到期。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料 (續)

(Continued)

(a) Disaggregation of revenue (Continued)
Performance obligations for contracts with customers (Continued)

Provision of advisory service on stem cells and immunocytes

Revenue from advisory service on stem cells and immunocytes is recognised when services are performed. Advisory service on stem cells and immunocytes is advisory service based on a contract prior to the advisory service. Payment of the transaction price is due when the contract of advisory service is signed, which gives rise to contract liabilities at the inception of a contract, until the revenue recognised when the advisory service is rendered.

Sales of biotechnical machineries and other electronic products

Revenue from sales of biotechnical machineries and other electronic products is recognised when the control of such products is transferred to the customer, being when the goods have been delivered to the customer's specific location. Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. Following the delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risk of obsolescence and loss in relation to the goods. The normal credit term is 90 days upon delivery.

Contracts with customers with unsatisfied performance obligations on the above mentioned revenue, have original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(b) Segment information

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the executive directors of the Company (the "Executive Directors"), which are the chief operating decision maker, for the purposes of resources allocation and performance assessment.

(a) 收益分拆 (續)
客戶合約的履約責任 (續)

提供幹細胞及免疫細胞諮詢服務

幹細胞及免疫細胞諮詢服務的收益於進行服務時確認。幹細胞及免疫細胞諮詢服務乃基於諮詢服務之前合約的諮詢服務。交易價應於簽訂諮詢服務合約時支付，這於合約開始時產生合約負債，直至提供諮詢服務時確認收益。

銷售生物科技儀器及其他電子產品

銷售生物科技儀器及其他電子產品的收益於該等產品的控制權轉移至客戶(即貨品已交付至客戶指定地點)時確認。在客戶獲得控制權之前發生的運輸和裝卸活動被視為履約活動。於交付後，客戶全權釐定分配方式及貨品銷售價格，對貨品銷售時間負有主要責任並承擔貨品滯後及虧損的風險。正常信貸期為交付後90日。

未完成上述收益履約責任的客戶合約的原預期年限為一年內。按香港財務報告準則第15號所允許情況，並無披露分配至該等未履行合約的交易價格。

(b) 分部資料

本集團以與就資源分配及評估表現而向本公司執行董事(「執行董事」，即主要營運決策者)呈報內部資料一致之方式，按分部管理其業務，而分部乃按業務種類及地區劃分管理。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(b) Segment information (Continued)

For the years ended 31 December 2021 and 2020, the Group had below two reportable segments:

- Funeral services: Provision of funeral related service, including arrangement services and related consultancy services, provision of funeral and cremation services and sale of burial plots and tombstones; and
- Stem cells and immunocytes and other business: Provision of advisory service on stem cells and immunocytes and sales of biotechnical machineries and other electronic products.

(A) *The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2021 and 2020 is as follows:*

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Executive Directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible asset and current assets with the exception of certain financial assets measured at FVTPL and corporate assets. Segment liabilities include trade and other payables, contract liabilities, lease liabilities, amounts due to directors, amount due to a shareholder, provisions and current tax liabilities attributable to the activities of the individual segments and borrowings managed directly by the segments.

(b) 分部資料 (續)

截至二零二一年及二零二零年十二月三十一日止年度，本集團有以下兩個可報告分部：

- 殯儀服務：提供殯儀相關服務，包括安排服務及相關諮詢服務、提供殯儀及火化服務以及銷售墓地及墓碑；及
- 乾細胞及免疫細胞及其他業務：提供幹細胞及免疫細胞諮詢服務以及生物科技儀器及其他電子產品銷售。

(A) *截至二零二一年及二零二零年十二月三十一日止年度提供予執行董事的可報告分部的分部資料如下：*

分部業績、資產及負債就評估分部表現及於分部間分配資源而言，執行董事按下列基準監察各可報告分部應佔之業績、資產及負債：

分部資產包括除若干按公平值計入損益計量之財務資產及公司資產外之所有有形及無形資產及流動資產。分部負債包括各個別分部活動應佔之貿易及其他應付款項、合約負債、租賃負債、應付董事款項、應付一名股東款項、撥備及即期稅項負債以及分部直接管理之借貸。

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4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(b) Segment information (Continued)

(A) *The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2021 and 2020 is as follows: (Continued)*

Segment results, assets and liabilities (Continued)

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Segment results represent the earnings and loss of each segment without allocation of fair value gain on investment properties, fair value gain/(loss) on financial assets measured at FVTPL, (impairment losses)/reversal of impairment losses recognised under ECL model on financial assets, other income and other net (loss)/gain, unallocated head office and corporate expenses, finance costs and income tax expense. This is the measure reported to the Executive Directors for the purposes of resource allocation and assessment of segment performance.

(b) 分部資料 (續)

(A) 截至二零二一年及二零二零年十二月三十一日止年度提供予執行董事的可報告分部的分部資料如下：(續)

分部業績、資產及負債 (續)

收益及開支乃參考該等分部產生之銷售及該等分部產生之開支或按照該等分部應佔資產折舊或攤銷所產生之其他開支而分配至可報告分部。

分部業績指各分部所產生之盈利及虧損，但未分配投資物業之公平值收益、按公平值計入損益計量之財務資產之公平值收益／(虧損)財務資產之預期信貸虧損模型項下之已確認(減值虧損)／減值虧損撥回、其他收入及其他(虧損)／收益淨額、未分配總部及公司開支、融資成本及所得稅開支。此乃就資源分配及評估分部表現向執行董事匯報之方式。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(b) Segment information (Continued)

(A) *The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2021 and 2020 is as follows: (Continued)*

Segment results, assets and liabilities (Continued)

For the purpose of assessment by the Executive Directors, the finance costs on bank borrowings and lease liabilities were not included in segment results while the bank borrowings and lease liabilities have been included in the segment liabilities.

In addition to receiving segment information concerning segment results, the Executive Directors are provided with segment information concerning interest income and expense from cash balances and borrowings managed directly by the segments, revaluation deficit on freehold land and buildings, fair value gain/(loss) on financial assets measured at FVTPL, (impairment losses)/reversal of impairment losses recognised under ECL model on financial assets, depreciation and amortisation, income tax expense, and additions to non-current segment assets used by the segments in their operations.

(b) 分部資料 (續)

(A) 截至二零二一年及二零二零年十二月三十一日止年度提供予執行董事的可報告分部的分部資料如下：(續)

分部業績、資產及負債 (續)

就執行董事的評估而言，銀行借款及租賃負債的融資成本並無計入分部業績，而銀行借款及租賃負債已計入分部負債。

除獲得有關分部業績之分部資料外，執行董事亦獲提供有關收益、來自各分部直接管理之現金結餘及借貸之利息收入及開支、永久業權土地及樓宇之重新估值虧絀、按公平值計入損益計量之財務資產之公平值收益/(虧損)、財務資產之預期信貸虧損模型項下之已確認(減值虧損)/減值虧損撥回撥、折舊及攤銷、所得稅開支及各分部用於其營運之非流動分部資產添置之分部資料。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料 (續)

(b) Segment information (Continued)

(A) The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2021 and 2020 is as follows: (Continued)

Segment results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Executive Directors for the purposes of resources allocation and assessment of segment performance for the years ended 31 December 2021 and 2020 is set out below:

(b) 分部資料 (續)

(A) 截至二零二一年及二零二零年十二月三十一日止年度提供予執行董事的可報告分部的分部資料如下: (續)

分部業績、資產及負債 (續)

有關就截至二零二一年及二零二零年十二月三十一日止年度之資源分配及評估分部表現向執行董事提供之本集團可報告分部之資料載列如下:

	Year ended 31 December 截至十二月三十一日止年度					
	2021 二零二一年			2020 二零二零年		
	Stem cells and immunocytes and other business 乾細胞及免疫細胞及其他業務	Total	Funeral services 殯儀服務	Stem cells and immunocytes and other business 乾細胞及免疫細胞及其他業務	Total	
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment revenue	分部收益					
- Funeral services and cremation services provided in funeral parlours and funeral service centres under the Group's management	69,561	-	69,561	60,961	-	60,961
- Funeral arrangement and related consultancy services	2,342	-	2,342	2,290	-	2,290
- Sales of burial plots and tombstones	228	-	228	435	-	435
- Provision of advisory service on stem cells and immunocytes	-	733	733	-	356	356
- Sales of biotechnical machineries and other electronics products	-	-	-	-	4,298	4,298
	72,131	733	72,864	63,686	4,654	68,340
Segment operating profit/(loss)	3,071	(520)	2,551	9,598	(366)	9,232
Other items:	其他項目:					
Amounts included in the measure of segment operating profit/(loss):	計量分部經營溢利/(虧損)計入之金額:					
Depreciation of property, plant and equipment and right-of-use assets	(6,550)	(226)	(6,776)	(9,462)	(120)	(9,582)
Amortisation of intangible assets	(578)	-	(578)	-	-	-
Loss on written off of prepayment	(12,013)	-	(12,013)	-	-	-
Amounts not included in the measure of segment operating profit/(loss) but regularly reported to Executive Directors:	計量分部經營溢利/(虧損)不計入之金額,而其定期向執行董事呈報:					
Interest income	561	1	562	208	1	209
Finance costs	(2,131)	(49)	(2,180)	(2,502)	(8)	(2,510)
Revaluation deficit on freehold land and buildings	(158)	-	(158)	-	-	-
Fair value gain/(loss) on financial assets measured as FVTPL	340	-	340	(32)	-	(32)
(Impairment losses)/reversal of impairment losses recognised under ECL model on trade and other receivables, net	(2,566)	-	(2,566)	1,242	-	1,242
Income tax expense	(2,888)	(14)	(2,902)	(1,875)	(8)	(1,883)
Other:	其他:					
Additions to non-current segment assets	3,440	463	3,903	3,871	879	4,750

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(b) Segment information (Continued)

(A) *The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2021 and 2020 is as follows: (Continued)*

Segment results, assets and liabilities (Continued)

There are no inter-segment sales during the year (2020: Nil).

The following table presents segment assets and segment liabilities of the Group's reportable segments as at 31 December 2021 and 2020:

(b) 分部資料 (續)

(A) *截至二零二一年及二零二零年十二月三十一日止年度提供予執行董事的可報告分部的分部資料如下: (續)*

分部業績、資產及負債 (續)

本年度概無分部間銷售 (二零二零年: 無)。

下表載列於二零二一年及二零二零年十二月三十一日本集團可報告分部的分部資產及分部負債:

		2021 二零二一年			2020 二零二零年		
		Stem cells and immunocytes and other businesses 乾細胞及免疫細胞及其他業務		Total	Stem cells and immunocytes and other businesses 乾細胞及免疫細胞及其他業務		Total
		Funeral services 殯儀服務	and other businesses 及其他業務		Funeral services 殯儀服務	and other businesses 及其他業務	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment assets	分部資產	234,537	4,160	238,697	238,756	5,739	244,495
Segment liabilities	分部負債	135,452	6,048	141,500	141,836	7,042	148,878

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料 (續)

(Continued)

(b) Segment information (Continued)

(B) Reconciliations of reportable segment revenue, profit or loss, assets, liabilities and other items

(b) 分部資料 (續)

(B) 可報告分部收益、損益、資產、負債及其他項目之對賬

			2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Revenue	收益			
Total reportable segment revenue and consolidated revenue	可報告分部收益總額及綜合收益		72,864	68,340
Profit or loss	損益			
Total reportable segment profit derived from Group's external customers	本集團外界客戶產生之可報告分部溢利總額		2,551	9,232
Fair value gain on investment properties	投資物業公平值收益	16	711	101
Fair value gain/(loss) on financial assets measured at FVTPL	按公平值計入損益計量之財務資產的公平值收益/(虧損)	19	811	(32)
Unallocated other income and other net (loss)/gain	未分配其他收入及其他(虧損)/收益淨額		1,242	2,314
Net (impairment losses)/reversal of impairment losses recognised under ECL model on	以下各項之預期信貸虧損模型項下之已確認(減值虧損)/減值虧損撥回淨額			
– Trade receivables	– 貿易應收款項	6(d), 34(a)	(400)	(7)
– Other receivables	– 其他應收款項	6(d), 34(a)	(2,397)	1,233
Finance costs	融資成本	6(a)	(2,182)	(2,521)
Unallocated head office and corporate expenses	未分配總部及公司開支		(15,109)	(8,841)
Consolidated (loss)/profit before taxation	綜合除稅前(虧損)/溢利		(14,773)	1,479

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. REVENUE AND SEGMENT INFORMATION (Continued) 4. 收益及分部資料 (續)

(b) Segment information (Continued)

(B) Reconciliations of reportable segment revenue, profit or loss, assets, liabilities and other items (Continued)

(b) 分部資料 (續)

(B) 可報告分部收益、損益、資產、負債及其他項目之對賬 (續)

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Assets	資產		
Total reportable segment assets	可報告分部資產總值	238,697	244,495
Unallocated head office and corporate assets	未分配總部及公司資產		
– Cash and bank balances	– 現金及銀行結餘	15,041	26,571
– Financial assets measured at FVTPL	– 按公平值計入損益計量之財務資產	4,095	–
– Other deposits and prepayments	– 其他按金及預付款項	3,706	3,851
– Others	– 其他	2,315	2,697
Consolidated total assets	綜合資產總值	263,854	277,614
Liabilities	負債		
Total reportable segment liabilities	可報告分部負債總額	141,500	148,878
Unallocated head office and corporate liabilities	未分配總部及公司負債		
– Amount due to a shareholder	– 應付一名股東之款項	11,390	11,701
– Other payables and accruals	– 其他應付款項及應計款項	3,921	4,587
– Others	– 其他	1,455	722
Consolidated total liabilities	綜合負債總額	158,266	165,888

Other items

其他項目

	Year ended 31 December 截至十二月三十一日止年度							
	2021 二零二一年				2020 二零二零年			
	Funeral services	Stem cells and immunocytes and other businesses	Unallocated	Consolidated total	Funeral services	Stem cells and immunocytes and other businesses	Unallocated	Consolidated total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Other items:	其他項目:							
Depreciation of property, plant and equipment and right-of-use assets	(6,550)	(226)	(962)	(7,738)	(9,462)	(120)	(846)	(10,428)
Amortisation of intangible assets	(578)	–	–	(578)	–	–	–	–
Loss on written off of prepayment	(12,013)	–	–	(12,013)	–	–	–	–
Interest income	561	1	25	587	208	1	1	210
Finance costs	(2,131)	(49)	(2)	(2,182)	(2,502)	(8)	(11)	(2,511)
Revaluation deficit on freehold land and buildings	(158)	–	–	(158)	–	–	–	–
Fair value gain/(loss) on financial assets measured as FVTPL	340	–	471	811	(32)	–	–	(32)
(Impairment losses)/reversal of impairment losses recognised under ECL model on trade and other receivables, net	(2,566)	–	(231)	(2,797)	1,242	–	(16)	1,226
Income tax expense	(2,888)	(14)	–	(2,902)	(1,875)	(8)	(1,538)	(3,421)
Additions to non-current segment assets	3,440	463	368	4,271	3,871	879	144	4,894

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4. REVENUE AND SEGMENT INFORMATION 4. 收益及分部資料 (續)

(Continued)

(c) Geographic information

The following is an analysis of geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, investment properties, right-of-use assets, intangible assets, interests in associates, goodwill, other deposits and deposits for hire of funeral parlours and funeral services centres ("Specified Non-Current Assets").

The geographical location of customers refers to the location at which the services were provided or the goods delivered. The geographical locations of Specified Non-Current Assets are based on the physical location of the assets under consideration. In the case of intangible assets, interests in associates and goodwill, it is based on the location of the operation to these assets are allocated.

(c) 地區資料

以下乃有關(i)本集團來自外界客戶之收益；及(ii)本集團之物業、廠房及設備、投資物業、使用權資產、無形資產、於聯營公司的權益、商譽、其他按金及租用殯儀館及殯儀服務中心之按金(「特定非流動資產」)之地區資料分析。

客戶之所在地區乃指提供服務或送交貨品之地區。特定非流動資產之所在地區以相關資產所處實際位置為基準。倘為無形資產、於聯營公司的權益及商譽，則以獲分配該等資產之業務所在地為基準。

		Revenue from external customers (by customer location) 來自外界客戶之收益 (按客戶地區劃分)		Specified Non-Current Assets (by physical location) 特定非流動資產 (按實際位置劃分)	
		For the year ended 31 December 截至十二月三十一日止年度		As at 31 December 於十二月三十一日	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
The PRC	中國	70,294	61,317	37,688	40,829
Taiwan	台灣	1,450	2,148	33,073	29,250
Hong Kong	香港	892	4,440	60	203
Vietnam	越南	228	435	59	111
		72,864	68,340	70,880	70,393

Information about major customers

For the years ended 31 December 2021 and 2020, revenue from any single external customer does not amount to 10% or more of the Group's revenue.

主要客戶資料

截至二零二一年及二零二零年十二月三十一日止年度，概無來自任何單一外界客戶之收益佔本集團收益10%或以上。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. OTHER INCOME AND OTHER NET (LOSS)/GAIN 5. 其他收入及其他(虧損)/收益淨額

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Interest income on bank deposits	銀行存款之利息收入	587	210
Total interest income on financial assets measured at amortised cost	按攤銷成本計量之財務資產之利息收入總額	587	210
Sundry income	雜項收入	846	287
Rental income from investment properties	投資物業之租金收入	221	265
Government grants	政府補助	178	712
Revaluation deficit on freehold land and buildings (note 14(c)(ii))	永久業權土地及樓宇之重新估值虧絀(附註14(c)(ii))	(158)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(35)	-
Gain on lease modification (Provision)/written back of provision for cost of service (note 30)	租賃修改之收益/服務成本(撥備)/撥備撤回(附註30)	29	-
Reversal of impairment losses on prepayment	回撥預付款項減值虧損	-	399
Loss on written off of prepayment (note 23(e))	撇銷預付款項之虧損(附註23(e))	-	784
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	(12,013)	-
		28	(343)
		(10,771)	2,314

6. (LOSS)/PROFIT BEFORE TAXATION 6. 除稅前(虧損)/溢利

(Loss)/profit before taxation is arrived at after charging/(crediting) the followings:

除稅前(虧損)/溢利乃經扣除/(計入)下列項目後釐定:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
(a) Finance costs	(a) 融資成本		
Interest on lease liabilities	租賃負債之利息	2,077	2,366
Interest on bank borrowings	銀行借貸之利息	105	155
Total interest expenses on financial liabilities not at FVTPL	並非按公平值計入損益之財務負債利息開支總額	2,182	2,521
(b) Staff costs (including directors' emoluments)	(b) 員工成本(包括董事薪酬)		
Salaries, wages and other benefits	薪金、工資及其他福利	27,251	21,332
Contributions to defined contribution retirement plans	定額供款退休計劃供款	1,238	259
		28,489	21,591

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6. LOSS/(PROFIT) BEFORE TAXATION 6. 除稅前虧損 / (溢利) (Continued) (續)

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
(c) Depreciation and amortisation	(c) 折舊及攤銷		
Right-of-use assets (note 15)	使用權資產 (附註15)	5,031	5,076
Property, plant and equipment (note 14)	物業、廠房及設備 (附註14)	2,707	5,352
Intangible assets (note 17)	無形資產 (附註17)	578	-
		8,316	10,428
(d) Other items	(d) 其他項目		
Auditors' remuneration	核數師酬金		
– audit services	– 審計服務	954	711
– non-audit services	– 非審計服務	207	-
Cost of inventories	存貨成本	6,871	10,496
Rental income from investment properties less direct outgoing of RMB nil (2020: RMB nil)	投資物業租金收入減直接開支 人民幣零元 (二零二零年： 人民幣零元)	(221)	(265)
Lease payments for property, plant and equipment not included in the measurement of lease liabilities: minimum lease payments	物業、廠房及設備租賃付款額 (不計入租賃負債之計量): 最低租賃付款額	240	257
Impairment losses recognised under ECL model on trade receivables, net (note 34(a))	貿易應收款項之預期信貸虧損模型項下之已確認減值虧損淨額 (附註34(a))	400	7
Impairment losses/(reversal of impairment losses) recognised under ECL model on other receivables, net (note 34(a))	其他應收款項之預期信貸虧損模型項下之已確認減值虧損 / (減值虧損回撥) 淨額 (附註34(a))	2,397	(1,233)
		2,797	(1,226)

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

7. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS 7. 綜合損益表之所得稅

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Current tax	即期稅項：		
PRC Enterprise Income Tax (note 29(a))	中國企業所得稅 (附註29(a))	2,888	1,883
Hong Kong Profits Tax (note 29(a))	香港利得稅(附註29(a))	14	-
PRC withholding tax (note 29(a))	中國預扣稅(附註29(a))	-	1,538
Total	總計	2,902	3,421

Notes:

(a) Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profit above HK\$2 million.

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits in Hong Kong for the year ended 31 December 2020.

(b) The Group is not subject to any taxation under the jurisdiction of the Cayman Islands, Independent State of Samoa ("Samoa") and the British Virgin Islands ("BVI") for both years.

(c) The subsidiaries operating in the PRC are subject to Enterprise Income Tax rate at 25% (2020: 25%) in accordance with the Law of the People's Republic of China on Enterprises Income Tax (中華人民共和國企業所得稅法) except that Chongqing Xizhou Funeral Service Company Limited ("Chongqing Xizhou"), an indirect wholly-owned subsidiary of the Company, is entitled to a preferential tax rate of 15% (2020: 15%) in accordance with 西部大開發企業所得稅優惠, which is applied to Chongqing Xizhou since January 2011 and, provided that the conditions precedent to entitlement of preferential tax rate are fulfilled by Chongqing Xizhou in each of subsequent years, the preferential tax rate can be applied to Chongqing Xizhou up to December 2020. Pursuant to 《關於延續西部大開發企業所得稅政策的公告》(Announcement No. 23 of the Ministry of Finance in 2020) issued in April 2020, Chongqing Xizhou was subject to a preferential tax rate of 15% from 1 January 2021 to 30 December 2030, when the annual revenue from the encouraged business exceeded 60% of Chongqing Xizhou total revenue in a fiscal year.

附註：

(a) 根據香港利得稅的兩級制利得稅率制度，合資格集團實體首2百萬港元之溢利將按8.25%計稅，而超過2百萬港元之溢利將按16.5%計稅。不符合兩級制利得稅率制度之集團實體之溢利將繼續按統一稅率16.5%計稅。因此，合資格集團實體的香港利得稅按估計應課稅溢利的首2百萬港元計算為8.25%，而超過2百萬港元的估計應課稅溢利為16.5%。

由於本集團截至二零二零年十二月三十一日止年度概無在香港產生任何應課稅溢利，故並無作出香港利得稅撥備。

(b) 本集團於兩個年度均毋須繳納開曼群島、薩摩亞獨立國(「薩摩亞」)及英屬處女群島(「英屬處女群島」)司法權區之任何稅項。

(c) 於中國經營之附屬公司須根據中華人民共和國企業所得稅法按25%(二零二零年:25%)之企業所得稅率納稅，惟本公司之間接全資附屬公司重慶錫周殯葬服務有限公司(「重慶錫周」)可根據西部大開發企業所得稅優惠按15%(二零二零年:15%)之優惠稅率納稅，而有關優惠稅率自二零一一年一月起適用於重慶錫周，而倘重慶錫周於其後各年度達成享有優惠稅率之先決條件，則重慶錫周可一直應用優惠稅率至二零二零年十二月。根據於二零二零年四月發佈的《關於延續西部大開發企業所得稅政策的公告》(財政部公告[2020]第23號)，自二零二一年一月一日起至二零二零年十二月三十一日期間，倘於一個財政年度重慶錫周來自鼓勵類業務的年收入超過其總收入的60%，則重慶錫周可享有優惠稅率15%。

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7. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

7. 綜合損益表之所得稅 (續)

Notes: (Continued)

附註：(續)

- (d) Bau Shan Life Science Technology Co., Ltd. ("Bau Shan"), a direct subsidiary of the Company, Bao De Life Enterprise Co., Ltd. ("Bau De") and Bu Lao Lin Limited ("BLL"), both of which are indirect subsidiaries of the Company, are subject to Taiwan Enterprise Income Tax at 17% (2020: 17%) on taxable profits determined in accordance with the Income Tax Act and other relevant laws in Taiwan. No provision for Taiwan Enterprise Income Tax has been made as Bau Shan has accumulated tax losses brought forward which exceed the estimated assessable profits for the year, and Bau De and BLL have no assessable profits for both years.
- (e) Bao Son Life Company Limited ("Bao Son Life") and Hoan Loc Viet Duc Hoa Corporation ("HLV Duc Hoa"), indirect non-wholly-owned subsidiaries of the Company, are subject to Vietnam Corporate Income Tax at 20% (2020: 20%) on taxable profits determined in accordance with the relevant laws and regulations in Vietnam. No provision for Vietnam Corporate Income Tax has been made as Bao Son Life and HLV Duc Hoa have no assessable profits for both years.
- (f) PRC withholding tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008.

- (d) 本公司直接附屬公司寶山生命科技股份有限公司(「寶山」)及本公司兩間間接附屬公司寶德生命事業股份有限公司(「寶德」)及不老林有限公司(「不老林」)須根據台灣所得稅法及其他相關法律，按應課稅溢利的17%(二零二零年：17%)繳納台灣企業所得稅。由於寶山本年度承前的累計稅項虧損超過預計應課稅溢利，且寶德及不老林於兩個年度均無應課稅溢利，故概無就台灣企業所得稅作出撥備。
- (e) 本公司之間接非全資擁有附屬公司寶山生命責任有限公司(「寶山生命」)及Hoan Loc Viet Duc Hoa Corporation(「HLV Duc Hoa」)須根據越南相關法律及法規釐定之應課稅溢利按20%(二零二零年：20%)之稅率繳納越南企業所得稅。由於寶山生命及HLV Duc Hoa於兩個年度均無應課稅溢利，故概無就越南企業所得稅作出撥備。
- (f) 於中國成立的公司向其海外投資者宣派自二零零八年一月一日起賺取溢利的股息應按10%的稅率繳納中國預扣稅。

Reconciliation between income tax expense and accounting (loss)/profit at applicable tax rates:

按適用稅率計算之所得稅開支及會計(虧損)/溢利之對賬：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(14,773)	1,479
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to (loss)/profit in the tax jurisdictions concerned	按相關稅務司法權區內(虧損)/溢利適用稅率就除稅前(虧損)/溢利計算之理論稅項	(2,944)	(111)
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	3,590	2,107
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(384)	(787)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	2,640	674
PRC withholding tax	中國預扣稅	-	1,538
Actual tax expense	實際稅項開支	2,902	3,421

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

8. DIRECTORS' EMOLUMENTS

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

8. 董事薪酬

根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部規定須予披露之董事薪酬如下:

Name of directors	董事姓名	Fees	2021 二零二一年			Total
			Salaries and allowances (note i)	Discretionary bonuses	Retirement benefit scheme contributions	
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Liu Tien-Tsai ("Mr. Liu")		3,432	680	48	-	4,160
Mr. Xu Jianchun ("Mr. Xu")		1,244	-	-	-	1,244
Dr. Xu Qiang ("Dr. Xu")	(ii)	46	-	-	-	46
<i>Non-executive director</i>		<i>非執行董事</i>				
Dr. Xu Qiang ("Dr. Xu")	(ii)	4	-	-	-	4
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Chai Chung Wai ("Mr. Chai")		58	-	-	-	58
Mr. Sun Fei ("Mr. Sun")		50	-	-	-	50
Mr. Wang Jun ("Mr. Wang")	(iii)	50	-	-	-	50
		4,884	680	48	-	5,612

Name of directors	董事姓名	Fees	2020 二零二零年			Total
			Salaries and allowances (note i)	Discretionary bonuses	Retirement benefit scheme contributions	
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive directors</i>		<i>執行董事</i>				
Mr. Liu	劉先生	3,549	929	78	-	4,556
Mr. Xu	許先生	1,334	-	-	-	1,334
<i>Non-executive director</i>		<i>非執行董事</i>				
Dr. Xu	徐博士	53	-	-	-	53
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
Mr. Chai	齊先生	62	-	-	-	62
Mr. Sun	孫先生	53	-	-	-	53
Mr. Wang	王先生	53	-	-	-	53
		5,104	929	78	-	6,111

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

8. DIRECTORS' EMOLUMENTS (Continued) 8. 董事薪酬 (續)

Notes:

- (i) Salaries, allowance and benefits in kind paid to the executive director are generally emoluments paid or payables in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.
- (ii) Redesignated as executive director and the chief executive officer of the Company on 22 January 2021.
- (iii) Resigned on 4 March 2022.

No director of the Company waived or agreed to waive any emoluments and no emoluments were paid or payable by the Group to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office for both years.

As at 31 December 2021 and 2020, the directors did not hold any share options under the Company's share option scheme. The details of the share options are disclosed in note 42.

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2020: two) are directors of the Company whose emoluments are disclosed in note 8. The aggregate of the emoluments of the remaining three (2020: three) individuals are as follows:

附註：

- (i) 支付執行董事的薪金、津貼及實物利益一般乃為支付或應付該等人士就本公司及其附屬公司的管理事務所提供的其他服務的酬金。
- (ii) 於二零二一年一月二十二日調任為本公司執行董事兼首席執行官。
- (iii) 於二零二二年三月四日辭任。

於兩個年度，本公司概無董事放棄或同意放棄任何薪酬，本集團亦概無向任何董事支付或應付薪酬作為加入或於加入本集團時之獎勵，或作為離職賠償。

於二零二一年及二零二零年十二月三十一日，董事並無持有本公司購股權計劃項下的購股權。購股權之詳情於附註42披露。

9. 最高薪人士

五名最高薪人士包括兩名（二零二零年：兩名）本公司董事，其薪酬於附註8披露。其餘三名（二零二零年：三名）最高薪人士之薪酬總額如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Salaries, allowances and other benefits	薪金、津貼及其他福利	3,587	1,014
Discretionary bonuses	酌情花紅	60	33
Contributions to retirement benefit scheme	退休福利計劃供款	15	29
		3,662	1,076

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9. INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued) 9. 最高薪人士 (續)

The emoluments of the three (2020: three) individuals with the highest emoluments are within the following band:

三名(二零二零年:三名)最高薪人士之薪酬介乎下列範圍:

		2021 二零二一年 Number of individuals 人數	2020 二零二零年 Number of individuals 人數
Nil to HK\$1,000,000 (equivalent to approximately RMB829,601 (2020: RMB889,162))	零至1,000,000港元 (相當於約人民幣 829,601元 (二零二零年:人民幣 889,162元))	0	3
HK\$1,000,000 to HK\$2,000,000 (equivalent to approximately RMB829,601 to RMB1,659,203) (2020: RMB889,162 to RMB1,778,325)	1,000,000港元至2,000,000 港元(相當於約 人民幣829,601元至 人民幣1,659,203元 (二零二零年: 人民幣889,162元至 人民幣1,778,325元))	3	-

No emoluments were paid or payable by the Group to any of the three (2020: three) highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for both years.

於兩個年度內,本集團概無向任何三名(二零二零年:三名)最高薪人士支付或須向彼等支付薪酬作為加入或於加入本集團時之獎勵,或作為離職賠償。

10. OTHER COMPREHENSIVE INCOME/ (EXPENSE) 10. 其他全面收益 / (開支)

There was no tax effect on each component of the other comprehensive income/(expense) for both years.

於兩個年度內,各分部並無因其他全面收益 / (開支) 受到稅務影響。

11. LOSS PER SHARE 11. 每股虧損

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of RMB9,872,000 (2020: RMB2,974,000) and the weighted average number of 742,500,000 ordinary shares (2020: 742,500,000 ordinary shares) in issue during the year.

(a) 每股基本虧損

每股基本虧損乃根據本公司擁有人應佔虧損人民幣9,872,000元(二零二零年:人民幣2,974,000元)及年內已發行普通股加權平均數742,500,000股(二零二零年:742,500,000股普通股)計算。

(b) Diluted loss per share

For the years ended 31 December 2021 and 2020, there was no dilutive potential ordinary share outstanding. Therefore, the diluted loss per share is the same as the basic loss per share.

(b) 每股攤薄虧損

截至二零二一年及二零二零年十二月三十一日止年度,並無發行在外的攤薄潛在普通股。因此,每股攤薄虧損乃佔與每股基本虧損相同。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

12. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company for the years ended 31 December 2021 and 2020, nor has any dividend been proposed since the end of the reporting period.

13. RETIREMENT BENEFITS SCHEMES

Employees of the Group's PRC and Vietnam subsidiaries are required to participate in a defined contribution retirement benefit scheme administrated and operated by the local municipal government. The Group's PRC and Vietnam subsidiaries are required to make contributions to scheme based on certain percentage of the relevant portion of the payroll of all qualifying employees in accordance with the relevant regulations in the PRC and Vietnam respectively. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income.

The Group is also required to participate in defined contribution retirement benefit schemes administered and operated by Bureau of Labour Insurance of Taiwan for employees employed in Taiwan. Under the scheme, the employers are required to make contributions to the scheme at 6% of the employees' relevant income. Contributions to the schemes vest immediately.

The Group has arranged its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan managed by independent trustees. Under the MPF Scheme, each of the Group (the employer) and its employees makes monthly contributions to the scheme at 5% of the employees' earning as defined under the Mandatory Provident Fund Schemes Ordinance. The contributions from each of the employer and employees are subject to a cap of HK\$1,500 per month and thereafter contributions are voluntary. Contributions to the plan vest immediately.

The Group has no other material obligation for the payment of retirement benefits associated with the retirement benefit schemes beyond the contribution described above.

12. 股息

本公司於截至二零二一年及二零二零年十二月三十一日止年度概無向普通股股東派付或建議派付任何股息，自報告期末亦無建議任何股息。

13. 退休福利計劃

本集團中國及越南附屬公司之僱員須參與由地方市政府管理及經營之定額供款退休福利計劃。本集團之中國及越南附屬公司須分別根據中國及越南相關條例，按全部合資格僱員薪酬相關部分之若干百分比對計劃作出供款。該等供款從綜合損益及其他全面收益表中扣除。

本集團亦須就於台灣僱用之僱員參與由台灣勞工保險局管理及經營之定額供款退休福利計劃。根據計劃，僱主須按僱員相關收入之6%向計劃作出供款。計劃供款即時歸屬。

本集團已按照香港僱傭條例之司法權限根據香港強制性公積金計劃條例安排其所僱用之香港僱員加入強制性公積金計劃（「強積金計劃」）。強積金計劃為定額供款退休計劃，由獨立信託人管理。根據強積金計劃，強制性公積金計劃條例規定本集團（僱主）及其僱員每月須各自按僱員收入之5%向該計劃作出供款。僱主及僱員每月供款以1,500港元為上限，另可作自願供款。計劃供款即時歸屬。

除上述供款外，本集團並無任何其他與上述退休福利計劃相關之退休福利付款之重大責任。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

(a)

(a)

		Freehold land and buildings held for own use carried at fair value 持作自用 並按公平值 列賬之 永久業權土地 及樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost or valuation	成本或估值						
As at 1 January 2020	於二零二零年一月一日	25,307	16,174	15,089	4,446	1,181	62,197
Exchange adjustments	匯兌調整	(870)	(154)	(199)	(92)	(4)	(1,319)
Additions	添置	-	2,342	137	1,089	145	3,713
Transfer from construction in progress	轉撥自在建工程	-	927	-	-	(927)	-
Disposals	出售	-	-	(5)	-	-	(5)
Surplus on revaluation	重估盈餘	279	-	-	-	-	279
Less: Elimination of accumulated depreciation	減：累計折舊對銷	(200)	-	-	-	-	(200)
As at 31 December 2020	於二零二零年十二月三十一日	24,516	19,289	15,022	5,443	395	64,665
Representing:	即：						
Cost	成本	-	19,289	15,022	5,443	395	40,149
Valuation – 2020	估值 – 二零二零年	24,516	-	-	-	-	24,516
		24,516	19,289	15,022	5,443	395	64,665
As at 1 January 2021	於二零二一年一月一日	24,516	19,289	15,022	5,443	395	64,665
Exchange adjustments	匯兌調整	734	103	68	(16)	-	889
Additions	添置	-	-	288	463	552	1,303
Disposals	出售	-	-	(34)	(1,687)	-	(1,721)
Surplus on revaluation, net	重估盈餘淨額	3,546	-	-	-	-	3,546
Less: Elimination of accumulated depreciation	減：累計折舊對銷	(457)	-	-	-	-	(457)
As at 31 December 2021	於二零二一年十二月三十一日	28,339	19,392	15,344	4,203	947	68,225
Representing:	即：						
Cost	成本	-	19,392	15,344	4,203	947	39,886
Valuation – 2021	估值 – 二零二一年	28,339	-	-	-	-	28,339
		28,339	19,392	15,344	4,203	947	68,225

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14. PROPERTY, PLANT AND EQUIPMENT 14. 物業、廠房及設備 (續)

(Continued)

(a) (Continued)

(a) (續)

		Freehold land and buildings held for own use carried at fair value 持作自用並按公平值列賬之永久業權土地及樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Accumulated depreciation and impairment losses	累計折舊及減值虧損						
As at 1 January 2020	於二零二零年一月一日	-	13,569	11,968	4,243	-	29,780
Exchange adjustments	匯兌調整	-	(134)	(178)	(92)	-	(404)
Charge for the year	本年度支出	200	3,447	1,659	46	-	5,352
Elimination on disposals	出售時對銷	-	-	(5)	-	-	(5)
Elimination on revaluation	重估時對銷	(200)	-	-	-	-	(200)
As at 31 December 2020	於二零二零年十二月三十一日	-	16,882	13,444	4,197	-	34,523
As at 1 January 2021	於二零二一年一月一日	-	16,882	13,444	4,197	-	34,523
Exchange adjustments	匯兌調整	-	93	53	(16)	-	130
Charge for the year	本年度支出	457	1,273	725	252	-	2,707
Elimination on disposals	出售時對銷	-	-	(32)	(1,419)	-	(1,451)
Elimination on revaluation	重估時對銷	(457)	-	-	-	-	(457)
As at 31 December 2021	於二零二一年十二月三十一日	-	18,248	14,190	3,014	-	35,452
Net book value	賬面淨值						
As at 31 December 2021	於二零二一年十二月三十一日	28,339	1,144	1,154	1,189	947	32,773
As at 31 December 2020	於二零二零年十二月三十一日	24,516	2,407	1,578	1,246	395	30,142

(b) Had the revalued freehold land and buildings held for own use been carried at cost less accumulated depreciation, the carrying amounts would have been:

(b) 倘經重估持作自用之永久業權土地及樓宇乃以成本減累計折舊列賬，賬面值將如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Freehold land and buildings held for own use	持作自用之永久業權土地及樓宇	19,257	18,873

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued) 14. 物業、廠房及設備 (續)

(c) Fair value measurement of properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, that is, unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs, that is, observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

(c) 物業之公平值計量

(i) 公平值層級

下表呈列於報告期末按經常性基準計量的本集團物業的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值層級。公平值計量歸類的層級經參考估值技術中使用的輸入值的可觀察性及重要性釐定如下：

- 第一層估值：只以第一層輸入值計量公平值，即相同資產或負債於計量日在活躍市場的未調整報價。
- 第二層估值：以第二層輸入值（而非重要之不可觀察輸入值）計量公平值，即其輸入值之可觀察性並未如第一層輸入值。不可觀察輸入值為並無市場數據可作參考之輸入值。
- 第三層估值：以重要的不可觀察輸入值計量公平值。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT 14. 物業、廠房及設備 (續)

(Continued)

- (c) Fair value measurement of properties (Continued)
(i) Fair value hierarchy (Continued)
- (c) 物業之公平值計量 (續)
(i) 公平值層級 (續)

		Fair value measurements as at 31 December 2021 categorised into 於二零二一年十二月三十一日之 公平值計量分類為			
		Fair value at 31 December 2021 於二零二一年 十二月三十一日 之公平值 RMB'000 人民幣千元	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元
Recurring fair value measurement	經常性公平值計量				
Freehold land and buildings - Taiwan	永久業權土地及 樓宇 - 台灣	26,914	-	-	26,914
Buildings - The PRC	樓宇 - 中國	1,425	-	-	1,425
		28,339	-	-	28,339

		Fair value measurements as at 31 December 2020 categorised into 於二零二零年十二月三十一日之 公平值計量分類為			
		Fair value at 31 December 2020 於二零二零年 十二月三十一日 之公平值 RMB'000 人民幣千元	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元
Recurring fair value measurement	經常性公平值計量				
Freehold land and buildings - Taiwan	永久業權土地及 樓宇 - 台灣	23,124	-	-	23,124
Buildings - The PRC	樓宇 - 中國	1,392	-	-	1,392
		24,516	-	-	24,516

During the years ended 31 December 2021 and 2020, 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 levels as at the end of the reporting period in which they occur.

於截至二零二一年及二零二零年十二月三十一日止年度，第一層與第二層之間並無轉換，亦無轉入第三層或自第三層轉出。本集團之政策為於報告期末公平值層級之間出現轉換時確認有關轉換。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued) 14. 物業、廠房及設備 (續)

(c) Fair value measurement of properties (Continued)

(i) Fair value hierarchy (Continued)

The Group's freehold land and buildings held for own use as at 31 December 2021 and 2020 were revalued and the valuations were carried out by APAC Appraisal and Consulting Limited ("APAC"), an independent qualified professional valuers, for the years ended 31 December 2021 and 2020, with recent experience in the location and category of properties being valued. The Group's directors have discussed with APAC on the valuation assumptions and valuation results when the valuation are performed at each interim and annual reporting date.

(c) 物業之公平值計量 (續)

(i) 公平值層級 (續)

於二零二一年及二零二零年十二月三十一日，本集團持作自用之永久業權土地及樓宇均已重估。於截至二零二一年及二零二零年十二月三十一日止年度，估值由對上述估值物業所在地及類別有近期估值經驗之獨立合資格估值師亞太估值及顧問有限公司（「亞太」）進行，在各個中期及年度報告日期進行估值時，本集團董事已與亞太討論估值假設及估值結果。

	Valuation techniques 估值技術	Unobservable input 不可觀察輸入值	Range 範圍	
			2021	2020
			二零二一年	二零二零年
Freehold land and buildings – Taiwan 永久業權土地及樓宇 – 台灣	Direct comparison approach 直接比較法	Property-specific adjusting rate 物業指定調整率	(30%) to 18% (30%)至18%	(30%) to 18% (30%)至18%
Buildings – The PRC 樓宇 – 中國	Direct comparison approach 直接比較法	Property-specific adjusting rate 物業指定調整率	(3%) to 10% (3%)至10%	(5%) to 10% (5%)至10%

The fair value of properties held for own use located in Taiwan and the PRC is determined using direct comparison approach by reference to the market price of comparable properties and adjusted for building quality, location of the properties and timing of the reference transactions. The fair value measurement is positively correlated to the property-specific adjustment rate. There has been no change on the valuation technique during the year.

於台灣及中國持作自用之物業之公平值乃使用直接比較法釐定，已參考可供比較物業之市價，並就參考交易之樓宇質量、物業地點及時間作出調整。公平值計量與具體物業調整比率正相關。於本年度，估值技術並無變動。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT 14. 物業、廠房及設備 (續)

(Continued)

(c) Fair value measurement of properties (Continued)

(ii) Information about Level 3 fair value measurements

The movements during the period in the balances of these Level 3 fair value measurements are as follows:

(c) 物業之公平值計量 (續)

(ii) 有關第三層公平值計量之資料

期內，上述第三層公平值計量結餘變動如下：

		Freehold land and buildings – Taiwan 永久業權 土地及 樓宇 – 台灣 RMB'000 人民幣千元	Buildings – The PRC 樓宇 – 中國 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於二零二零年一月一日	23,824	1,483	25,307
Depreciation charge for the year	本年度折舊開支	(170)	(30)	(200)
Exchange adjustments	匯兌調整	(870)	–	(870)
Surplus on revaluation	重估盈餘			
– recognised in other comprehensive income, included in “properties revaluation reserve”	–於其他全面收益確認，計入「物業重估儲備」	340	(61)	279
At 31 December 2020	於二零二零年十二月三十一日	23,124	1,392	24,516
At 1 January 2021	於二零二一年一月一日	23,124	1,392	24,516
Depreciation charge for the year	本年度折舊開支	(161)	(296)	(457)
Exchange adjustments	匯兌調整	734	–	734
Surplus/(deficit) on revaluation	重估盈餘/(虧絀)			
– recognised in other comprehensive income, included in “properties revaluation reserve”	–於其他全面收益確認，計入「物業重估儲備」	3,375	329	3,704
– recognised in profit or loss, included in other income and other net loss	–於損益確認，計入其他收入及其他虧損淨額	(158)	–	(158)
At 31 December 2021	於二零二一年十二月三十一日	26,914	1,425	28,339

Effect of foreign currency exchange differences of properties held for own use are recognised in other comprehensive income in “foreign currency translation reserve”.

持作自用的物業之外幣匯兌差異的影響於「匯兌儲備」之其他全面收益確認。

(d) The carrying amount of freehold land and buildings held for own use pledged as security for the Group’s bank borrowings was RMB23,552,000 (2020: RMB20,394,000) (note 28) as at 31 December 2021.

(d) 於二零二一年十二月三十一日，已抵押作為本集團銀行借貸抵押品之持作自用的永久業權土地及樓宇的賬面值為人民幣23,552,000元(二零二零年：人民幣20,394,000元)(附註28)。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued) 14. 物業、廠房及設備 (續)

- (e) There was no impairment loss on property, plant and equipment has been provided for both the years ended 31 December 2021 and 2020.
- (e) 截至二零二一年及二零二零年十二月三十一日止兩個年度，概無就物業、廠房及設備計提減值虧損。
- (f) As at 31 December 2021, the Group's freehold land amounting to RMB1,578,000 (2020: RMB1,420,000) was under trust arrangements.
- (f) 於二零二一年十二月三十一日，本集團根據信託安排持有之永久業權土地為人民幣1,578,000元（二零二零年：人民幣1,420,000元）。

15. RIGHT-OF-USE ASSETS

15. 使用權資產

		Prepaid leasehold lands 預付租賃土地 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本			
At 1 January 2020	於二零二零年一月一日	2,804	38,476	41,280
Exchange adjustments	匯兌調整	-	(36)	(36)
Additions	添置	-	1,181	1,181
At 31 December 2020	於二零二零年十二月三十一日	2,804	39,621	42,425
At 1 January 2021	於二零二一年一月一日	2,804	39,621	42,425
Exchange adjustments	匯兌調整	-	(12)	(12)
Additions	添置	-	368	368
Lease modification	租賃修改	-	(617)	(617)
At 31 December 2021	於二零二一年十二月三十一日	2,804	39,360	42,164
Accumulated depreciation	累計折舊			
At 1 January 2020	於二零二零年一月一日	67	4,685	4,752
Charged for the year	年度扣除	67	5,009	5,076
Exchange adjustments	匯兌調整	-	(22)	(22)
At 31 December 2020	於二零二零年十二月三十一日	134	9,672	9,806
At 1 January 2021	於二零二一年一月一日	134	9,672	9,806
Charged for the year	年度扣除	67	4,964	5,031
Exchange adjustments	匯兌調整	-	(9)	(9)
Lease modification	租賃修改	-	(302)	(302)
At 31 December 2021	於二零二一年十二月三十一日	201	14,325	14,526
Net book value	賬面淨值			
At 31 December 2021	於二零二一年十二月三十一日	2,603	25,035	27,638
At 31 December 2020	於二零二零年十二月三十一日	2,670	29,949	32,619

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

15. RIGHT-OF-USE ASSETS (Continued)

Notes:

- (i) The Group holds lands of which the Group is the registered owner of the lands, including the whole or part of undivided share in the underlying lands. Lump sum payments were made upfront to acquire the lands from its previous registered owners, and there are no ongoing payments to be made under the terms of the land lease.
- (ii) For both years, the Group leases various offices and properties for its operation. Lease contract is entered into for fixed term of 0.50 to 5.42 years (2020: 0.33 to 6.42 years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

15. 使用權資產 (續)

附註：

- (i) 本集團為該土地(包括相關土地之全部或部分不可分割份數)之登記擁有人。本集團已就自其先前登記擁有人收購該土地支付一筆過預付款，而根據土地租賃之條款，毋須持續作出付款。
- (ii) 於兩個年度，本集團租賃多個辦公室及物業以供營運。已訂立的租賃合約的固定期限為0.50至5.42年(二零二零年：0.33至6.42年)。租期乃按個別基準磋商，並包括不同條款及條件。於釐定租期及評估不可撤銷期間之長短時，本集團已應用合約的定義並釐定合約可強制執行的期間。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

15. RIGHT-OF-USE ASSETS (Continued)

15. 使用權資產 (續)

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

按相關資產的類別劃分之使用權資產的賬面淨值分析如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Ownership interests in leasehold land carried at amortised cost with remaining lease term of:	剩餘租賃期如下且按攤銷成本列賬之租賃土地之所有權權益：		
– Between 10 and 50 years	– 10至50年	2,603	2,670
Leased properties carried at depreciated cost, with remaining terms between 0.50 and 5.42 years (2020: 0.33 and 6.42 years)	租賃物業按折舊成本列賬且剩餘年期介乎0.50至5.42年(二零二零年：0.33至6.42年)	25,035	29,949
		27,638	32,619

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

有關於損益確認之租賃之開支項目分析如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Depreciation charge of right-of-use assets by class of underlying asset (note 6(c)):	按相關資產類別劃分之使用權資產折舊開支(附註6(c))：		
– Ownership interests in leasehold land	– 租賃土地之所有權權益	67	67
– Leased properties	– 租賃物業	4,964	5,009
		5,031	5,076
Interest on lease liabilities (note 6(a))	租賃負債之利息(附註6(a))	2,077	2,366
Expense relating to short-term leases	與短期租賃相關的開支	223	240
Expenses relating to leases on low-value of assets, excluding short-term leases of low-value assets	與低價值資產租賃相關的開支，不包括低價值資產短期租賃	17	17
		240	257

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

15. RIGHT-OF-USE ASSETS (Continued)

Cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within operating cash flows	經營現金流量內	(240)	(257)
Within financing cash flows	融資現金流量內	(6,480)	(6,523)
		(6,720)	(6,780)

These amounts relate to the following:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Lease rental paid	已付租賃租金	(6,720)	(6,780)

15. 使用權資產 (續)

租賃現金流出

計入綜合現金流量表之租賃金額包括以下各項：

	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
	(240)	(257)
	(6,480)	(6,523)
	(6,720)	(6,780)

該等金額與以下各項有關：

16. INVESTMENT PROPERTIES

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At fair value	按公平值		
At 1 January	於一月一日	6,531	6,622
Exchange adjustments	匯兌調整	159	(192)
Fair value adjustment to profit or loss	計入損益之公平值調整	711	101
At 31 December	於十二月三十一日	7,401	6,531

16. 投資物業

	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
	6,531	6,622
	159	(192)
	711	101
	7,401	6,531

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

16. INVESTMENT PROPERTIES (Continued)

16. 投資物業 (續)

Fair value measurement of investment properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, that is, unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs, that is, observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

投資物業之公平值計量

(i) 公平值層級

下表呈列於報告期末按經常性基準計量的本集團物業的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值層級。公平值計量歸類的層級經參考估值技術中使用的輸入值的可觀察性及重要性釐定如下：

- 第一層估值：只以第一層輸入值計量公平值，即相同資產或負債於計量日在活躍市場的未調整報價。
- 第二層估值：以第二層輸入值（而非重要之不可觀察輸入值）計量公平值，即其輸入值之可觀察性並未如第一層輸入值。不可觀察輸入值為並無市場數據可作參考之輸入值。
- 第三層估值：以重要的不可觀察輸入值計量公平值。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

16. INVESTMENT PROPERTIES (Continued)

16. 投資物業 (續)

Fair value measurement of investment properties (Continued)

投資物業之公平值計量 (續)

(i) Fair value hierarchy (Continued)

(i) 公平值層級 (續)

		Fair value measurements as at 31 December 2021 categorised into 於二零二一年十二月三十一日之 公平值計量分類為			
		Fair value at 31 December 2021 於二零二一年 十二月三十一日 之公平值 RMB'000 人民幣千元	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元
Recurring fair value measurement	經常性公平值計量				
Investment properties	投資物業				
- Taiwan	- 台灣	5,899	-	-	5,899
- The PRC	- 中國	1,502	-	-	1,502
		7,401	-	-	7,401

		Fair value measurements as at 31 December 2020 categorised into 於二零二零年十二月三十一日之 公平值計量分類為			
		Fair value at 31 December 2020 於二零二零年 十二月三十一日 之公平值 RMB'000 人民幣千元	Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元
Recurring fair value measurement	經常性公平值計量				
Investment properties	投資物業				
- Taiwan	- 台灣	4,993	-	-	4,993
- The PRC	- 中國	1,538	-	-	1,538
		6,531	-	-	6,531

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16. INVESTMENT PROPERTIES (Continued)

16. 投資物業 (續)

Fair value measurement of investment properties (Continued)

投資物業之公平值計量 (續)

(i) Fair value hierarchy (Continued)

During the years ended 31 December 2021 and 2020, 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 levels as at the end of the reporting period in which they occur.

(i) 公平值層級 (續)

於截至二零二一年及二零二零年十二月三十一日止年度，第一層與第二層之間並無轉換，亦無轉入第三層或自第三層轉出。本集團之政策為於報告期末公平值層級之間出現轉換時確認有關轉換。

The Group's investment properties as at 31 December 2021 and 2020 were revalued and the valuations were carried out by APAC, an independent qualified professional valuers with recent experience in the location and category of property being valued. The Group's directors have discussed with APAC on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

本集團之投資物業於二零二一年及二零二零年十二月三十一日已進行重估。估值由獨立合資格估值師亞太進行，其對上述估值物業所在地及類別有近期估值經驗。在各個中期及年度報告日期進行估值時，本集團董事已與亞太討論估值假設及估值結果。

(ii) Information about Level 3 fair value measurements

(ii) 有關第三層公平值計量之資料

	Valuation techniques 估值技術	Unobservable input 不可觀察輸入值	Range 範圍	
			2021	2020
			二零二一年	二零二零年
Freehold land – Taiwan 永久業權土地 – 台灣	Direct comparison approach 直接比較法	Property-specific adjusting rate 物業指定調整率	(20%) to 30%	(25%) to 10%
Land and buildings – The PRC 土地及樓宇 – 中國	Direct comparison approach 直接比較法	Property-specific adjusting rate 物業指定調整率	(3%) to 10%	(5%) to 10%

The fair value of investment properties is determined using direct comparison approach by reference to the market price of comparable properties and adjusted for location and size of the properties. The fair value measurement is positively correlated to the property-specific adjusting rate. There has been no change on the valuation technique during the year.

投資物業之公平值乃使用直接比較法釐定，已參考可供比較物業之市價，並就物業之所在地及面積作出調整。公平值計量與具體物業調整比率正相關。於本年度，估值技術並無變動。

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16. INVESTMENT PROPERTIES (Continued)

Fair value measurement of investment properties (Continued)

(iii) As at 31 December 2021, the Group's investment properties amounting to RMB5,899,000 (2020: RMB4,993,000) were held under trust arrangements.

(iv) Fair value adjustment on investment properties is recognised in the line item "Fair value gain on investment properties" on the face of the consolidated statement of profit or loss and other comprehensive income.

17. INTANGIBLE ASSETS

16. 投資物業 (續)

投資物業之公平值計量 (續)

(iii) 於二零二一年十二月三十一日，本集團根據信託安排持有之投資物業為人民幣5,899,000元（二零二零年：人民幣4,993,000元）。

(iv) 投資物業公平值的調整於綜合損益及其他全面收益表的「投資物業之公平值收益」一項內確認。

17. 無形資產

		Trademark 商標 RMB'000 人民幣千元	Computer system 電腦系統 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本			
At 1 January 2020	於二零二零年一月一日	20	1,832	1,852
Exchange adjustments	匯兌調整	(1)	(47)	(48)
At 31 December 2020	於二零二零年 十二月三十一日	19	1,785	1,804
At 1 January 2021	於二零二一年一月一日	19	1,785	1,804
Addition	添置	-	2,600	2,600
Exchange adjustments	匯兌調整	-	38	38
At 31 December 2021	於二零二一年 十二月三十一日	19	4,423	4,442
Accumulated amortisation	累計攤銷			
At 1 January 2020	於二零二零年一月一日	18	1,832	1,850
Exchange adjustments	匯兌調整	(1)	(47)	(48)
At 31 December 2020	於二零二零年 十二月三十一日	17	1,785	1,802
At 1 January 2021	於二零二一年一月一日	17	1,785	1,802
Charged for the year	年度扣除	-	578	578
Exchange adjustments	匯兌調整	-	38	38
At 31 December 2021	於二零二一年 十二月三十一日	17	2,401	2,418
Net book value	賬面淨值			
At 31 December 2021	於二零二一年 十二月三十一日	2	2,022	2,024
At 31 December 2020	於二零二零年 十二月三十一日	2	-	2

Trademark and computer system have finite useful life and are amortised on a straight-line basis over its estimated useful life of 2 years to 10 years respectively.

商標及電腦系統具有有限可使用年期，並按直線基準分別於其估計可使用年期2至10年攤銷。

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18. INTERESTS IN ASSOCIATES

18. 於聯營公司的權益

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost of investment in associates: 投資於聯營公司的成本：		500	500
Share of losses from associates 應佔聯營公司虧損		(105)	(105)
		395	395
Less: Impairment losses on associates 減：聯營公司之減值虧損		(395)	(395)
		-	-

The following list contains only the particulars of material associates, all of which are unlisted corporate entities, whose quoted market price is not available:

下表列出均為非上市公司實體且並無市場報價之所有重大聯營公司的詳情：

Name 名稱	Form of business structure 業務架構形式	Place of establishment 註冊成立地點	Registered capital 註冊資本	Paid-up capital 繳足資本	Group's effective interest 集團實際權益		Principal activities 主要業務
					2021 二零二一年	2020 二零二零年	
Guangdong Weixiang Biotechnology Co., Ltd. [△] ("Guangdong Weixiang") 廣東為象生物科技有限公司 (「廣東為象」)	Established	PRC	RMB24,000,000 (2020: RMB24,000,000)	RMB1,000,000 (2020: RMB1,000,000)	30%	30%	Research and development of cell cultivation
Guangdong Yashan Biotechnology Co., Ltd. [△] ("Guangdong Yashan") 廣東崖山生物科技有限公司 (「廣東崖山」)	Established	PRC	RMB10,000,000 (2020: RMB10,000,000)	RMB700,000 (2020: RMB500,000)	20%	20%	Research and development of cell cultivation
Foshan Zhongong Intelligent Technology Co., Ltd. [△] ("Foshan Zhongong") 佛山市宙工智能科技有限公司 (「佛山宙工」)	Established	PRC	RMB6,000,000 (2020: N/A)	N/A (note 1) (2020: N/A)	41%	N/A (note 2)	Not yet commenced business

[△] The English translation of the companies' names is for reference only. The official name of these companies are in Chinese.

[△] 公司名稱的英譯僅供參考，其官方名稱為中文。

Note 1: Registered capital of Foshan Zhongong was not paid-up as at 31 December 2021.

附註1：於二零二一年十二月三十一日佛山宙工註冊資本尚未繳足。

Note 2: Foshan Zhongong was established on 15 July 2021.

附註2：佛山宙工於二零二一年七月十五日成立。

All of the above associates are accounted for using the equity method in the consolidated financial statements.

以上所有聯營公司以權益法於綜合財務報表入賬。

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18. INTERESTS IN ASSOCIATES (Continued)

At 31 December 2021, the aggregate amount of individually immaterial associates recognised in the consolidated financial position is Nil (2020: Nil). During the year ended 31 December 2021, the aggregate amounts of the Group's share of loss and other comprehensive income are Nil (2020: Nil) and Nil (2020: Nil) respectively.

19. FINANCIAL ASSETS MEASURED AT FVTPL

18. 於聯營公司的權益 (續)

二零二一年十二月三十一日，於綜合財務狀況表內確認的個別非重大聯營公司總額為零（二零二零年：零）。截至二零二一年十二月三十一日止年度，本集團應佔虧損及其他全面收益總額分別為零（二零二零年：零）及零（二零二零年：零）。

19. 按公平值計入損益計量之財務資產

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Measured at FVTPL	按公平值計入損益計量		
– Mutual funds/unit trusts established in Taiwan (note (i))	– 於台灣成立之互惠基金／單位信託（附註(i)）	34,482	33,639
Trading securities	買賣證券		
– Equity securities listed outside Hong Kong (note (ii))	– 於香港境外上市之股本證券（附註(ii)）	4,095	–
		38,577	33,639

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19. FINANCIAL ASSETS MEASURED AT FVTPL (Continued) 19. 按公平值計入損益計量之財務資產 (續)

Notes:

- (i) According to the Mortuary Service Administration Act (殯葬管理條例) in Taiwan, which was first promulgated on 17 July 2002 and further amended on 1 July 2003 and 4 July 2007, the Group has to deposit 75% of the gross receipt of each funeral services deed entered into after 31 July 2003 in financial institutions in Taiwan as trust monies.

The trust monies have been invested, in mutual funds and unit trusts in Taiwan, which were managed by fund managers of these financial institutions in Taiwan. The mutual funds and unit trusts comprise a basket of financial assets including local and foreign currencies bank deposits, bonds and equity securities listed in Taiwan and other foreign stock markets.

The financial assets above offer the Group the opportunity for return through fair value gain. They have no fixed maturity and coupon rate.

The fair value of the above financial assets is based on their current bid prices in an active market.

- (ii) At 31 December 2021, the trading securities were stated at fair value, determined by reference to bid prices quoted in an active market.

Financial assets measured at FVTPL are presented within “operating activities” as part of changes in working capital and trading securities are presented within “investing activities” in the consolidated statement of cash flows. The Group has obtained a net realised and unrealised profit of RMB811,000 for the year ended 31 December 2021 (2020: loss of RMB32,000).

附註：

- (i) 根據於二零零二年七月十七日首次頒佈並於二零零三年七月一日及二零零七年七月四日進一步修訂之台灣殯葬管理條例，本集團須就於二零零三年七月三十一日後訂立之各項殯儀服務契約於台灣金融機構存放收入總額之75%作為信託金。

信託金已投資於台灣的互惠基金及單位信託，其由台灣之該等金融機構基金管理人管理。互惠基金與單位信託由一籃子財務資產組成，包括本地及外國貨幣銀行存款、在台灣及其他外國股市上市之債券及股本證券。

上述財務資產為本集團提供透過公平值收益獲取回報之機會。該等財務資產並無固定到期日及票面利率。

上述財務資產的公平值乃基於其於活躍市場的現時買入價而定。

- (ii) 於二零二一年十二月三十一日，買賣證券按公平值列賬，乃經參考於活躍市場所報的買入價而定。

按公平值計入損益計量之財務資產於綜合現金流量表「經營業務」內呈列，作為營運資金變動一部分，買賣證券則於「投資活動」內呈列。截至二零二一年十二月三十一日止年度，本集團獲得人民幣811,000元之已變現及未變現淨溢利（二零二零年：虧損人民幣32,000元）。

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20. GOODWILL

20. 商譽

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost:	成本：		
At 1 January	於一月一日	18,449	19,167
Exchange adjustments	匯兌調整	561	(718)
At 31 December	於十二月三十一日	19,010	18,449
Accumulated impairment losses:	累計減值虧損：		
At 1 January	於一月一日	18,449	19,167
Exchange adjustments	匯兌調整	561	(718)
At 31 December	於十二月三十一日	19,010	18,449
Carrying amount at 31 December	於十二月三十一日之 賬面值	-	-

Goodwill was arising from the Group obtained control of BLL through the acquisition of 100% equity voting interests in BLL which is engaged in provision of elderly care and related consultancy services.

商譽乃來自本集團透過收購取得從事提供護老及相關諮詢服務的不老林之100%附帶投票權的股本權益，取得不老林之控制權。

The goodwill was fully impaired prior to year ended 31 December 2020.

於截至二零二零年十二月三十一日止年度之前，商譽已予全數減值。

21. DEVELOPMENT AND FORMATION COSTS

21. 開發及成立成本

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Development and formation costs – burial plots under development for sale	開發及成立成本 – 開發待售墓地	4,529	4,542

The development and formation costs represent development costs incurred for burial plots construction in a cemetery site which will be completed for sale by burial plot and are stated at the lower of cost and net realisable value.

開發及成立成本指將於一處墓園中完成待出售之墓地之開發成本，並按成本或可變現淨值兩者中之較低者列賬。

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22. INVENTORIES

22. 存貨

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Merchandises for resale	轉售貨品	714	630
Completed burial plots	已完工墓地	911	916
		1,625	1,546

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	1,216	996
Less: Allowance for credit loss (note 34(a))	減：信貸虧損撥備 (附註34(a))	(777)	(377)
Trade receivables, net (notes (c) and (d))	貿易應收款項·淨額 (附註(c)及(d))	439	619
Prepayments (note (e))	預付款項(附註(e))	26,680	38,861
Deposits (note (e))	按金(附註(e))	2,268	1,899
Other receivables (note (e))	其他應收款項(附註(e))	2,343	3,540
		31,730	44,919
Representing:	指：		
Current	即期		
– trade and other receivables	– 貿易及其他應收款項	30,686	43,820
Non-current	非即期		
– deposits for hire of funeral parlours and funeral services centres	– 租用殯儀館及殯儀服務 中心之按金	1,000	1,000
– other deposits	– 其他按金	44	99
		31,730	44,919

Notes:

- (a) All of the current portion of trade and other receivables are expected to be recovered within one year and prepayments are expected to be recognised as expense within one year or in its normal operating cycle.
- (b) The carrying amounts of trade and other receivables approximate to their fair values.

附註：

- (a) 所有貿易及其他應收款項的即期部分預期於一年內收回，而預付款項預期於一年內或於正常營運週期確認為開支。
- (b) 貿易及其他應收款項之賬面值與其公平值相若。

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23. TRADE AND OTHER RECEIVABLES 23. 貿易及其他應收款項 (續) (Continued)

Notes: (Continued)

(c) Trade receivables with the following aging analysis by age presented based on the invoice date, net of allowance, as at the end of the reporting period:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
0 to 180 days	0至180日	439	619

The average credit period for funeral arrangement services granted to non-funeral services deed customers is 45 days (2020: 45 days).

There is no credit period granted to customers for the other service rendered by the Group.

The Group does not hold any collateral over these balances.

Further details on the Group's credit policy are set out in note 34(a).

附註：(續)

(c) 以下為於報告期末貿易應收款項(扣除撥備)按發票日期呈列之賬齡分析：

就殯儀安排服務，向非殯儀服務契約之客戶授出之平均信貸期為45日(二零二零年：45日)。

本集團並無就所提供之其他服務向客戶授出信貸期。

本集團並無就該等結餘持有任何抵押品。

有關本集團信貸政策的進一步詳情載於附註34(a)。

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23. TRADE AND OTHER RECEIVABLES (Continued) 23. 貿易及其他應收款項 (續)

Notes: (Continued)

- (d) As at 31 December 2021, included in the Group's trade receivables are debtors with aggregate carrying amount of RMB1,075,000 (2020: RMB344,000) which are past due as at the reporting date. Out of the past due balances, RMBNil (2020: Nil) has been past due 90 days or more and is not considered as in default because of the good repayment records of those customers and continuous business relationship with the Group. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade receivables and other receivables for the years ended 31 December 2021 and 2020 are set out in note 34(a).

- (e) Included in prepayments, deposits and other receivables are deposits paid for funeral parlours and funeral services centre, prepaid hire charge of funeral parlours and funeral services centres, prepayment for purchase of biotechnical machineries and other electronics products, prepayment for purchase of raw materials and prepaid agency commission for funeral services of approximately RMB1,000,000 (2020: RMB1,000,000), RMB8,756,000 (2020: RMB8,543,000), RMB3,421,000 (2020: RMB 3,515,000), RMB11,812,000 (2020: RMB11,891,000) and RMB2,606,000 (2020: RMB14,599,000), respectively.

A commission is paid to the agents when the service deeds amounts were received. During the year, one of the agents, which was incorporated in Taiwan with limited liability, was dissolved. The directors of the Company considered that the Group is no longer able to request future services from this agent, and the chance of recovering the prepayments made to this agent is remote as advised by the Group's Taiwan legal adviser. After the above assessment, the Group has written off the relevant amount of prepayments with this agent in full under the funeral service segment, and recognised a loss on written off of prepayment of approximately RMB12,013,000 (2020: nil) during the year.

附註：(續)

- (d) 於二零二一年十二月三十一日，本集團的貿易應收款項包括總賬面金額為人民幣1,075,000元（二零二零年：人民幣344,000元）於報告日期已逾期的應收賬款。於逾期的餘額中，人民幣零元（二零二零年：人民幣零元）已逾期90天或更長時間，並且未被視為違約，因為該等客戶的還款記錄良好且與本集團有持續業務關係。本集團並無就該等結餘持有任何抵押品。

截至二零二一年及二零二零年十二月三十一日止年度的貿易應收款項及其他應收款項減值評估之詳情載於附註34(a)。

- (e) 計入預付款項、按金及其他應收款項為分別向殯儀館及殯儀服務中心支付之按金、殯儀館及殯儀服務中心之預付租金、購買生物科技儀器及其他電子產品之預付款項、購買原材料之預付款項及有關殯儀服務之預付代理佣金約人民幣1,000,000元（二零二零年：人民幣1,000,000元）、人民幣8,756,000元（二零二零年：人民幣8,543,000元）、人民幣3,421,000元（二零二零年：人民幣3,515,000元）、人民幣11,812,000元（二零二零年：人民幣11,891,000元）及人民幣2,606,000元（二零二零年：人民幣14,599,000元）。

收取服務契約款項時將向代理支付傭金。年內，其中一名代理（於台灣註冊成立的有限公司）解散。本公司董事認為，根據本集團台灣法律顧問的意見，本集團不再能夠向該代理要求未來服務，且收回向該代理支付的預付款項的機會甚微。於上述評估後，本集團於年內已悉數撤銷殯儀服務分部下與該代理的相關預付款項，並確認撤銷預付款項虧損約人民幣12,013,000元（二零二零年：零）。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

24. CASH AND BANK BALANCES

24. 現金及銀行結餘

(a) Cash and bank balances comprise:

(a) 現金及銀行結餘包括：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cash at bank and on hand	銀行及手頭現金	117,557	123,674
Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flows	綜合財務狀況表及 綜合現金流量表內 的現金及現金等價物	117,557	123,674

Cash at bank earns interest at floating rates based on daily bank deposit rates.

銀行現金按根據每日銀行存款利率計算之浮動利率計息。

At 31 December 2021, cash at bank and on hand of the Group of RMB19,051,000 (2020: RMB13,760,000) were denominated in RMB and placed with banks in the PRC. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於二零二一年十二月三十一日，本集團之銀行及手頭現金為人民幣19,051,000元（二零二零年：人民幣13,760,000元），以人民幣計值並存放於中國之銀行。人民幣兌換外幣須根據中國外匯管制條例及結匯、售匯及付匯管理規定進行。

As at 31 December 2021 and 2020, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit loss is provided.

於二零二一年及二零二零年十二月三十一日，本集團對銀行結餘進行減值評估，並認為對手銀行的違約概率甚微，故不計提信貸虧損撥備。

The carrying amounts of the Group's cash at bank and on hand are denominated in the following currencies:

本集團之銀行及手頭現金之賬面值以下列貨幣計值：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
US\$	美元	5,706	13,211
HK\$	港元	9,580	14,074
RMB	人民幣	19,053	14,906
NTD	新台幣	83,082	81,348
VND	越南盾	83	135
EURO	歐元	53	-
		117,557	123,674

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

24. CASH AND BANK BALANCES 24. 現金及銀行結餘 (續)

(Continued)

(b) Reconciliation of liabilities arising from financing activities (b) 融資活動所得負債對賬

		Lease liabilities		Bank borrowings		Amount due to a shareholder	
		租賃負債		銀行借貸		應付一名股東之款項	
		2021	2020	2021	2020	2021	2020
		二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January	於一月一日	31,870	34,860	6,964	8,389	12,221	8,664
Changes from financing cash flows	融資現金流變動						
Repayment of principal of lease liabilities	償還租賃負債 本金部分	(4,403)	(4,157)	-	-	-	-
Repayment of bank borrowings	償還銀行借貸	-	-	(1,161)	(1,166)	-	-
Payment of interest	利息付款	(2,077)	(2,366)	(105)	(155)	-	-
Advances from a shareholder	自一名股東的預收款項	-	-	-	-	-	1,677
Total changes from financing cash flows	融資現金流變動總額	(6,480)	(6,523)	(1,266)	(1,321)	-	1,677
Finance costs	融資成本	2,077	2,366	105	155	-	-
Changes in amount due to a shareholder under operating activities	經營活動項下應付一名股東之款項變動	-	-	-	-	-	2,666
Addition of right-of-use assets	添置使用權資產	368	1,181	-	-	-	-
Lease modification	租賃修改	(344)	-	-	-	-	-
Exchange adjustments	匯兌調整	(3)	(14)	201	(259)	(322)	(786)
At 31 December	於十二月三十一日	27,488	31,870	6,004	6,964	11,899	12,221

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

25. TRADE AND OTHER PAYABLES

25. 貿易及其他應付款項

		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables (note (c))	貿易應付款項 (附註(c))	2,221	2,217
Other payables and accruals	其他應付款項及應計款項	11,878	14,659
Financial liabilities measured at amortised cost	按攤銷成本計量之財務負債	14,099	16,876

Notes:

- (a) All of the trade and other payables are expected to be settled within one year or are repayable on demand.
- (b) The carrying amounts of trade and other payables approximate to their fair values.
- (c) The following is an ageing analysis of trade payables, based on the invoice date, at the end of the reporting period:

附註：

- (a) 所有貿易及其他應付款項預期將於一年內結算或來索即付。
- (b) 貿易及其他應付款項之賬面值與其公平值相若。
- (c) 以下為於報告期末貿易應付款項按發票日期之賬齡分析：

		2021	2020
		二零二一年	二零二零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 to 30 days	0至30日	650	853
31 days to 90 days	31日至90日	724	260
Over 90 days	90日以上	847	1,104
		2,221	2,217

The average credit period on purchase of goods is 30 days (2020: 30 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購買商品的平均信貸期為30日(二零二零年: 30日)。本集團已制定財務風險管理政策,以確保所有應付款項在信貸期限內結算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

26. CONTRACT LIABILITIES

26. 合約負債

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Funeral services deeds (note (a))	殯儀服務契約(附註(a))	83,366	83,304
Burial plots under development and tombstones (note (b))	開發中墓地及墓碑(附註(b))	2,346	2,348
Stem cells and immunocytes and other businesses (note (c))	幹細胞及免疫細胞及其他業務(附註(c))	4,848	2,528
		90,560	88,180
Analysed as:	分析為:		
Current	即期	90,207	87,994
Non-current	非即期	353	186
		90,560	88,180

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities.

下表列示本年度所確認與結轉合約負債有關的收益金額。

		Funeral services deeds 殯儀服務契約 RMB'000 人民幣千元	Burial plots under development and tombstones 開發中墓地及墓碑 RMB'000 人民幣千元	Stem cells and immunocytes and other business 幹細胞及免疫細胞及其他業務 RMB'000 人民幣千元
For the year ended 31 December 2021	截至二零二一年十二月三十一日止年度			
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合約負債結餘確認的收益	1,695	48	-

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

26. CONTRACT LIABILITIES (Continued)

26. 合約負債 (續)

	Funeral services deeds	Burial plots under development and tombstones	Stem cells and immunocytes and other business
	殯儀服務契約	開發中墓地及墓碑	業務
	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元
For the year ended 31 December 2020	截至二零二零年十二月三十一日止年度		
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合約負債結餘確認的收益	2,024	99
			360

As at 1 January 2021, contract liabilities amounted to RMB88,180,000. Contract liabilities, that are not expected to be settled within the Group's normal operating cycles are classified as current and non-current based on the Group's earliest obligation to transfer goods or services to the customers.

於二零二一年一月一日，合約負債為人民幣88,180,000元。基於本集團最初向客戶轉讓貨品或服務的責任，預計不會在本集團正常經營週期內結算的合約負債分類為流動及非流動。

Notes:

附註：

(a) Bau Shan and Sino-Life (Hong Kong) Limited ("Sino-Life (HK)"), subsidiaries of the Company, sold funeral services deeds to customers ("Deed Holders"). The funeral services deeds are prepaid funeral services packages which mainly comprise particular types of funeral services at the choice of the customers to be arranged in future. The Deed Holders can elect to make payment on a lump sum basis or settle the outstanding amount of the funeral services deeds by mutual agreed instalments. The Group determines the pricing of the funeral services deeds by adding a margin to the estimated costs of delivering these services, after having taking into account of major factors including the timing of the instruction of the Deed Holders. Amounts received from funeral services deeds sold are recorded as contract liabilities. When the Deed Holders have defaulted payment for two months and do not pay back the defaulted amounts after the Group's not less than 30-day's demand notice, the funeral services deeds would be regarded as lapsed and a minimum of 20% of the total sum of the funeral services deeds or the instalments paid, whichever is lower, will be forfeited as income. The Deed Holders can request for funeral services or terminate the funeral services deeds at any time after the funeral services deeds are sold. Accordingly, contract liabilities is classified as current liabilities in the consolidated statement of financial position.

(a) 本公司之附屬公司寶山及中國生命(香港)有限公司(「中國生命(香港)」)向客戶(「契約持有人」)出售殯儀服務契約。殯儀服務契約為預付殯儀服務組合，主要包括由客戶選擇就未來安排特定種類之殯儀服務。契約持有人可選擇一筆過支付款項或雙方同意分期支付未償付之殯儀服務契約款項。本集團經考慮主要因素(包括契約持有人之指示時間)後，透過對提供該等服務之估計成本加上邊際利潤，從而釐定殯儀服務契約之價格。就已售出殯儀服務契約所收取之款項以合約負債入賬。倘契約持有人已拖欠付款兩個月，且於本集團發出不少於30日的付款通知書後未能繳回拖欠款項，則殯儀服務契約將被視作失效，並將沒收殯儀服務契約總額最少20%或已付分期付款(以金額較低者為準)作為收入。契約持有人可於售出殯儀服務契約後任何時間，要求殯儀服務或終止殯儀服務契約。因此，合約負債在綜合財務狀況表中分類為流動負債。

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綜合財務報表附註

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26. CONTRACT LIABILITIES (Continued)

26. 合約負債 (續)

Notes: (Continued)

附註：(續)

(a) (Continued)

(a) (續)

According to the Mortuary Service Administration Act (殯葬管理條例) in Taiwan, the Group has to deposit 75% of the gross receipt of each funeral services deed entered into after 31 July 2003 in financial institutions in Taiwan as trust monies. As at 31 December 2021, the Group has invested trust monies in mutual funds and unit trusts in Taiwan at a carrying amount of RMB34,482,000 (2020: RMB33,639,000). Details are disclosed in note 19 to the consolidated financial statements.

根據台灣殯葬管理條例，本集團須將就於二零零三年七月三十一日後訂立之各份殯儀服務契約所收取收入總額之75%存款於台灣之金融機構作為信託金。於二零二一年十二月三十一日，本集團已投資信託金於台灣的互惠基金及單位信託，賬面值為人民幣34,482,000元（二零二零年：人民幣33,639,000元）。詳情於綜合財務報表附註19披露。

(b) It is principally arising from the sales of burial plots and tombstones under instalment plans and such amount will be recognised as revenue when the relevant revenue recognition criteria are met.

(b) 該款項主要產生自分期付款計劃下的墓地及墓碑銷售，而該項金額將在符合相關收益確認條件時確認為收益。

(c) Contract liabilities of stem cells and immunocytes and other business are arising from the receipt in advances from customers and such amount will be recognised as revenue when the relevant revenue recognition criteria are met.

(c) 幹細胞及免疫細胞及其他業務的合約負債指自客戶的預收款項，而該項金額將在符合相關收益確認條件時確認為收益。

27. LEASE LIABILITIES

27. 租賃負債

Future lease payments are due as follows:

未來租賃付款之到期情況如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Lease liabilities payable:	須於以下期間支付之租賃負債：		
Within one year	一年內	4,564	4,403
Within a period of more than one year but not more than two years	超過一年但不超過兩年	4,699	4,549
Within a period of more than two years but not more than five years	超過兩年但不超過五年	15,768	14,840
More than five years	超過五年	2,457	8,078
		27,488	31,870
Less: Amounts due for settlement with 12 months shown under current liabilities	減：12個月內到期償付的款項（列為流動負債）	(4,564)	(4,403)
Amounts due for settlement after 12 months shown under non-current liabilities	12個月後到期償付的款項（列為非流動負債）	22,924	27,467

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27. LEASE LIABILITIES (Continued)

Details of maturity of lease liabilities are set out below and in note 34(b).

27. 租賃負債 (續)

租賃負債之到期詳情載於下文及附註34(b)。

28. BANK BORROWINGS

28. 銀行借貸

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Bank borrowings	銀行借貸		
Current liabilities	流動負債		
– Portion of term loans from banks due for repayment within 1 year	– 於一年內到期償還的銀行定期貸款部分	1,192	1,138
Non-current liabilities	非流動負債		
– Portion of term loans from banks due for repayment after 1 year	– 於一年後到期償還的銀行定期貸款部分	4,812	5,826
Total	總計	6,004	6,964

At 31 December 2021 and 2020, bank borrowings were due for repayment, which are based on the scheduled repayment dates as stipulated in the respective loan agreements, as follows:

於二零二一年及二零二零年十二月三十一日，銀行借貸須於下列期間（其乃按各自貸款協議內所訂明的預定償還日期計算）償還：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within 1 year	一年內	1,192	1,138
After 1 year but within 2 years	於一年後但於兩年內	1,211	1,156
After 2 years but within 5 years	於兩年後但於五年內	3,460	3,582
After 5 years	於五年後	141	1,088
		4,812	5,826
		6,004	6,964

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

28. BANK BORROWINGS (Continued)

All of the Group's banking facilities are subject to the fulfilment of covenants. If the Group were in breach of the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants and is up to date with the scheduled repayments of the term loans. Further details of the Group's liquidity risk are set out in note 34(b). As at 31 December 2021 and 2020, none of the covenants relating to drawn down facilities had been breached.

All of the bank borrowings are carried at amortised cost.

None of the bank borrowings due for repayment after one year contain a repayment on demand clause and hence these balances are not expected to be settled within one year and are classified as a non-current liability.

As at 31 December 2021 and 2020, the effective interest rates of the bank borrowings were as follows:

		2021 二零二一年	2020 二零二零年
Variable-rate	浮動利率	1.37%–2.04%	1.37%–2.29%

Bank borrowings of RMB4,213,000 (2020: RMB4,846,000) denominated in NTD were secured by the freehold land and buildings in Taiwan with total carrying amount of RMB23,552,000 (2020: RMB20,394,000) (note 14(d)). The remaining bank borrowings of RMB1,791,000 (2020: RMB2,118,000) (note 35(c)(v)) is guaranteed by Mr. Liu.

28. 銀行借貸 (續)

所有本集團銀行信貸額受履行契諾所規限。倘本集團違反契諾，已動用的信貸額須於要求時償還。

本集團定期監察是否遵守該等契諾，及時按預定的日期償還定期貸款。本集團流動資金風險的進一步詳情載於附註34(b)。於二零二一年及二零二零年十二月三十一日，本集團並無違反有關動用信貸額的契諾。

所有銀行借貸按攤銷成本列值。

於一年後到期償還的銀行借貸概無載有按要求償還條款，因此，該等結餘預期於一年內將未結清，並分類為非流動負債。

於二零二一年及二零二零年十二月三十一日，銀行借貸之實際利率如下：

銀行借貸人民幣4,213,000元(二零二零年：人民幣4,846,000元)乃以新台幣計值，並以於台灣之永久業權土地及樓宇賬面總值為人民幣23,552,000元(二零二零年：人民幣20,394,000元)作抵押(附註14(d))，餘下銀行借貸人民幣1,791,000元(二零二零年：人民幣2,118,000元)(附註35(c)(v))由劉先生擔保。

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29. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

29. 綜合財務狀況表內之所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合財務狀況表內之即期稅項指：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At 1 January	於一月一日	3,567	4,002
Provision for the year	年度撥備		
– PRC Enterprise Income Tax (note 7)	– 中國企業所得稅 (附註7)	2,888	1,883
– Hong Kong Profits Tax (note 7)	– 香港利得稅 (附註7)	14	–
– PRC withholding tax (note 7)	– 中國預扣稅 (附註7)	–	1,538
Income tax paid during the year	年內已付所得稅	(3,138)	(4,519)
Exchange adjustments	匯兌調整	236	663
At 31 December	於十二月三十一日	3,567	3,567

(b) Deferred tax liabilities not recognised

Under the Enterprise Income Tax Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of the tax that would be payable on the distribution of the retained profits of RMB22,434,000 (2020: RMB12,260,000) as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

In Taiwan, under Article 42 of the Income Tax Act of Republic of China, the net dividend or net surplus earning received by a profit-seeking enterprise organised as a company from its investment in another domestic profit-seeking enterprise shall not be included in its taxable income. Such exemption is not applicable for investment in foreign profit-seeking enterprise, which is subject to income tax at the rate of 17%.

(b) 未經確認遞延稅項負債

根據中國企業所得稅法，自二零零八年一月起，就中國附屬公司賺取之溢利宣派之股息徵收預提稅。由於本集團控制該等附屬公司之股息政策，並已推斷該等溢利不大可能於可見未來分派，故並未於綜合財務報表就分派保留溢利時須予支付之遞延稅項人民幣22,434,000元（二零二零年：人民幣12,260,000元）作出撥備。

在台灣，根據中華民國所得稅法令第42條，以公司形式籌組的牟利企業因投資於當地另一間牟利企業而獲得的股息淨額或盈餘盈利淨額，毋須計入應課稅收入。有關豁免並不適用於在外資牟利企業的投資，該等投資的所得稅稅率為17%。

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29. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax liabilities not recognised (Continued)

As one of the Group's subsidiaries, being a foreign profit-seeking enterprise, is directly and wholly owned by a subsidiary incorporated in Taiwan, a rate of 17% is applicable to the calculation of the income tax. Deferred taxation has not been provided for in the consolidated financial statements in respect of the tax that would be payable on the distribution of the retained profits of RMB21,764,000 (2020: RMB22,230,000) as the Group controls the dividend policy of this subsidiary and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

In Taiwan, under Article 4 of Standards of Withholding Rates for Various Incomes issued by Ministry of Finance of Republic of China, the net dividends or profit distributed to a profit seeking enterprise having its head office outside the territory of the Republic of China from investment in an enterprise within the territory of the Republic of China shall be withheld at a rate of 20% of the amount distributed.

As one of the Group's subsidiaries operates within the territory of Taiwan having its head office outside the territory of Taiwan, a rate of 20% is applicable to the calculation of this withholding tax. Deferred taxation has not been provided for in the consolidated financial statements for the years ended 31 December 2021 and 2020 as this subsidiary has no retained profit that can be distributed.

29. 綜合財務狀況表內之所得稅 (續)

(b) 未經確認遞延稅項負債 (續)

由於本集團其中一間附屬公司為外資牟利企業，並由一間在台灣註冊成立的附屬公司直接全資擁有，計算所得稅的適用稅率為17%。由於本集團控制該附屬公司之股息政策，並已推斷該等溢利不大可能於可見未來分派，故並未於綜合財務報表就分派保留溢利時須予支付之遞延稅項人民幣21,764,000元(二零二零年：人民幣22,230,000元)作出撥備。

在台灣，根據中華民國財政部頒佈的各類所得扣繳率標準第4條，凡總辦事處設於中華民國境外的牟利企業因投資於中華民國境內的企業而獲得的股息或溢利淨額，均須按所分派款額的20%作出預扣。

由於本集團其中一間附屬公司在台灣境內營業但總辦事處設於台灣境外，計算是項預扣稅的適用稅率為20%。由於截至二零二一年及二零二零年十二月三十一日止年度，附屬公司並無可供分派的保留溢利，故並未於綜合財務報表就遞延稅項作出撥備。

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29. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(c) Deferred tax assets not recognised

As at 31 December 2021, the Group has unused tax losses of RMB27,673,000 (2020: RMB27,556,000) available for offset against future profits. Other than tax losses amounting to RMB18,447,000 (2020: RMB18,557,000) that would be expiring from 5 years to 10 years pursuant to the relevant rules and regulations in the PRC, Vietnam and Taiwan, the remainder at the end of the reporting period can be carried forward indefinitely. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

29. 綜合財務狀況表內之所得稅 (續)

(c) 未經確認遞延稅項資產

於二零二一年十二月三十一日，本集團之未動用稅項虧損人民幣27,673,000元(二零二零年：人民幣27,556,000元)可用以抵銷未來溢利。除根據中國、越南及台灣的相關規則及規定將於5至10年到期的稅項虧損人民幣18,447,000元(二零二零年：人民幣18,557,000元)外，於報告期末之剩餘部分可無限期結轉。由於未來溢利之來源不可預測，故概無就稅項虧損而確認遞延稅項資產。

30. PROVISIONS

30. 撥備

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Provision for future costs of delivering funeral services	提供殯儀服務之未來成本撥備		
At 1 January	於一月一日	2,550	3,044
Provision/(written back of provision) for cost of service (note 5)	服務成本撥備／(撥備撤回) (附註5)	454	(399)
Exchange adjustments	匯兌調整	82	(95)
At 31 December	於十二月三十一日	3,086	2,550

The Group determines the pricing of the funeral services deeds by adding a margin to the estimated cost of delivering funeral services in future, after taking into account of major factors including the timing of the instruction of the Deed Holders.

This estimate is based on the sub-contracting fee payable to the sub-contractor for each funeral service deed performed, the current market conditions and the price of deeds. Management reassesses these estimates at the end of each reporting period to estimate if the contract liabilities for funeral service deeds can cover the estimated future costs of delivering funeral services and determine the need of making a provision in the consolidated financial statements.

本集團經考慮主要因素(包括契約持有人之指示時間)後，透過對於未來提供殯儀服務之估計成本加上邊際利潤，從而釐定殯儀服務契約之價格。

該估計乃基於就各項已履行的殯儀服務契約應付分包商之分包費用、現時市場狀況及契約價格進行。管理層於各報告期末重新評估該等估計，以評估該等殯儀服務契約合約負債是否足以支付提供殯儀服務之未來估計成本，並釐定是否須於綜合財務報表中作出撥備。

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31. SHARE CAPITAL

31. 股本

		No. of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Authorised:	法定：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股		
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	於二零二零年一月一日、二零二零年十二月三十一日、二零二一年一月一日及二零二一年十二月三十一日	10,000,000,000	881,541
Ordinary shares issued and fully paid:	已發行及繳足普通股：		
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	於二零二零年一月一日、二零二零年十二月三十一日、二零二一年一月一日及二零二一年十二月三十一日	742,500,000	69,218

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股擁有人有權收取不時宣派之股息及有權於本公司股東大會上就每股投一票進行表決。所有普通股就本公司之餘下資產而言均享有同等權利。

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32. RESERVES

- (a) The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of reserves between the beginning and the end of the year are set out below:

32. 儲備

- (a) 本集團綜合權益之各部分年初與年末結餘之對賬載於綜合權益變動表。本公司儲備各部分之年初與年末之變動詳情載列如下：

		Share premium	Foreign currency translation reserve	Share-based compensation reserve	Accumulated losses	Total
		股份溢價	匯兌儲備	以股份為基礎之補償儲備	累計虧損	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 1 January 2020	於二零二零年一月一日	220,633	(13,658)	7,027	(185,836)	28,166
Loss for the year	本年度虧損	-	-	-	(5,151)	(5,151)
Exchange differences on translation of financial statements	換算財務報表產生之匯兌差異	-	(5,187)	-	-	(5,187)
Total comprehensive expense for the year	本年度全面開支總額	-	(5,187)	-	(5,151)	(10,338)
Lapse of share options	購股權失效	-	-	(7,027)	7,027	-
As at 31 December 2020	於二零二零年十二月三十一日	220,633	(18,845)	-	(183,960)	17,828
As at 1 January 2021	於二零二一年一月一日	220,633	(18,845)	-	(183,960)	17,828
Profit for the year	本年度溢利	-	-	-	13,765	13,765
Exchange differences on translation of financial statements	換算財務報表產生之匯兌差異	-	(2,803)	-	-	(2,803)
Total comprehensive (expense)/income for the year	本年度全面(開支)/收入總額	-	(2,803)	-	13,765	10,962
As at 31 December 2021	於二零二一年十二月三十一日	220,633	(21,648)	-	(170,195)	28,790

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32. RESERVES (Continued)

32. 儲備 (續)

(b) Nature and purpose of reserves

(b) 儲備性質及用途

(i) *Share premium*

(i) *股份溢價*

Under the Companies Law of the Cayman Islands, the funds in the Company's share premium account are distributable to the shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

根據開曼群島公司法，本公司之股份溢價賬中資金可分派予股東，惟緊隨建議派付股息日期後本公司須有能力於債項在其日常業務過程中到期時支付其債項。

(ii) *Merger reserve*

(ii) *合併儲備*

Merger reserve arose from the business combination under common control in relation to the acquisition of Bau Shan during the group reorganisation in 2007. The merger reserve of the Group represents the difference between aggregate net asset value of Bau Shan acquired and the consideration paid for the acquisition of Bau Shan pursuant to the group reorganisation.

合併儲備乃於二零零七年進行集團重組期間就收購寶山有關而共同控制項下之業務合併而產生。本集團的合併儲備指所收購之寶山之資產淨值合計與根據集團重組就收購寶山已付代價之差額。

(iii) *Statutory reserve*

(iii) *法定儲備*

According to the applicable laws and regulations in Taiwan, the Group's Taiwan subsidiaries are required to transfer 10% of their net profits after taxation, as determined under the relevant accounting principles and financial regulations applicable to companies established in Taiwan, to a non-distributable reserve fund until the reserve balance reaches the registered capital of the respective enterprises. The transfer to this reserve must be made before the distribution of a dividend to owners but after offset the previous years' losses, if any.

根據台灣的適用法律及規例，本集團之台灣附屬公司須按適用於在台灣成立之公司之有關會計原則及財務規定，轉撥其除稅後純利之10%至不可分派儲備金，直至儲備結餘達至相關企業之註冊資本為止。對此儲備作出之轉撥必須於向擁有人分派股息前，但於抵銷過往年度虧損（如有）後作出。

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32. RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(iv) Statutory surplus reserve

Pursuant to applicable PRC regulations, PRC subsidiaries in the Group are required to appropriate at least 10% of their profit after tax, as determined under the relevant accounting principles and financial regulations applicable to companies established in the PRC, to a non-distributable reserve fund until such reserve reaches 50% of the registered capital of the respective enterprises. The transfer to this reserve must be made before the distribution of dividends to owners. The non-distributable reserve fund can be used to offset the previous years' losses, if any, expand the existing operations or convert into additional capital of the subsidiaries, provided that the balance after such issue is not less than 25% of its registered capital. The non-distributable reserve fund is non-distributable other than upon liquidation.

According to the Vietnam Enterprise Law, Vietnam subsidiaries in the Group can set their reserve fund according to the respective Charter. Under the Charter of the Vietnam subsidiaries, they are required to transfer 5% to 15% of profit after tax to set up the reserve fund until such reserve reaches 10% of the registered capital of the respective enterprises.

32. 儲備 (續)

(b) 儲備性質及用途 (續)

(iv) 法定盈餘儲備

根據中國適用法律，本集團之中國附屬公司須將其根據適用於中國成立之公司之有關會計原則及財務規定釐定之除稅後溢利最少10%撥至不可分派儲備金，直至該儲備金達至相關企業之註冊資本50%為止。向該儲備金撥款必須於向擁有人分派股息前進行。不可分派儲備金可用於抵銷往年虧損（如有），擴充現有業務或轉換作附屬公司之額外資本，惟前提為有關發行後之結餘不得低於其註冊資本之25%。除清盤外，不可分派儲備金不得分派。

根據越南公司法，本集團之越南附屬公司可根據各自的公司章程設立儲備金。根據越南附屬公司的公司章程，彼等須轉撥5%至15%之除稅後溢利建立儲備金，直至有關儲備金達相關企業之註冊資本10%為止。

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32. RESERVES (Continued)

32. 儲備 (續)

(b) Nature and purpose of reserves (Continued)

(b) 儲備性質及用途 (續)

(v) *Properties revaluation reserve*

The properties revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for freehold land and buildings held for own use in note 2(g) and is not distributable.

(v) *物業重估儲備*

本公司已設立物業重估儲備，並根據於附註2(g)所載就永久業權土地及持作自用樓宇採納之會計政策處理且不可分派。

(vi) *Foreign currency translation reserve*

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of non-PRC operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(t).

(vi) *匯兌儲備*

匯兌儲備包括所有因換算非中國業務財務報表所產生之匯兌差異。該儲備乃根據附註2(t)所載列之會計政策處理。

(vii) *Share-based compensation reserve*

The share-based compensation reserve comprises the fair value of the actual or estimated number of unexercised share options granted to eligible participants of the Group recognised in accordance with accounting policy adopted for share-based payments in note 2(p).

(vii) *以股份為基礎之補償儲備*

以股份為基礎之補償儲備由根據附註2(p)就以股份為基礎之付款採納之會計政策所確認之授予本集團合資格參與者之實際或估計未行使購股權數目公平值組成。

(viii) *Other reserve*

The Group accounted for partial disposal of interests in subsidiaries without losing control as equity transactions and the difference between the carrying amount of the non-controlling interests and the consideration received, after re-attribution of relevant reserves was recognised in "other reserve".

(viii) *其他儲備*

本集團將出售於附屬公司之部分權益而並無失去對該等公司之控制權入賬列為權益交易，而將相關儲備重新歸屬後，非控股權益之賬面值與已收代價之差額已於「其他儲備」中確認。

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32. RESERVES (Continued)

(c) Capital Management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to owners, return capital to owners, issue new shares or sell assets to reduce debt.

Consistent with other companies in the industry, the Group monitors capital on the basis of the gearing ratio which is total liabilities divided by total assets. The Group aims to maintain the gearing ratio at a reasonable level. The gearing ratios as at 31 December 2021 and 2020 were as follows:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Total liabilities	總負債	158,266	165,888
Total assets	總資產	263,854	277,614
Gearing ratio	資產負債比率	59.98%	59.75%

There were no changes in the Group's approach to capital management compared with previous years. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

32. 儲備 (續)

(c) 資本管理

本集團管理資本之主要目標為確保本集團能夠持續經營，從而繼續為擁有人帶來回報及為其他權益關涉者帶來利益，並維持理想資本結構以減少資本成本。

為維持或調整資本結構，本集團會調整向擁有人支付之股息金額、退還資本予擁有人、發行新股份或出售資產以減少債項。

和其他同業公司一樣，本集團以資產負債比率為監察資本的基準。資產負債比率按總負債除以總資產計算。本集團旨在將資產負債比率維持於合理水平。於二零二一年及二零二零年十二月三十一日之資產負債比率如下：

與過往年度比較，本集團對資本管理之方式並無變動。本公司或其任何附屬公司均不受外部實施之資本規定限制。

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33. FINANCIAL INSTRUMENTS BY CATEGORIES 33. 按類別劃分之財務工具

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Financial assets	財務資產		
Financial assets measured at FVTPL	按公平值計入損益計量之財務資產		
– Mutual funds/unit trusts established in Taiwan	– 於台灣成立之互惠基金／單位信託	34,482	33,639
– Equity securities listed outside Hong Kong	– 於香港境外上市之股本證券	4,095	–
		38,577	33,639
Amortised cost	攤銷成本	119,534	127,833
Financial liabilities	財務負債		
Amortised cost	攤銷成本	61,053	71,591

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group has exposure to the credit risk, liquidity risk, interest rate risk, currency risk and equity price risk arising from financial instruments. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risk are described below.

(a) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivable, other receivables and deposits, debt instruments at FVTPL and cash and cash equivalents. Management has a credit policy in place and the exposure to this credit risk is monitored on an ongoing basis.

34. 財務風險管理及財務工具之公平值

與本集團之財務工具有關之風險包括信貸風險、流動資金風險、利率風險、貨幣風險及權益價格風險。下文載述本集團所面臨風險及本集團就管理該等風險所採取之財務風險管理政策及措施。

(a) 信貸風險

信貸風險指對手方將違反其合約責任而導致本集團出現財務損失之風險。本集團之信貸風險主要來自貿易應收款項、其他應收款項及按金、按公平值計入損益之債務工具以及現金及現金等價物。管理層已制定信貸政策，並且持續監察所承受的信貸風險。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued)

Except for debt securities at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model. Besides, the Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Debt instruments at FVTPL

The Group invests in certain debt instruments which are unrated. The investments in unrated debt instruments have to be approved by the directors of the Company. The directors of the Company regularly reviews and monitors the portfolio of debt instruments. Details of the terms of these investments are disclosed in note 19. Summary of the fair value and principal amount of these debt instruments are set out below.

(a) 信貸風險 (續)

除按公平值計入損益的債務證券外，本集團根據預期信貸虧損模式對金融資產及其他項目進行減值評估。此外，經考慮(i)業主的信貸評級及(ii)餘下租期及租金按金涵蓋的期間，本集團因可退回租金按金而產生的信貸風險被視為較低。有關本集團信貸風險管理、最高信貸風險及相關減值評估(如適用)的資料概述如下：

按公平值計入損益之債務工具

本集團投資於若干未評級之債務工具。未評級之債務工具投資須經本公司董事批准。本公司董事定期檢討及監察債務工具組合。該等投資的條款詳情於附註19披露。該等債務工具的公平值及本金概要載列如下。

		2021 二零二一年		2020 二零二零年	
		Fair value 公平值 RMB'000 人民幣千元	Principal amount 本金 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元	Principal amount 本金 RMB'000 人民幣千元
Unrated	未評級	34,482	34,681	33,639	33,414

Cash and cash equivalents

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with a minimum credit rating of Baa3, which the Group considers to be low credit risk.

現金及現金等價物

本集團面臨之由現金及現金等價物產生之信貸風險有限，乃由於對手方為最低信貸評級為Baa3之銀行及金融機構，因此本集團認為信貸風險較低。

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued)

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. In respect of trade receivables from funeral services, the Group generally offer credit period of 45 days to customers, whereas no credit period is granted to customers for other services rendered by the Group. Normally, the Group does not hold any collateral over trade receivables. At 31 December 2021, the ECLs for trade receivable were measured and loss allowance of RMB777,000 was provided (2020: RMB377,000).

The Group has no significant concentration of credit risk. The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group to credit risk.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. The Group segments its trade receivables based on geographic regions, due to different loss patterns experienced in the different regions.

(a) 信貸風險 (續)

貿易應收款項

本集團已制定信貸風險管理政策，據此對所有需要超過一定金額的信貸的客戶均須進行個別信貸評估。另外會集中評估客戶過往償還到期款項的記錄及目前的償債能力，並會考慮客戶特定資料以及客戶經營所在的經濟環境。就殯儀服務之貿易應收款項而言，本集團一般向客戶提供45日之信貸期，而就本集團提供之其他服務不授予客戶信貸期。一般而言，本集團並無就貿易應收款項持有任何抵押品。於二零二一年十二月三十一日，已計量貿易應收款項之預期信貸虧損並計提虧損撥備人民幣777,000元（二零二零年：人民幣377,000元）。

本集團並無重大信貸風險集中。倘不考慮任何持有之抵押品，則綜合財務狀況表中各財務資產的最高信貸風險為扣除任何減值撥備後的賬面值。本集團並無提供任何令本集團承受信貸風險的擔保。

本集團按等同於全期預期信貸虧損之金額計量貿易應收款項之虧損撥備，其乃使用撥備矩陣進行計算。由於不同地區之虧損模式不同，本集團根據地理區域劃分其貿易應收款項。

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

(a) 信貸風險 (續)

貿易應收款項 (續)

下表提供有關本集團所面臨的信貸風險及貿易應收款項之預期信貸虧損之資料：

		2021 二零二一年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
		百分比		
PRC		中國		
Current (not past due)	即期 (未逾期)	–	115	–
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	1%	312	4
More than 90 days past due	逾期超過90日	100%	557	557
			984	561
Hong Kong		香港		
Current (not past due)	即期 (未逾期)	38%	26	10
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	–	–	–
More than 90 days past due	逾期超過90日	–	–	–
			26	10
Vietnam		越南		
Current (not past due)	即期 (未逾期)	–	–	–
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	–	–	–
More than 90 days past due	逾期超過90日	100%	206	206
			206	206
Total		總計		
Current (not past due)	即期 (未逾期)	7%	141	10
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	1%	312	4
More than 90 days past due	逾期超過90日	100%	763	763
			1,216	777

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued)
Trade receivables (Continued)

(a) 信貸風險 (續)
貿易應收款項 (續)

		2020 二零二零年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
		百分比		
PRC	中國			
Current (not past due)	即期 (未逾期)	5%	604	30
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	100%	21	21
More than 90 days past due	逾期超過90日	100%	117	117
			742	168
Hong Kong	香港			
Current (not past due)	即期 (未逾期)	6%	48	3
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	–	–	–
More than 90 days past due	逾期超過90日	–	–	–
			48	3
Vietnam	越南			
Current (not past due)	即期 (未逾期)	–	–	–
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	–	–	–
More than 90 days past due	逾期超過90日	100%	206	206
			206	206
Total	總計			
Current (not past due)	即期 (未逾期)	5%	652	33
1–30 days past due	逾期1–30日	–	–	–
31–90 days past due	逾期31–90日	100%	21	21
More than 90 days past due	逾期超過90日	100%	323	323
			996	377

Expected loss rates are based on actual loss experience over the past 12 months. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

預期虧損率基於過去12個月的實際虧損經驗。該等利率被調整以反映歷史數據收集期間的經濟狀況、當前狀況以及本集團對應收款項預期壽命的經濟狀況的看法之間的差異。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		PRC 中國	Hong Kong 香港	Vietnam 越南	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2020	於二零二零年一月一日之結餘	214	52	117	383
Impairment losses recognised	已確認減值虧損	14	3	102	119
Impairment losses reversed	已撥回減值虧損	(60)	(52)	-	(112)
		(46)	(49)	102	7
Exchange adjustments	匯兌調整	-	-	(13)	(13)
Balance at 31 December 2020	於二零二零年十二月三十一日之結餘	168	3	206	377
Balance at 1 January 2021	於二零二一年一月一日之結餘	168	3	206	377
Impairment losses recognised	已確認減值虧損	393	7	-	400
Balance at 31 December 2021	於二零二一年十二月三十一日之結餘	561	10	206	777

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance:

- origination of new trade receivables net of those settled resulted in an increase in loss allowance of RMB400,000 (2020: increase in loss allowance of RMB7,000).

Other receivables and deposits

For other receivables and deposits, the directors of the Company make periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors of the Company believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL.

(a) 信貸風險 (續)

貿易應收款項 (續)

於本年度，貿易應收款項之虧損撥備賬變動如下：

以下貿易應收款項賬面總值的重大變動導致虧損撥備增加：

- 產生新貿易應收款項 (扣除已結算貿易應收款項) 導致虧損撥備增加人民幣400,000元 (二零二零年：虧損撥備增加人民幣7,000元)。

其他應收款項及按金

就其他應收款項及按金而言，本公司董事依據過往結算記錄、過往經驗以及定量定性資料 (即合理及有理據支持的前瞻性資料)，定期對其他應收款項及按金的可收回性進行個別評估。本公司董事認為，該等款項的信貸風險自初步確認以來並無大幅提高且本集團根據12個月預期信貸虧損計提減值。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(a) Credit Risk (Continued) *Other receivables and deposits (Continued)*

Movement in the loss allowance account in respect of other receivables during the year is as follows:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	2,751	3,993
Impairment losses recognised during the year	於本年度確認之減值虧損	2,650	174
Reversal of impairment losses recognised during the year	於本年度確認之減值虧損回撥	(253)	(1,407)
		2,397	(1,233)
Exchange adjustments	匯兌調整	15	(9)
Balance at 31 December	於十二月三十一日之結餘	5,163	2,751

(a) 信貸風險 (續)
其他應收款項及按金 (續)
於本年度，其他應收款項之虧損撥備賬變動如下：

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its 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 longer term.

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest date the Group is required to pay.

(b) 流動資金風險

本集團旗下個別營運實體負責其本身的現金管理事務，包括以現金盈餘進行短期投資，以及籌借貸款補足預計現金需求，惟當借款超出若干特定預定權限水平時須取得母公司董事會之批准。本集團採取之政策為定期監察其流動資金需求及其遵守借款契諾之情況，藉以確保其維持足夠之現金，以及向主要金融機構取得充裕之承諾信貸融資，以應付短期及長期流動資金需求。

下列表格載列於報告期末本集團非衍生財務負債之餘下合約到期日，有關非衍生財務負債乃根據合約未貼現現金流量（包括利用合約利率計算之利息款項，如為浮動利率，則按報告期末之現行利率）以及本集團須付款之最早日期計算。

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(b) Liquidity risk (Continued)

The maturity analysis for the bank borrowings is prepared based on the scheduled repayment dates.

(b) 流動資金風險 (續)

銀行借貸的到期日分析乃按預定的償還日期編製。

		2021 二零二一年						
		Contractual undiscounted cash flow 合約未貼現現金流量						
		More than 1 year but less than 2 years			More than 2 years but less than 5 years		Total contractual undiscounted cash flow	
On demand		Within 1 year	More than 1 year but less than 2 years 超過一年 但少於 兩年	More than 2 years but less than 5 years 超過兩年 但少於 五年	More than 5 years	More than 5 years	Contractual undiscounted cash flow	Carrying amount
按要求		於一年內	超過一年 但少於 兩年	超過兩年 但少於 五年	超過五年	合約未貼現 現金流量總額	賬面值	
RMB'000		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<i>Non-derivative financial liabilities</i>	<i>非衍生財務負債</i>							
Trade and other payables	貿易及其他應付款項	14,099	-	-	-	14,099	14,099	
Lease liabilities	租賃負債	-	6,308	6,125	18,000	32,933	27,488	
Bank borrowings	銀行借貸	-	1,277	1,277	3,543	6,238	6,004	
Amounts due to directors	應付董事之款項	1,563	-	-	-	1,563	1,563	
Amount due to a shareholder	應付一名股東之款項	9,757	2,142	-	-	11,899	11,899	
		25,419	9,727	7,402	21,543	66,732	61,053	

		2020 二零二零年						
		Contractual undiscounted cash flow 合約未貼現現金流量						
On demand		Within 1 year	More than 1 year but less than 2 years 超過一年 但少於 兩年	More than 2 years but less than 5 years 超過兩年 但少於 五年	More than 5 years	Total contractual undiscounted cash flow	Carrying amount	
按要求		於一年內	超過一年 但少於 兩年	超過兩年 但少於 五年	超過五年	合約未貼現 現金流量總額	賬面值	
RMB'000		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<i>Non-derivative financial liabilities</i>	<i>非衍生財務負債</i>							
Trade and other payables	貿易及其他應付款項	16,876	-	-	-	16,876	16,876	
Lease liabilities	租賃負債	-	6,482	6,304	18,119	39,405	31,870	
Bank borrowings	銀行借貸	-	1,239	1,239	3,718	7,292	6,964	
Amounts due to directors	應付董事之款項	3,660	-	-	-	3,660	3,660	
Amount due to a shareholder	應付一名股東之款項	10,024	520	1,677	-	12,221	12,221	
		30,560	8,241	9,220	21,837	79,454	71,591	

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(b) Liquidity risk (Continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

(c) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to bank borrowings at variable rates. The Group is also exposed to fair value interest rate risk in relation to fixed-rate lease liabilities. The Group did not use derivative financial instruments to hedge its debt obligations.

Bank balances are carried at low interest rates and the interest income thereon is not significant.

(i) The following table, as reported to the management of the Group, details the interest rate profile of the Group's borrowings at the end of the reporting period.

		2021 二零二一年		2020 二零二零年	
		RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)
Fixed-rate	固息				
Lease liabilities	租賃負債	27,488	6.87%–13.79%	31,870	6.87%–13.79%
Variable-rate	浮息				
Bank borrowings	銀行借貸	6,004	1.37%–2.04%	6,964	1.37%–2.29%

(ii) Sensitivity analysis

The directors of the Company performed sensitivity analysis with estimation of a general increase/decrease of 100 basis points.

(b) 流動資金風險 (續)

倘浮動息率與於報告期末釐定之估計利率不同，上述就非衍生財務負債浮息工具計入之金額會出現變動。

(c) 利率風險

本集團須承受關於浮息銀行借貸之現金流量利率風險。本集團須承受關於固息租賃負債之公平值利率風險。本集團並無使用衍生財務工具以對沖其償債責任。

銀行結餘按低利率計算，就此產生的利息收入並不重大。

(i) 誠如向本集團管理層所報告，下表詳載本集團於報告期末的借貸利率的情況。

(ii) 敏感度分析

本公司董事以整體上升／下降100個基點之估計進行敏感度分析。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued) (ii) Sensitivity analysis (Continued)

At 31 December 2021, it is estimated that a general increase/decrease of 100 basis points in interest rates for variable-rate borrowings, with all other variables held constant, would have increased/decreased the Group's loss after tax and accumulated losses by approximately RMB50,000 (2020: RMB58,000). Other components of consolidated equity would not change in response to the general increase/decrease in interest rates.

The sensitivity analysis above indicates the instantaneous change in the Group's loss after tax (and accumulated loss) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's loss after tax (and accumulated loss) and other components of consolidated equity is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as 2020.

(d) Currency risk

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company monitor the Group's foreign currency exposures and will consider hedging significant foreign currency exposures should the need arise.

34. 財務風險管理及財務工具之公平值 (續)

(c) 利率風險 (續) (ii) 敏感度分析 (續)

於二零二一年十二月三十一日，倘浮息借款之利率整體上升／下降100個基點，而所有其他變數維持不變，則估計本集團之除稅後虧損及累計虧損將增加／減少約人民幣50,000元（二零二零年：人民幣58,000元）。其他綜合權益部分不會因整體利率上升／下降而出現變動。

上述敏感度分析顯示，假設利率變動已於報告期末發生，並已應用於重新計量本集團所持有並於報告期末使本集團面臨公平值利率風險的金融工具，本集團的除稅後虧損（及累計虧損）及綜合權益的其他組成部分將產生的即時變動。就本集團於報告期末持有的浮動利率非衍生工具所產生的現金流量利率風險而言，對本集團除稅後虧損（及累計虧損）及綜合權益的其他組成部分的影響乃估計為該利率變動對利息開支或收入的年度影響。該分析按與二零二零年相同的基準進行。

(d) 貨幣風險

本集團目前並無外幣對沖政策。然而，本公司董事監察本集團之外幣風險，並將於有需要時考慮對重大的外幣風險作出對沖。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(d) Currency risk (Continued)

(i) Exposure to currency risk

The Group is exposed to currency risk primarily through bank deposit denominated in a foreign currency that is a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are US\$, RMB and HK\$. The Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot values when necessary to address short-term imbalances.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date.

(d) 貨幣風險 (續)

(i) 所面對之貨幣風險

本集團承受的貨幣風險主要來自以外幣計值的銀行存款(即有關業務所涉及的功能貨幣以外的貨幣)。引致此項風險的貨幣為美元、人民幣及港元。本集團於需應對短期失衡時之政策為按現貨匯率買賣外幣,以確保將風險淨值維持在可接受的水平。

下表詳列本集團於報告期末因以相關實體功能貨幣以外之貨幣計值之已確認資產或負債而產生之貨幣風險。就呈報而言,風險金額乃以人民幣列示,其乃按於年結日之即期匯率換算。

		Exposure to foreign currencies (expressed in RMB) 所面對之外匯風險(以人民幣列示)			
		2021 二零二一年		2020 二零二零年	
		US\$ 美元	RMB 人民幣	US\$ 美元	RMB 人民幣
		'000 千元	'000 千元	'000 千元	'000 千元
Cash and cash equivalents	現金及現金等價物	1,013	99	1,459	246
Net exposure arising from recognised assets and liabilities	確認資產及負債所產生之風險淨額	1,013	99	1,459	246

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(d) Currency risk (Continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax (and accumulated losses) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HK\$ and the US\$ would be materially unaffected by any changes in movement in value of the US\$ against other currencies.

		2021 二零二一年			2020 二零二零年		
		Increase/ (decrease) in foreign exchange rates 匯率 上升/(下跌)	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) RMB'000 人民幣千元	Decrease/ (increase) in accumulated losses 累計虧損 減少/(增加) RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates 匯率 上升/(下跌)	Decrease/ (increase) in loss after tax 除稅後虧損 減少/(增加) RMB'000 人民幣千元	Decrease/ (increase) in accumulated losses 累計虧損 減少/(增加) RMB'000 人民幣千元
US\$	美元	2.1% (2.1)%	17 (17)	17 (17)	6.7% (6.7)%	81 (81)	81 (81)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

(d) 貨幣風險 (續)

(ii) 敏感度分析

下表列出在報告期末對本集團有重大影響之匯率於該日期出現變化時，在假設所有其他風險變數維持不變之情況下，本集團之除稅後虧損（及累計虧損）將會產生之即時變動。就此而言，已假設港元兌美元的聯繫匯率將不會因美元兌其他貨幣之任何價值變動而受到重大影響。

上表呈列之分析結果指按照各集團實體功能貨幣計算（以報告期末通行之匯率兌換為人民幣）各集團實體稅後虧損及權益之綜合即時影響，僅供呈列用途。

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(d) Currency risk (Continued)

(ii) Sensitivity analysis (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2020.

(e) Equity price risk

The Group is exposed to equity price changes arising from financial assets measured at FVTPL.

The Group's mutual funds and unit trusts are established in Taiwan, which principal assets consist of local and foreign currencies bank deposits, bonds and equity securities listed in Taiwan and other foreign stock markets.

The Group is also exposed to equity price risk through its investments in listed equity securities as disclosed in note 19.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

(d) 貨幣風險 (續)

(ii) 敏感度分析 (續)

敏感度分析假設匯率變動已應用於重新計量本集團所持有並於報告期末使本集團面臨外幣風險的金融工具，包括本集團內公司間以貸款人或借款人的功能貨幣以外的貨幣計值的應付款項及應收款項。該分析不包括將海外業務的財務報表換算為本集團呈列貨幣所產生的差額。於二零二零年乃使用相同基準進行分析。

(e) 權益價格風險

本集團承受之權益價格變動風險來自按公平值計入損益計量之財務資產。

本集團之互惠基金及單位信託乃於台灣成立，其主要資產包括於台灣及其他外國證券市場之當地及外幣銀行存款、債券及權益證券。

誠如附註19所披露，本集團就其於上市股本證券的投資面臨股本價格風險。

敏感度分析

以下敏感度分析乃根據於報告期末所承受之權益價格風險而釐定。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(e) Equity price risk (Continued) *Sensitivity analysis (Continued)*

If the prices of the financial assets measured at FVTPL had been 10% (2020: 10%) lower/higher, the Group's loss after tax and accumulated loss would increase/decrease by RMB745,000 (2020: RMB1,132,000) for the Group as a result of the changes in fair value of financial assets measured at FVTPL.

The sensitivity analysis indicates the instantaneous change in the Group's loss after tax (and accumulated loss) and other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2020.

(f) Fair value measurement *(i) Financial assets and liabilities measured at fair value*

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

34. 財務風險管理及財務工具之公平值 (續)

(e) 權益價格風險 (續) *敏感度分析 (續)*

倘按公平值計入損益計量之財務資產之價格減少/增加10% (二零二零年: 10%)，則本集團之除稅後虧損及累計虧損將增加/減少人民幣745,000元 (二零二零年: 人民幣1,132,000元)，此乃由於按公平值計入損益計量之財務資產之公平值變動所致。

敏感度分析顯示，假設股市指數或其他相關風險變數之變動於報告期末已發生，並已應用於重新計量本集團所持有並於報告期末使本集團面臨股本價格風險之金融工具，本集團之除稅後虧損 (及累計虧損) 及綜合權益之其他部分將產生之即時變動。此外，亦假設本集團股本投資之公平值將根據與相關股票市場指數或相關風險變數之歷史相關性而變動，而所有其他變數維持不變。於二零二零年乃使用相同基準進行分析。

(f) 公平值計量 *(i) 按公平值計量之財務資產及負債*

公平值層級

下表呈列於報告期末按經常性基準計量的本集團財務工具的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值層級。公平值計量歸類的層級經參考估值技術中使用的輸入值的可觀察性及重要性釐定如下：

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34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(f) Fair value measurement (Continued)

(i) *Financial assets and liabilities measured at fair value (Continued)*

Fair value hierarchy (Continued)

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has a team headed by the financial controller performing valuations for the financial instruments. The team reports directly to the directors of the Company and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date, and is reviewed and approved by the directors of the Company. Discussion of the valuation process and results with the directors of the Company and the audit committee is held quarterly, to coincide with the reporting dates.

(f) 公平值計量 (續)

(i) *按公平值計量之財務資產及負債 (續)*

公平值層級 (續)

- 第一層估值：只以第一層輸入值計量公平值，即相同資產或負債於計量日在活躍市場的未調整報價。
- 第二層估值：以第二層輸入值（而非重要之不可觀察輸入值）計量公平值，即其輸入值之可觀察性並未如第一層輸入值。不可觀察輸入值為並無市場數據可作參考之輸入值。
- 第三層估值：以重要的不可觀察輸入值計量公平值。

本集團有一隊由財務總監帶領的團隊，對財務工具進行估值。該團隊直接向本公司董事及審核委員會報告。該團隊於各中期及年度報告日期編製估值報告，連同公平值計量變動之分析，將由本公司董事審閱及批准。每季與本公司董事及審核委員會商討估值程序及結果，時間上配合報告日期。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34. 財務風險管理及財務工具之公平值 (續)

(f) Fair value measurement (Continued)

(i) *Financial assets and liabilities measured at fair value (Continued)*

Fair value measurements

Recurring fair value measurements	經常性公平值計量	Fair value measurements as at 31 December 2021 categorised into 於二零二一年十二月三十一日的公平值計量分類為		Fair value measurements as at 31 December 2020 categorised into 於二零二零年十二月三十一日的公平值計量分類為	
		Fair value at 31 December 2021 於二零二一年十二月三十一日的公平值 RMB'000 人民幣千元	Level 1 第一層 RMB'000 人民幣千元	Fair value at 31 December 2020 於二零二零年十二月三十一日的公平值 RMB'000 人民幣千元	Level 1 第一層 RMB'000 人民幣千元
Asset	資產				
Financial assets measured at FVTPL	按公平值計入損益計量之財務資產	38,577	38,577	33,639	33,639

During the years ended 31 December 2021 and 2020, there were no transfer 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.

於截至二零二一年及二零二零年十二月三十一日止年度，第一層與第二層工具之間並無轉換，亦無轉入第三層或自第三層轉出。本集團之政策為於發生轉換之報告期末確認公平值層級之轉換。

(ii) *Fair value of financial instruments carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 31 December 2021 and 2020.

(ii) *並非按公平值列賬之財務工具之公平值*

本集團按攤銷成本列賬之財務工具之賬面值與其於二零二一年及二零二零年十二月三十一日之公平值並無重大分別。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

35. MATERIAL RELATED PARTY TRANSACTIONS 35. 主要關連方交易

In addition to the transactions and balances disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions:

除綜合財務報表其他部分所披露交易及結餘外，本集團訂立以下主要關連方交易：

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, is as follows:

(a) 主要管理人員酬金

本集團主要管理人員酬金包括支付予本公司董事（誠如附註8所披露）及若干最高薪僱員（誠如附註9所披露）之款項如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	5,612	6,111
Post-employment benefits	離職福利	-	-
		5,612	6,111

Total remuneration is included in "staff costs" (see note 6(b)).

薪酬總額計入「員工成本」（見附註6(b)）。

(b) Remuneration for close family members of key management personnel

Remuneration for close family members of key management personnel of the Group is as follows:

(b) 主要管理人員近親之酬金

本集團主要管理人員近親之酬金如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mr. Liu Ting-Hsuan	Close family member of key management personnel	1,733	192
劉庭軒先生	主要管理人員近親		
Ms. Liu Ting Hsin	Close family member of key management personnel	751	240
劉庭忻女士	主要管理人員近親		
		2,484	432

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易 (續)

(b) Remuneration for close family members of key management personnel (Continued)

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Analysed as:	分析為：		
Short-term employee benefits	短期僱員福利	2,484	432
Post-employment benefits	離職福利	-	-
		2,484	432

Total remuneration is included in "staff costs" (see note 6(b)).

薪酬總額計入「員工成本」(見附註6(b))。

(c) Other related parties transactions

- (i) On 15 March 2013, a renewal deed of trust (the "Niao Song Deed") was entered into between Bau Shan and Ms. Li Pi Hsia ("Ms. Li"), spouse of Mr. Liu, in relation to the land property situated in Taiwan at No. 943 in Section Linnei, Niao Song Township, Kaohsiung County, Taiwan (the "Niao Song Property"). Under the Niao Song Deed, Bau Shan agreed that the Niao Song Property, which is owned by Bau Shan, shall be registered under the name of and held on trust by Ms. Li for Bau Shan for a term of ten years commencing on 15 March 2013. Ms. Li has agreed that she shall act in the interest of Bau Shan in relation to the Niao Song Property during the term of the Niao Song Deed.
- (ii) On 25 March 2016, a deed of trust (the "Neimen Deed") was entered into between BLL and Mr. Liu in relation to a land property situated in Taiwan at No.0300-00001 in Section Laizikeng, Neimen District, Kaohsiung County, Taiwan (the "Neimen Property"). Under the Neimen Deed, BLL agreed that the Neimen Property, which is owned by BLL, shall be registered under the name of and held on trust by Mr. Liu for BLL. Mr. Liu has agreed that he shall act in the interest of BLL in relation to the Neimen Property.

(c) 與其他關連方之交易

- (i) 於二零一三年三月十五日，寶山與李碧霞女士(「李女士」，劉先生之配偶)就位於台灣高雄縣烏松鄉林內段943地號之土地物業(「烏松物業」)訂立一份重續信託契據(「烏松契據」)。根據烏松契據，寶山同意由寶山擁有之烏松物業將以李女士之名義註冊，並以信託形式為寶山持有，由二零一三年三月十五日起計為期十年。李女士同意於烏松契據年期內，其將就烏松物業以寶山之利益行事。
- (ii) 於二零一六年三月二十五日，不老林與劉先生就位於台灣高雄縣內門區萊子坑段0300-00001地號之土地物業(「內門物業」)訂立一份信託契據(「內門契據」)。根據內門契據，不老林同意由不老林擁有之內門物業將以劉先生之名義註冊並以信託形式為不老林持有。劉先生同意就內門物業以不老林之利益行事。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易(續)

(c) Other related parties transactions (Continued)

- (iii) Mr. Liu signed a tenancy agreement agreeing the Group to lawfully use the property situated at unit 1404 on Level 14, Zhongxing Garden, No. 1 Heping Road, Chongqing City, the PRC at a monthly rent at RMB6,000 starting from 1 January 2019 to 31 December 2020.
- (iv) On 1 April 2016, BLL was granted by Mr. Liu Ting-Hsuan, close family member of Mr. Liu, on an exclusive basis a licence to use a number of trademarks in connection with the elderly care and related consultancy services of BLL at a consideration of HK\$1,000 per year.
- (v) Guarantee for the Group's bank borrowings of RMB1,791,000 (2020: RMB2,118,000) (note 28) is given by Mr. Liu during the year ended 31 December 2021.
- (vi) On 31 January 2019, Zhongke Guangju Cell Therapy (Guangdong) Co., Ltd.* ("Zhongke Guangju"), a company incorporated in the PRC with limited liability and is indirectly held as to 30% equity interest by Mr. XU and his associates through a controlled company, and Zhongke Zhenqi Biotechnology (Hong Kong) Company Limited ("Zhongke Zhenqi"), a subsidiary of the Group, entered into an agency agreement (the "Agency Agreement"). Pursuant to the Agency Agreement, Zhongke Guangju has agreed to engage Zhongke Zhenqi as a tier 1 agent to represent its sales and/or services of stem cells and immunocytes in the PRC, Hong Kong and Macau.

* for reference only

(c) 與其他關連方之交易(續)

- (iii) 劉先生已簽訂租賃協議，同意本集團可合法使用位於中國重慶市和平路1號中興花園14樓1404室之物業，自二零一九年一月一日至二零二零年十二月三十一日，每月租金為人民幣6,000元。
- (iv) 於二零一六年四月一日，劉庭軒先生(劉先生的近親)向不老林授出獨家許可權以使用與不老林護老及相關諮詢服務有關之若干商標，代價為每年1,000港元。
- (v) 截至二零二一年十二月三十一日止年度，劉先生就人民幣1,791,000元(二零二零年：人民幣2,118,000元)(附註28)之本集團銀行借貸提供擔保。
- (vi) 於二零一九年一月三十一日，中科廣聚細胞醫療(廣東)有限公司(「中科廣聚」，一間於中國註冊成立的有限公司，及由許先生及其聯繫人透過控股公司間接持有其30%股權)與中科臻祺生物科技(香港)有限公司(「中科臻祺」)(本集團之附屬公司)訂立代理協議(「代理協議」)。根據代理協議，中科廣聚同意委託中科臻祺為一級代理商，負責於中國、香港及澳門代理其幹細胞及免疫細胞之銷售及／或服務。

* 僅供參考

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綜合財務報表附註

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35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易 (續)

(c) Other related parties transactions (Continued)

(vi) (Continued)

Zhongke Guangju, as service provider, will in addition to providing stem cells and immunocytes products and/or services, be responsible for complimentary advisory and promotional materials. Zhongke Zhenqi, as agent, will be responsible for market development, market promotion and providing market feedback to Zhongke Guangju. The prices of the products and/or services provided by Zhongke Guangju were arrived at after arm's length negotiations between both parties and are consistent with the prices provided by Zhongke Guangju to existing agents. Zhongke Guangju may determine at its own discretion the sale prices of the relevant products and/or services based on market conditions.

During the year ended 31 December 2021, Zhongke Guangju has provided stem cells and immunocytes products and/or services, and complimentary advisory and promotional materials to Zhongke Zhenqi of RMB212,000 (2020: RMBNil).

(c) 與其他關連方之交易 (續)

(vi) (續)

中科廣聚作為服務提供商，除提供幹細胞及免疫細胞產品及／或服務外，還將負責提供免費諮詢及宣傳材料。中科臻祺作為代理商，負責市場開發、市場推廣及向中科廣聚提供市場反饋。中科廣聚提供的產品及／或服務價格乃由雙方經公平磋商後達至，且與中科廣聚提供予現行代理的價格一致。中科廣聚可根據市場情況自行酌情釐定相關產品及／或服務的銷售價格。

於截至二零二一年十二月三十一日止年度，中科廣聚向中科臻祺提供幹細胞及免疫細胞產品及／或服務以及免費諮詢及宣傳材料，費用為人民幣212,000元（二零二零年：人民幣零元）。

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35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易(續)

(c) Other related parties transactions (Continued)

(vii) On 13 September 2021, Zhongke Xunda Biotechnology (Shenzhen) Company Limited* ("Zhongke Xunda"), an indirect wholly-owned subsidiary of the Company, entered into a capital increase agreement (the "Capital Increase Agreement") with Shenzhen Nanyue Crown Block Bio Intelligent Equipment Investment Co., Ltd. ("Nanyue CB") to increase the registered capital of Zhongke Zhenhui (Guangdong) Medical Technology Company Limited ("Zhongke Zhenhui"), an indirect non-wholly-owned subsidiary of the Company, from RMB10,000,000 to RMB80,000,000 on a pro rata basis. Pursuant to the Capital Increase Agreement, Zhongke Xunda and Nanyue CB agreed to contribute, by way of cash, RMB35,700,000 and RMB34,300,000 into the registered capital of Zhongke Zhenhui, respectively. Nanyue CB is ultimately owned as to approximately 71.25% by Mr. Xu and his associates.

As at 31 December 2021, Nanyue CB contributed RMB4,800,000 into the registered capital of Zhongke Zhenhui.

* For identification purpose only

(d) Amounts due from/(to) other related parties

Particular of amounts due from/(to) other related parties, which are included in trade and other receivables or in trade and other payables are disclosed as follows:

		Relationship	關係	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Ms. Chang Hui-Lan	張慧蘭女士	Key management personnel	主要管理人員	1,445	90
Mr. Liu Ting-Hsuan	劉庭軒先生	Close family member of key management personnel	主要管理人員近親	(165)	(264)

(c) 與其他關連方之交易(續)

(vii) 於二零二一年九月十三日，本公司間接全資附屬公司中科迅達生物科技(深圳)有限公司(「中科訊達」)與深圳市南嶽天車生物智能裝備投資有限公司(「南嶽天車」)訂立增資協議(「增資協議」)，將本公司間接非全資附屬公司中科臻慧(廣東)醫療科技有限公司(「中科臻慧」)之註冊資本由人民幣10,000,000元按比例增加至人民幣80,000,000元。根據增資協議，中科訊達及南嶽天車同意以現金方式分別向中科臻慧之註冊資本出資人民幣35,700,000元及人民幣34,300,000元。南嶽天車由許先生及其聯繫人最終擁有約71.25%。

於二零二一年十二月三十一日，南嶽天車向中科臻慧之註冊資本出資人民幣4,800,000元。

* 僅供識別

(d) 應收／(應付)其他關連方款項

應收／(應付)其他關連方款項(計入貿易及其他應收款項或貿易及其他應付款項)的詳情披露如下：

	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Ms. Chang Hui-Lan	1,445	90
Mr. Liu Ting-Hsuan	(165)	(264)

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35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易 (續)

(d) Amounts due from/(to) other related parties (Continued)

Maximum amount outstanding during the year is as follows:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Ms. Chang Hui-Lan	張慧蘭女士	1,445	129
Mr. Liu Ting-Hsuan	劉庭軒先生	N/A 不適用	N/A 不適用

The amounts are unsecured, interest-free and repayable on demand.

金額為無抵押、無息以及須按需要償還。

(e) Amounts due to directors

Particular of amounts due to directors are disclosed as follows:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mr. Liu	劉先生	1,141	1,143
Mr. Xu	許先生	136	2,517
Mr. Sun	孫先生	12	-
Mr. Chai	齊先生	115	-
Dr. Xu	徐博士	147	-
Mr. Wang	王先生	12	-
		1,563	3,660

The amounts are unsecured, interest-free and repayable on demand.

金額為無抵押、無息以及須按需要償還。

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綜合財務報表附註

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35. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 35. 主要關連方交易(續)

(f) Amount due to a shareholder

Particular of amount due to a shareholder is disclosed as follows:

(f) 應付一名股東之款項

應付一名股東款項的詳情披露如下:

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Hong Kong Gaoqi Biological Technology Company Limited	香港高崎生物科技有限公司	11,899	12,221

As at 31 December 2021, the amount due to a shareholder classified as current liabilities amounting to approximately RMB9,757,000 (2020: RMB10,024,000) are unsecured, interest-free and repayable on demand, and approximately RMB2,142,000 (2020: RMB520,000) are unsecured, interest-free and repayable within one year, while the remaining portion of RMBNil (2020: RMB1,677,000) are unsecured, interest-free and repayable over one year.

於二零二一年十二月三十一日，應付予一名股東的分類為流動負債的款項約為人民幣9,757,000元(二零二零年：人民幣10,024,000元)為無抵押、無息及須按需要償還，約人民幣2,142,000元(二零二零年：人民幣520,000元)為無抵押、無息且須於一年內償還，而其餘部分為人民幣零元(二零二零年：人民幣1,677,000元)為無抵押、無息且須於一年後償還。

36. OPERATING LEASES

The Group as lessor

At 31 December 2021, the Group had contracted with tenants in respect of part of its office and investment properties for the following future minimum lease payments:

36. 經營租賃

本集團作為出租人

於二零二一年十二月三十一日，本集團就其部分辦公室及投資物業而與租戶訂約之未來最低租賃付款額如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within 1 year	一年內	207	212
After 1 year but within 5 years	一年後及五年內	-	212
		207	424

Operating lease receivables represent rentals receivable by the Group for certain of its investment properties. Leases are negotiated for terms of 3 years (2020: 3 years). None of the lease includes contingent rentals.

應收經營租賃款項乃為本集團就其若干投資物業應收的租金。租期經磋商商定為3年(二零二零年：3年)。並無租約包括或然租金。

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綜合財務報表附註

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37. CAPITAL COMMITMENTS

Capital commitments outstanding at 31 December 2021 not provided for in the consolidated financial statements are as follows:

37. 資本承擔

於綜合財務報表內未撥備之於二零二一年十二月三十一日尚未履行之資本承擔如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Capital expenditure contracted but not provided for:	已簽約但未作撥備之資本開支：		
– Investments in associates	– 投資聯營公司	11,160	8,700
– Investment in a joint venture	– 於一間合營企業之投資	6,500	6,500
– Construction in progress	– 在建工程	768	–
		18,428	15,200

38. PLEDGE OF ASSETS

As at 31 December 2021, bank borrowings of the Group were secured by land and buildings with an aggregate carrying amount of RMB23,552,000 (2020: RMB20,394,000) (notes 14(d) and 28).

38. 抵押資產

於二零二一年十二月三十一日，本集團銀行借貸由賬面總值為人民幣23,552,000元（二零二零年：人民幣20,394,000元）之土地及樓宇作抵押（附註14(d)及28）。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. SUBSIDIARIES

- (a) Details of the Company's subsidiaries, which are private companies or, if established/incorporated outside Hong Kong, have substantially the same characteristic as a Hong Kong private company, as at 31 December 2021 and 2020 are as follows:

39. 附屬公司

- (a) 於二零二一年及二零二零年十二月三十一日，本公司之附屬公司（為私人公司或（倘於香港境外成立／註冊成立）具有與香港私人公司大致相同之特點）之詳情如下：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Authorised ordinary share capital/ registered capital 法定普通股本/ 註冊資本	Issued and fully paid-up ordinary share or registered capital 已發行及繳足普通股 或註冊資本	Attributable equity interest 應佔股權		Principal activities/place of operation 主要業務／營運地點
				2021 二零二一年	2020 二零二零年	
Directly held 直接持有						
Bau Shan	Taiwan 29 December 1998	NTD70,452,000 (2020: NTD70,452,000)	NTD70,452,000 (2020: NTD70,452,000)	60%	60%	Provision of funeral services, sale of funeral services deeds and investment holding/Taiwan 提供殯儀服務、銷售殯儀服務契約及投資控股/台灣
寶山	台灣 一九九八年十二月二十九日	70,452,000新台幣 (二零二零年: 70,452,000新台幣)	70,452,000新台幣 (二零二零年: 70,452,000新台幣)			
Full Spread (China) Limited 弘揚(中國)有限公司	Hong Kong 5 October 2007 香港 二零零七年十月五日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1 (2020: HK\$1) 1港元 (二零二零年: 1港元)	100%	100%	Investment holding/Hong Kong 投資控股/香港
Allied Smart Development Limited 駿群發展有限公司	Hong Kong 1 April 2010 香港 二零一零年四月一日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1 (2020: HK\$1) 1港元 (二零二零年: 1港元)	100%	100%	Investment holding/Hong Kong 投資控股/香港
Sino-Life (Hong Kong) Limited 中國生命(香港)有限公司	Hong Kong 9 August 2010 香港 二零一零年八月九日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1 (2020: HK\$1) 1港元 (二零二零年: 1港元)	100%	100%	Provision of funeral services and sale of funeral services deeds/Hong Kong 提供殯儀服務及銷售殯儀服務契約/香港
Dayrise Enterprises Limited 日昇企業有限公司	BVI 13 September 2010 英屬處女群島 二零一零年九月十三日	US\$50,000 (2020: US\$50,000) 50,000美元 (二零二零年: 50,000美元)	US\$1 (2020: US\$1) 1美元 (二零二零年: 1美元)	100%	100%	Investment holding/BVI 投資控股/英屬處女群島
Jing Run Limited 京潤有限公司	BVI 12 February 2010 英屬處女群島 二零一零年二月十二日	US\$1,000,000 (2020: US\$1,000,000) 1,000,000美元 (二零二零年: 1,000,000美元)	US\$1,000,000 (2020: US\$1,000,000) 1,000,000美元 (二零二零年: 1,000,000美元)	55%	55%	Inactive/BVI 不活躍/英屬處女群島
Timeless Surplus (Hong Kong) Limited 時潤(香港)有限公司	Hong Kong 17 April 2012 香港 二零一二年四月十七日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1 (2020: HK\$1) 1港元 (二零二零年: 1港元)	100%	100%	Inactive/Hong Kong 不活躍/香港
中科臻祺生物科技(廣東)有限公司*	The PRC 29 November 2018 中國 二零一八年十一月二十九日	RMB10,000,000 (2020: RMB10,000,000) 人民幣10,000,000元 (二零二零年: 人民幣10,000,000元)	RMB10,000,000 (2020: RMB10,000,000) 人民幣10,000,000元 (二零二零年: 人民幣10,000,000元)	100%	100%	Research and testing development/The PRC 研究和試驗開發/中國
Zhongke Zhenqi Biotechnology (Hong Kong) Company Limited 中科臻祺生物科技(香港)有限公司	Hong Kong 9 April 2019 香港 二零一九年四月九日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1,000,000 (2020: HK\$1,000,000) 1,000,000港元 (二零二零年: 1,000,000港元)	100%	100%	Sales of biotechnical machineries/Hong Kong 生物科技儀器銷售/香港
Indirectly held 間接持有						
Chongqing Xibao** 重慶錫寶*	The PRC 19 March 2007 中國 二零零七年三月十九日	US\$8,000,000 (2020: US\$8,000,000) 8,000,000美元 (二零二零年: 8,000,000美元)	US\$8,000,000 (2020: US\$8,000,000) 8,000,000美元 (二零二零年: 8,000,000美元)	100%	100%	Provision of funeral services and investment holding/The PRC 提供殯儀服務及投資控股/中國
Chongqing Xizhou** 重慶錫周*	The PRC 25 October 2006 中國 二零零六年十月二十五日	RMB300,000 (2020: RMB300,000) 人民幣300,000元 (二零二零年: 人民幣300,000元)	RMB300,000 (2020: RMB300,000) 人民幣300,000元 (二零二零年: 人民幣300,000元)	100%	100%	Provision of funeral services/The PRC 提供殯儀服務/中國

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39. SUBSIDIARIES (Continued)

(a) (Continued)

39. 附屬公司 (續)

(a) (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Authorised ordinary share capital/ registered capital 法定普通股 或註冊資本	Issued and fully paid-up ordinary share or registered capital 已發行及繳足普通股 或註冊資本	Attributable equity interest		Principal activities/place of operation 主要業務/營運地點
				2021 二零二一年	2020 二零二零年	
Indirectly held (Continued) 間接持有 (續)						
Sino-Life Eternities Limited 中國新生命有限公司	BVI 15 April 2010 英屬處女群島 二零二零年四月十五日	US\$50,000 (2020: US\$50,000) 50,000美元 (二零二零年: 50,000 美元)	US\$10,000 (2020: US\$10,000) 10,000美元 (二零二零年: 10,000 美元)	78.75%	78.75%	Investment holding/BVI 投資控股/英屬處女群島
Sino-Life Eternities Services Limited 中國新生命服務有限公司	Hong Kong 20 April 2010 香港 二零二零年四月二十日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1 (2020: HK\$1) 1港元 (二零二零年: 1港元)	78.75%	78.75%	Not yet commenced business/ Hong Kong 尚未開業/香港
Jinhao Enterprises Limited 金豪企業有限公司	BVI 13 September 2010 英屬處女群島 二零二零年九月十三日	US\$50,000 (2020: US\$50,000) 50,000美元 (二零二零年: 50,000 美元)	US\$1 (2020: US\$1) 1美元 (二零二零年: 1美元)	100%	100%	Investment holding/BVI 投資控股/英屬處女群島
Sino-Departures Limited 中國送行者有限公司	Hong Kong 5 December 2011 香港 二零一一年十二月五日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$5 (2020: HK\$5) 5港元 (二零二零年: 5港元)	100%	100%	Not yet commenced business/ Hong Kong 尚未開業/香港
Bao Son Life 寶山生命	Vietnam 20 June 2012 越南 二零一二年六月二十日	US\$200,000 (2020: US\$200,000) 200,000美元 (二零二零年: 200,000美元)	US\$200,000 (2020: US\$200,000) 200,000美元 (二零二零年: 200,000美元)	80%	80%	Investment holding/Vietnam 投資控股/越南
Ban Shan Consulting Limited 薩摩亞	Samoa 14 November 2013 薩摩亞 二零一三年十一月十四日	US\$50,000 (2020: US\$50,000) 50,000美元 (二零二零年: 50,000 美元)	US\$1 (2020: US\$1) 1美元 (二零二零年: 1美元)	60%	60%	Inactive/Taiwan 不活躍/台灣
HLV Duc Hoa (note (b)) HLV Duc Hoa (附註(b))	Vietnam 22 June 2012 越南 二零一二年六月二十二日	VND50,000,000,000 (2020: VND50,000,000,000)	VND39,750,000,000 (2020: VND39,750,000,000)	-	-	Sale of burial plots and provision of cemetery maintenance services/Vietnam 銷售墓地及提供墓園維修服務/ 越南
BLL 不老林	Taiwan 12 October 2015 台灣 二零一五年十月十二日	NTD15,000,000 (2020: NTD15,000,000) 15,000,000新台幣 (二零二零年: 15,000,000 新台幣)	NTD15,000,000 (2020: NTD15,000,000) 15,000,000新台幣 (二零二零年: 15,000,000 新台幣)	60%	60%	Provision of elderly care and related consultancy services/Taiwan 提供護理及相關諮詢服務/台灣
Chongqing Shouen Elderly Care Services Limited* 重慶受恩養老服務有限公司*	The PRC 27 September 2016 中國 二零一六年九月二十七日	RMB1,000,000 (2020: RMB1,000,000) 人民幣1,000,000元 (二零二零年: 人民幣 1,000,000元)	RMB1,000,000 (2020: RMB1,000,000) 人民幣1,000,000元 (二零二零年: 人民幣 1,000,000元)	100%	100%	Not yet commenced business/ The PRC 尚未開業/中國
Zhongke Life Holding Co., Limited 中科生命控股有限公司	Hong Kong 22 July 2019 香港 二零一九年七月二十二日	N/A (2020: N/A) 不適用 (二零二零年: 不適用)	HK\$1,000,000 (2020: HK\$1,000,000) 1,000,000港元 (二零二零年: 1,000,000 港元)	100%	100%	Not yet commenced business/ Hong Kong 尚未開業/香港
Zhongke Xunda* 中科迅達*	The PRC 17 September 2019 中國 二零一九年九月十七日	RMB40,000,000 (2020: RMB40,000,000) 人民幣40,000,000元 (二零二零年: 人民幣 40,000,000元)	RMB1,812,890 (2020: RMB1,812,890) 人民幣1,812,890元 (二零二零年: 人民幣 1,812,890元)	100%	100%	Not yet commenced business/ The PRC 尚未開業/中國
Zhongke Zhenhui* 中科臻慧*	The PRC 19 May 2020 中國 二零二零年五月十九日	RMB10,000,000 (2020: N/A) 人民幣10,000,000元 (二零二零年: 不適用)	RMB10,000,000 (2020: N/A) 人民幣10,000,000元 (二零二零年: 不適用)	51%	99%	Biomedical technology research/ The PRC 生物醫療技術研究/中國
廣東謙遠投資有限責任公司*	The PRC 20 December 2021 中國 二零二一年十二月二十日	RMB70,000,000 (2020: N/A) 人民幣70,000,000元 (二零二零年: 不適用)	RMBNil (2020: N/A) 人民幣零元 (二零二零年: 不適用)	51.1429%	-	Not yet commenced business/ The PRC 尚未開業/中國

* Wholly-foreign-owned enterprise established in the PRC

Wholly-domestic-owned enterprise established in the PRC

^ For identification purpose only

* 於中國註冊成立的外商獨資企業

於中國註冊成立的內資企業

^ 僅供識別

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39. SUBSIDIARIES (Continued)

39. 附屬公司 (續)

- (b) The Group does not hold any ownership interests in the entity, HLV Duc Hoa. However, based on the terms of the contract under which HLV Duc Hoa was established and controlled by the Group, the Group receives substantially all of the variable returns related to the involvement in HLV Duc Hoa's operations and net assets and has the ability to direct HLV Duc Hoa's activities that most significantly affect those returns.
- (c) The following tables list out the information of the Group's subsidiaries which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

- (b) 本集團並無持有實體HLV Duc Hoa之任何所有權權益。然而，根據本集團據以成立及控制HLV Duc Hoa之該合同之條款，本集團收取幾近全部關於參與HLV Duc Hoa業務之可變回報及淨資產，以及有能力主導對該等回報有最大影響之HLV Duc Hoa業務。
- (c) 下表載列本集團各附屬公司（擁有重大非控股權益（「非控股權益」））的資料。下文呈報之財務資料概要代表進行任何公司間對銷前之金額。

		2021 二零二一年 RMB'000 人民幣千元		2020 二零二零年 RMB'000 人民幣千元	
		Bau Shan and its subsidiary, BLL and Ban Shan Consulting Limited 寶山及 其附屬公司、 不老林及 Ban Shan Consulting Limited	Bao Son Life and its subsidiary, HLV Duc Hoa 寶山生命及 其附屬公司、 HLV Duc Hoa	Bau Shan and its subsidiary, BLL and Ban Shan Consulting Limited 寶山及 其附屬公司、 不老林及 Ban Shan Consulting Limited	Bao Son Life and its subsidiary, HLV Duc Hoa 寶山生命及 其附屬公司、 HLV Duc Hoa
NCI percentage	非控股權益百分比	40%	20%	40%	20%
Current assets	流動資產	167,692	14,271	184,921	14,346
Non-current assets	非流動資產	33,070	59	29,246	119
Current liabilities	流動負債	(212,056)	(46,038)	(217,579)	(45,582)
Non-current liabilities	非流動負債	(4,812)	(353)	(5,826)	(186)
Net liabilities	負債淨額	(16,106)	(32,061)	(9,238)	(31,303)
Carrying amount of NCI	非控股權益賬面值	6,442	6,412	3,695	6,260
Revenue	收益	1,450	228	1,802	434
(Loss)/profit for the year	年度(虧損)/溢利	(14,711)	(758)	5,184	(904)
Total comprehensive (expense)/income	全面(開支)/收益總額	(6,868)	(758)	5,123	1,206
(Loss)/profit attributable to NCI	非控股權益應佔之 (虧損)/溢利	(5,884)	(152)	2,074	(181)
Total comprehensive (expense)/ income attributable to NCI	非控股權益應佔之 全面(開支)/收益總額	(2,747)	(152)	2,049	241
Net cash (outflows)/inflows from operating activities	經營活動現金(流出)/ 流入淨額	(4,570)	-	1,840	2,124
Net cash inflows/(outflows) from investing activities	投資活動現金流入/ (流出)淨額	559	(64)	3,383	(135)
Net cash outflows from financing activities	融資活動現金流出淨額	(1,264)	-	(1,300)	-

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40. CHANGE IN OWNERSHIP INTEREST IN A SUBSIDIARY

During the year ended 31 December 2021, the Group disposed of 48% of equity interest of Zhongke Zhenhui to Nanyue CB at nil consideration. Nanyue CB contributed RMB4,800,000 to Zhongke Zhenhui, and the equity interest of Zhongke Zhenhui attributable to the Company reduced from 99% to 51% thereafter.

An amount of approximately RMB361,000 (being the proportionate share of the carrying amount of the net liabilities of Zhongke Zhenhui) has been transferred from non-controlling interests, and credited to "other reserve".

41. DISPOSAL OF A SUBSIDIARY

On 2 July 2021, the Group disposed of its entire 51% equity interest in Zhongke Kangyuan (Guangzhou) Biotechnology Company Limited* ("Zhongke Kangyuan") to the non-controlling shareholder of Zhongke Kangyuan at a consideration of approximately RMB833,000. Zhongke Kangyuan is inactive during the year.

The aggregate amounts of assets and liabilities attributable to Zhongke kangyuan on the date of disposal were as follows:

40. 於附屬公司的所有權權益變動

截至二零二一年十二月三十一日止年度，本集團以零代價向南嶽天車出售中科臻慧48%股權。南嶽天車向中科臻慧注資人民幣4,800,000元，此後本公司應佔中科臻慧股權由99%降至51%。

一筆金額約人民幣361,000元（即佔中科臻慧淨負債賬面值的比例）已自非控股權益中轉出，並計入「其他儲備」。

41. 出售一間附屬公司

於二零二一年七月二日，本公司向中科康元（廣州）生物科技有限公司（「中科康元」）的非控股股東出售其於中科康元的全部51%股權，代價為約人民幣833,000元。中科康元於年內並無業務活動。

於出售當日，中科康元應佔資產及負債總額如下：

		RMB'000 人民幣千元
Net assets disposed of:	出售之資產淨值：	
Property, plant and equipment	物業、廠房及設備	36
Other receivables	其他應收款項	39
Cash and bank balances	現金及銀行結餘	1,740
Other payables	其他應付款項	(121)
		1,694
Less: non-controlling interests	減：非控股權益	(830)
		864
Loss on disposal of a subsidiary:	出售一間附屬公司之虧損：	
Consideration received	已收代價	833
Net assets disposed of	出售之資產淨值	(864)
		(31)
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration received	已收現金代價	833
Less: cash and bank balances disposed of	減：出售之現金及銀行結餘	(1,740)
		(907)

* For identification purpose only

* 僅供識別

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41. DISPOSAL OF A SUBSIDIARY (Continued) 41. 出售一間附屬公司 (續)

The subsidiary disposed of during the year ended 31 December 2021 did not contribute significantly to the results and cash flows of the Group during the period prior to the disposal.

截至二零二一年十二月三十一日止年度出售之附屬公司於出售前期間對本集團之業績及現金流量並無重大貢獻。

42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS 42. 以股權結算股份為基礎之交易

2009 Share Option Scheme

Pursuant to the written resolutions of the shareholders of the Company dated 24 August 2009, a share option scheme ("2009 Share Option Scheme") was approved and adopted. The major terms of the 2009 Share Option Scheme are summarised as follows:

- (a) The purpose of the Share Option Scheme is to enable the Company to grant options to eligible participants who have contributed or may contribute to the Group as incentive or rewards for their contributions to the Group.
- (b) The eligible participants include (i) any employee or proposed employee of the Company and/or any of its subsidiaries or any entity ("Invested Entity") in which the Group holds an equity interest, including any executive directors and any non-executive directors (including independent non-executive directors) of the Company, any of such subsidiaries or any Invested Entity; and (ii) any consultants, advisers, agents, partners or joint-venture partners of the Company and/or any of its subsidiaries.
- (c) The exercise price of a share option under the 2009 Share Option Scheme will not be less than the highest of (i) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (ii) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the offer date of that particular option; and (iii) the nominal value of a share on the offer date of the particular option.

二零零九年購股權計劃

根據本公司日期為二零零九年八月二十四日的股東書面決議案，已批准及採納購股權計劃（「二零零九年購股權計劃」）。二零零九年購股權計劃的主要條款概述如下：

- (a) 購股權計劃之目的是讓本公司向對本集團已作出或可能作出貢獻的合資格參與者授出購股權，作為彼等對本集團作出貢獻的鼓勵或獎勵。
- (b) 合資格參與者包括(i)本公司及／或其任何附屬公司或本集團持有股本權益的任何實體（「投資實體」）的任何僱員或候任僱員，包括本公司、其任何附屬公司或任何投資實體的任何執行董事及任何非執行董事（包括獨立非執行董事）；及(ii)本公司及／或其任何附屬公司的任何諮詢人、顧問、代理、合夥人或合營夥伴。
- (c) 二零零九年購股權計劃項下購股權的行使價將不會少於下列最高者：(i)於特定購股權的要約日期（必須為營業日）股份於聯交所每日報價表上顯示在聯交所的收市價；(ii)緊接該特定購股權的要約日期前五個營業日股份於聯交所每日報價表上顯示的平均收市價；及(iii)股份於特定購股權要約日期的面值。

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42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

2009 Share Option Scheme (Continued)

(d) The total number of shares which may be issued upon exercise of all share options to be granted under the 2009 Share Option Scheme and any other share option schemes must not in aggregate exceed 10% of the shares in issue.

The 2009 Share Option Scheme was expired during the year ended 31 December 2019.

(e) Unless approved by the Company's shareholders, the total number of shares issued and to be issued upon exercise of the options granted to any participants in any twelve-month period must not exceed 1% of the shares in issue at the date of the grant of the options.

(f) An offer shall be made to eligible participants in writing and shall remain open for acceptance by the eligible participants concerned for a period of 30 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the 2009 Share Option Scheme or the termination of the scheme. An offer shall be deemed to have been accepted by the eligible participant concerned in respect of all shares which are offered to such participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant, together with a non-refundable remittance in favour of the Company of HK\$10 by way of consideration for the grant thereof is received by the Company, within such time as may be specified in the offer.

42. 以股權結算股份為基礎之交易 (續)

二零零九年購股權計劃 (續)

(d) 根據二零零九年購股權計劃及任何其他購股權計劃將予授出的全部購股權獲行使後可能發行的股份總數合共不得超過本公司已發行股份的10%。

二零零九年購股權計劃於截至二零一九年十二月三十一日止年度屆滿。

(e) 除非獲本公司股東批准，否則於任何十二個月期間內因行使授予任何參與者的購股權已發行及將予發行的股份總數，不得超逾授出購股權當日已發行股份的1%。

(f) 要約須以書面形式向合資格參與者作出，並須於作出當日起三十日期間內可供有關的合資格參與者選擇接納，惟於採納二零零九年購股權計劃當日的十週年後或該計劃終止後不得再提供要約以供接納。當本公司於要約內列明的時間內接獲包含由合資格參與者正式簽署的要約接納書副本，連同付予本公司不可退還匯款10港元作為本公司接納授出的代價，則提呈給該名合資格參與者的全部股份的要約，即視為已由有關合資格參與者接納。

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42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

42. 以股權結算股份為基礎之交易 (續)

2009 Share Option Scheme (Continued)

- (g) For the options granted in 2010, they are exercisable starting half year from the grant date. The exercisable period should be determined by the board of directors upon grant of the share option but in any event should not exceed 10 years from the date of grant of the share option.
- (h) An option shall be exercisable in whole or in part in the circumstances by giving notice in writing to the Company stating that the option is thereby exercised and the number of shares in respect of which it is so exercised. Each such notice must be accompanied by a non-refundable remittance for the full amount of the subscription price for shares in respect of which the notice is given.
- (i) The terms and conditions of the options granted are as follows:

二零零九年購股權計劃 (續)

- (g) 就於二零一零年授出之購股權而言，彼等於授出日期起計半年後開始行使。可予行使期間應該由董事會於授出購股權之時釐定，惟無論如何不得超過授出購股權日期起計10年。
- (h) 承授人須於向本公司發出書面通知的情況下全部或部分行使購股權，該通知須註明購股權獲據此行使及行使購股權所涉及的股份數目。各有關通知必須夾附不可退還匯款，金額為發出的通知中所涉及的整筆股份認購價。
- (i) 已授出購股權之條款及條件如下：

	Number of shares issuable under options granted	Exercisable period	Contractual life of options
	就授出之購股權 可發行股份數目	行使期	購股權合約年期
Options granted in 2010:			
於二零一零年授出之購股權：			
Options granted to directors:			
授予董事之購股權：			
- on 11 February 2010	6,420,000	11 August 2010 to 11 February 2020	10 years
- 於二零一零年二月十一日		二零一零年八月十一日至二零二零年二月十一日	10年
Options granted to employees:			
授予僱員之購股權：			
- on 11 February 2010	11,680,000	11 August 2010 to 11 February 2020	10 years
- 於二零一零年二月十一日		二零一零年八月十一日至二零二零年二月十一日	10年
Options granted to consultants:			
授予顧問之購股權：			
- on 11 February 2010	41,900,000	11 August 2010 to 11 February 2020	10 years
- 於二零一零年二月十一日		二零一零年八月十一日至二零二零年二月十一日	10年
Total share options	60,000,000		
購股權總數			

The method of settlement for the options granted is by equity. The closing price of the Company's shares immediately before 11 February 2010, the date on which the options were granted, was HK\$1.16.

授出之購股權乃採用權益結算方式。本公司股份於緊接二零一零年二月十一日（即購股權獲授出之日期）前之收市價為1.16港元。

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42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

2009 Share Option Scheme (Continued)

(j) The particulars of outstanding options at the end of the reporting period as follows:

42. 以股權結算股份為基礎之交易 (續)

二零零九年購股權計劃 (續)

(j) 於報告期末之尚未行使購股權詳情如下：

		2020 二零二零年	
		Weighted average exercise price 加權平均 行使價	Number of shares issuable under options granted 就授出之 購股權可發 行 股份數目
Outstanding at the beginning of the year	年初尚未行使	HK\$1.18 1.18港元	48,232,000
Lapsed during the year	年內已失效	HK\$1.18 1.18港元	(48,232,000)
Outstanding at the end of the year	年終尚未行使	N/A 不適用	-
Exercisable at the end of the year	年終可予行使	N/A 不適用	-

The options granted on 11 February 2010 expire ten years from the date of grant. All of the options were lapsed during the year ended 31 December 2020.

此等於二零一零年二月十一日授出之購股權自授出日期起計十年後屆滿。所有購股權於截至二零二零年十二月三十一日止年度失效。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued) 42. 以股權結算股份為基礎之交易 (續)

2009 Share Option Scheme (Continued)

(k) Fair value of share options and assumptions

(i) *Granted to director and employees*

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on the Binomial Option Pricing Model. The contractual life of the share option is used as an input into this model.

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

二零零九年購股權計劃 (續)

(k) 購股權之公平值及假設

(i) 授予董事及僱員

本集團以授出購股權而獲得之服務之公平值參考獲授購股權之公平值計量。獲授購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期為本模式之一項輸入參數。

預期波幅乃根據歷史波幅(以購股權之加權平均剩餘年期計算)計算,根據可獲知公眾資料對未來預期波幅之變動作出調整。預期股息乃根據過往股息釐定。所採用主觀輸入數據假設之變動可能對公平值估計產生重大影響。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

2009 Share Option Scheme (Continued)

(k) Fair value of share options and assumptions (Continued)

(ii) *Granted to consultants*

The fair value for share options granted is measured using the market-based approach, by reference to the discounted cash flows to estimate the fair value of the professional fees that should have been paid. The value was developed by discounting future cash flows from the services to be provided by the consultants, taking into account the uniqueness of the services provided by the consultants, the historical monthly payments to similar services provided by the consultants and the service period, along with other out of pocket expenses.

On 11 February 2010, 41,900,000 share options under the 2009 Share Option Scheme were granted by the Company to the consultants of the Group which entitled the holder thereof to subscribe for an aggregate of 41,900,000 ordinary shares of HK\$0.1 each in the capital of the Company with an exercise price of HK\$1.18 per share during the exercisable period from 11 August 2010 to 11 February 2020. During the year ended 31 December 2020, all of such share options were lapsed.

42. 以股權結算股份為基礎之交易 (續)

二零零九年購股權計劃 (續)

(k) 購股權之公平值及假設 (續)

(ii) *授予顧問*

所授出購股權之公平值乃使用市場基礎法計量，並經參考折現現金流量以估計應支付之專業費用之公平值。價值乃經參考顧問所提供服務之獨特性、顧問所提供類似服務之歷史每月付款及服務期限以及其他實際開支，由折現源自將由顧問提供之服務之未來現金流量得出。

於二零一零年二月十一日，本公司已根據二零零九年購股權計劃向本集團之顧問授出41,900,000份購股權，該等購股權賦予其持有人可自二零一零年八月十一日起至二零二零年二月十一日止行使期間，按行使價每股1.18港元認購合共41,900,000股本公司股本中每股面值0.1港元之普通股之權利。於截至二零二零年十二月三十一日止年度，所有該等購股權均已失效。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

2021 Share Option Scheme

In view of the expiry of the 2009 Share Option Scheme during the year ended 31 December 2020, the Company adopted a share option scheme at the extraordinary general meeting on 22 April 2021 by way of an ordinary resolution (the "2021 Share Option Scheme"). The major terms of the 2021 Share Option Scheme are summaries as follows:

- (a) The purpose of the 2021 Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to eligible participants and to promote the success of the business of the Group.
- (b) The eligible participants include any director, employee, advisor, consultant, supplier, agent, customer, partner or joint-venture partner of the Company or any subsidiary of the Company, who, in the absolute discretion of the board of the directors of the Company, has contributed or may contribute to the Group so as to promote the success of the business of the Group.
- (c) The exercise price of a share option under the 2021 Share Option Scheme shall be determined at the absolute discretion of the board of directors of the Company but in any event will not be less than the highest of (i) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date of the particular option, which must be a business day; (ii) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive business days immediately preceding the offer date of that particular option; and (iii) the nominal value of a share on the offer date of the particular option.

42. 以股權結算股份為基礎之交易 (續)

二零二一年購股權計劃

鑒於二零零九年購股權計劃於截至二零二零年十二月三十一日止年度屆滿，本公司於二零二一年四月二十二日之股東特別大會上以普通決議案採納購股權計劃（「二零二一年購股權計劃」）。二零二一年購股權計劃的主要條款概述如下：

- (a) 二零二一年購股權計劃之目的乃為吸引及挽留最稱職人員，為合資格參與者提供額外獎勵及推動本集團業務之成功。
- (b) 本公司董事會全權酌情認為，合資格參與者（包括本公司或本公司任何附屬公司之任何董事、僱員、顧問、諮詢人、供應商、代理、客戶、合作夥伴或合營企業夥伴）已為本集團作出貢獻或可能作出貢獻，以推動本集團業務之成功。
- (c) 二零二一年購股權計劃項下購股權之行使價由本公司董事全權酌情釐定，惟無論如何不得低於以下最高者：(i)於特定購股權的要約日期（必須為營業日）股份於聯交所每日報價表上顯示在聯交所的收市價；(ii)緊接特定購股權的要約日期前五個連續營業日股份於聯交所每日報價表上顯示的平均收市價；及(iii)股份於特定購股權要約日期的面值。

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綜合財務報表附註

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42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

2021 Share Option Scheme (Continued)

- (d) The maximum number of shares which may be issued upon exercise of all share options to be granted under the 2021 Share Option Scheme and any other share option schemes must not in aggregate exceed 10% of the shares in issue, unless the grant of options, beyond the limit of 10% but not exceeding 30% of the shares in issue, is specifically approved by the shareholders of the Company in an annual general meeting.
- (e) Unless approved by the Company's shareholders, the total number of shares issued and to be issued upon exercise of the options granted and to be granted pursuant to the 2021 Share Option Scheme and any other share option schemes of the Group (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue.
- (f) An offer shall be made to a eligible participant in writing in such form as the Company's directors may from time to time determine and shall remain open for acceptance by the eligible participant concerned for a period of 10 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the 2021 Share Option Scheme or the termination of the 2021 Share Option Scheme. An offer shall be deemed to have been accepted by the eligible participant to whom the offer is made when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant, together with a non-refundable remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 10 days from, and inclusive of, the date of the offer), or within such time as may be determined by the board of directors of the Company pursuant to the GEM Listing Rules.

42. 以股權結算股份為基礎之交易 (續)

二零二一年購股權計劃 (續)

- (d) 根據二零二一年購股權計劃及任何其他購股權計劃將授予的所有購股權於行使時可能發行之股份最高數目不得超過已發行股份總數的10%，倘要授予超過10%但不超過30%之已發行股份限額之購股權，須由本公司股東於股東週年大會上特別批准。
- (e) 除非本公司股東批准，否則在任何12個月期間，因根據二零二一年購股權計劃或本集團任何其他購股權計劃已授出或將予授出的購股權（包括已行使及尚未行使的購股權）獲行使而已經及將獲發行的股份總數，不得超過已發行股份的1%。
- (f) 向合資格參與者作出之要約須以書面方式作出，且格式由本公司董事不時決定，並須自作出要約之日起計10日之期間內可供有關合資格參與者接納，惟於二零二一年購股權計劃之採納日期滿10週年或獲終止後，有關要約將不再供接納。倘於要約可能指定之時間（不得遲於要約日期（包括該日）起計10日）內，或於本公司董事會根據GEM上市規則可能釐定之時間內，本公司已接獲經向其作出要約之合資格參與者正式簽署之接納要約之函件的副本，同時收到以本公司為收款人之不予退還的匯款1.00港元以作為授出購股權之代價，則有關要約應視為已獲有關合資格參與者接納。

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42. EQUITY-SETTLED SHARE-BASED TRANSACTIONS (Continued)

42. 以股權結算股份為基礎之交易 (續)

2021 Share Option Scheme (Continued)

- (g) An option may be exercised at any time during the period to be determined and identified by the board of directors of the Company to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of offer.
- (h) An option shall be exercisable in whole or in part in the circumstances by giving notice in writing to the Company stating that the option is thereby exercised and the number of shares in respect of which it is so exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for shares in respect of which the notice is given.

No share options were granted during the year ended 31 December 2021 under the 2021 Share Option Scheme.

二零二一年購股權計劃 (續)

- (g) 購股權可於本公司董事會在提出授出購股權要約當時決定及向各承授人指定的期間內隨時行使，惟一切情況下不得遲於要約日期起計10年。
- (h) 承授人須於向本公司發出書面通知的情況下全部或部分行使購股權，該通知須註明購股權據此獲行使及行使購股權所涉及的股份數目。各有關通知須夾附匯款，金額為發出的通知中所涉及的整筆股份認購價。

截至二零二一年十二月三十一日止年度，概無根據二零二一年購股權計劃授出購股權。

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

43. 本公司財務狀況表

			2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	於附屬公司的投資	39	13,966	14,805
Intangible assets	無形資產		2	2
			13,968	14,807
CURRENT ASSETS	流動資產			
Other receivables	其他應收款項		118,530	102,425
Cash and cash equivalents	現金及現金等價物		9,006	13,545
			127,536	115,970
CURRENT LIABILITIES	流動負債			
Other payables	其他應付款項		43,496	43,731
			43,496	43,731
NET CURRENT ASSETS	淨流動資產		84,040	72,239
NET ASSETS	淨資產		98,008	87,046
EQUITY	權益			
Share capital	股本	31	69,218	69,218
Reserves	儲備	32(a)	28,790	17,828
TOTAL EQUITY	權益總額		98,008	87,046

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES 44. 會計判斷及估計

(a) Critical accounting judgements in applying the Group's accounting policies

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

(i) Consolidation of an entity in which the Group does not hold any equity interests

The Group conducts a portion of the business through HLV Duc Hoa in Vietnam due to regulatory restrictions on the foreign ownership. The Group does not have any equity interest in HLV Duc Hoa. The directors of the Company assessed whether or not the Group has control over HLV Duc Hoa by assessing whether it has power over HLV Duc Hoa, has the rights to variable returns from its involvement with HLV Duc Hoa and has the ability to affect those returns through its power over HLV Duc Hoa. After assessment, the directors of the Company concluded that the Group has control over HLV Duc Hoa as a result of the contractual arrangements and accordingly the financial position and the operating results of HLV Duc Hoa are included in the Group's consolidated financial statements throughout the years presented. Nevertheless, the contractual arrangements may not be as effective as direct legal ownership in providing the Group with direct control over HLV Duc Hoa and uncertainties presented by the Vietnam legal system could impede the Group's beneficiary rights of the results, assets and liabilities of HLV Duc Hoa. The directors of the Company, based on the advice of its legal counsel, consider that the contractual arrangements with HLV Duc Hoa and their equity shareholders are in compliance with the relevant laws and regulations in Vietnam and are legally enforceable.

(b) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) 應用本集團會計政策之重大會計判斷

於應用本集團會計政策之過程中，管理層已作出以下判斷：

(i) 合併本集團並無持有任何股權的實體

由於受到外商所有權監管限制，本集團透過在越南的HLV Duc Hoa開展部分業務。本集團並無於HLV Duc Hoa擁有任何股權。本公司董事通過評估本集團是否對HLV Duc Hoa有權力、有權自參與HLV Duc Hoa獲得可變回報及能否通過對HLV Duc Hoa的權力影響該等回報而評估本集團是否對HLV Duc Hoa有控制權。評估後，本公司董事認為本集團因合約安排而對HLV Duc Hoa有控制權，因此，於整個呈列年度，HLV Duc Hoa的財務狀況及經營業績計入本集團合併財務報表。然而，合約安排在給予本集團對HLV Duc Hoa的直接控制權方面未必如直接合法所有權有效，且越南法律制度的不確定因素可能妨礙本集團於HLV Duc Hoa的業績、資產及負債的實益權利。本公司董事根據其法律顧問的意見認為與HLV Duc Hoa及彼等權益股東之間的合約安排符合有關越南法律法規，屬合法有效。

(b) 估計不明朗因素之主要來源

以下為涉及未來之主要假設以及於報告期末涉及重大風險可能導致下個財政年度之資產與負債之賬面值須作大幅調整之估計不明朗因素之其他主要來源。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) 44. 會計判斷及估計 (續)

(b) Key sources of estimation uncertainty (Continued)

(i) *Impairment of non-financial assets (including property, plant and equipment, right-of-use assets, intangible assets, interest in associates, goodwill and deposits)*

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

(ii) *Provision of ECLs for trade receivables*

The Group uses provision matrix to calculate ECLs for the trade receivables. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with credit-impaired are assessed for ECLs individually.

(b) 估計不明朗因素之主要來源 (續)

(i) *非財務資產的減值 (包括物業、廠房及設備、使用權資產、無形資產、於聯營公司之權益、商譽及按金)*

本集團於各報告期末評估所有非財務資產是否存在任何減值跡象。倘非財務資產賬面值有不可收回跡象，則對有關資產進行減值測試。資產或現金產生單位之賬面值超過其可收回金額（即其公平值減出售成本與其使用價值中之較高者）時，即出現減值。公平值減出售成本乃按類似資產以公平交易方式從具法律約束力之銷售交易中可獲得數據、或可觀察市價減出售資產之增量成本計算。計算使用價值時，管理層必須估計資產或現金產生單位之預期未來現金流，並選擇合適的貼現率以計算該等現金流之現值。

(ii) *貿易應收款項之預期信貸虧損撥備*

本集團使用撥備矩陣計算貿易應收款項之預期信貸虧損。撥備率乃根據對具有類似虧損模式的不同債務人之分組的內部信貸評級計算。撥備矩陣乃根據本集團的過往違約率，並會考慮合理及有依據且無須耗費不必要的成本或精力而取得的前瞻性資料。於每個報告日期，過往所觀察違約率經重新評估，並會考慮前瞻性資料之變動。此外，信貸減值之貿易應收款項會逐項評估預期信貸虧損。

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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) 44. 會計判斷及估計 (續)

(b) Key sources of estimation uncertainty (Continued)

(iii) *Net realisable value of inventories and development and formation costs of burial plots*

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost to make the sale. These estimates are based on the current market conditions and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer preferences and competitor actions in response to severe industry cycles. Management reassesses these estimates at the end of each reporting period.

The Group writes down development and formation costs of graves to net realisable value based on assessment of the realisability of the development and formation costs of burial plots which takes into account costs to completion based on management's experience and net sales value based on prevailing market conditions. If there is an increase in cost to completion or a decrease in net sales value, the net realisable value will decrease which may result in writing down development and formation costs of burial plots to net realisable value. Write-downs are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value of development and formation costs of burial plots is adjusted in the period in which such estimate is changed.

(b) 估計不明朗因素之主要來源 (續)

(iii) *存貨及墓地開發及成立成本的可變現淨值*

存貨的可變現淨值為於日常業務過程中的估計售價扣除完成之估計成本及作出銷售估計成本。該等估計乃基於當時市況及銷售同類性質產品的過往經驗，其可能因客戶喜好改變及競爭對手因應嚴峻的行業週期而作出的行動而出現重大轉變。管理層於各報告期末重新評估該等估計。

本集團評估墓地開發及成立成本是否可能變現（當中根據管理層經驗計及完成成本及根據現行市況之銷售淨值），據此撇減墓園開發及成立成本至其可變現淨值。倘完成成本增加，或銷售淨值減少，可變現淨值將下跌，或會導致墓地開發及成立成本撇減至其可變現淨值。於事態中有事項或變動顯示結餘可能無法變現時，撇減將予記錄。釐定撇減須作出判斷及估計。倘預期與原定估計有異，則墓地開發及成立成本之賬面值會於有關估計變動之期間調整。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) 44. 會計判斷及估計 (續)

(b) Key sources of estimation uncertainty (Continued)

(iv) Depreciation and amortisation

The management reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amortisation charge for the year.

This estimate is based on the historical experience of the actual useful lives of assets of similar nature and functions and taking into account anticipated technological changes. The depreciation and amortisation expenses for future periods are adjusted if there are significant changes from previous estimates.

(v) Income tax

The subsidiaries of the Company are subject to income taxes in Hong Kong, the PRC, Vietnam and Taiwan. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

(vi) Provision on funeral services deeds

The Group determines the pricing of the funeral services deeds by adding a margin to the estimated cost of delivering funeral services in future, after taking into account of major factors including the timing of the instruction of the Deed Holders.

(b) 估計不明朗因素之主要來源 (續)

(iv) 折舊及攤銷

管理層定期審閱資產的估計可使用年期以決定年度折舊金額及攤銷開支。

該估計乃基於性質及功能相近的資產的實際可使用年期的過往經驗，並經考慮預計的技術轉變。倘過往的估計出現重大改變，則未來期間的折舊及攤銷開支會作調整。

(v) 所得稅

本公司的附屬公司須繳納香港、中國、越南及台灣所得稅。於決定所得稅撥備時須作出重大判斷。於日常業務過程中，存在最終稅務決定存在不確定因素的交易及計算。倘該等事宜的最終稅務結果與最初入賬的金額不同，則該差異將影響作出該決定的期間的即期稅項及遞延稅項撥備。

(vi) 殯儀服務契約之條款

本集團經參考包括契約持有人作出指示之時機等主要因素後，透過在日後交付殯儀服務之估計成本另加利潤之方式，釐定殯儀服務之價格。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) 44. 會計判斷及估計 (續)

(b) Key sources of estimation uncertainty (Continued)

(vi) *Provision on funeral services deeds (Continued)*

This estimate is based on the sub-contracting fee payable to the sub-contractor for each funeral service deed performed, the current market conditions and the price of deeds from sub-contractors. Management reassesses these estimates at the end of each reporting period to estimate if the receipts in advance for funeral service deeds can cover the estimated future costs of delivering funeral services and determine the need of making a provision in the consolidated financial statements.

(vii) *Fair values of freehold land and buildings held for own use and investment properties*

The freehold land and buildings held for own use and investment properties of the Group were revalued at each reporting date during the year based on the appraised market value provided by independent qualified professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at each reporting date.

(b) 估計不明朗因素之主要來源 (續)

(vi) *殯儀服務契約之條款 (續)*

該等估計乃基於應付各項已履行殯儀服務契約分包商之分包款項、現時市場狀況及分包商之契約價格進行。管理層於各報告期末重新評估該等估計，以評估該等殯儀服務契約預收款項是否足以支付殯儀服務之未來估計成本，並釐定是否須於綜合財務報表中作出撥備。

(vii) *持有作自用之永久業權土地及樓宇以及投資物業之公平值*

本集團持有作自用之永久業權土地及樓宇以及投資物業按獨立合資格專業估值師對其於年內各報告日的評估市值重估。該等估值乃基於若干假設，而該等假設受不明朗因素影響，並可能與實際結果有大幅偏差。在作出判斷時，本集團考慮活躍市場類似物業的現價，並採用主要依據各報告日現行市況而作出的假設。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued) 44. 會計判斷及估計 (續)

(b) Key sources of estimation uncertainty (Continued)

(viii) Estimation of incremental borrowing rate ("IBR")

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(b) 估計不明朗因素之主要來源 (續)

(viii) 估算增量借貸利率 (「增量借貸利率」)

本集團未能輕易確定租賃內含之利率，因此，本集團使用增量借貸利率來計量租賃負債。增量借貸利率是指在類似之經濟環境下，本集團為獲取與使用權資產具有相近價值之資產，並於相似借款期限及具有相似擔保之條件下而借入所需資金之利率。因此，增量借貸利率反映了本集團「將或需要支付」之款項，且在沒有可用之可觀察利率（例如，附屬公司未有進行融資交易）或需要進行調整以反映租賃條款及條件時（例如，當租賃並非以附屬公司之功能貨幣安排），有關利率需進行估算。本集團使用可用之可觀察輸入值（例如市場利率）估算增量借貸利率，並需就個別實體進行若干特定估算（例如附屬公司之獨立信用評級）。

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. POSSIBLE IMPACT OF AMENDMENTS AND NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2021

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

45. 於截至二零二一年十二月三十一日止年度已頒佈但尚未生效之修訂及新準則之可能影響

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及其修訂：

	Effective for accounting periods beginning on or after		於以下日期或之後開始的會計期間生效
HKFRS 17, <i>Insurance Contracts and the related Amendments</i>	1 January 2023	香港財務報告準則第17號保險合約及相關修訂本	二零二三年一月一日
Amendments to HKFRS 3, <i>Reference to the Conceptual Framework</i>	1 January 2022	香港財務報告準則第3號(修訂本)提述概念框架	二零二二年一月一日
Amendments to HKFRS 10 and HKAS 28, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined	香港財務報告準則第10號及香港會計準則第28號(修訂本)投資者與其聯營公司或合資企業之間的資產出售或注資	待釐定
Amendments to HKFRS 16, <i>COVID-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021	香港財務報告準則第16號(修訂本)二零二一年六月三十日後與COVID-19有關的租金優惠	二零二一年四月一日
Amendments to HKAS 1, <i>Classification of Liabilities as Current or Non-Current and related amendments to Hong Kong Interpretation 5 (2020)</i>	1 January 2023	香港會計準則第1號(修訂本)將負債分類為流動或非流動及香港詮釋第5號(二零二零年)之相關修訂	二零二三年一月一日
Amendments to HKAS 1 and HKFRS Practice Statement 2, <i>Disclosure of Accounting Policies</i>	1 January 2023	香港會計準則第1號及香港財務報告準則實務報告第2號(修訂本)會計政策披露	二零二三年一月一日
Amendments to HKAS 8, <i>Definition of Accounting Estimates</i>	1 January 2023	香港會計準則第8號(修訂本)會計估計的定義	二零二三年一月一日
Amendments to HKAS 12, <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023	香港會計準則第12號(修訂本)與單一交易產生的資產及負債相關的遞延稅項	二零二三年一月一日
Amendments to HKFRS 16, <i>Property, Plant and Equipment — Proceeds before Intended Use</i>	1 January 2022	香港財務報告準則第16號(修訂本)物業、廠房及設備—擬定用途前之所得款項	二零二二年一月一日
Amendments to HKAS 37, <i>Onerous Contracts — Cost of Fulfilling a Contract</i>	1 January 2022	香港會計準則第37號(修訂本)虧損性合約—履行合約成本	二零二二年一月一日
Amendments to HKFRSs, <i>Annual Improvements to HKFRSs 2018–2020</i>	1 January 2022	香港財務報告準則(修訂本)香港財務報告準則二零一八年至二零二零年週期之年度改進	二零二二年一月一日

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綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2021 (Continued)

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

46. EVENT AFTER REPORTING PERIOD

After the outbreak of the Omicron variant of COVID-19 in early 2022, a series of precautionary and control measures have been and continued to be implemented. The Group has paid close attention to the development of the COVID-19 outbreak and kept evaluating its impact on the financial position, cash flows and operating results of the Group. The outbreak is a non-adjusting event after the reporting period. It is considered that this does not have any material impacts on the carrying value of assets or liabilities at 31 December 2021.

45. 於截至二零二一年十二月三十一日止年度已頒佈但尚未生效之修訂及新準則之可能影響 (續)

本集團正在評估於初始應用期間該等發展的預期影響。現時結論為，本集團採納後，對綜合財務報表並無重大影響。

46. 報告期後事項

於二零二二年初COVID-19的奧密克戎變種爆發後，一系列預防及控制措施已經並繼續實施。本集團密切關注COVID-19爆發的發展，並持續評估其對本集團財務狀況、現金流量及經營業績的影響。該爆發為非調整報告期後事項。於二零二一年十二月三十一日，此舉對資產或負債的賬面值並無任何重大影響。

Five Years Financial Summary

五年財務資料概要

A summary of results and of the assets and liabilities of the Group for the last five financial years is set out as follows:

本集團於過往五個財政年度之業績、資產及負債的摘要載列如下：

Results

業績

For the year ended 31 December 截至十二月三十一日止年度

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
						(Restated) (重列)
Revenue	收益	72,864	68,340	66,610	62,667	60,709
Gross profit	毛利	37,977	29,167	32,042	27,889	30,598
Loss for the year	年度虧損	(17,675)	(1,942)	(4,164)	(8,523)	(20,794)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(9,872)	(2,974)	(3,804)	(8,352)	(19,334)
Basic loss per share (RMB cents)	每股基本虧損 (人民幣分)	(1.33)	(0.40)	(0.51)	(1.12)	(2.60)

Assets and liabilities

資產及負債

As at 31 December 於十二月三十一日

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產	70,880	70,393	76,569	43,072	48,004
Current assets	流動資產	192,974	207,221	216,588	193,481	184,327
Current liabilities	流動負債	130,177	130,732	137,010	125,510	111,022
Non-current liabilities	非流動負債	28,089	35,156	38,498	8,234	9,220
Net assets	資產淨值	105,588	111,726	117,649	102,809	112,089



SINO-LIFE GROUP LIMITED
中國生命集團有限公司