



同方康泰產業集團有限公司 Tongfang Kontafarma Holdings Limited

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)
(股份代號 Stock Code: 1312)



Annual Report **2018** 年報

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公司資料 Corporate Information

董事會

執行董事

黃俞，主席
蔣朝文，首席執行官

獨立非執行董事

陳思聰
張瑞彬
張俊喜

執行委員會

黃俞，主席
蔣朝文

審核委員會

陳思聰，主席
張瑞彬
張俊喜

薪酬委員會

張瑞彬，主席
陳思聰
張俊喜

提名委員會

黃俞，主席
陳思聰
張瑞彬
張俊喜

風險管理委員會

張俊喜，主席
黃俞
陳思聰
張瑞彬

BOARD OF DIRECTORS

Executive Directors

Huang Yu, *Chairman*
Jiang Chaowen, *Chief Executive Officer*

Independent Non-Executive Directors

Chan Sze Chung
Zhang Ruibin
Zhang Junxi Jack

EXECUTIVE COMMITTEE

Huang Yu, *Chairman*
Jiang Chaowen

AUDIT COMMITTEE

Chan Sze Chung, *Chairman*
Zhang Ruibin
Zhang Junxi Jack

REMUNERATION COMMITTEE

Zhang Ruibin, *Chairman*
Chan Sze Chung
Zhang Junxi Jack

NOMINATION COMMITTEE

Huang Yu, *Chairman*
Chan Sze Chung
Zhang Ruibin
Zhang Junxi Jack

RISKS MANAGEMENT COMMITTEE

Zhang Junxi Jack, *Chairman*
Huang Yu
Chan Sze Chung
Zhang Ruibin

公司資料 Corporate Information

股份交易委員會

黃俞，主席
蔣朝文

投資委員會

黃俞，主席
陳思聰
張瑞彬

主要往來銀行

香港

中信銀行(國際)有限公司
富邦銀行(香港)有限公司
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司
瑞士銀行

中國內地

東亞銀行(中國)有限公司
中國建設銀行股份有限公司
富邦華一銀行有限公司
中國工商銀行股份有限公司
平安銀行股份有限公司

註冊辦事處

P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

總辦事處及主要營業地點

香港灣仔告士打道138號
聯合鹿島大廈15樓
電話：2111 9686
傳真：2111 1276
電郵：info@tfkf.com.hk

SHARE DEALING COMMITTEE

Huang Yu, *Chairman*
Jiang Chaowen

INVESTMENT COMMITTEE

Huang Yu, *Chairman*
Chan Sze Chung
Zhang Ruibin

PRINCIPAL BANKERS

Hong Kong

China CITIC Bank International Limited
Fubon Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
UBS AG

Mainland China

The Bank of East Asia (China) Limited
China Construction Bank Corporation
Fubon Bank (China) Co., Ltd.
Industrial and Commercial Bank of China Limited
Ping An Bank Co., Ltd.

REGISTERED OFFICE

P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

15th Floor, Allied Kajima Building
138 Gloucester Road, Wanchai, Hong Kong
Tel. : 2111 9686
Fax : 2111 1276
E-mail : info@tfkf.com.hk

公司資料 Corporate Information

股份過戶登記總處

Estera Trust (Cayman) Limited
P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

首席財務長及公司秘書

司徒敏慧

獨立核數師

德勤•關黃陳方會計師行

律師

陳馮吳律師事務所與世澤律師事務所聯營
普衡律師事務所
胡百全律師事務所
毅柏律師事務所

股份代號

1312

網站

<http://www.tfkf.com.hk>
<http://www.irasia.com/listco/hk/tfkf/index.htm>

PRINCIPAL SHARE REGISTRAR

Estera Trust (Cayman) Limited
P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR

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

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

Si Tou Man Wai

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu

SOLICITORS

CFN Lawyers in association with Broad & Bright
Paul Hastings
P. C. Woo & Co.
Appleby

STOCK CODE

1312

WEBSITES

<http://www.tfkf.com.hk>
<http://www.irasia.com/listco/hk/tfkf/index.htm>

主席報告

Chairman's Statement

本人謹代表同方康泰產業集團有限公司(「本公司」)董事會(「董事會」)欣然向閣下呈報本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度的經審核年度業績。

業績

本集團截至二零一八年十二月三十一日止年度之收入約為2,093.7百萬港元(二零一七年：1,344.3百萬港元)，較去年增長55.8%。本集團之本年度溢利為71.5百萬港元(二零一七年：35.9百萬港元)。每股基本盈利為0.60港仙(二零一七年：每股基本虧損0.04港仙)。

本集團截至二零一八年十二月三十一日止年度錄得純利之主要原因是(i)本集團自從二零一八年上半年持續擴充醫療、醫藥及健康業務；(ii)自本集團於二零一七年五月收購 TFKT True Holdings 51%已發行股本以來，本集團之健身業務產生之收入及其他收益；及(iii)本集團水泥業務產生之收入增加。

股息

董事會議決不建議派付截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

派息政策

本公司於二零一八年十二月採納了派息政策。本公司認為公司給予股東穩定和可持續的回報為其目標，並致力維持股息政策以實現該目標。

於決定是否提議股息及釐定股息金額的時候，董事會會考慮本集團的經營業績、盈利表現、現金流量、財務狀況、未來前景以及對股息支付的法例及監管限制，以及其他董事會認為相關的因素。

On behalf of the board of directors (the "Board") of Tongfang Kontafarma Holdings Limited (the "Company"), I am pleased to present to you the audited annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018.

RESULTS

The revenue of the Group for the year ended 31 December 2018 was approximately HK\$2,093.7 million (2017: HK\$1,344.3 million), representing an increase of 55.8% as compared to the previous year. The profit for the year of the Group was HK\$71.5 million (2017: HK\$35.9 million). The basic earnings per share amounted to HK0.60 cents (2017: basic loss per share HK0.04 cents).

The Group recorded a net profit for the year ended 31 December 2018 was primarily attributable to (i) the medical, pharmaceutical and health business of the Group has been expanding since the first half of 2018; (ii) the revenue and other gain generated from the fitness business of the Group following the Group's acquisition of 51% of the issued share capital in TFKT True Holdings in May 2017; and (iii) the increase in revenue generated by the cement business of the Group.

DIVIDEND

The Board has resolved not to recommend any final dividend for the year ended 31 December 2018 (2017: Nil).

Dividend Policy

The Company has adopted a dividend policy in December 2018. The Company considers stable and sustainable returns to our shareholders to be its goal and endeavours to maintain the dividend policy to achieve such goal.

In deciding whether to propose a dividend and in determining the dividend amount, the Board would take into account the Group's results of operations, earnings performance, cashflows, financial condition, future prospects, as well as statutory and regulatory restrictions on the payment of dividends, and other factors that the Board may consider relevant.

主席報告

Chairman's Statement

雖然董事會將不時檢討上述因素以釐定建議股息，惟無法保證在任何特定期間內將以任何特定金額宣派或支付股息。

展望

醫療、醫藥及健康業務

伴隨著中華人民共和國（「中國」）宏觀經濟發展的持續調整，以及中國醫療體制改革的不斷深入，二零一九年將是本集團醫療、醫藥及健康業務發展的關鍵之年，集團面臨著壓力和挑戰，核心策略是穩中求進。二零一九年本集團工作重點是加強風險控制，提高運營品質，把握市場機遇，穩步推動重點項目發展，提高企業創新研發能力，努力實現二零一九年既定目標，為本集團未來可持續發展打下堅實的基礎。

健身業務

隨著心血管疾病及肥胖問題不斷惡化，健身行業對全球人口健康的作用將日益重要。能夠應對該挑戰的健身業務，將得以長期穩定發展。由於千禧世代所帶動的消費與日俱增，因應他們的價值觀提供服務至關重要。然而，這並不意味須因而忽略其他世代。老年人是另一增長區域，常規健身活動對其健康有龐大裨益，因此該範疇同樣存在龐大商機。

水泥業務

二零一八年中國全國累計水泥產量2,177百萬噸，同比增長3%。全國累計熟料產量1,422百萬噸，同比增長3.56%，維持低速增長。

Whilst the Board will review from time to time for determination on proposed dividend with the above factors taken into account, there can be no assurance that dividends will be declared or paid in any particular amount for any given period.

OUTLOOK

Medical, Pharmaceutical and Health Business

With the continuous adjustment of the macroeconomic development and the deepening reform of the medical system in the People's Republic of China (the "PRC"), 2019 will be a critical year for the development of the Group's medical, pharmaceutical and health business. Facing pressures and challenges, the core strategy of the Group is "seeking progress while maintaining stability". In 2019, the focus of the Group will be strengthening risk controls, enhancing operational quality, seizing market opportunities, steadily propelling the development of key projects, enhancing its innovative research and development capabilities and striving for accomplishing the targets set for 2019, so as to lay a strong foundation for the Group's sustainable development in the future.

Fitness Business

As cardiovascular disease and the obesity epidemic continue to rise, the fitness industry will play an increasingly important role in the health of global populations. Fitness businesses that adapt to meet this challenge should find security over the long-term. As Millennials increasingly drive consumer spending, providing services that appeal to their values will be crucial. However, that doesn't mean that other generations should be neglected at their expense. The active-ageing segment is another growth area, which gains immense health benefits from regular fitness activity, so there are huge opportunities in this area too.

Cement Business

In 2018, the cumulative cement production volume in the PRC was 2,177 million tonnes, representing a year-on-year increase of 3%. The cumulative clinker production volume in the PRC was 1,422 million tonnes, representing a year-on-year increase of 3.56%, maintaining low-speed growth.

主席報告 Chairman's Statement

預期二零一九年中國樓市調控持續收緊，房地產投資增速將面臨下行壓力。鑒於房地產投資增速將面臨下行，新投資基建項目需求有延後因素，我們預計二零一九年全國水泥產量將輕度下滑。

二零一九年依舊是中國環保治理的重要年份，因而預計力度不會明顯減弱，尤其是南部市場，對供給收縮的影響將持續。因此水泥行業將繼續執行供給側結構改革，同時提高綠色生產水平，企業將加大環保投入，面臨一定壓力。

致謝

本人藉此機會感謝各股東、客戶及供應商一直支持本集團，亦謹此代表本集團對董事會各成員及全體員工作出貢獻致以衷心謝意。

主席
黃俞

二零一九年三月二十九日

It is expected that the growth rate of real estate investment will face downward pressure under continued tightening of regulatory control of the property market of the PRC in 2019. In the light of an expected downward trend of the growth rate of real estate investment and a lag effect in demand for newly invested infrastructure projects, the national cement production volume in 2019 is expected to decline slightly.

The year 2019 is yet another important year for the PRC's environmental governance. As such, it is expected that there will not be a significant reduction in the government's efforts in policy implementation, especially for markets in southern regions, which will continue to contribute to supply reduction. Therefore, the cement industry will continue the implementation of supply-side structural reform, while enhance the green production level. The enterprises will increase their investment in environmental protection, which will expose them to certain pressure.

APPRECIATION

I would like to take this opportunity to thank our shareholders, customers and suppliers for their continuous support to the Group. I would also like to express the Group's appreciation for the contributions of the members of the Board and all staff.

Huang Yu
Chairman

29 March 2019

管理層討論及分析

Management Discussion and Analysis

財務業績

同方康泰產業集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度之收入約為2,093.7百萬港元（二零一七年：1,344.3百萬港元），較去年增長55.8%。本集團之本年度溢利為71.5百萬港元（二零一七年：35.9百萬港元）。每股基本盈利為0.60港仙（二零一七年：每股基本虧損0.04港仙）。

本集團截至二零一八年十二月三十一日止年度錄得純利之主要原因是(i)本集團自從二零一八年上半年持續擴充醫療、醫藥及健康業務；(ii)自本集團於二零一七年五月收購 TFKT True Holdings 51%已發行股本以來，本集團之健身業務產生之收入及其他收益；及(iii)本集團水泥業務產生之收入增加。

業務回顧

醫療、醫藥及健康業務

二零一八年中國醫療體制改革已逐步進入重要階段，國家宏觀層面相繼對中國醫療衛生領域的管理架構進行了調整，組成了國家衛生健康委員會、國家藥品監督管理局和國家醫療保障局三位一體的監督管理體系，並對《國家基本藥物目錄》進行了重新調整，對醫院的醫保支付環節進行了

FINANCIAL RESULTS

The revenue of Tongfang Kontafarma Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018 was approximately HK\$2,093.7 million (2017: HK\$1,344.3 million), representing an increase of 55.8% as compared to the previous year. The profit for the year of the Group was HK\$71.5 million (2017: HK\$35.9 million). The basic earnings per share amounted to HK0.60 cents (2017: basic loss per share HK0.04 cents).

The Group recorded a net profit for the year ended 31 December 2018 was primarily attributable to (i) the medical, pharmaceutical and health business of the Group has been expanding since the first half of 2018; (ii) the revenue and other gain generated from the fitness business of the Group following the Group's acquisition of 51% of the issued share capital in TFKT True Holdings in May 2017; and (iii) the increase in revenue generated by the cement business of the Group.

BUSINESS REVIEW

Medical, Pharmaceutical and Health Business

In 2018, the PRC's healthcare reforms has gradually moved towards the critical stage. At macro level, the PRC government successively adjusted the management structure of the national healthcare sector, establishing the trinity supervision and management system composed of the National Health Commission of the PRC, the National Medical Products Administration and the National Healthcare



二零一八年股東週年大會
Annual General Meeting in 2018

管理層討論及分析

Management Discussion and Analysis

持續的改革，對市場中佔最大份額的化學仿製藥，尤其是中高端仿製藥提出了很多改革的要求和具體措施，其中不少舉措可以堪稱是重量級的（例如4+7帶量採購等）。再加上近年來持續的環保督察，金稅三期不斷延伸所帶來的稅務督察等等，都對整個行業形成深遠影響。

Security Administration. It also amended the National Essential Drug List* (《國家基本藥物目錄》) and implemented continuous reforms in the medical insurance payment of hospitals. The government also put forward numerous reform requirements and specific measures against chemical generic medicine which accounts for the largest share in the market, particularly mid- to high-end generic medicine, and many of which are significant measures such as 4+7 procurement with target quantity. Besides, the whole industry has been deeply influenced by policies in recent years such as constant environmental supervision and the taxation supervision resulted from the extension of the Third Phase of the Golden Tax Project.

1. 同方藥業集團有限公司（「同方藥業」）

同方藥業主要從事化學仿製藥的生產及銷售，在北京市延慶區擁有約30,000平方米的製劑車間，主打產品均為處方用藥，治療領域主要包括局部麻醉用藥和婦科用藥。截至二零一八年十二月三十一日止年度，營業收入為人民幣237.7百萬元，同比二零一七年人民幣163.6百萬元增長45.3%；截至二零一八年十二月三十一日止年度，毛利額為人民幣212.7百萬元，同比二零一七年人民幣143.3百萬元增長48.4%。

1. Tongfang Pharmaceutical Group Co., Ltd* (同方藥業集團有限公司) (“Tongfang Pharmaceutical”)

Tongfang Pharmaceutical is principally engaged in the production and sales of chemical generic medicine with over approximately 30,000 square meters of drug production workshops in Yanqing District, Beijing. Its key products are prescription drugs and its therapeutic areas mainly include drugs for local anesthesia and gynecological purposes. For the year ended 31 December 2018, the operating revenue amounted to RMB237.7 million, representing a growth of 45.3% as compared to RMB163.6 million for 2017. Gross profit for the year ended 31 December 2018 amounted to RMB212.7 million, representing a growth of 48.4% as compared to RMB143.3 million for 2017.



同方藥業取得「食品生產許可證」
“Food Production Licenses” awarded
to Tongfang Pharmaceutical



同方藥業獲頒發「安全生產標準化證書」
“Safety Production Standardization Certificate*”
awarded to Tongfang Pharmaceutical

管理層討論及分析

Management Discussion and Analysis

二零一八年同方藥業面對複雜的外部環境，遇著巨大的壓力和挑戰，從完善制度、強化管理、控制風險、推進責任落實等方面入手，採取了一系列有力措施應對各類風險。同方藥業梳理各項制度共八十一項，建立並實施監督機制；同方藥業還成立戰略規劃委員會，並要求各附屬公司制定三至五年戰略發展規劃；梳理各項品質法規及政策文件，加強各附屬公司供銷、生產、品質、技術管理，嚴控品質風險；加強安全生產教育活動，定期開展安全演練，落實安全生產責任制。年初以來，在同方藥業及其附屬公司（「同方藥業集團」）全體員工的共同努力下，各附屬公司無品質、環保、安全事故發生；在嚴峻的環保政策下，環評工作取得重大進展；各附屬公司各項「飛行檢查」均通過；團隊及企業文化建設取得顯著成效，團隊配置更加合理、完善；研發投資力度加大，產品結構不斷完善，最終實現了較好的增長。

In 2018, Tongfang Pharmaceutical confronted a complex external environment and faced significant pressures and challenges. It implemented a series of effective measures to cope with various risks such as optimizing system, strengthening management, controlling risks and facilitating accountability mechanism. Tongfang Pharmaceutical streamlined 81 schemes in total, and established and carried out a supervision mechanism. Tongfang Pharmaceutical also formed a strategic planning committee and required the subsidiaries to formulate a 3-5 year strategic development plan; streamlined various quality regulations and policy documents to strengthen the supply and sales, production, quality and technical management of the subsidiaries and strictly control the quality risks. It also required the subsidiaries to strengthen safety production education, carry out regular safety drills and implement safety production responsibility system. Since the beginning of the year, with the efforts made by all staff of Tongfang Pharmaceutical and its subsidiaries (the "Tongfang Pharmaceutical Group"), the subsidiaries did not have any quality, environmental or safety incidents. Under stringent environmental protection policies, the environmental impact assessments achieved significant progress. All subsidiaries passed various "unannounced inspections". The team building and corporate culture construction had made remarkable results, resulting in a more reasonable and optimized team deployment. Tongfang Pharmaceutical increased its investment in research and development and constantly improved its product structure, eventually achieving a higher growth.



同方藥業－生產區設備
Tongfang Pharmaceutical – Production facilities

管理層討論及分析

Management Discussion and Analysis

2. 陝西紫光辰濟藥業有限公司 (「陝西辰濟」)

陝西辰濟主要從事中藥相關領域之業務，包括中藥種植、製造及分銷以及營運位於陝西省寶雞市之生產設施。截至二零一八年十二月三十一日止年度，營業收入為人民幣73.6百萬元，同比二零一七年人民幣64.3百萬元增長14.5%；截至二零一八年十二月三十一日止年度，毛利額為人民幣37.0百萬元，同比二零一七年人民幣24.3百萬元增長52.3%。

陝西辰濟在同方藥業集團的正確領導下，在管理層和全體員工的共同努力下，繼續以「調整、變革、創新、提升」八字方針為經營原則，堅持以「目標清晰、方法正確、溝通順暢、考核有效、激勵到位」為工作準則，以完成董事會下達的經營指標為奮鬥目標，積極開展銷售模式創新，強化內部管理，強化品質管控。在二零一七年較為不利的影響下，陝西辰濟當年穩定了企業發展的基本局面，並實現了一定程度上的增長，二零一九年力爭恢復到陝西辰濟歷史的最好水準。

3. 重慶康樂製藥有限公司 (「重慶康樂」)

重慶康樂主要從事原料藥 (「原料藥」) 及醫藥中間體之研發、生產及銷售業務，營運位於重慶市長壽工業園區之生產設施。截至二零一八年十二月三十一日止年度，營業收入為人民幣64.9百萬元，同比二零一七年人民幣45.1百萬元增長43.9%；截至二零一八年十二月三十一日止年度，毛利額為人民幣13.1百萬元，同比二零一七年人民幣7.1百萬元增長84.5%。

2. Shaanxi Unisplendour Life Care Pharmaceutical Co., Ltd.* (陝西紫光辰濟藥業有限公司) (“Shaanxi Life Care”)

Shaanxi Life Care is principally engaged in business in the Chinese medicine-related fields, including the planting, manufacturing and distribution of Chinese medicines and operating a production facility in Baoji, Shaanxi. For the year ended 31 December 2018, an operating revenue amounted to RMB73.6 million, representing a growth of 14.5% as compared to RMB64.3 million for 2017. Gross profit for the year ended 31 December 2018 amounted to RMB37.0 million, representing a growth of 52.3% as compared to RMB24.3 million for 2017.

With the effective leadership of Tongfang Pharmaceutical Group and the efforts made by the management and all staff, Shaanxi Life Care continued to uphold the operating principles of “adjustment, reform, innovation and enhancement”, adhere to the work standard of “clear objectives, right approaches, smooth communication, effective assessment and efficient incentives” and strive for achieving the operating indicators set by the Board by proactively innovating its sales model, strengthening its internal management and enhancing quality management and control. Despite the unfavorable circumstances in 2017, Shaanxi Life Care still stabilized its corporate development and achieved a certain level of growth back then. In 2019, it will strive for restoring the best level in its history.

3. Chongqing Kangle Pharmaceutical Co., Ltd.* (重慶康樂製藥有限公司) (“Chongqing Kangle”)

Chongqing Kangle is principally engaged in the research and development, production and sales of active pharmaceutical ingredients (“API”) and intermediate API in Chongqing Changshou Chemical Industrial Park. For the year ended 31 December 2018, an operating revenue amounted to RMB64.9 million, representing a growth of 43.9% as compared to RMB45.1 million for 2017. Gross profit for the year ended 31 December 2018 amounted to RMB13.1 million, representing a growth of 84.5% as compared to RMB7.1 million for 2017.

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重慶康樂二零一八年新產品投放市場，並形成了一定規模的銷售，但受到環保督察及品質標準調整等因素，國內幾家重要客戶的銷售量均未達到預期，重慶康樂採取了多項措施針對二零一九年及未來發展做出了部署，準備在現有基礎上新增產品線、新增環保設施投入及增強銷售隊伍和管道，努力實現更為快速的增長，達成二零一九年的經營目標。

In 2018, Chongqing Kangle launched new products in the market and reached a certain level of sales scale. However, due to numerous factors such as environmental protection supervision and quality standard adjustment, several significant customers in the PRC failed to meet its sales performance expectations. Therefore, Chongqing Kangle adopted a number of measures for the deployment to the development in 2019 and in the future, including the plans of adding product lines to its existing offerings, adding green facilities and strengthening its sales teams and channels, so as to accomplish more rapid growth and the operating objectives in 2019.

4. 斯貝福(北京)生物技術有限公司(「斯貝福」)

斯貝福主要從事標準化實驗動物供應及動物源性藥原料供應。截至二零一八年十二月三十一日止年度，營業收入為人民幣43.8百萬元，同比二零一七年人民幣34.5百萬元增長27.0%；截至二零一八年十二月三十一日止年度，毛利額為人民幣25.2百萬元，同比二零一七年人民幣14.8百萬元增長70.3%。

4. SPF (Beijing) Biotechnology Co., Ltd.* (斯貝福(北京)生物技術有限公司) (“SPF”)

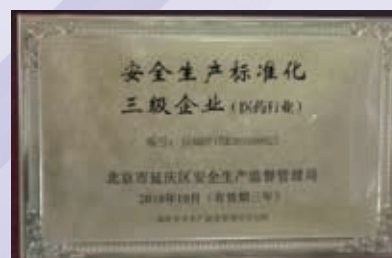
SPF is principally engaged in the supply of standardized laboratory animals and animal indigenous raw materials. For the year ended 31 December 2018, an operating revenue amounted to RMB43.8 million, representing a growth of 27.0% as compared to RMB34.5 million for 2017. Gross profit for the year ended 31 December 2018 amounted to RMB25.2 million, representing a growth of 70.3% as compared to RMB14.8 million for 2017.



重慶康樂獲頒
「高新技術企業」認證
“Certificate of the High and
New Technology Enterprises”
awarded to Chongqing Kangle



重慶康樂獲認定為
「重慶市企業技術中心」
Chongqing Kangle be recognised
as “Chongqing Municipal
Enterprise Technology Center”



斯貝福獲認定為
「安全生產標準化三級企業」
SPF be recognised as “Safety
Production Standardization
Level Three Enterprise*”

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二零一八年斯貝福面臨較為嚴峻的挑戰，作為鼠神經生長因數藥物原料的ICR/KM領下腺供應量全國第一的公司，因下游客戶受到國家限制輔助用藥的政策影響，該類藥物的銷售量急速下滑。在面對這風險下，斯貝福的董事會及管理層從調整戰略方向入手，將主要資源和精力投向實驗動物業務，逐漸壓縮生物藥原料業務，通過一整年的持續調整，最終將不利的影響程度壓縮到了最小，穩定住了斯貝福的經營情況。

In 2018, SPF confronted relatively severe challenges. SPF is the PRC's largest supplier of ICR/KM submandibular gland, a raw material of mouse nerve growth factor drugs. However, the sales volume of such drugs recorded a sharp decline as the downstream customers were affected by the national policies regarding the restrictions on outpatient prescription. In the face of the risks, the board and management of SPF adjusted its strategies by investing key resources and efforts in laboratory animal business and gradually shrinking the biopharmaceutical raw material business. With constant adjustment throughout the year, SPF eventually minimized the negative impacts caused by the risks and stabilized its operating situation.

二零一八年對於同方藥業集團乃至整個中國醫藥行業來說，都是充滿挑戰的一年，同方藥業集團在面臨各種壓力的情況下，積極尋找解決問題的方法，從戰略方向的調整到具體運營環節中細節的改變，都體現著每一位員工的智慧和辛勤努力，同方藥業集團策略的核心就是穩定之後謀發展，首先要保持住近兩年取得的經營成果，不出現系統性風險，穩定運行的同時，抓住時代賦予的機會，謀求更為廣闊的發展。

2018 was a challenging year for the Tongfang Pharmaceutical Group as well as the entire pharmaceutical industry in the PRC. The Tongfang Pharmaceutical Group proactively searched for solutions to the problems under various pressures. Every part of the changes, from strategic adjustment to changes in details of specific operations, demonstrated the wisdom and effort of every staff. The core strategy of the Tongfang Pharmaceutical Group was to plan on development after stabilizing its operations, that was, maintaining the operation results accomplished in the past two years, avoiding systematic risks and stabilizing its operations, and at the same time capturing present opportunities, in order to seek further development.



斯貝福廠房
Factory of SPF

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健身業務

根據《國際健康及運動俱樂部協會全球報告2018》，二零一七年業界於全球共有174百萬名消費者。按收入計算，二零一七年業界估計總收入為872億美元，全球範圍內有逾200,000間會所。根據最新報告，新興市場（特別是亞太區）呈現持續增長潛力。

亞太區共有超過25,000間會所，服務22百萬名會員。根據《國際健康及運動俱樂部協會亞太區健體會報告（第二版）》，撇除中東，該市場每年帶來168億美元收入。健身市場呈急速增長之跡象，新加坡之增長為5.8%，台灣則為3.0%。該兩個市場均屬於快速增長及成熟中之二級市場。此分部之特徵為服務逐漸專業化、消費群體不斷擴大及領先參與者高度集中。由於尚有增長空間，預期激烈的競爭於未來仍會持續。

本集團健身業務截至二零一八年十二月三十一日止年度之收入為367.7百萬港元（包括特許權收入57.2百萬港元），而截至二零一七年十二月三十一日止七個月期間則為229.1百萬港元（包括特許權收入33.3百萬港元）。本集團健身業務之本年度溢利為32.2百萬港元，而截至二零一七年十二月三十一日止七個月期間則為20.6百萬港元。誠如本公司日期為二零一七年七月二十八日之有關收購從事健身業務之實體之通函所披露，賣方向本集團承諾，

Fitness Business

In 2017, the industry topped 174 million consumers around the globe, according to the International Health, Racquet and Sportsclub Association (“IHRSA”) Global Report 2018. In revenue terms, industry revenue totalled an estimated US\$87.2 billion in 2017 and the club count exceeded 200,000 facilities globally. According to the latest report, emerging markets, particularly in the Asia-Pacific region, showed potential for continued growth.

22 million members are served at more than 25,000 clubs in the Asia-Pacific region. In total, this market, excluding the Middle East, generates annual revenues of US\$16.8 billion, according to the IHRSA Asia-Pacific Health Club Report (Second Edition). The fitness market shows signs of rapid growth in Singapore at 5.8% and Taiwan at 3.0%. Both markets belong to the fast-expanding and maturing second-tier markets. This segment features gradually professionalizing services, expanding consumer bases, and high concentration of leading participants. With room for growth, already fierce competition is expected to continue in the future.

The revenue of the Group’s fitness business for the year ended 31 December 2018 was HK\$367.7 million which includes a franchise income of HK\$57.2 million as compared to HK\$229.1 million (including franchise income of HK\$33.3 million) for the seven-month same period of last year ended 31 December 2017. The profit for the year of the Group’s fitness business was HK\$32.2 million as compared to HK\$20.6 million for the seven-month period of last year ended 31 December 2017. As disclosed in the circular of the Company dated 28 July 2017 relating to acquisition of entities engaging in fitness business, the seller undertook to the Group that if



位於新加坡之健身中心
Fitness center located in Singapore



位於台北之精品瑜珈會館品牌「Yoga Edition」開幕
Premium Yoga brand “Yoga Edition” opening in Taipei

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倘TFKT True Holdings及其附屬公司(「True Cayman集團」)於截至二零一八年十二月三十一日止年度應佔經審核綜合除稅後純利少於10.9百萬美元(相等於約86.7百萬港元)(設有10%下調緩衝額度)，賣方將向本集團支付相等於不足之數之等額款項。根據本集團現有True Cayman集團二零一八年綜合賬目，與保證金額存在7,600,000美元(或58,900,000港元)(二零一七年：3,449,907美元(或27,125,000港元))之差額，該差額於財務報表之確認請參閱本公司綜合財務報表附註8a。

本集團之新加坡健身業務定位於中端市場。重點而言，預測新加坡業務可望好轉。業務於過往兩年表現欠佳，未能展現核心優勢。問題包括：銷售重點一直僅在於前期預繳會員，導致現時出現非付費會員；對舊會所、服務及健身產品的再投資不足，加上新競爭對手加入市場，令期內會員續會率下降及會員數目減少。

本集團健身業務為大型獨立健身及瑜珈生活品味連鎖店，於新加坡、中國及台灣設有二十四間高級會所，服務110,000名會員。其屢獲不同知名健康及生活時尚雜誌頒發行業獎項，肯定本集團的頂級健身及瑜珈場所及課程。

本集團的業務戰略為打造交通便利的大型會所，器材多樣化，服務會員，有效滿足其各種興趣，為瑜珈、飛輪、團體操、私人教練課程以及負重及帶氧訓練提供專用設施。此外，本集團亦以其獨到、現代及高端的品牌形象別樹一幟，聚焦健康及健美生活模式，集中吸引有待發展的女性市場分部。

其主要業務分部及戰略重心是在同一間會所結合健身和瑜珈設施，備受會員歡迎，令本集團健身業務傲視同儕，同時吸納瑜珈和健身私人教練服務收入。

The audited consolidated net profit after tax attributable to TFKT True Holdings and its subsidiaries (the "True Cayman Group") for the year ended 31 December 2018 is less than US\$10.9 million (equivalent to approximately HK\$86.7 million) (subject to a 10% buffer of downward adjustment), the seller would pay to the Group an amount equal to such shortfall on a dollar-to-dollar basis. Based on the consolidated accounts of the True Cayman Group for 2018 available to the Company, there is a shortfall of US\$7,600,000 (or HK\$58,900,000) (2017: US\$3,449,907 (or HK\$27,125,000)) against the guaranteed amount. Please refer to note 8a to the consolidated financial statements of the Company contained in this annual report for the recognition of such shortfall in the financial statements.

The Singapore operation of the Group's fitness business is positioned in the middle-market segment. Singapore turnaround is a key component of the projections. The business underperformed for the past two years not delivering core strengths. Issues included: sales focus was traditionally based only with upfront prepaid membership led to current non-paying members; insufficient re-investment at the older club, service and fitness products against a background of new competitor entrants to the market, resulting in lower retention and a drop in membership over the period.

The Group's fitness business is one of the largest independent fitness and yoga lifestyle chains with 24 state-of-the-art clubs serving 110,000 members in Singapore, the PRC and Taiwan. It has received multiple consecutive industry awards from various renowned health and lifestyle magazines, recognizing the Group's first-class fitness and yoga studios as well as classes.

The Group's business strategy of opening conveniently-located and large clubs to offer ample facilities to service its members, has efficaciously catered to broad member interests with dedicated facilities for yoga, spinning, group exercise, personal training sessions and weight and cardio training, etc. To add, the Group also achieves its brand differentiation through a distinctive, modern and upscale brand image with a focus on health and wellness lifestyle, with a particular appeal to the underserved female market segment.

Its primary business segment and strategic focus are combining fitness and yoga studios: a format popular with members, and gives the Group's fitness business a unique combination of yoga and fitness under one roof with added revenue stream from personal training services.

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水泥業務

截至二零一八年十二月三十一日止年度，本集團之水泥業務收入為1,230.3百萬港元（二零一七年：761.5百萬港元）。水泥業務收入增加主要由於供需關係改善帶動水泥平均售價及銷量上升。截至二零一八年十二月三十一日止年度，本集團的水泥及熟料銷量為2,797,000噸（二零一七年：2,601,000噸），較去年略為上升7.5%。

由於错峰生產的實施，本集團上半年熟料和水泥產量同比均有不同程度的下降。下半年窯運轉率有所改善。

本集團位於上海浦東白龍港之新水泥生產設施發展項目（「白龍港項目」）於二零一四年一月二十六日取得上海市發展和改革委員會的核准函件，該核准自發佈之日起計有效期兩年。本集團已按政府要求為白龍港項目申請延期，目前本集團正盡力促使政府相關部門核准該延期申請。

財務回顧

流動資金及融資

於二零一八年二月十三日，本公司配發及發行400,000,000股本公司股份（「股份」）以籌集所得款項總額約201.3百萬港元。發行股份之詳情及所得款項最新用途載於本年報「發行新股份之所得款項用途」一節。

除上述發行股份所籌集之所得款項外，本集團於截至二零一八年十二月三十一日止年度之資本開支、日常經營及投資主要由其經營所得現金以及來自主要往來銀行及第三方之貸款提供資金。

Cement Business

For the year ended 31 December 2018, the Group's revenue from the cement business amounted to HK\$1,230.3 million (2017: HK\$761.5 million). The increase in revenue from the cement business was mainly attributable to the increase in the average selling prices and sales volume of cement as the supply-demand correlation improved. For the year ended 31 December 2018, the sales volume of the Group's cement and clinker was 2,797,000 tonnes (2017: 2,601,000 tonnes), representing a slight increase of 7.5% as compared to last year.

The Group experienced different degrees of year-on-year reduction in the production volumes of clinker and cement in the first half of the year as a result of the seasonal halt of production. The operating rate of the kilns improved in the second half of the year.

The Group's development project of new cement production facilities at Bailonggang, Pudong, Shanghai ("Bailonggang Project") obtained the approval letter issued by Shanghai Municipal Development and Reform Commission on 26 January 2014. The approval has an effective period of two years from the date of issue. The Group has applied for a postponement of Bailonggang Project as required by the government, and the Group is currently endeavoring to procure the relevant government authority to approve the application for the postponement.

FINANCIAL REVIEW

Liquidity and Financing

On 13 February 2018, 400,000,000 shares of the Company (the "Share(s)") were allotted and issued to raise gross proceeds of approximately HK\$201.3 million. Details of the issuance of Shares and update on the use of proceeds are set out in the section headed "Use of Proceeds from Issue of New Shares" in this annual report.

Except for the proceeds raised from the above issuance of Shares, the Group's capital expenditure, daily operations and investments during the year ended 31 December 2018 were mainly funded by cash generated from its operations and loans from principal bankers and third parties.

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於二零一八年十二月三十一日，本集團持有銀行結餘及現金儲備約151.8百萬港元（二零一七年：415.0百萬港元），包括現金及現金等價物約90.4百萬港元、定期銀行存款約10.9百萬港元以及已抵押銀行存款約50.5百萬港元（二零一七年：現金及現金等價物約381.5百萬港元及已抵押銀行存款約33.5百萬港元）。

於二零一八年十二月三十一日，本集團之未償還借貸約548.9百萬港元（二零一七年：629.5百萬港元）須於一年內償還，而未償還借貸約0.1百萬港元（二零一七年：175.5百萬港元）須於一年後償還。本集團之未償還借貸以港元（「港元」）、人民幣（「人民幣」）及新加坡元（「新加坡元」）計值，分別佔69.2%、30.7%及0.1%。本集團之未償還借貸中約19.1%按浮動利率計息，其餘則按固定利率計息。

於二零一八年十二月三十一日，本集團的資產負債比率（借貸總額除以總資產）如下：

As at 31 December 2018, the Group maintained bank balances and cash reserves of approximately HK\$151.8 million (2017: HK\$415.0 million), including cash and cash equivalents of approximately HK\$90.4 million, time deposits of approximately HK\$10.9 million and pledged bank deposits of approximately HK\$50.5 million (2017: cash and cash equivalents of approximately HK\$381.5 million and pledged bank deposits of approximately HK\$33.5 million).

As at 31 December 2018, the Group had outstanding borrowings of approximately HK\$548.9 million repayable within one year (2017: HK\$629.5 million) and outstanding borrowings of approximately HK\$0.1 million repayable after one year (2017: HK\$175.5 million). The Group's outstanding borrowings were denominated in Hong Kong dollars ("HK\$"), Renminbi ("RMB"), and Singapore dollars ("SGD") as to 69.2%, 30.7% and 0.1%, respectively. Around 19.1% of the Group's outstanding borrowings were charged with interest at floating rates while the remainder were at fixed rates.

The gearing ratio (total borrowings over total assets) of the Group as at 31 December 2018 was as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
借貸總額	Total borrowings	548,992	805,002
總資產	Total assets	3,342,464	3,444,210
資產負債比率	Gearing ratio	16.4%	23.4%

於二零一八年十二月三十一日，一筆為數127.7百萬港元（二零一七年：158.6百萬港元）之結餘已計入其他關聯方欠款中，該等欠款指透過一間銀行向上海建材（集團）有限公司（「上海建材」）提供委託貸款及相關應收利息。交易詳情載於本公司日期為二零一八年四月二十四日之公告。

As at 31 December 2018, a balance amounting to HK\$127.7 million (2017: HK\$158.6 million) was included in the amounts due from other related parties, which represent the provision of entrusted loans through a bank to Shanghai Building Material (Group) Company Limited* (上海建材（集團）有限公司) ("Shanghai Building Material") and the related interest receivable. Details of the transactions were set out in the announcement of the Company dated 24 April 2018.

管理層討論及分析

Management Discussion and Analysis

財務管理及政策

本集團之財務政策旨在令本集團面對之財務風險減至最低。本集團之政策為不參與投機性之衍生金融交易，亦不會將流動資金投資於高風險金融產品。

外匯波動風險

本集團之業務主要位於中國及新加坡，其大多數交易、相關營運資金及借貸以人民幣、新加坡元、美元（「美元」）及港元計值。本集團密切監控有關外匯風險，並將於需要時考慮對沖重大貨幣風險。然而，由於本集團之綜合財務報表以港元呈列，而港元有別於其功能貨幣，故本集團無可避免地面對因將賬目換算為呈列貨幣而產生之外匯風險（不論正面或負面）。

資產抵押

資產抵押之詳情載於本年報所載之綜合財務報表附註50。

重大收購

於二零一八年一月二十三日，本公司與興活有限公司（為本公司之間接全資附屬公司，「買方」）與深圳市世奧萬運投資有限公司及Sea Best Group Limited（統稱「該等賣方」）訂立買賣協議（「買賣協議」），內容有關由本集團收購同方藥業之其餘40%股本權益（「收購事項」）。根據買賣協議，買方有條件同意收購而該等賣方有條件同意出售同方藥業之合共40%股本權益，總代價為人民幣200,000,000元，當中(i)人民幣100,000,000元須以現金支付；及(ii)人民幣100,000,000元將由本公司按每股代價股份0.5港元之發行價向該等賣方發行243,863,777股代價股份之方式支付。於二零一八年五月三日收購事項完成後，同方藥業成為本公司之間接全資附屬公司。收購事項詳情分別載於本公司日期為二零一八年一月二十三日、二零一八年二月十三日、二零一八年三月十六日及二零一八年五月三日之公告及本公司日期為二零一八年二月二十七日之通函內。

Financial Management and Policy

The Group's financial policy aims at minimising the Group's financial risk exposure. Our policy is not to engage in speculative derivative financial transactions and not to invest the current capital in financial products with significant risk.

Risk of Foreign Exchange Fluctuation

The Group's operations are mainly located in the PRC and Singapore and most of its transactions, related working capital and borrowings are denominated in RMB, SGD, United States dollars ("US\$") and HK\$. The Group closely monitors such foreign exchange exposure and will consider hedging significant currency exposure if necessary. However, since the Group's consolidated financial statements are presented in HK\$ which is different from its functional currency, it is inevitable that the Group would face foreign exchange exposure, whether positive or negative, from translating the accounts to its presentation currency.

Pledge of Assets

Details regarding the pledge of assets are set out in note 50 to the consolidated financial statements of this annual report.

Material Acquisitions

On 23 January 2018, the Company and Kingwood Limited, an indirect wholly-owned subsidiary of the Company (the "Purchaser") entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Shenzhen Shiao Wan Yun Investment Co. Ltd.* (深圳市世奧萬運投資有限公司) and Sea Best Group Limited (collectively, the "Vendors") in relation to the acquisition of remaining 40% equity interest in Tongfang Pharmaceutical by the Group (the "Acquisition"). Pursuant to the Sale and Purchase Agreement, the Purchaser conditionally agreed to acquire and the Vendors conditionally agreed to sell, a total of 40% equity interest in Tongfang Pharmaceutical, at a total consideration of RMB200,000,000, of which (i) RMB100,000,000 was satisfied in cash and (ii) RMB100,000,000 was satisfied by the issue of 243,863,777 consideration shares by the Company to the Vendors at the issue price of HK\$0.5 per consideration share. Upon completion of the Acquisition on 3 May 2018, Tongfang Pharmaceutical has become an indirect wholly-owned subsidiary of the Company. Details of the Acquisition were set out in the announcements of the Company dated 23 January 2018, 13 February 2018, 16 March 2018 and 3 May 2018, respectively and the circular of the Company dated 27 February 2018.

管理層討論及分析

Management Discussion and Analysis

重大資本承擔及投資

誠如本公司於二零一二年二月十五日所公佈，上海聯合水泥有限公司（「上海上聯」）與國有企業上海建材於二零一二年二月十三日訂立《關於建設「白龍港項目」合作協議》及《關於設立合資公司（原則）協議》，於取得上海浦東白龍港之新水泥生產設施發展項目（「白龍港項目」）之相關政府批文後成立一間合資公司（「合資公司」），以經營及管理白龍港項目。根據上市規則第十四章，成立合資公司構成本公司一項非常重大收購。合資公司註冊股本之50%股份人民幣400.0百萬元（相當於約456.0百萬元（二零一七年十二月三十一日：480.0百萬元））將由本集團之內部資源出資及提供資金。交易詳情分別載於本公司日期為二零一二年二月十五日及二零一四年一月三十日之公告以及日期為二零一二年三月十六日之通函。

誠如本公司於二零一二年十月三日所公佈，上海上聯於二零一二年九月二十八日訂立三份購買協議，以購買若干設備及機器供日後用於白龍港項目，總代價為人民幣380.0百萬元（相當於約433.2百萬元（二零一七年十二月三十一日：456.0百萬元））。本公司不計劃將該等設備及機器留作自用。截至二零一八年十二月三十一日，上海上聯已償付三份協議各自項下總代價之首期付款合共人民幣68.3百萬元（二零一七年十二月三十一日：人民幣68.3百萬元）（相當於約77.9百萬元（二零一七年十二月三十一日：82.0百萬元））。交易詳情分別載於本公司日期為二零一二年十月三日之公告以及日期為二零一二年十一月十五日之通函。

Material Capital Commitments and Investments

As announced by the Company on 15 February 2012, Shanghai Allied Cement Co., Ltd* (上海聯合水泥有限公司) (“Shanghai SAC”) entered into the Bailonggang Project Construction Cooperation Agreement* (《關於建設「白龍港項目」合作協議》) and the Principle Agreement for the Establishment of the Joint Venture Company* (《關於設立合資公司（原則）協議》) on 13 February 2012 with Shanghai Building Material, a state-owned enterprise, for the purpose of setting up a joint venture company (the “JV Company”) to operate and manage the development of new cement production facilities at Bailonggang, Pudong, Shanghai (the “Bailonggang Project”) after the relevant government approvals for the Bailonggang Project being obtained. The setting up of the JV Company constituted a very substantial acquisition of the Company under Chapter 14 of the Listing Rules. The 50% share of registered capital of the JV Company amounting to RMB400.0 million (equivalent to approximately HK\$456.0 million (31 December 2017: HK\$480.0 million)) would be contributed and funded by internal resources of the Group. Details of the transaction were set out in the announcements of the Company dated 15 February 2012 and 30 January 2014, respectively and the circular of the Company dated 16 March 2012.

As announced by the Company on 3 October 2012, Shanghai SAC entered into three purchase agreements on 28 September 2012 for the purchases of certain equipment and machineries at the aggregate consideration of RMB380.0 million (equivalent to approximately HK\$433.2 million (31 December 2017: HK\$456.0 million)), for future use in the Bailonggang Project. The Company does not intend to retain such equipment and machineries for its own use. Up to 31 December 2018, Shanghai SAC has settled the first installment of the total consideration under the three respective agreements in an aggregate amount of RMB68.3 million (31 December 2017: RMB68.3 million) (equivalent to approximately HK\$77.9 million (31 December 2017: HK\$82.0 million)). Details of the transaction were set out in the announcement and circular of the Company dated 3 October 2012 and 15 November 2012, respectively.

管理層討論及分析

Management Discussion and Analysis

僱員及薪酬政策

於二零一八年十二月三十一日，本集團有1,527名(二零一七年：2,118名)員工。本集團之一貫政策為提供具競爭力之薪酬待遇，並按僱員表現發放薪金及花紅獎勵。此外，根據購股權計劃及股份獎勵計劃各自之條款，合資格僱員或可分別獲授購股權及獎勵股份。該等計劃旨在激勵選定僱員為本集團作出貢獻，及讓本集團可招聘及挽留具有卓越才幹之僱員，以及吸納及挽留對本集團而言屬寶貴之人力資源。

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2018, the Group had 1,527 (2017: 2,118) employees. The Group maintains a policy of paying competitive remuneration packages and employees are also rewarded salary and bonus on a performance related basis. In addition, share options and awarded shares may be granted to eligible employees pursuant to the terms of the share option scheme and the share award scheme, respectively. The purpose of the schemes is to provide incentives to the selected employees to contribute to the Group and to enable the Group to recruit and retain high-calibre employees, and attract and retain human resources that are valuable to the Group.



斯貝福之生產車間
Production plant of SPF

* For identification purpose only

環境、社會及管治報告

Environmental, Social and Governance Report

環境、社會及管治的整體方針、 策略及匯報原則

編製基礎

我們根據香港聯合交易所有限公司證券上市規則附錄二十七所載的《環境、社會及管治報告指引》(「環境、社會及管治指引」)編製此報告。同方康泰產業集團有限公司(「本公司」)董事會(「董事會」)計劃每年編製環境、社會及管治報告及其方針，並下達方針至管理層進行監察環境、社會及管治風險管理及內部監控系統之有效性。董事會認為，我們於截至二零一八年十二月三十一日止年度已遵守環境、社會及管治指引載列的「不遵守就解釋」條文。

我們的環境、社會及管治(「環境、社會及管治」)管理方針

董事會已以本公司的整體經營策略為藍本，明訂落實清晰達意且目標明確的環境、社會及管治管理方針的舉措。董事會執行委員會負責制定政策及指引，為出於可持續發展目的開展的環境、社會及管治活動和事業分配預算。我們的理念是推動可持續經濟，為本公司及其附屬公司(統稱

OVERALL APPROACH, STRATEGY AND REPORTING PRINCIPLES OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE

BASIS OF PREPARATION

We have adopted the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Rules Governing the List of Securities on The Stock Exchange of Hong Kong Limited in preparing this report. The board of directors (the “Board”) of Tongfang Kontafarma Holdings Limited (the “Company”) is responsible for the annual planning, preparation and setting of direction of the Environmental, Social and Governance Report, as well as communicating such directions to the management who monitors the effectiveness of environmental, social and governance, risk management and internal control system. The Board considers that we have complied with the “comply or explain” provisions as set out in the ESG Guide for the year ended 31 December 2018.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) MANAGEMENT APPROACH

The Board endorsed an initiative to pursue a clear and prioritised ESG management approach that is closely aligned with the Company’s overall business strategy. The executive committee of the Board is responsible for the formulation of policies and guidelines, and allocates budgets for ESG activities and undertakings in achieving sustainable development. Our vision is to promote sustainable economies,



環境、社會及管治報告

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「本集團」打造穩固根基和美好將來，從而為本集團之商業夥伴和本公司之股東創造更高價值。我們的策略是遵守適用於其業務的所有環境要求，並持續改進其環境管理工作至行業的最佳常規。

本集團的業務營運

截至二零一八年十二月三十一日止年度，本集團主要從事(1)在中華人民共和國(「中國」)製造及銷售處方藥及實驗室相關產品(「醫療、醫藥及健康業務」)；(2)在新加坡及中國經營健身中心及提供健身和健康諮詢服務及在台灣經營特許業務以獲得特許權費及服務費收入(「健身業務」)；及(3)在中國山東省和上海市製造及銷售水泥及熟料及買賣水泥(「水泥業務」)。

本集團管理層已致力把環境、社會及管治元素納入日常營運的策略評估中，並考慮我們各持份者對我們環境、社會及管治事宜之長遠影響。我們已委任內部職能部門及聘請外部顧問，協助本集團管理層檢討我們營運方式，以識別相關環境、社會及管治事宜之及評估有關事宜對我們業務及持份者利益的重要性。根據我們的評估，本報告提供醫療、醫藥及健康業務、健身業務以及水泥業務的概要披露，環境保護及產品責任被認為我們的關鍵層面。

build a solid foundation and a bright future for the Company and its subsidiaries (collectively, the “Group”) and enhance the value of business partners of the Group and shareholders of the Company. Our strategy is to comply with all environmental requirements applicable to our business and to continuously improve our environment management towards the industry best practice.

BUSINESS OPERATION OF THE GROUP

For the year ended 31 December 2018, the Group was principally engaged in (1) the manufacturing and sales of prescription drugs and laboratory related products in the People’s Republic of China (the “PRC”) (the “Medical, Pharmaceutical and Health Business”); (2) the operation of fitness centres and provision of consultation services for fitness and health activities in Singapore and the PRC and operating the franchise business for royalty and service fee income in Taiwan (the “Fitness Business”); and (3) the manufacturing and sales of cement and clinker and trading of cement in Shandong province and Shanghai in the PRC (the “Cement Business”).

The management of the Group is committed to incorporating ESG elements into the strategic assessment of daily operation, and has considered the long-term impact of our stakeholders on our ESG matters. We have appointed internal functional department and engaged external advisor to assist the management in reviewing our operation, in order to identify the relevant ESG matters and assess their importance to our business and stakeholders’ interests. According to our assessment, this report provides general disclosures that cover Medical, Pharmaceutical and Health Business, Fitness Business and Cement Business. Environmental protection and product responsibilities are considered as key aspects for us.



員工安全培訓－消防演習
Safety training for staff – Fire drill

環境、社會及管治報告 Environmental, Social and Governance Report

環境

排放物

醫療、醫藥及健康業務

為了響應中國政府對使用替代能源的號召，我們在北京廠房實施了太陽能發電項目（「太陽能發電項目」）。該項目安裝了太陽能光伏，佔地超過30,000平方呎，能夠提供北京廠房的每日能源消耗。過剩的太陽能將出售給附近廠房。太陽能發電項目有效推動了替代能源發展，通過減少溫室氣體排放改善環境。同方藥業集團有限公司（「同方藥業」）與一家電力系統工程公司已經確定了太陽能發電項目之補充協議，簽署後，預計在二零一九年六月一日前會順利啓動。

另外，我們的實驗動物車間在飼養動物的過程中產生臭氣，主要成分為氨。除了以上減排措施外，我們採用密閉獨立送風隔離籠具飼養動物，廢氣收集率達100%，從隔離籠抽出的廢氣在風機的作用下進入噴淋塔。在塔內，從其他程序再循環的水噴灑而下，與廢氣中的氨發生中和反應，從而起到淨化效果。為了提高噴淋塔的效率，我們採用空心球來增加氣體接觸面積，並有效地分散氣流。經淨化的氣體通過煙囪排放以達致廢氣減排效果。

Environmental

Emissions

Medical, Pharmaceutical and Health Business

In response to the promotion of alternative energy use by the PRC government, we have implemented a solar energy power generation project (the "Solar Energy Power Generation Project") in our plant in Beijing. In this project, solar photovoltaic modules were installed, covering an area of over 30,000 square feet and fulfilling the daily energy consumption requirement of our plant in Beijing. Any surplus solar power would be sold to the plants nearby. The Solar Energy Power Generation Project effectively promotes the development of alternative energy and contributes to a better environment by reducing greenhouse gas emissions. Tongfang Pharmaceutical Group Co., Ltd* (同方藥業集團有限公司) ("Tongfang Pharmaceutical") has confirmed the supplemental agreement with a power system engineering company on the Solar Energy Power Generation Project. After entering into the agreement, the project is expected to commence before 1 June 2019.

In addition, unpleasant smell (mainly composed of ammonia) is emitted from our experimental laboratory animal workshop during the process of breeding animals. In addition to the above emission reduction measures, we adopted isolated ventilation cage to raise the animals, collecting 100% of the waste gas from the cage and have it diverted to the spray tower by way of power fan. Inside the tower, water recycled from other processes is sprayed from the top to react with the ammonia, thus neutralizing and purifying the waste gas. To improve the efficiency of the spray tower, hackettens are used to increase the surface area and efficient distribution of the gas. Purified gas is discharged through chimneys to achieve reduced emission of waste gas.

環境、社會及管治報告

Environmental, Social and Governance Report

於本報告期間，由於醫療、醫藥及健康業務所產生的排放物（如氮氧化物（「NO_x」）、二氧化硫（「SO₂」）及粉塵（「PM」）等）並不重大，故決定不披露有關資料。從耗電所產生的二氧化碳（「CO₂」）排放約3,795噸（二零一七年：11,886噸¹），因一家附屬公司在二零一八年度已經停止運作，故全年的CO₂排放下降。

醫療、醫藥及健康業務的有害廢棄物主要包括試劑瓶、處置藥品和實驗廢液等醫療廢物。我們按照有關法律法規，集中統一處理所有有害廢棄物。所有有害廢棄物在處置前將由合資格的公司進行無害化處理。重慶康樂製藥有限公司（「重慶康樂」）生產基地於二零一八年產生56噸化學廢物（二零一七年：147噸）；我們的實驗動物車間產生3.2噸醫療廢物（二零一七年：20.5噸），包括動物屍體。以上有害廢棄物大幅下降，有賴於以下實施的措施所獲得之有效成果：

- 結合二零一八年四次官方檢查（如國家藥品監督管理局及U.S. Food and Drug Administration（「FDA」）等）及多次國內外客戶審計，推進清潔生產和工藝技術進步工作，使各產品的質量及技經指標明顯提高，大大降低了成本和化學廢物的產生；
- 改進溶劑回收裝置，增加蒸餾冷凝設施和冷却水的循環使用，大大提高溶劑回收率，有效降低了化學廢物的排放；

During the reporting period, since the emissions such as nitrogen oxides (“NO_x”), sulphur dioxide (“SO₂”) and dust (“PM”) produced from the Medical, Pharmaceutical and Health Business were not significant, a decision was made not to disclose such information. Carbon dioxide (“CO₂”) emission from electricity consumption was approximately 3,795 tonnes (2017: 11,886 tonnes¹). Due to the suspension of a subsidiary in 2018, the total CO₂ emission dropped.

Clinical waste such as reagent bottles, disposed drug and experimental liquid waste are the major hazardous wastes of Medical, Pharmaceutical and Health Business. We centralise and handle all of our hazardous waste in accordance with the relevant laws and regulations. All hazardous wastes have to go through detoxification treatments by qualified vendors before disposal. The production base of Chongqing Kangle Pharmaceutical Co., Ltd.* (重慶康樂製藥有限公司) (“Chongqing Kangle”) produced 56 tonnes (2017: 147 tonnes) chemical wastes in 2018. Our experimental laboratory animal workshop produced 3.2 tonnes (2017: 20.5 tonnes) of medical wastes including animal carcasses. The volume of the above hazardous wastes decreased significantly as a result of the following measures:

- By summing up the four official inspections in 2018 (e.g. National Medical Products Administration* (國家藥品監督管理局) in the PRC and U.S. Food and Drug Administration (“FDA”), etc.) and multiple domestic and foreign customer audits, clean production and improvements on process technology were pushed forward, resulting in significant improvements of product qualities and technical indicators as well as reduced costs and reduced chemical wastes;
- Solvent recycling fixtures were improved to increase the recycling of cooling water for distillation and condensation facilities, resulting in significant increase of solvent recovery rate and effective reduction of chemical wastes emission;

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

¹ The results for the year 2017 has been restated and recalculated based on the new data.

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- 對化學廢物增加前端分段收集和高濃度化學廢物先採取蒸餾濃縮方式，有效降低排放量及處理成本；及
- 二零一八年實現部分外購使用二氯喹啉，減少其生產。由於市場因素，二苯甲基硫代乙醯胺、阿莫地喹鹽酸鹽及依卡倍特鈉這些產品生產量明顯減少，降低了公司化學廢物的產生。
- The adoption of front-end collection of chemical wastes in batches and the application of distillation-concentration regime to high-concentration chemical wastes effectively lowered the volume of emissions and processing costs; and
- In 2018, some external procurements were made for quinclorac to reduce our production. Due to market factors, the production of products such as diphenylmethyl thioacetamide, amodiaquine hydrochloride and ecabet sodium decreased significantly, lowering the volume of chemical wastes produced by the Company.

從事中藥種植、製造及分銷的附屬公司陝西紫光辰濟藥業有限公司(「陝西辰濟」)，於二零一八年冬季採購暖氣需要增加及第四季度增加了生產批量，產生了約200噸無害廢物，包括取暖後的爐渣／燃煤鍋爐廢棄物及生產後的藥渣／中藥材提取後廢棄物。除以上陝西辰濟所產生之無害廢物，製成品耗用的物料主要是紙盒、塑料及屬一般商業廢物的無害廢物，我們認為製成品耗用的物料及無害廢物並不重大，故本集團決定不披露有關資料。

Shaanxi Unisplendour Life Care Pharmaceutical Co., Ltd.* (陝西紫光辰濟藥業有限公司) (“Shaanxi Life Care”), a subsidiary engaged in planting, manufacturing and distribution of Chinese medicines, produced approximately 200 tonnes of non-hazardous waste during 2018 due to the increase in purchases of heating in winter and the increase in production in the fourth quarter. Such wastes included slag/coal-fired boiler wastes after heating and dregs/wastes produced after extraction of Chinese medicines. In addition to the above non-hazardous wastes produced by Shaanxi Life Care, non-hazardous wastes consumed by finished products consisted mainly of paper boxes, plastics and general commercial wastes. We consider the amount of materials consumed by finished products and non-hazardous wastes not insignificant, and thus the Group decided not to disclose such information.



重慶康樂—車間廢氣治理、電解設施
Chongqing Kangle – Facilities for purification of exhaust gas and electrolysis

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健身業務

由於健身業務屬服務性行業，只有從耗電中才產生溫室氣體排放物，未有構成其他重大之廢氣、有害或無害廢棄物之排放。於本報告期間，從耗電所產生的CO₂排放約9,935噸(二零一七年：6,370噸¹)，相對二零一七年只有七個月的營運業務，二零一八年全年的二氧化碳排放稍為上升。有關健身業務節約用電措施，請參閱以下「資源使用」一節。

水泥業務

在熟料及礦渣生產過程中會產生若干廢氣(例如NO_x、SO₂和PM)和溫室氣體(例如CO₂)排放物。我們為水泥窯安裝了窯內氣體分析儀，在線監測空氣污染物。我們亦按照水泥工業大氣污染物排放標準「GB4915-2013」的規定(濃度<20mg/Nm³、NO_x≤400mg/Nm³、SO₂<100mg/Nm³)為窯安裝SNCR進行脫硫脫硝。我們安裝了粉塵回收處理設備，回收生產過程中產生的粉塵，並在水泥生產中再利用。當地環境部門定期進行實地視察，監控生產線的污染物排放。所有排放標準全部達到環境部門的要求及嚴格控制在中華人民共和國生態環境部要求的標準之內。

在過去數年，我們完成了原料磨逆變器的改造，帶式輸送散裝水泥運輸車的技術更新及電除塵器改造。我們在窯系統中採用了低NO_x分階段燒製技術。經過我們對製造工廠進行的持續升級，山東聯合王晁水泥有限公司(「聯合王晁」)已被認定為國家高新技術企業。在不久將來，我們將繼續提升水泥窯的集塵率，並促進其他環保項目的發展。

Fitness Business

Since Fitness Business is a service industry, which only produces greenhouse gases emission from electricity consumption, and does not constitute other significant discharge of waste gas, hazardous or non-hazardous wastes. During the reporting period, CO₂ emission from electricity consumption was approximately 9,935 tonnes (2017: 6,370 tonnes¹). As compared with only seven months of business operation in 2017, the total CO₂ emission in the whole year of 2018 has increased slightly. Please refer to the section "Use of Resources" below for electricity conservation measures in the Fitness Business.

Cement Business

During the production process of clinker and slag, wastes gas emissions (such as NO_x, SO₂ and PM) and greenhouse gas emissions (such as CO₂) are produced. We have installed gas analysers in cement kilns for online monitoring of the air pollutants. We have also installed SNCR for de-sulfurization and de-nitrification in our kilns in accordance to the Emission Standard of Air Pollutants for Cement Industry "GB4915-2013" requirement (concentration<20mg/Nm³, NO_x≤400mg/Nm³, SO₂<100mg/Nm³). Dust-reclaiming mills were put in place to recycle the dust generated during the production process for reuse in cement production. Site visits are regularly conducted by local environmental authorities to monitor the pollutant emissions of the production lines. All emission standards have met the requirements of the environmental authorities and are strictly controlled within the standards of the Ministry of Ecology and Environment of the PRC* (中華人民共和國生態環境部).

During the past few years, we have completed the upgrade for the inverters of clinker powder raw mill, the technological updates for belt-conveyed bulk cement carriers and the upgrade for electrical dust precipitator. We have adopted low NO_x staged burning techniques in the kiln system. As a result of the ongoing upgrades of our manufacturing plants, Shandong Allied Wangchao Cement Limited* (山東聯合王晁水泥有限公司) ("Allied Wangchao") has been identified as one of the national high-tech enterprises. In the coming future, we will continue to improve the dust collection rate of our cement kiln and push forward the development of other environmental projects.

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

¹ The results for the year 2017 has been restated and recalculated based on the new data.

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於本報告期間，水泥業務的熟料及礦渣生產過程中會產生廢氣（例如NO_x、SO₂、PM）等排放物，由於相關數據不重大故此未有披露有關資料。從耗電所產生的CO₂排放約25,042噸（二零一七年：24,118噸¹），與上年排放量相約，未有太大變化。另外，水泥業務並未有構成重大有害或無害廢棄物之排放。

During the reporting period, the production process of clinker and slag of Cement Business produced wastes gas (such as NO_x, SO₂ and PM), Such data was not disclosed as it was considered not significant. CO₂ emission from electricity consumption was approximately 25,042 tonnes (2017: 24,118 tonnes¹), similar to the previous year's emission without much change. Also, Cement Business does not constitute significant emission of hazardous or non-hazardous wastes.

排放物績效表

Emissions Performance Table

指標 Indicators	醫療、醫藥及健康業務 Medical, Pharmaceutical and Health Business		健身業務 Fitness Business		水泥業務 Cement Business	
	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017
A1.1 排放物種類及 相關排放數據 A1.1 The types of emissions and respective emissions data	於本報告期間，本公司認為醫療、醫藥及健康業務、健身業務及水泥業務所產生的排放物如NO _x 、SO ₂ 及PM等並不重大，故決定不披露有關資料。 During the reporting period, the Company considered the emissions such as NO _x , SO ₂ and PM from Medical, Pharmaceutical and Health Business, Fitness Business and Cement Business not significant, and thus a decision was made not to disclose such information.					
A1.2 溫室氣體總排放量 - 從耗電產生的 CO ₂ 排放 A1.2 Greenhouse gas emissions in total - CO ₂ emission from electricity consumption	3,795噸 3,795 tonnes	11,886噸 ¹ 11,886 tonnes ¹	9,935噸 9,935 tonnes	6,370噸 ¹ 6,370 tonnes ¹	25,042噸 25,042 tonnes	24,118噸 ¹ 24,118 tonnes ¹

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

¹ The results for the year 2017 has been restated and recalculated based on the new data.



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指標 Indicators	醫療、醫藥及健康業務 Medical, Pharmaceutical and Health Business		健身業務 Fitness Business		水泥業務 Cement Business	
	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017
A1.3 所產生有害廢棄物 總量 A1.3 Total hazardous waste produced	化學廢物:56噸 醫療廢物:3.2噸 Chemical waste: 56 tonnes Medical waste: 3.2 tonnes	化學廢物:147噸 醫療廢物:20.5噸 Chemical waste: 147 tonnes Medical waste: 20.5 tonnes	不適用 Not applicable		水泥業務並未有構成 重大有害廢棄物之排放。 The Cement Business had no significant emission of hazardous waste.	
A1.4 所產生無害廢棄物 總量 A1.4 Total non-hazardous waste produced	無害廢物:200噸 Non-hazardous waste: 200 tonnes	(註) (Note)	健身業務及水泥業務未有構成重大無害廢棄物之排放。 The Fitness Business and Cement Business had no significant emission of non-hazardous waste.			
A1.5 描述減低排放量的 措施及所得成果 A1.5 Description of measures to mitigate emissions and results achieved	實施了太陽能發電項目，使由耗電量 所產生的CO ₂ 排放大大降低。另外， 採用密閉獨立送風隔離籠具飼養動 物，廢氣收集率100%，從而起到淨 化效果。 A Solar Energy Generation Project was implemented, causing a significant drop in CO ₂ emission from electricity consumption. In addition, we adopted isolated ventilation cage to raise our animals and collected 100% of the exhaust gas for purification purposes.		除利用發光二極管(「LED(s)»)置換照 明系統外，我們亦在健身中心張貼海 報，推廣耗電節能。 Apart from replacing our lighting system with Light Emitting Diodes ("LED(s)"), we also promoted energy saving by putting posters in the fitness centres.		我們安裝了粉塵回收處理設備，回收 生產過程中產生的粉塵，並在水泥生 產中再利用。並完成了生產及運輸改 造，在窯系統中採用了低NOx分階段 燒制技術。故於報告期間未有產生重 大的廢氣排放，因耗電所產生的CO ₂ 於上年度未有太大變化。 Dust-reclaiming mills were in place to recycle the dust incurred in the manufacturing process and to be reused in cement production. Production and transportation reformation were also completed. Low NOx staged burning techniques in the kiln system were adopted. Thus, no significant waste gas emission was produced during the reporting period. CO ₂ emission from electricity consumption had not much change as compared with the previous year.	
A1.6 描述處理有害及無害廢棄物的方法、 減低產生量的措施及所得成果 A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	所有有害廢棄物在處置前將由合資格 的公司進行無害化處理，經過改進的 生產技術及回收裝置，減低了化學及 醫療廢物的產生。因此，於本報告期 間能達致化學及醫療廢物大幅減排 的成果。 All hazardous wastes will go through detoxification treatment by qualified vendors before disposal. Through improved production techniques and recycling equipment, the production of chemical and medical wastes was lowered. Thus, substantial reduction of chemical and medical wastes was achieved during the reporting period.		健身業務及水泥業務未有構成重大的有害及無害廢棄物之排放。 The Fitness Business and Cement Business had no significant emission of hazardous and non-hazardous waste.			

註：由於醫療、醫藥及健康業務認為製成品耗用的物料及無害廢物並不重大，故本集團決定不披露有關資料。

Note: The Medical, Pharmaceutical and Health Business considered the amount of materials consumed by finished products and non-hazardous wastes not significant, and thus a decision was made not to disclose such information.

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資源使用

我們一直努力推行減量化、再利用、再循環三大原則，從業務運營的所有可能方面減少資源消耗及排放物。我們制定了內部操作指引，包含詳細的水電使用規定，如空調的運行時間和溫度設定。

水泥生產、餘熱發電、製藥生產過程以及提供健身服務需要大量水。我們的水源各異，且在很大程度上取決於工廠及健身中心的位置。我們自覺地採取措施，減少用水，維護及補給水源。我們在工廠的所有公共區域提供垃圾回收箱，按性質對廢棄物進行分類以進行循環再利用，並委派可回收廢棄物收集承包商協助處理廢棄物。

我們已完成更換老化設備或將其升級至更高效型號。在建造或升級工廠時，對環境的影響乃我們的關鍵考慮因素。我們已完成為工廠和辦公室更換LED燈飾，比傳統燈飾節能高達40%。

Use of Resources

We have made constant efforts in reducing the consumption of resources and emissions in all possible aspects in the course of business operations by promoting the 3R Principle (Reduce, Reuse and Recycle). We have formulated internal operational guidelines containing detailed requirements regarding water and electricity consumption such as the operating hours and temperature setting of air conditioners.

Huge amount of water is required during the cement manufacturing process, residual heat power generation process, the medicine manufacturing process and provision of fitness service. Our sources of water vary and largely depend on the location of our plants and fitness centres. We are consciously taking steps in reducing our consumption and contributing towards maintenance and recharge of water sources. We provide waste recycling bins at all common areas of our plants to separate waste by nature for recycling and appoint recyclables waste collection contractors to help discharge them.

We have completed the replacement or upgrading of our aged equipment to models that are more efficient. When constructing or upgrading plants, impacts on the environment are our key consideration. We have completed the replacement of LED lights in our plants and office, providing energy savings of up to 40% compared to conventional lights.



聯合王晁－餘熱利用節能設施
Allied Wangchao – Facilities for residual heat power generation

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醫療、醫藥及健康業務

本集團的若干附屬公司定期進行能源審計或碳審計，監測能源使用。我們所有的藥廠均通過了中華人民共和國生態環境部的環境評價認證。同時，我們所有的中央空調機組採用變頻控制，維持穩定的溫度及濕度，節能達25–30%。醫療、醫藥及健康業務為鼓勵僱員節約能源，將計劃把節能降耗納入部門考核，對有重大節能項目進行績效獎勵。我們二零一八年度耗電12.57百萬千瓦時（二零一七年：39.37百萬千瓦時¹），主要因為一家附屬公司已經停止運作，故全年的耗電量下降。

我們的實驗動物車間的高壓鍋冷卻用水會再循環用於清洗設備及供噴淋吸收塔所需，每年節水達1,540噸。在報告期間內，我們耗水46,800噸（二零一七年：114,600噸¹）。以上耗水量下降有賴於實施以下措施：

- 推進清潔生產，循環利用，及杜絕用大量飲用水沖洗車間，採用清掃方式；及
- 由於市場因素，二苯甲基硫代乙醯胺、阿莫地啶鹽酸鹽、依卡倍特鈉等生產量明顯減少，導致相對應耗水量減少。

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

Medical, Pharmaceutical and Health Business

Regular energy audit or carbon audit was performed by certain subsidiaries of the Group to monitor energy usage. All of our pharmaceutical plants have passed the environmental assessment certification of the Ministry of Ecology and Environment Administration of the PRC* (中華人民共和國生態環境部). At the same time, all of our central-station air handling units adopts frequency control to constant temperature and humidity, which provides energy savings of up to 25–30%. In order to encourage energy saving among employees, the Medical, Pharmaceutical and Health Business is planning to incorporate the amount of energy saving into department assessments, providing performance incentives to projects with significant energy saving. We consumed 12.57 million kWh in 2018 (2017: 39.37 million kWh¹), mainly attributable to the suspension of a subsidiary, resulting in a drop of electricity consumption for the year.

Water used in pressure cookers in our experimental laboratory animal workshops would be recycled for cleaning the equipment and for the spray absorber, which provides water savings of up to 1,540 tonnes each year. During the reporting period, we consumed 46,800 tonnes (2017: 114,600 tonnes¹) of water. The above decrease in water consumption is attributable to the following measures:

- The enforcement of clean production, recycling, and prohibiting the cleaning of workshops using a large amount of drinking water (use sweeping instead); and
- The production of diphenylmethyl thioacetamide, amodiaquine hydrochloride and ecabet sodium significantly dropped due to market factors, resulting in drop of related water use.

¹ The results for the year 2017 has been restated and recalculated based on the new data.

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健身業務

電力及水乃健身業務耗用的主要資源。除利用LED置換照明系統外，我們亦在健身中心張貼海報，推廣節能，提醒會員及員工減少耗水。此外，我們正進行業務電子化，過渡成為無紙辦公室。在報告期間內，我們耗電16.97百萬千瓦時（二零一七年：10.86百萬千瓦時¹），耗水量則為471,892噸（二零一七年：307,528噸），相對二零一七年只有七個月的營運業務，二零一八年全年的耗電及耗水量稍為上升。

水泥業務

本集團若干附屬公司多年來一直定期進行能源審計或碳審計，監測能源使用情況。我們的水泥達到水泥單位產品能源消耗限額「GB16780-2012」的規定。在報告期間內，我們耗電82.94百萬千瓦時（二零一七年：79.88百萬千瓦時¹）。同時，我們已經對用水和排放系統進行了技術提升，以使排放的經使用水達到再使用的生產標準。因此，水系統可達到零排放。在報告期間內，耗水量則為222,500噸（二零一七年：240,038噸），耗電量及耗水量均與二零一七年相約，未有太大變化。我們的水泥以水泥車交付或以環保袋（符合水泥包裝袋國家包裝袋標準「GB9744-2010」）包裝。

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

Fitness Business

Electricity and water are the major resources used in the Fitness Business. Apart from replacing our lighting system with LEDs, we promote energy saving by having posters around the fitness centres to remind members and staff to consume less water. Furthermore, we are digitalising our business and transitioning ourselves into a paper-less office. During the reporting period, our electricity consumption was 16.97 million kWh (2017: 10.86 million kWh¹), our water consumption was 471,892 tonnes (2017: 307,528 tonnes). As compared with only seven months of business operation in 2017, the total electricity and water consumption in 2018 increased slightly.

Cement Business

Regular energy audit or carbon audit has been performed by certain subsidiaries of the Group to monitor energy usage over the years. Our cement has met the Norm of Energy Consumption per Unit Products of Cement "GB16780-2012" requirement. During the reporting period, we consumed 82.94 million kWh (2017: 79.88 million kWh¹) of electricity. At the same time, we have technically improved our water usage and discharge system so that discharged used water is able to meet the production standards for reuse purpose. As such, the water system is able to achieve zero emission. During the reporting period, we consumed 222,500 tonnes (2017: 240,038 tonnes) of water. The electricity consumption and water consumption are comparable to those of 2017 without significant changes. Our cement is either distributed by cement tankers or packed in environmental friendly bags, which fulfilled the National Standard of Sacks for packing cement "GB9744-2010".

¹ The results for the year 2017 has been restated recalculated based on the new data.



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資源使用績效表

Use of Resources Performance Table

指標 Indicators	醫療、醫藥及健康業務 Medical, Pharmaceutical and Health Business		健身業務 Fitness Business		水泥業務 Cement Business	
	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017
	A2.1 總耗電量 A2.1 Electricity consumption in total	12.57百萬 千瓦時 12.57 million kWh	39.37百萬 千瓦時 ¹ 39.37 million kWh ¹	16.97百萬 千瓦時 16.97 million kWh	10.86百萬 千瓦時 ¹ 10.86 million kWh ¹	82.94百萬 千瓦時 82.94 million kWh
A2.2 總耗水量 A2.2 Water consumption in total	46,800噸 46,800 tonnes	114,600噸 ¹ 114,600 tonnes ¹	471,892噸 471,892 tonnes	307,528噸 307,528 tonnes	222,500噸 222,500 tonnes	240,038噸 240,038 tonnes
A2.3 描述能源使用效益計劃及所得成果 A2.3 Description of energy use efficiency initiatives and results achieved	<p>實施了太陽能發電項目，並採用變頻控制的中央空調機組，節能達25-30%。同時，為鼓勵員工節約能源，醫療、醫藥及健康業務計劃把節能降耗數量納入部門考核，對有重大節能項目進行績效獎勵。</p> <p>A Solar Energy Generation Project was implemented and central air-conditioning modules with frequency control was adopted, with energy savings reaching 25-30%. At the same time, in order to encourage energy saving among employees, the Medical, Pharmaceutical and Health Business is planning to incorporate the amount of energy saving into department assessments, providing performance incentives to projects with significant energy saving.</p> <p>因以上措施及一家附屬公司停止營運，年內耗電量大幅下降。</p> <p>Electricity consumption during the year dropped significantly due to the above measures and the suspension of a subsidiary.</p>		<p>電力及水乃健身業務耗用的主要資源。除利用LED置換照明系統外，我們亦在健身中心張貼海報，推廣節能，提醒會員及員工減少耗水。此外，我們正進行業務數字化，過渡成為無紙辦公室。</p> <p>Electricity and water are the major resources used in the Fitness Business. Apart from replacing our lighting system with LEDs, we promote energy saving by having posters around the fitness centres to remind members and staff to consume less water. Furthermore, we are digitalising our business and transitioning ourselves into a paper-less office.</p> <p>相對二零一七年只有七個月的營運業務，二零一八年全年的耗電及耗水量稍為上升。</p> <p>As compared with only seven months of business operation in 2017, the total electricity and water consumption in 2018 increased slightly.</p>		<p>定期進行能源審計或碳審計，監測能源使用情況。我們的水泥業務達到水泥單位產品能源消耗限額「GB16780-2012」的規定。</p> <p>Regular energy audit or carbon audit has been performed to monitor energy usage. Our cement has met the Norm of Energy Consumption per Unit Products of Cement "GB16780-2012" requirement.</p>	
A2.4 描述求取適用水源可有任何問題，以及提升水效益計劃及所得成果 A2.4 Description of whether there are problems with sourcing proper water that is fit for purpose, water efficiency initiatives and results achieved	<p>我們的實驗動物車間的高壓鍋冷卻水會再循環用於清洗設備及供噴淋吸收塔所需，每年節水達1,540噸。</p> <p>Water used in pressure cookers in our experimental laboratory animal workshops would be recycled for cleaning the equipment and for the spray absorber, which provides water savings of up to 1,540 tonnes each year.</p>				<p>我們已經對用水和排放系統進行了技術提升，以使排放的經使用水達到再使用的生產標準。因此，水系統可達到零排放。</p> <p>We have technically improved our water usage and discharge system so that discharged used water is able to meet the production standards for reuse purpose. As such, the water system is able to achieve zero emission.</p>	
A2.5 製成品所用包裝材料的總量 A2.5 Total packaging material used for finished products	<p>製成品耗用的物料主要是紙盒、塑料及符合國家標準的水泥包裝袋等。我們認為製成品耗用的物料並不重大，故本集團決定不披露有關資料。</p> <p>Materials consumed by finished goods are mainly paper boxes, plastics and bags which fulfilled the National Standard of Sacks for packing cement. Since the materials consumed for finished goods are considered not significant, the Group decided not to disclose such information.</p>					

¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

¹ Performance of 2017 had been restated and recalculated pursuant to new data.

環境、社會及管治報告 Environmental, Social and Governance Report

環境及天然資源

我們意識到我們的業務與環境責任密不可分，並承諾盡量減少經營活動對環境的影響。我們的環境策略致力於使業務與環境之間取得和諧平衡。為了建設環保的工作環境，我們要求運營工廠至少三分之一的管理區域達致環保。

The Environment and Natural Resources

We recognise the environmental responsibilities associated with our business and are committed to minimising the environmental impacts of our business operation. Our environmental strategy is to strike a harmonious balance between our business and the environment. In order to promote a green working environment, we request at least one-third of the managed area of our operation plants to be green.

環境及天然資源績效表

Environment and Natural Resources Performance Table

指標 Indicators	醫療、醫藥及健康業務 Medical, Pharmaceutical and Health Business		健身業務 Fitness Business		水泥業務 Cement Business	
	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017
	A3.1 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動 A3.1 Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them	<p>我們的主要環境政策如下： Our major environmental policy is as below:</p> <ul style="list-style-type: none"> — 遵循適用於我們的業務的所有環境規定 To comply with all environmental requirements applicable to our operations — 根據行業最佳常規改進環境結構 To improve the environmental structure towards the industry's best practices — 將環境因素融入業務運營的各個階段（例如規劃、設計與製造） To integrate environmental considerations in all stages of business operations (e.g. planning, design and manufacturing) — 通過培訓增強員工環境意識 To enhance environmental awareness of our employees via trainings — 支持我們經營所在社區的環保活動 To support environmental activities of the communities where we operate — 鼓勵草坪進行綠化覆蓋 To encourage green coverage on lawns <p>於報告期內，本集團遵守當地有關環境保護之法律法規，相關法律法規主要包括但不限於： In the reporting period, the Group complied with local laws and regulations on environmental protection. Relevant laws and regulations mainly include but are not limited to:</p> <ul style="list-style-type: none"> — 《中華人民共和國環境保護法》(主席令第9號：2015.01.01實施版) Environmental Protection Law of the People's Republic of China* (Chairman's Decree No. 9: 2015.01.01 Implementation Edition) — 《中華人民共和國大氣污染防治法》(主席令第31號：2016.01.01實施版) Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution* (Chairman's Decree No. 31: 2016.01.01 Implementation Edition) — 《中華人民共和國水污染防治法》(主席令第70號：2018.01.01實施版) Law of the People's Republic of China on the Prevention and Control of Water Pollution* (Chairman's Decree No. 70: 2018.01.01 Implementation Edition) — 《危險廢物貯存污染控制標準》 Standards for Pollution Control on Hazardous Waste Storage* — 《危險廢物污染防治技術政策》 Hazardous Waste Pollution Prevention and Control Technology Policy* <p>在報告期內，未有於我們的運營中發現違反相關環境法律法規的任何已報告事件。 During the reporting period, no reported instance of non-compliance to relevant environmental laws and regulations was noted in our operation.</p>				

環境、社會及管治報告

Environmental, Social and Governance Report

社會

僱傭

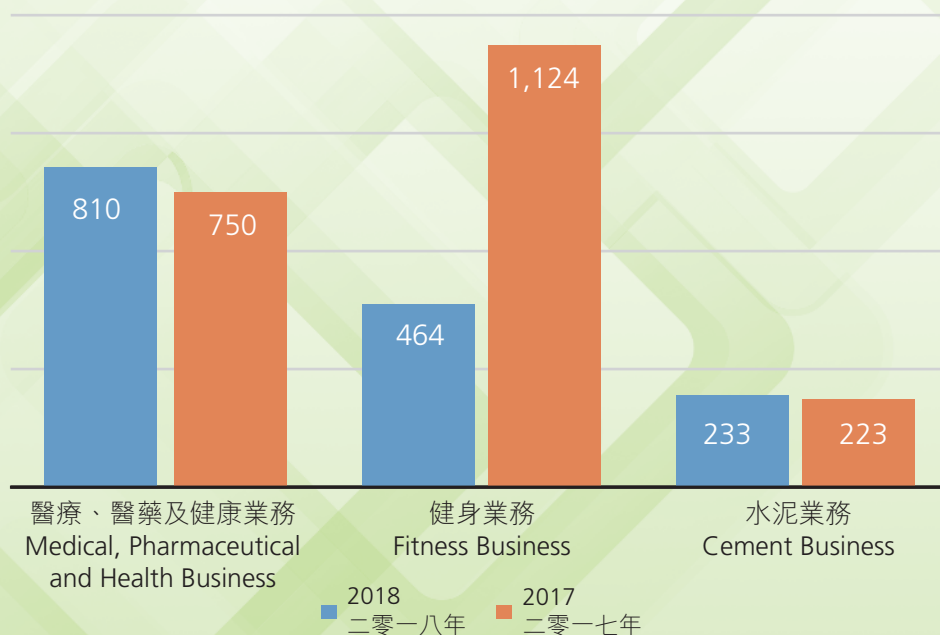
我們認同僱員乃我們重要的資產，並且不論背景及性別向僱員提供公平及平等的機會。於二零一八年十二月三十一日，本集團醫療、醫藥及健康業務有810名僱員（二零一七年：750名），健身業務則有464名僱員（二零一七年：1,124名僱員¹）（兩年數據均不包括台灣健身中心的員工），而水泥業務有233名僱員（二零一七年：223名）。我們致力於為所有僱員打造一個開明而有啟發性的工作環境。

Social

Employment

We recognise our employees as an important asset and we provide fair and equal opportunities to our employees regardless of their backgrounds and genders. As at 31 December 2018, the Group had 810 employees (2017: 750 employees) from the Medical, Pharmaceutical and Health Business, 464 employees (2017: 1,124 employees¹) from Fitness Business (staff members of fitness centres in Taiwan are not included in the data for both years) and 233 (2017: 223 employees) employees from the Cement Business. We are committed to build an open and inspirational working environment to all our employees.

僱員總數分佈
Distribution of employees



¹ 二零一七年度的績效已被重述並根據新的數據重新計算。

¹ The results for the year 2017 has been restated and recalculated based on the new data.

環境、社會及管治報告

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我們鼓勵公平競爭

所有僱傭決定均應基於客觀標準。所有僱傭政策遵循平等機會原則，特別是僱員招聘、培訓、職業發展和晉升。我們根據職責和表現釐定薪酬待遇。工作時間、休息時間及界定供款符合相關勞工法律法規。

各附屬公司之僱員手冊按各地區之相關僱傭條例(如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》；台灣之《勞動基準法》；及新加坡之《就業法》等)規範了我們的薪酬方案，包括基本薪金、花紅、社保供款和法定假期。我們按照當地勞工法律法規(即為《中華人民共和國社會保險法》、《住房公積金管理條例》；台灣之《全民健康保險法》、《勞工退休金條例》及新加坡之《中央公積金規定》等)社保及公積金供款。我們的薪酬方案與當地行業的同業相若。工作時間和休息時間符合當地勞工法律法規。

在報告期間內，未有發現違反相關勞工法律法規的任何已報告事件。

我們絕不容忍歧視或騷擾

我們絕不容忍因任何僱員的性別、年齡、種族或受法律保護的任何身份而對其進行歧視或騷擾。有關歧視或騷擾的投訴將在保密的情況下公正處理。在報告期間內，未有發現任何已報告的歧視或騷擾事件。

我們歡迎意見反饋

我們鼓勵僱員積極主動地向管理層提出意見反饋及關注事項。僱員可通過多種渠道表達不滿和投訴，我們將按照預定程序合理處理收到的不滿和投訴，平等對待所有員工。

We promote fair competition

All employment decisions shall be based on objective criteria. Equal opportunities principles are applied in all employment policies, in particular to recruitment, training, career development and promotion of employees. Remuneration packages are determined based on responsibilities and performance. Working time, rest periods and defined contributions are in compliance with relevant labour laws and regulations.

Pursuant to relevant employment regulations in each region, such as: the Labour Law of the PRC* (《中華人民共和國勞動法》) and the Labour Contract Law of the PRC* (《中華人民共和國勞動合同法》), the Labour Standard Act of Taiwan and the Employment Act of Singapore, the employee handbook of each of our subsidiary regulates our remuneration scheme, including basic salary, bonus, social security contribution and statutory holidays correspondingly. We contributed social security and provident fund in compliance with local labour law and regulations, namely the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Regulations on Management of Housing Provident Funds* (《住房公積金管理條例》), the National Health Insurance Act and the Labour Pension Act of Taiwan and the Central Provident Act of Singapore, etc. Our remuneration scheme is comparable to the peers in the local industry. Working hours and rest periods are in compliance with local labour laws and regulations.

In the reporting period, no reported instance of non-compliance with relevant labour laws and regulations was noted.

We do not tolerate discrimination or harassment

We do not tolerate discrimination or harassment against any employee based on their gender, age, race, or any status protected by law. Complaints about discrimination or harassment would be dealt with on a confidential basis and impartially. In the reporting period, no reported instance on discrimination or harassment was noted.

We welcome feedbacks

We encourage our employees to provide feedbacks and address their concerns to the management proactively. A number of channels are in place for its employees to express grievances and complaints which will be well-handled according to the predetermined procedures to ensure equality to all employees when related matters are handled.

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健康與安全

我們提倡職業安全與健康

我們努力為僱員提供安全的工作環境，保護彼等免受職業危害。所有工作場所都實施了環境、健康和安全管理制度。我們制定了安全指引，並傳達所有僱員。對本集團有重大影響的相關安全與健康的法規包括但不限於：

- 《中華人民共和國職業病防治法》
- 《中華人民共和國安全生產法》
- 中國《工傷保險條例》
- 台灣《職業安全衛生法》
- 新加坡《工作場所安全及健康法》

我們定期舉辦相關培訓，以提高僱員健康與安全意識。我們委任了安全專員監督各個運營層面的安全水平，並定期向本集團僱員提供有關辦公設備、生產設施、開採工具和檢測設備操作的信息和培訓課程。管理層抽查安全措施的實施是否到位。我

Health and Safety

We promote occupational safety and health

We are committed to provide a safe working environment to our employees and to protect them from occupational hazards. Environmental, health and safety management systems are implemented in all sites. Safety guidelines are formulated and communicated to all employees. Relevant regulations on health and safety that have significant impact on the Group include but are not limited to:

- Law of the PRC on Prevention and Control of Occupation Diseases* (《中華人民共和國職業病防治法》)
- Law of the PRC on Work Safety* (《中華人民共和國安全生產法》)
- the Regulations on Work-Related Injury Insurance* of the PRC (《工傷保險條例》)
- the Occupational Safety and Health Act of Taiwan
- the Workplace Safety and Health Act of Singapore

Relevant trainings are organised regularly to improve our employees' awareness on health and safety. We have appointed safety officers to supervise the safety level of each aspect of operations and provide the Group's employees with information and training courses about operation of equipment in office, production facilities, mining tools and



員工培訓
Staff training

環境、社會及管治報告

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們的健身教練接受定期內部培訓及不定期外部培訓，確保彼等具備良好狀態。

於二零一八年七月二十日，我們的實驗動物車間進行了定期的消防培訓及火警安全演習；另外，於年內，我們所有健身中心和總部的物業管理部門均各自每年或半年進行消防演習，所有在場人員都需要參加，同時，我們向僱員提供心肺復蘇／自動體外除顫器培訓，並榮獲新加坡職業安全健康委員會授予Bizsafe證書。

在報告期間內，未有於我們的運營中發現違反相關職業安全與健康的法律法規的任何已報告事件。

發展及培訓

我們提供學習機會

我們向僱員充分提供有關生產、技能和行為規範的培訓。我們持續向僱員提供適當的質量和藥品生產質量管理規範（「GMP」）培訓。我們的制度不單確保所有合適僱員接受培訓，同時監測培訓成效。

勞工準則

禁止童工和強制勞工

我們的僱傭政策嚴格禁止僱用童工和強制勞工，並嚴格遵守《中華人民共和國勞動法》中《禁止使用童工規定》、《未成年工特殊保護規定》及中國、新加坡及台灣勞工法中其他相關法律及規定。在報告期間內，未有發現童工或強制勞工的任何已報告事件。

inspection equipment on a regular basis. Spot checks by the management on the implementation of safety measures are in place. Regular internal trainings and ad-hoc external trainings are provided to our physical trainers to ensure they are well-equipped.

On 20 July 2018, regular firefighting training and fire drill were carried out in our experimental laboratory animal workshop. In addition, annual or semi-annual fire drills were carried out in each of our fitness centres and organized by the property management department of the headquarters during the year, in which all on-site personnel are required to participate. Meanwhile, we also provided CPR/AED trainings to the employees, and were awarded the Bizsafe certificate by the Occupational Safety and Health Division of Singapore.

In the reporting period, no reported instance of non-compliance to relevant occupational safety and health laws and regulations was noted in our operation.

Development and Training

We provide learning opportunities

We provide our employees with adequate trainings regarding production, skillsets and code of behaviour. We provide appropriate and ongoing trainings on quality and Good Manufacturing Practice (“GMP”) to our employees. Our system not only ensures that all applicable employees are trained, but also monitors the effectiveness of the trainings.

Labour Standards

Prohibition on child and forced labour

Our employment policy strictly prohibits the employment of children and forced labour, and strictly complies with Provisions on the Prohibition of Using Child Labor* (《禁止使用童工規定》), Special Protection for Juvenile Workers* (《未成年工特殊保護規定》) in the Labour Law of the PRC* (《中華人民共和國勞動法》) and other relevant laws and regulations of the PRC, Singapore and Taiwan. In the reporting period, no reported instance on child labour or forced labour was noted.

環境、社會及管治報告

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供應鏈管理

我們的所有原材料從本集團的合格供應商名單採購。合資格供應商名單之錄取必須遵循嚴格的標準。經過初步篩選後，潛在供應商將會接受實地審核，包括對供應商的質量管理水平、確保穩定供應的能力、安全和環境管理、僱員健康及社會責任、企業文化和商業信譽的全面評估等。我們對合資格供應商名單密切實施動態管理，定期評估，淘汰不適合的供應商。

產品責任

產品質量是我們業務經營的重點之一。我們建立了嚴格的內部控制制度來管理我們的知識產權，包括商標和專利行政管理、專有技術和保密管理，以及情報和信息收集，包括遵守《中華人民共和國消費者權益保護法》、台灣《消費者保護法》、新加坡《個人資料保護法》等相關法規。我們適時註冊新設計產品的商標。我們適時在網站更新大部分產品的詳細描述。

Supply Chain Management

All our raw materials were sourced from the Group's list of qualified suppliers. Admission to the list of qualified suppliers must follow strict standards. After a preliminary screening, potential suppliers will be subject to an on-site audit entailing a comprehensive assessment of the supplier's quality management level, capability of ensuring a stable supply, safety and environmental management, employee health and social responsibility, corporate culture and business reputation, etc. The list of qualified suppliers was managed closely with regular assessments to eliminate unfit suppliers.

Product Responsibility

Product quality is one of our main focuses in our business operation. We have established a strict internal control system to manage our intellectual property, encompassing the administration of trademarks and patents, the management of proprietary technology and confidentiality, and intelligence and information gathering, which include the compliance of relevant regulations such as Law of the PRC on Protection of Consumer Rights and Interests* (《中華人民共和國消費者權益保護法》) of the PRC, Consumer Protection Act of Taiwan and Personal Data Protection Act of Singapore. Trademarks of newly designed products would be registered on a timely basis. Detailed descriptions of most of our products are updated timely on our websites.

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醫療、醫藥及健康業務

我們按照《中華人民共和國藥品管理法》、《中華人民共和國藥品管理法實施條例》、GMP、《藥品經營質量管理規範》及《中國藥典》等相關醫藥等法規，提供醫療相關產品。我們應用並恪守一套嚴格的質量標準，採納了相關政策和程序，識別、衡量、控制及維持卓越的產品品質。我們不斷改善這些標準，完善我們的質量和安全程序，確保持續遵循藥品生產質量管理規範。我們的生產設施接受國家部門的檢查。我們在所有製造工廠採用藥品生產質量管理規範。位於北京的化學藥生產基地、位於陝西省寶雞市的中藥生產基地以及位於重慶市的原料藥及中間體生產基地均通過了中國國家食品藥品監督管理總局的藥品生產質量管理規範認證。位於重慶市的原料藥（「原料藥」）及中間體生產線持有有效的FDA認證及世界衛生組織（「世衛」）藥品資格預審認證（「PQ」），而重慶康樂的原料藥持有有效的新世衛PQ。位於北京市的實驗動物車間持有有效的北京市科學技術委員會的實驗動物生產資格認證。於二零一八年十二月十日，斯貝福（北京）生物技術有限公司（「斯貝福」）獲北京實驗動物行業協會頒發二零一八年度北京實驗動物行業先進集體獎。

標籤是建立我們品牌聲譽的關鍵。為免錯貼標籤，我們分開不同產品的生產線。我們的所有產品均貼有詳細信息的標籤，符合相關標籤法律法規的規定。

Medical, Pharmaceutical and Health Business

We provide medical-related products in accordance with the relevant regulations including the Drug Control Law of the PRC* (《中華人民共和國藥品管理法》), the Regulations for the Implementation of the Drug Administration Law of the PRC* (《中華人民共和國藥品管理法實施條例》), GMP, Good Supply Practice for Pharmaceutical Products (《藥品經營質量管理規範》) and Pharmacopoeia of the PRC (《中國藥典》). We apply and adhere to a strict set of quality standards, and we adopted policies and procedures to identify, measure, control and sustain product-quality excellence. We strive continuously to improve these standards in order to enhance our quality and safety procedures and ensure ongoing compliance with GMP. Our manufacturing facilities are inspected by national authorities. We adopted GMP in all of our manufacturing plants. Our chemical drugs production base located in Beijing, the Chinese medicines production base located in Baoji City, Shaanxi Province, and the active pharmaceutical ingredients (“API”) and intermediates API production base located in Chongqing City have all obtained the GMP certification from the China Food and Drug Administration of the PRC. The API and intermediates API production line located in Chongqing City holds a valid FDA certification and the Prequalification (“PQ”) of the World Health Organisation (“WHO”), while Chongqing Kangle holds a valid new WHO PQ for an API. Our experimental laboratory animal workshop located in Beijing City holds a valid experimental laboratory animal production qualification certification of the Beijing Municipal Science & Technology Commission. On 10 December 2018, SPF (Beijing) Biotechnology Co., Ltd.* (斯貝福（北京）生物技術有限公司) (“SPF”) was awarded 2018 Beijing Advanced Laboratory Animals Industry Award* (北京實驗動物行業先進集體獎) by the Beijing Association on Laboratory Animal Care* (北京實驗動物行業協會).

Labelling is essential for our brand reputation. To prevent mislabelling, we separate our production lines for different products. All of our products are labelled with detailed information in line with the requirements of relevant labelling laws and regulations.

環境、社會及管治報告

Environmental, Social and Governance Report

按照我們的藥物回收政策，我們的藥品根據有害反應及後果的危急程度分為三大類。藥物回收政策訂明受感染項目需即時回收，最快24小時完成。為確保回收程序行之有效，每年均會進行回收演習。

我們的實驗動物車間每年飼養超過3百萬隻小鼠，並向國內外科研機構、大專院校以及其他製藥公司出售小鼠，支援生命健康科學研究。於二零一六年，主要從事標準化實驗室動物供應及動物源性藥原料供應的斯貝福獲得了北京實驗動物行業協會頒發的二零一五年北京實驗動物行業先進集體獎。為了保證以人道方式飼養實驗室小鼠，我們提供了充足的空間、優質的食物和適宜的溫度，為實驗室小鼠創造良好的生活環境。我們不時向相關僱員提供關於動物福利的技術更新。我們遵循動物福利與仁慈終點建立的原則，並對實驗室小鼠實施安樂死。

健身業務

我們致力為客戶提供配置最尖端新穎的心血管訓練設備的優質健身服務。我們的健身中心位於台灣、新加坡及中國。於二零一八年十二月三十一日，台灣有12間健身中心及1間瑜珈及舞蹈會所，新加坡有8間健身中心及1間瑜珈及舞蹈會所，而中國則有2間健身中心。新客戶獲提供免費私人教練課堂，幫助客戶熟悉各種器械的正確使用方法。我們就每份經簽署的合約給予24小時冷靜期，歡迎客戶在冷靜期內取消任何經簽署合約。我們按照相關私隱保障法律處理客戶的私人信息。我們的新加坡健身中心於二零一五年至二零一八年連續四年榮獲塑形運動大獎* (Shape Sports Awards)。

According to our drug recall policy, our pharmaceutical products are divided into three categories based on their emergence level of harmful impact and consequences. The drug recall policy also prescribes that affected items be recalled immediately, as fast as 24 hours. To ensure the effectiveness of the recall process, recall drills are performed every year.

Our experimental laboratory animal workshop breeds over 3 million mice every year and we sell those mice to domestic and international research institutions, tertiary institutions and other pharmaceutical companies to support the life and health science research. In 2016, SPF, which principally engaged in the supply of standardised laboratory animals and animal indigenous raw materials, obtained the 2015 Beijing Advanced Laboratory Animals Industry Award* (北京實驗動物行業先進集體獎) issued by the Beijing Association on Laboratory Animal Care* (北京實驗動物行業協會). To ensure the laboratory mice being raised humanely, we provide them with a good living environment with adequate space, quality food and suitable temperature. Technical updates regarding the animal welfare are given to related employees from time to time. We follow the Principle of Animal Welfare and Humane Endpoint (動物福利與仁慈終點建立的原則) and implement euthanasia on our laboratory mice.

Fitness Business

We are committed to provide quality fitness service with latest state-of-the-art cardiovascular training equipment to our customers. Our fitness centres are located in Taiwan, Singapore and the PRC. As at 31 December 2018, there are 12 fitness centres and 1 yoga and dance club in Taiwan, 8 fitness centres and 1 yoga and dance club in Singapore, and 2 fitness centres in the PRC. Free personal trainers sessions are provided to new customers to help them get familiar with the correct ways to use the equipment. We provided a 24-hour cool down period for each signed contract. Customers are welcomed to cancel any signed contracts within the cool down period. We handle our customers' private information in accordance to the relevant privacy protection laws. Our fitness centres in Singapore are awarded the Shape Sports Awards for consecutive four years from 2015 to 2018.

環境、社會及管治報告 Environmental, Social and Governance Report

水泥業務

我們通過季度問卷調查等客戶參與措施為客戶提供優質水泥。我們確保於二零一八年我們的產品質量仍然達到通用硅酸鹽水泥國家標準「GB175-2007」。

反貪污

為了維持公平、高效的經營和工作環境，我們高度重視反貪污工作。我們絕不容忍任何形式的貪污。此外，我們在僱員手冊採納了行為守則，嚴格遵守《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》、《關於禁止商業賄賂行為的暫行規定》、台灣《貪污治罪條例》等有關反貪污賄賂法例，禁止僱員向與本集團有業務往來的人員、公司或組織勒索、收取或接受任何形式的利益。我們制定了舉報制度，僱員可舉報所有形式的懷疑非法行為。

社區投資

我們積極參與社區和慈善活動。本集團的水泥業務捐贈水泥幫助周圍村莊修橋築路，完善基礎設施。本集團通過捐贈金錢或物資向貧困人士提供幫助。本集團自成立以來已對外捐贈超過人民幣4.1百萬元。多年來，聯合王冕於兒童節（六月一日）向學校贊助校服，向僱員子女贊助筆記本、授予獎學金，於重陽節看望鄰近村莊的老人及貧困員工家庭，並自願修繕附近道路。自二零零八年以來，本集團為捐款和慈善工作動用超過15.4百萬港元。作為企業社會責任舉措的一環，我們亦向新加坡的弱勢兒童提供免費個人培訓課堂。

Cement Business

We are committed to provide quality cement to our customers through customer engagement such as quarterly questionnaire surveys. We ensure the quality of our products is still up to the National Standard of Common Portland Cements "GB175-2007" in 2018.

Anti-corruption

In order to maintain a fair and efficient business and working environment, we put great emphasis on anti-corruption. We does not tolerate any form of corruption. Also, we adopted relevant code of conduct in employee handbook, complying strictly with relevant anti-corruption laws such as the Criminal Law of the PRC* (《中華人民共和國刑法》), Law of the PRC Against Unfair Competition* (《中華人民共和國反不正當競爭法》), Interim Provisions on Prohibition of Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》) and Taiwan's Anti-Corruption Act to prohibit employees from extorting, charging or accepting any form of interest from people, companies or organisations which conducts business with the Group. Whistleblowing system is formulated for employees to report any suspect of all forms of illegal practices.

Community Investment

We actively take part in community and charitable activities. For the Cement Business, the Group donates cement to help surrounding villages repair bridges, construct roads, and improve infrastructure facilities. For people living in poverty, the Group helps them through donating money or goods. Since the establishment of the Group, it has donated over RMB4.1 million to external parties. Over the years, Allied Wangchao has sponsored uniforms to schools on Children's Day (1 June), sponsored notebooks and granted scholarships to the children of our employees, paid visit to the elderly living in adjacent villages and poverty-stricken families of our staff during Chung Yang Festival and voluntarily repaired roads nearby. The Group has spent over HK\$15.4 million on donation and charity work since 2008. As part of corporate social responsibility initiatives, we also provided free personal training sessions to underprivileged children in Singapore.

* 僅供識別

* For identification purpose only

企業管治報告

Corporate Governance Report

同方康泰產業集團有限公司(「本公司」)致力於切合實際之框架內維持高水平之企業管治，以強調高透明度、問責性及獨立性為原則。本公司董事(「董事」)會(「董事會」)相信良好的企業管治對本公司之成功及提升股東價值至為重要。

企業管治守則及企業管治報告

按照香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載之《企業管治守則》及《企業管治報告》(「企業管治守則」)，董事會已檢討本公司之企業管治常規。董事認為，於截至二零一八年十二月三十一日止年度(「本年度」)，本公司一直應用企業管治守則之所有適用守則條文之原則並遵守該等守則條文。

董事會

董事會目前共由五名董事組成，其中兩名為執行董事(「執行董事」)及三名為獨立非執行董事(「獨立非執行董事」)。於本年度內及截至本報告日期止之董事會成員載列如下：

執行董事

黃俞先生(主席)
蔣朝文先生(首席執行官)
黃清海先生(於二零一八年九月三日辭任執行董事)

非執行董事

張軼先生(於二零一八年一月二十三日辭任非執行董事)

Tongfang Kontafarma Holdings Limited (the “Company”) is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The board of directors of the Company (the “Directors” and the “Board”, respectively) believes that good corporate governance is essential to the success of the Company and to the enhancement of shareholders’ value.

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

The Board has reviewed the corporate governance practices of the Company in light of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the opinion of the Directors, the Company applied the principles of, and complied with, all the applicable code provisions of the CG Code throughout the year ended 31 December 2018 (the “Year”).

THE BOARD

The Board currently comprises five Directors in total, with two executive Directors (the “Executive Director(s)”) and three independent non-executive Directors (the “INED(s)”). The composition of the Board during the Year and up to the date of this report is set out as follows:

Executive Directors

Mr. Huang Yu (Chairman)
Mr. Jiang Chaowen (Chief Executive Officer)
Mr. Ng Qing Hai (resigned as an Executive Director with effect from 3 September 2018)

Non-Executive Director

Mr. Zhang Yi (resigned as a non-Executive Director with effect from 23 January 2018)

企業管治報告 Corporate Governance Report

獨立非執行董事

陳思聰先生
張瑞彬先生
張俊喜先生

董事之履歷詳情載於本年報第71至78頁之董事會報告所載之「董事及高級管理人員之履歷詳情」一節。

董事之間概無財務、業務、家族或其他重大關係。

董事會程序

於本年度，獨立非執行董事為本公司及其附屬公司（統稱「本集團」）提供廣泛之專業知識及經驗。彼等積極參與董事會及董事委員會會議，對有關本集團策略、表現及管理程序之事宜作出獨立判斷，並顧及本公司全體股東（「股東」）之利益。

於本年度全年及截至本報告日期止，本公司有三名獨立非執行董事，佔董事會人數不少於三分之一。根據上市規則第3.10條之規定，至少一名獨立非執行董事具備適當之專業資格或會計或相關財務管理專長。本公司已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事均具備上市規則第3.13條所載指引下之獨立性。

INEDs

Mr. Chan Sze Chung
Mr. Zhang Ruibin
Mr. Zhang Junxi Jack

The brief biographical details of the Directors are set out in the “Biographical Details of Directors and Senior Management” section in the Directors’ Report on pages 71 to 78 of this annual report.

There are no financial, business, family or other material relationship among the Directors.

Board Process

During the Year, the INEDs provided the Company and its subsidiaries (collectively, the “Group”) with a wide range of expertise and experience. Their active participation in the Board and Board committee meetings has brought independent judgement on issues relating to the Group’s strategy, performance and management process, taking into account the interests of all shareholders of the Company (the “Shareholders”).

Throughout the Year and up to the date of this report, the Company had three INEDs representing not less than one-third of the Board. At least one of the INEDs has the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules. The Company has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

企業管治報告 Corporate Governance Report

董事會定期召開會議，討論本集團之整體策略以及營運及財政表現，並審閱及批准本集團之全年及中期業績以及其他須處理之個別事項。各董事於本年度內出席本公司董事會會議、董事會委員會會議及股東週年大會（「股東週年大會」）之紀錄載列如下：

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results and other ad hoc matters which need to be dealt with. The attendance records of each Director at board meetings, board committee meetings and annual general meeting of the Company (the "AGM") for the Year are set out below:

	董事會	提名委員會	薪酬委員會	審核委員會	投資委員會	風險管理 委員會	二零一八年 股東週年大會
	Board	Nomination Committee	Remuneration Committee	Audit Committee	Investment Committee	Management Committee	2018 AGM
於本年度內舉行會議之 次數	8	1	2	2	2	1	1
	出席/舉行會議之次數 ^(附註1) Number of meetings attended/held ^(Note 1)						

執行董事：	Executive Directors:						
黃俞先生(主席)	Mr. Huang Yu (Chairman)	8/8	1/1		2/2	0/1	1/1
蔣朝文先生(首席執行官) ^(附註2)	Mr. Jiang Chaowen (Chief Executive Officer) ^(Note 2)	7/7					1/1
黃清海先生 ^(附註3)	Mr. Ng Qing Hai ^(Note 3)	5/8	0/1			1/1	0/1
非執行董事：	Non-Executive Director:						
張軼先生 ^(附註4)	Mr. Zhang Yi ^(Note 4)	1/1					
獨立非執行董事：	INEDs:						
陳思聰先生	Mr. Chan Sze Chung	6/8	1/1	2/2	2/2	2/2	1/1
張瑞彬先生	Mr. Zhang Ruibin	6/8	1/1	2/2	2/2	2/2	1/1
張俊喜先生	Mr. Zhang Junxi Jack	6/8	1/1	2/2	2/2	1/1	0/1

附註：

Notes:

- 於本年度內獲委任或辭任之各董事之出席情況乃參考於彼等各自之任期內舉行之有關會議次數得出。
- 蔣朝文先生於二零一八年一月二十三日獲委任為執行董事。
- 黃清海先生於二零一八年九月三日辭任執行董事。
- 張軼先生於二零一八年一月二十三日辭任非執行董事。
- Attendances of each of the Directors appointed or resigned during the Year were made by reference to the number of such meetings held during their respective tenures.
- Mr. Jiang Chaowen was appointed as an Executive Director with effect from 23 January 2018.
- Mr. Ng Qing Hai resigned as an Executive Director with effect from 3 September 2018.
- Mr. Zhang Yi resigned as a non-Executive Director with effect from 23 January 2018.

企業管治報告

Corporate Governance Report

經董事會決定或考慮之事宜主要包括本集團整體策略、全年營運預算、全年及中期業績、董事委任或重新委任(按提名委員會之建議)、重大合約及交易、企業管治以及其他重大政策及財務事宜等。董事會已將日常職責委派予行政管理人員，並由執行委員會(其具有特定書面職權範圍)指示／監督。董事會及本公司管理層之職能已分別確立並以書面列載，並不時由董事會作出檢討，以確保該等職能與現行規則及規例一致。

董事會定期會議的舉行日期於每年預先編定，以便更多董事出席會議。召開董事會定期會議前會給予全體董事至少十四天之通知，以便彼等皆有機會提出商討事項以列入會議議程內。本公司之公司秘書(「公司秘書」)協助主席／首席執行官編製會議議程，以及確保遵守所有適用法律、規則及規例。議程及隨附之董事會文件在擬舉行董事會定期會議(在可行情況下，亦適用於其他董事會會議)之日期前至少三天呈送予全體董事。每份董事會會議記錄之初稿於提交下一次董事會會議審批前，先供全體董事傳閱並提出意見。所有會議記錄均由公司秘書保存，並供所有董事於發出合理通知後，於任何合理時間內查閱。

根據董事會現行慣例，倘主要股東或董事在董事會將予考慮之事項中存有董事會認為屬重大之利益衝突，則有關事項會於正式召開之董事會會議上由董事會處理。本公司之經修訂及重訂組織章程大綱及章程細則(「章程細則」)亦規定，除當中所述之例外情況外，董事不得就涉及其或其任何緊密聯繫人擁有重大權益的任何合約、安排或建議之任何董事會決議案表決(亦不得將其計入法定人數內)。

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim results, Directors' appointment or re-appointment (based on the recommendations made by the Nomination Committee), material contracts and transactions, corporate governance as well as other significant policy and financial matters. The Board has delegated the day-to-day responsibility to the executive management under the instruction/supervision of the Executive Committee which has its specific written terms of reference. The respective functions of the Board and the management of the Company have been formalised and set out in writing and are reviewed by the Board from time to time to ensure that they are consistent with the existing rules and regulations.

Regular Board meetings are scheduled in advance each year to facilitate maximum attendance of Directors. A notice of a regular Board meeting of at least 14 days is given to all Directors such that they are given an opportunity to include matters for discussion in the agenda. The company secretary of the Company (the "Company Secretary") assists the Chairman/the Chief Executive Officer in preparing the agenda for meetings and ensures that all applicable laws, rules and regulations are complied with. The agenda and the accompanying Board papers are sent to all Directors at least 3 days before the intended date of a regular Board meeting (and so far as practicable for such other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comment before being tabled at the following Board meeting for approval. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

According to the current Board practice, if a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board, which the Board has determined to be material, the matter will be dealt with by the Board at a duly convened Board meeting. The amended and restated memorandum and articles of association of the Company (the "Articles of Association") also stipulate that save for the exceptions as provided therein, a Director shall not vote (nor shall he/she be counted in the quorum) on any resolution of the Board in respect of any contract, arrangement or proposal in which such Director or any of his/her close associates has a material interest.

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每名董事均有權查閱董事會文件及相關資料，亦可向公司秘書尋求意見及服務。董事會及各董事亦可個別及獨立地接觸本公司之高級管理人員。董事獲持續提供上市規則及其他適用監管規定之最新重大發展之資料，以確保彼等遵守及秉持良好企業管治常規。此外，書面程序已於二零一一年十二月制定，讓各董事在履行其職責時，可在適當情況下尋求獨立專業意見，有關合理費用由本公司承擔。

Every Director is entitled to have access to Board papers and the related materials and to the advice and services of the Company Secretary. The Board and each Director also have separate and independent access to the Company's senior management. Directors are continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, a written procedure was established in December 2011 to enable the Directors, in discharge of their duties, to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

董事之持續專業發展（「持續專業發展」）

在持續專業發展方面，除出席會議及審閱由本公司管理層發出之文件及通函外，董事於本年度內參與之活動包括：

Directors' Continuous Professional Development ("CPD")

For CPD, in addition to Directors' attendance at meetings and review of papers and circulars sent by the management of the Company, the Directors participated in the activities including the following during the Year:

參與持續專業發展活動 Participation in CPD Activities

董事姓名	Name of Directors	閱讀法規更新 Reading Regulatory Updates	出席與董事 職責有關之 培訓／簡佈會／ 講座／會議 Attending trainings/ briefings/ seminars/ conference relevant to Directors' duties
執行董事：	Executive Directors:		
黃俞先生	Mr. Huang Yu	✓	✓
蔣朝文先生	Mr. Jiang Chaowen	✓	✓
黃清海先生 (附註1)	Mr. Ng Qing Hai (Note 1)	✓	
非執行董事：	Non-Executive Director:		
張軼先生 (附註2)	Mr. Zhang Yi (Note 2)	✓	
獨立非執行董事：	INEDs:		
陳思聰先生	Mr. Chan Sze Chung	✓	✓
張瑞彬先生	Mr. Zhang Ruibin	✓	✓
張俊喜先生	Mr. Zhang Junxi Jack	✓	✓

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附註：

1. 黃清海先生於二零一八年九月三日辭任執行董事。
2. 張軼先生於二零一八年一月二十三日辭任非執行董事。

董事確認彼等已符合有關董事培訓之企業管治守則之守則條文第A.6.5條。

主席及行政總裁之角色

企業管治守則之守則條文第A.2.1條規定主席與行政總裁的角色應有所區分及由不同人士擔任。

董事會主席與首席執行官之角色有所區分。有關職責分工加強該等董事之獨立性及問責性。董事會主席黃俞先生負責董事會之領導及有效運作，而首席執行官蔣朝文先生則負責本集團之整體管理。

董事之委任及重選

提名政策訂明董事提名程序及物色、遴選及推薦本公司董事候選人之準則。有關詳情載於本報告「提名政策」一節。

每名新獲委任之董事將於首次委任時獲公司秘書或本公司之律師提供一套入職資料。該套入職資料乃根據香港法例第622章公司條例（「條例」）、上市規則以及香港法例第571章證券及期貨條例（「證券及期貨條例」）董事須遵守之職責及持續責任之全面、正式及按每名董事情況專門編制之指引。此外，該套入職資料亦包括簡述本公司運作及業務之資料、本公司最新公佈之財務報告及董事會採納之企業管治常規文件。董事會持續獲更新上市規則及其他適用之監管規定之重大發展，以確保彼等遵守及維持良好之企業管治常規。

Notes:

1. Mr. Ng Qing Hai resigned as an Executive Director with effect from 3 September 2018.
2. Mr. Zhang Yi resigned as a non-Executive Director with effect from 23 January 2018.

The Directors confirmed that they have complied with code provision A.6.5 of the CG Code on directors' training.

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

Code provision A.2.1 of the CG Code provides that the roles of the chairman and the chief executive should be separate and performed by different individuals.

The roles of the Chairman of the Board and the Chief Executive Officer are separate. Such division of responsibilities reinforces the independence and accountability of these Directors. Mr. Huang Yu, the Chairman of the Board, is responsible for leadership and effective running of the Board, while Mr. Jiang Chaowen, the Chief Executive Officer, is responsible for overall management of the Group.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Nomination Policy specifies the director nomination process and criteria for the identifications, selection and recommendation of candidates for directorship of the Company. Details of which are set out in the section headed "Nomination Policy" of this report.

Every newly appointed Director will receive an induction package from the Company Secretary or the lawyer of the Company on the first occasion of his/her appointment. This induction package is a comprehensive, formal and tailored induction on the responsibilities and on-going obligations to be observed by a director pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)(the "Ordinance"), Listing Rules and Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). In addition, this induction package includes materials briefly describing the operations and business of the Company, the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board. Directors are continuously updated on any major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

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所有獨立非執行董事之委任已設特定任期，但同時亦受章程細則之有關條文或任何其他適用法例所規限，董事須離任或退任，但可膺選連任。獨立非執行董事之任期詳情載於本年報第78至79頁之董事會報告所載之「獨立非執行董事之任期」一節。

根據章程細則，於每屆股東週年大會上，當時在任董事的三分之一（或如其人數並非三或三之倍數，則最接近但不少於三分之一）須輪值退任。此外，任何獲董事會委任以填補臨時空缺之董事之任期僅至其獲委任後之本公司首次股東大會為止，而獲委任為董事會新增之成員可任職至下屆股東週年大會為止，在該兩種情況下，該等董事屆時均可於相關會議上膺選連任。每名董事須至少每三年輪值退任一次。

企業管治職能

董事會負責按照其職權範圍履行企業管治職責。董事會在企業管治職能方面之職責包括：

- (i) 制定及檢討本公司之企業管治政策及常規；
- (ii) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (iii) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- (iv) 制定、檢討及監察僱員及董事之操守準則及合規手冊；及
- (v) 檢討本公司遵守企業管治守則之情況及在企業管治報告內之披露。

於本年度，董事會已根據其職權範圍履行企業管治職責。

All INEDs were appointed for a specific term, but subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office but are eligible for re-election. Details of the term of appointment of the INEDs are set out in the section headed “Terms of Office for the Independent Non-Executive Directors” contained in the Directors’ Report on pages 78 to 79 of this annual report.

According to the Articles of Association, at each AGM, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. Further, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his/her appointment whilst for those appointed as an addition to the Board shall hold office until the next AGM and in both cases, those Directors shall then be eligible for re-election at the relevant meeting. Every Director shall be subject to retirement by rotation at least once every three years.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing corporate governance duties in accordance with its terms of reference. The duties of the Board in respect of the corporate governance functions include:

- (i) developing and reviewing the Company’s policies and practices on corporate governance;
- (ii) reviewing and monitoring the training and CPD of Directors and senior management;
- (iii) reviewing and monitoring the Company’s policies and practices on compliance with legal and regulatory requirements;
- (iv) developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and Directors; and
- (v) reviewing the Company’s compliance with the CG Code and disclosure in the Corporate Governance Report.

During the Year, the Board has performed the corporate governance duties in accordance with its terms of reference.

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董事委員會

董事會已成立多個委員會，包括提名委員會、薪酬委員會、審核委員會、投資委員會、風險管理委員會及執行委員會，各委員會均以書面具體列明其職權範圍。公司秘書保存各委員會之所有會議記錄及決議案，並提供副本予全體董事會成員傳閱，而各委員會須向董事會匯報其決定及建議（倘適用）。委員會會議亦已在可行情況下採納董事會會議之程序及安排（於本報告「董事會」一節提述）。

提名委員會

提名委員會之主席為董事會主席，大部份成員為獨立非執行董事。提名委員會目前由四名成員組成，即執行董事黃俞先生（提名委員會主席），以及獨立非執行董事陳思聰先生、張瑞彬先生及張俊喜先生。

提名委員會之主要職責為就包括董事之提名及委任、繼任計劃以及董事會之架構、組合及多元化在內之事宜向董事會提出建議。提名委員會獲提供充裕資源以履行其職責，並可按本公司之政策在有需要時尋求獨立專業意見。提名委員會之主要角色及職能已載於其職權範圍內，該職權範圍已於聯交所及本公司各自之網站內登載。

根據其職權範圍，提名委員會將於有需要時召開會議，亦可透過傳閱文件方式處理事宜。於二零一八年，提名委員會已舉行一次會議，每名成員之出席情況載於本報告「董事會」一節內。除上述提名委員會會議外，於本年度內，提名委員會亦曾透過傳閱文件方式處理事宜。於本年度內及截至本報告日期止，提名委員會已履行之主要工作概述如下：

- (i) 審閱及建議董事會批准非執行董事辭任及委任執行董事，以及執行委員會及股份交易委員會的新成員組合；

BOARD COMMITTEES

The Board has established various committees, including the Nomination Committee, the Remuneration Committee, the Audit Committee, the Investment Committee, the Risks Management Committee and the Executive Committee, each of which has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the committees, which are kept by the Company Secretary, are circulated to all Board members and the committees are required to report back to the Board on their decisions and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned in the section headed "The Board" of this report, have been adopted for the committee meetings so far as practicable.

Nomination Committee

The Nomination Committee is chaired by the Chairman of the Board and comprises a majority of INEDs. Currently, the Nomination Committee consists of four members, namely Mr. Huang Yu (Chairman of the Nomination Committee), who is Executive Director, and Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack, who are INEDs.

The primary duty of the Nomination Committee is to make recommendations to the Board on matters including nomination and appointment of directors, succession planning and structure, composition and diversity of the Board. The Nomination Committee is provided with sufficient resources to discharge its duties and it can seek independent professional advice according to the Company's policy if considered necessary. The major roles and functions of the Nomination Committee are included in its terms of reference, which are available on the respective websites of the Stock Exchange and the Company.

The Nomination Committee will meet as and when necessary in accordance with its terms of reference and may also deal with matters by way of circulation. A Nomination Committee meeting was held in 2018 and the attendance of each member is set out in the section headed "The Board" of this report. In addition to the above-mentioned Nomination Committee meeting, the Nomination Committee also dealt with matters by way of circulation during the Year. During the Year and up to the date of this report, the major work performed by the Nomination Committee was as follows:

- (i) reviewed and recommended for the Board's approval of the resignation of non-executive Director and appointment of Executive Director and the new compositions of the Executive Committee and the Share Dealing Committee;

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| (ii) 評核獨立非執行董事之獨立性； | (ii) assessed the independence of INEDs; |
| (iii) 審閱及建議董事會批准就重選董事於股東週年大會上提呈決議案； | (iii) reviewed and recommended for the Board's approval of the proposed resolutions for re-election of Directors at AGMs; |
| (iv) 審閱及建議董事會批准續聘一名獨立非執行董事及委任之相關條款； | (iv) reviewed and recommended for the Board's approval of the renewal of an INED's appointment and relevant terms of the appointment; |
| (v) 審閱及建議董事會批准執行董事辭任後，執行委員會、提名委員會、風險管理委員會及股份交易委員會的新成員組合； | (v) reviewed and recommended for the Board's approval of the new compositions of the Executive Committee, the Nomination Committee, the Risks Management Committee and the Share Dealing Committee subsequent to the resignation of Executive Director; |
| (vi) 經考慮本公司之董事會成員多元化政策（「董事會成員多元化政策」）後，檢討董事會的架構、人數及組成； | (vi) reviewed the structure, size, composition of the Board taking into account the board diversity policy of the Company (the "Board Diversity Policy"); |
| (vii) 檢討董事會、主席、首席執行官及管理人員之職能／角色； | (vii) reviewed the functions/roles of the Board, Chairman, Chief Executive Officer and management; |
| (viii) 檢討提名政策（「提名政策」）之實行情況以及對提名委員會職權範圍及董事會成員多元化政策之修訂；及 | (viii) reviewed the implementation of the nomination policy (the "Nomination Policy") and the revisions to the terms of reference of the Nomination Committee and the Board Diversity Policy; and |
| (ix) 採納董事會成員多元化政策下之可計量目標。 | (ix) adopted the measurable objectives under the Board Diversity Policy. |

提名政策

董事會已採納提名政策，當中載列董事提名程序及甄選準則，以物色、甄選及建議董事候選人。

董事提名程序如下：

1. 提名委員會採用各種方法以物色董事候選人，包括董事會成員、管理層和專業獵頭公司之推薦。此外，提名委員會亦會考慮股東所正式提交的董事候選人。
2. 所有董事候選人（包括現任董事及股東提名的候選人）均由提名委員會根據董事資格進行評估。董事候選人將按照相同的標準受予評估，惟提名委員會保留衡量該若干標準相對重要性之決定權，該若干標準可能會根據整體董事會的組成、技能和經驗（而非個別候選人）而有所不同。

Nomination Policy

The Board has adopted the Nomination Policy which sets out the director nomination process and selection criteria to identify, select and recommend candidates for Directors.

The Director nomination process is as follows:

1. The Nomination Committee utilises various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. In addition, the Nomination Committee will consider director candidates properly submitted by the Shareholders.
2. All director candidates, including incumbents and candidates nominated by the Shareholders, are evaluated by the Nomination Committee based upon the director qualifications. While director candidates will be evaluated on the same criteria, the Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, and experiences of the collective Board rather than on the individual candidate.

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3. 對董事候選人進行評估之內容包括，但不限於：
- 簡歷和工作經歷之審查；
 - 個人面試；
 - 專業及個人資料之核實；及
 - 背景調查。
4. 董事會將考慮提名委員會的建議，並負責推薦董事候選人參選董事職位，在本公司股東週年大會上經由股東酌量，或按章程細則之規定委任適當的候選人擔任董事，以填補董事會空缺或作為新增董事。
5. 董事的所有委任應透過委任書及／或服務合約予以確定，該委任書及／或服務合約須列明董事委任的主要條款及條件。
- 提名委員會將於評估董事候選人時考慮以下甄選準則：
1. 在考慮董事候選人的提名時，將會考慮候選人的資格、技能和經驗和性別多樣性等方面能否增加及配合現有董事的技能、經驗和背景之範圍。
2. 提名委員會認為獲推薦為董事會新董事的候選人或繼續提供服務的現任董事應至少具備以下資格：
- 具有最高個人及職業道德和誠信；
 - 其成就和能力在被提名人的領域已獲肯定，並具備做出正確的商業判斷的能力；
 - 具備協助和支持管理層的能力，並可以為本公司的成功作出重大貢獻；
3. The evaluation of director candidates may include, without limitation, the following:
- review of resume and job history;
 - personal interviews;
 - verification of professional and personal references; and
 - performance of background checks.
4. The Board will consider the recommendations of the Nomination Committee and is responsible for designating the director candidate(s) to be considered by the Shareholders for their election at the general meeting of the Company, or appointing any suitable candidate to act as Director to fill a Board vacancy or as an additional Director subject to compliance of the Articles of Association.
5. All appointments of Director should be confirmed by letter of appointment and/or service contract setting out the key terms and conditions of the appointment of the Directors.
- The selection criteria considered by the Nomination Committee in evaluating director candidates is as follows:
1. All director candidates will be evaluated based upon the director qualifications, skills and experience, gender diversity, etc. that can add to and complement the range of skills, experience and background of existing Directors.
2. The Nomination Committee considers the following qualifications are at a minimum to be required of a director candidate in recommending to the Board potential new Director, or the continued service of existing Director:
- the highest personal and professional ethics and integrity;
 - proven achievement and competence in the nominee's field and the ability to exercise sound business judgment;
 - the ability to assist and support management and make significant contributions to the Company's success;

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- 瞭解董事會成員所需的誠信責任以及承諾投入履行這些責任所需的時間和精力；
 - 獨立性：獨立非執行董事的候選人應符合上市規則所規定的「獨立性」標準，董事會的組成亦必須符合上市規則的條文；及
 - 具備與現有董事會相輔相成的技能，對董事會作出貢獻，使董事會能有效履行其職責，尤其是下文所載：
 - (a) 參與董事會會議，在涉及策略、政策、公司表現、問責性、資源、主要委任及操守準則等事宜上，提供獨立的意見；
 - (b) 於出現潛在利益衝突時發揮牽頭引導作用；
 - (c) 確保彼所服務的董事會委員會履行董事會授予的權力及職能；及
 - (d) 遵守董事會不時訂定，或章程細則不時所載，或法例或上市規則不時訂立的任何規定、指示及規例（如適用）。
3. 除上述者外，雖然提名委員會可考慮其認為符合本公司及其股東最佳利益的其他因素，但董事候選人並無既定最低準則。
- an understanding of the fiduciary responsibilities that is required of a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities;
 - independence: the independent non-executive director candidates should meet the “independence” criteria as required under the Listing Rules and the composition of the Board is in conformity with the provisions of the Listing Rules; and
 - skills that are complementary to those of the existing Board and the ability to contribute to the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:
 - (a) participating in Board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
 - (b) taking the lead where potential conflicts of interests arise;
 - (c) ensuring the committees of the Board on which he or she serves to perform their powers and functions conferred on them by the Board; and
 - (d) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the Articles of Association or imposed by legislation or the Listing Rules, where appropriate.
3. Other than the foregoing, there are no stated minimum criteria for director candidate, although the Nomination Committee may also consider such other factors as it may deem are in the best interests of the Company and its Shareholders.

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董事會成員多元化

董事會採納了董事會成員多元化政策。提名委員會負責檢討董事會成員多元化政策。董事會成員多元化政策載列有關董事會成員多元化之目標及原則，以在可行情況下達致本公司在董事會成員多元化方面取得平衡之策略目標。

為落實董事會成員多元化政策，甄選人選將基於一系列多元化準則，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。最終決定將按人選之長處及可為董事會作出之貢獻而定。

董事會於本年度已達成董事會成員多元化政策項下的可計量目標。提名委員會將適時檢討董事會成員多元化政策以確保其效能及討論任何可能需要之修訂，並向董事會推薦該等修訂以供考慮及批准。提名委員會亦監控董事會成員多元化政策之實行。

薪酬委員會

薪酬委員會目前由三名成員組成，即張瑞彬先生（薪酬委員會主席）、陳思聰先生及張俊喜先生，全屬獨立非執行董事。

Board Diversity

The Board has adopted the Board Diversity Policy. The Nomination Committee has been in charge of the review of the Board Diversity Policy. The Board Diversity Policy sets out the objectives and principles regarding board diversity for the purpose of achieving the Company's strategic objectives of balanced diversity at the Board as far as practicable.

For the purpose of implementation of the Board Diversity Policy, selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board.

The Board has achieved the measurable objectives under the Board Diversity Policy for the Year. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval. The Nomination Committee also monitors the implementation of the Board Diversity Policy.

Remuneration Committee

The Remuneration Committee currently consists of three members, namely Mr. Zhang Ruibin (Chairman of the Remuneration Committee), Mr. Chan Sze Chung and Mr. Zhang Junxi Jack, all being the INEDs.

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薪酬委員會之主要職責為就全體董事及本集團高級管理人員之本公司薪酬政策及架構以及其他與薪酬相關之事宜，向董事會提出建議。薪酬委員會會定期監察所有董事之薪酬，以確保其薪酬及報酬合理。薪酬委員會獲提供充裕資源以履行其職責，並可按本公司之政策在有需要時尋求獨立專業意見。薪酬委員會之主要角色及職能已載於其職權範圍內，該職權範圍已於聯交所及本公司各自之網站內登載。

根據其職權範圍，薪酬委員會每年須至少召開一次會議。於二零一八年，薪酬委員會已舉行兩次會議，每名成員之出席情況載於本報告「董事會」一節內。除上述薪酬委員會會議外，於本年度內，薪酬委員會亦曾透過傳閱文件方式處理事宜。於本年度內及截至本報告日期止，薪酬委員會已履行之工作概述如下：

- (i) 審閱及建議董事會批准新任執行董事之薪酬待遇；
- (ii) 審閱及建議董事會批准董事及本集團高級管理人員之現有薪酬政策及架構；及
- (iii) 審閱及建議董事會批准董事及本集團高級管理人員截至二零一七年十二月三十一日止年度之薪酬待遇，以及執行董事本年度之薪金增幅。

每名董事將有權獲取之董事袍金需於每年之股東週年大會上提呈股東批准。就董事之額外職責及服務而應付予彼等之額外薪酬（包括獨立非執行董事之任何服務費），將按彼等各自之僱傭合約或服務合約之相應合約條款釐定，惟須經薪酬委員會建議及獲董事會批准。董事薪酬之詳情載於本年報所載之綜合財務報表附註10，而自本公司二零一八年中報報告日期起直至本報告日期止之若干董事酬金之變更詳情亦已於董事會報告「董事資料變動」內披露。本集團薪酬政策之詳情亦已載於本年報第20頁之管理層討論及分析所載之「僱員及薪酬政策」一節內。

The primary duty of the Remuneration Committee is to make recommendations to the Board on the Company's policy and structure for remuneration of all Directors and senior management of the Group and other matters relating to remuneration. The remuneration of all Directors is subject to regular monitoring by the Remuneration Committee to ensure that their remuneration and compensation are reasonable. The Remuneration Committee is provided with sufficient resources to discharge its duties and it can seek independent professional advice according to the Company's policy if considered necessary. The major roles and functions of the Remuneration Committee are included in its terms of reference, which are available on the respective websites of the Stock Exchange and the Company.

The Remuneration Committee shall meet at least once a year in accordance with its terms of reference. Two Remuneration Committee meetings were held in 2018 and the attendance of each member is set out in the section headed "The Board" of this report. In addition to the above Remuneration Committee meetings, the Remuneration Committee also dealt with matters by way of circulation during the Year. During the Year and up to the date of this report, the Remuneration Committee had performed the work as summarised below:

- (i) reviewed and recommended for the Board's approval of the remuneration package of new Executive Director;
- (ii) reviewed and recommended for the Board's approval of the existing policy and structure for the remuneration of Directors and senior management of the Group; and
- (iii) reviewed and recommended for the Board's approval of the remuneration packages of Directors and senior management of the Group for the year ended 31 December 2017, and the salary increments of the Executive Directors for the Year.

Each Director will be entitled to a Director's fee which is to be proposed for the Shareholders' approval at the AGM each year. Further remuneration payable to the Directors (including any service fees of the INEDs) for their additional responsibilities and services will depend on their respective contractual terms under their respective employment contracts or service contracts as approved by the Board on the recommendation of the Remuneration Committee. Details of the Directors' remuneration are set out in note 10 to the consolidated financial statements of this annual report while detailed changes in the emoluments of certain Directors since the date of the 2018 Interim Report of the Company and up to the date of this report were also disclosed in the "Changes in Directors' Information" of the Directors' Report. Details of the remuneration policy of the Group are also set out in the "Employees and Remuneration Policies" section contained in the Management Discussion and Analysis on page 20 of this annual report.

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根據企業管治守則之守則條文第B.1.5條，本集團高級管理層成員（董事除外）於本年度之年度酬金範圍載列於本年報所載之綜合財務報表附註10。

審核委員會

審核委員會目前由三名獨立非執行董事組成，即陳思聰先生（審核委員會主席）、張瑞彬先生及張俊喜先生。為保持獨立性及客觀性，審核委員會由一名具備適當專業資格或會計或相關財務管理專長之獨立非執行董事擔任主席。

審核委員會之主要職責為協助董事會監察本公司財務報表之完整性、準確性及公平性，檢視風險管理及內部監控系統是否有效及足夠，評估外聘核數師之獨立性以及本公司內部審計及法規監核功能之表現及有效性。審核委員會獲提供充裕資源以履行其職責，並可按本公司之政策在有需要時尋求獨立專業意見。審核委員會之主要角色及職能已載於其職權範圍內，該職權範圍已於聯交所及本公司各自之網站內登載。

根據其職權範圍，審核委員會每年須至少召開兩次會議。於本年度內，審核委員會已舉行兩次會議，而各成員之出席情況載於本報告「董事會」一節內。除上述審核委員會會議外，於本年度內，審核委員會亦曾透過傳閱文件方式處理事宜。

於本年度內及截至本報告日期止，審核委員會已履行之工作概述如下：

- (i) 審閱及批准外聘核數師建議之本集團本年度年終審核（「二零一八年終審核」）之核數範圍及費用；

Pursuant to code provision B.1.5 of the CG Code, the annual remuneration of the members of the senior management of the Group (other than the Directors) during the Year by band is set out in note 10 to the consolidated financial statements of this annual report.

Audit Committee

The Audit Committee currently consists of three INEDs, namely Mr. Chan Sze Chung (Chairman of the Audit Committee), Mr. Zhang Ruibin and Mr. Zhang Junxi Jack. To retain independence and objectivity, it is chaired by an INED with appropriate professional qualifications or accounting or related financial management expertise.

The primary duty of the Audit Committee is to assist the Board in its oversight of the completeness, accuracy and fairness of the financial statements of the Company, the effectiveness and adequacy of risk management and internal control systems, the independence of the external auditor and the performance and effectiveness of the Company's internal audit and compliance function. The Audit Committee is provided with sufficient resources to discharge its duties and it can seek independent professional advice according to the Company's policy if considered necessary. The major roles and functions of the Audit Committee are included in its terms of reference, which are available on the respective websites of the Stock Exchange and the Company.

The Audit Committee shall meet at least twice a year in accordance with its terms of reference. Two Audit Committee meetings were held during the Year and the attendance of each member is set out in the section headed "The Board" of this report. In addition to the above Audit Committee meetings, the Audit Committee also dealt with matters by way of circulation during the Year.

During the Year and up to the date of this report, the Audit Committee had performed the work as summarised below:

- (i) reviewed and approved the audit scope and fees proposed by the external auditor in respect of the final audit for the Year (the "2018 Final Audit") of the Group;

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- (ii) 審閱外聘核數師就有關截至二零一七年十二月三十一日止年度之年終審核、截至二零一八年六月三十日止六個月(「二零一八年中期間」)之中期業績審閱及二零一八年年終審核之獨立審閱報告／審核完成報告及管理層之回應；
 - (iii) 審閱及建議董事會批准截至二零一七年十二月三十一日止年度、二零一八年中期間及本年度之財務報告及相關之管理層聲明函件及公告；
 - (iv) 審閱分別由內部審計部(「內部審計部」)及外部顧問編製之內部控制報告／摘要，並指示管理層處理及監督報告所提出之事項；
 - (v) 審閱及建議董事會批准就本公司會計及財務匯報職能方面之資源、員工資歷及經驗以及員工所接受之培訓課程及有關預算之最新報告；及
 - (vii) 審閱及建議董事會就關連交易政策、關聯方交易政策及程序、舉報者政策、內幕消息披露政策以及操守準則及合規手冊作年度檢討。
- (ii) reviewed the independent review report/audit completion report from the external auditor and the management's response in relation to the final audit for the year ended 31 December 2017, the interim results review for the six months ended 30 June 2018 (the "2018 Interim Period") and the 2018 Final Audit;
 - (iii) reviewed and recommended for the Board's approval of the financial reports for the year ended 31 December 2017, for the 2018 Interim Period and for the Year together with the relevant management representation letters and announcements;
 - (iv) reviewed the internal control review reports/summary prepared by the Internal Audit Department (the "IAD") and external consultants respectively, and instructed that the issues raised would be addressed and managed by the management;
 - (v) reviewed and recommended for the Board's approval of the updated report on substantiation of the resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget; and
 - (vii) reviewed and recommended for the Board's annual review of the connected transaction policies, the related party transaction policies and procedures, the whistle blower policy, the policy on the disclosure of inside information and the code of conduct and compliance manual.

執行委員會

執行委員會目前由兩名執行董事組成，即黃俞先生(執行委員會主席)及蔣朝文先生。

執行委員會獲董事會授予關於本集團業務之所有一般管理及控制權，惟根據執行委員會之書面職權範圍須留待董事會決定及批准之事宜除外。

Executive Committee

The Executive Committee currently consists of two Executive Directors, namely Mr. Huang Yu (Chairman of the Executive Committee) and Mr. Jiang Chaowen.

The Executive Committee is vested by the Board with all the general powers of management and control of the activities of the Group, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference of the Executive Committee.

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執行委員會將於有需要時召開會議，以討論本集團之營運事宜，亦可透過傳閱文件方式處理事宜。執行委員會主要負責處理及監察日常管理事宜，並獲授權：

- (i) 制定及執行有關本集團商業活動、內部監控及行政之政策；及
- (ii) 在董事會確定之本集團整體策略範圍內，規劃及決定就本集團商業活動採納之策略。

董事及相關僱員進行證券交易之守則

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」），作為其董事進行證券交易之行為守則。經本公司作出特定查詢後，全體董事已確認彼等於本年度內一直遵守標準守則所載之所需標準。本公司已要求因本公司之職務而有可能取得內幕消息之相關僱員遵守標準守則之條文。

問責及核數

財務報告

董事確認彼等於本公司財務部之協助下編製本集團綜合財務報表之責任。於編製本年度之綜合財務報表時，本公司已採納香港公認會計原則，並遵守香港會計師公會頒佈之香港財務報告準則（當中亦包括香港會計準則及詮釋）之規定以及條例之披露規定。董事認為所選擇之會計政策適當且已貫徹應用，而所作判斷及估計審慎合理，亦確保按持續經營基準編製綜合財務報表。本公司外聘核數師德勤•關黃陳方會計師行之匯報責任載於本年報第91頁至第98頁之獨立核數師報告內。

The Executive Committee will meet as and when necessary to discuss the operating affairs of the Group and may also deal with matters by way of circulation. The Executive Committee is mainly responsible for undertaking and supervising the day-to-day management and is empowered to:

- (i) formulate and implement policies for the business activities, internal control and administration of the Group; and
- (ii) plan and decide on strategies to be adopted for the business activities of the Group within the overall strategy of the Group as determined by the Board.

CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry made by the Company, that they had complied with the required standard as set out in the Model Code during the Year. Relevant employees who, because of their office in the Company, are likely to be in possession of inside information have been requested to comply with the provisions of the Model Code.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing, with the support from the finance department of the Company, the consolidated financial statements of the Group. In preparing the consolidated financial statements for the Year, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Ordinance have been complied with. The Directors believe that they have selected suitable accounting policies and applied them consistently, and made judgements and estimates that are prudent and reasonable and ensure the consolidated financial statements are prepared on a going concern basis. The reporting responsibilities of the Company's external auditor, Deloitte Touche Tohmatsu, are set out in the Independent Auditor's Report on pages 91 to 98 of this annual report.

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風險管理及內部監控

1. 風險管理及內部監控

董事會負責確保本公司建立並維持妥善有效的風險管理及內部監控系統，透過成立審核委員會、風險管理委員會及其屬下之風險管理團隊檢討本集團風險管理及內部監控系統之有效性，對持續監督管理本集團風險管理及內部監控系統的設計、實施及監察履行相關責任。

風險管理委員會目前由四名成員組成，即獨立非執行董事張俊喜先生（風險管理委員會主席）、陳思聰先生及張瑞彬先生，以及執行董事黃俞先生。

於本年度內，本集團委聘了外部顧問，以協助評估風險管理及進行內部審計工作，按企業管治守則要求履行本集團之內部核數職能並進行年度檢討，向董事會報告本集團本年度之風險管理及內部監控系統之有效性。

2. 風險管理流程

本集團之風險管理使用由上而下及由下而上之混合評估方式識別風險，透過識別集團現有業務（包括水泥、醫藥及健身業務）之內在和外在風險來源，評估已知潛在風險事件及其影響範圍。本集團已被識別之風險類別分為四大類，包括財務、營運、聲譽及人力資源等範疇。有關本集團面對各主要類別風險之管理政策及程序之論述，收錄於本年報第67至68頁董事會報告內「主要風險及不明朗因素」一節。

Risk Management and Internal Control

1. Risk Management and Internal Control

The Board is responsible for ensuring the Group establishes and maintains appropriate and effective risk management and internal control systems. Through establishing the Audit Committee, Risks Management Committee and the Risk Management Team under it, the Board reviews the effectiveness of the Group's risk management and internal control systems and performs its obligations of continuously supervising and managing the design, implementation and monitoring of the Group's risk management and internal control systems.

The Risks Management Committee currently consists of four members, namely Mr. Zhang Junxi Jack (Chairman of the Risks Management Committee), Mr. Chan Sze Chung and Mr. Zhang Ruibin, who are the INEDs, and Mr. Huang Yu, who is the Executive Directors.

During the Year, the Group has engaged an external consultant to assist in the assessment of risk management and performance of internal audit services, perform the internal audit function of the Group and conduct annual review according to the requirements of the CG Code, and report to the Board the effectiveness of the Group's risk management and internal control systems for the Year.

2. Risk management process

The Group's risk management uses a blended top-down and bottom-up approach for identifying risks. Through identifying the internal and external sources of risks in the existing business of the Group (including cement, medical and fitness businesses), the known possible risk events and their areas of impact are assessed. The identified risks of the Group are categorised into 4 main areas which involve financial, operational, reputation and human resources. A discussion of the policies and procedures on the management of each of the major types of risk which the Group is facing is included in the section headed "Principal Risks and Uncertainties" in the Directors' Report on pages 67 to 68 of this annual report.

企業管治報告

Corporate Governance Report

本集團之風險按風險評估項下五類影響程度及五類發生可能性劃分為高、中、低三個水平，風險水平以其現存控制措施之監控性作基準，評定出剩餘風險水平。風險評估之分析結果旨在厘定所識別的風險是否處於預期承受水平之內。通過風險評估，風險得以透過擬定之風險緩解措施進行風險轉移、共享、消除或有效控制。各項基於風險評估結果擬定之風險緩解措施，均由指定風險負責人跟進風險處理，相關緩解措施需擬訂預計完成日期以建立風險緩解之問責性。有關風險評估資料已載於本集團的主要風險記錄內，由各營運附屬公司提供風險登記冊後，經風險管理團隊進行整合，並上報風險管理委員會及董事會進行討論及審批。

有關各營運附屬公司、風險管理團隊、風險管理委員會及董事會在風險管理之角色及責任如下：

自各營運附屬公司至風險管理團隊之風險管理工作概括：

- 每年編製及更新營運附屬公司之風險登記冊
- 每半年跟進主要風險記錄所載之擬定風險緩解措施之整治狀態
- 每半年識別營運附屬公司之任何重大風險
- 實時監察超出本集團風險偏好之任何風險

自風險管理團隊至風險管理委員會及董事會之風險管理工作概括：

- 每年審視主要風險之整治狀態

Risks of the Group are ranked as high, medium or low levels under risk evaluation in terms of five categories of consequence and five categories of likelihood of occurrence. Risk level evaluates the residual risk levels based on the controlling power of existing controls. The result from the risk analysis is evaluated to determine whether or not identified risks are within expected tolerance levels. Through the risk evaluation, risks are transferred, eliminated or effectively controlled through proposed risk mitigation measures. For each proposed risk mitigation measure based on the results of risk evaluation, a risk owner is designated to follow up the risk treatment, and an expected completion date of the relevant mitigation measure should be assigned to ensure accountability for risk mitigation. The relevant information of risk evaluation is documented in the top risk records of the Group, which are put together and escalated to the Risks Management Committee and the Board for discussion and approval after the risk registers are being provided by the operating subsidiaries and consolidated by the Risk Management Team.

The roles and responsibilities of operating subsidiaries, the Risk Management Team, Risks Management Committee and the Board in risk management are as follows:

Summary of the works of risks managements from operating subsidiaries to the Risk Management Team:

- Prepares and updates the risk register of the operating subsidiaries annually
- Follows up the remediation status of the proposed risk mitigation measure documented in the top risk records semi-annually
- Identifies any significant risks from operating subsidiaries semi-annually
- Real-time monitors any risks that exceed the risk appetite of the Group

Summary of the works of risks managements from the Risk Management Team to the Risks Management Committee and the Board:

- Reviews the remediation status of top risks annually

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Corporate Governance Report

- 每年審閱風險全域圖之任何更新
- 每年更新風險管理政策(包括風險評估準則)之更新
- 每年審閱主要風險識別(包括主要風險儀表板、風險全域圖及主要風險記錄)
- 實時監督超出本集團風險偏好之任何風險

3. 內部審計

內部審計在內部監控層面擔當重要角色，負責協助及向審核委員會彙報集團內部監控系統之有效性。於本年度內，本集團已委聘外部顧問提供內部審計服務，公司按照風險評估結果與外部顧問共同擬訂了三年內審計劃。外部顧問按照已審批的內審計劃，進行本年度之內部審閱項目，於實地審閱工作期間透過與公司管理層及／或流程負責人員進行面談，瞭解擬訂審閱範圍的營運流程；為相關的內部監控系統流程進行穿行測試；評估內部監控系統設計的有效性並確定其不足，並提供改善建議；及與管理層及流程負責人進行查詢及審閱相關文件以瞭解及分析二零一七年內部審計報告內所提出且尚未完成整改之審閱建議的執行情況。以上工作範圍及審閱方式已通過審核委員會確認並准予執行。

審核委員會及董事會透過獲取由外部顧問提供本年度之內部控制審閱報告，分析內控發現、建議及評估內部審計職能之充足性及有效性。管理層將儘快處理並加強管理內部控制審閱報告所提出之發現事項，而審核委員會及董事會信納本公司擁有充足之風險管理及內部監控系統。

- Reviews any updates to the risk universe annually
- Updates the risk management policy, including risk assessment criteria annually
- Reviews top risk identification including top risk dashboard, risk universe and top risk records annually
- Real-time monitors any risks that exceed the risk appetite of the Group

3. Internal Audit

Internal Audit plays an important role in internal control, which is to assist the Audit Committee and report the effectiveness of the Group's internal control systems. During the year, the Group has engaged an external consultant to provide internal audit services. The Company sets up a three-year internal audit work plan with the external consultant according to the risk evaluation results. The external consultant conducted the internal audit projects for the Year in accordance to the approved audit work plan, understanding the operation processes of the proposed scope review through interviews with the management and/or the responsible person for the processes during on-site review; performed walk-through tests for relevant internal control system processes; assessed the effectiveness of the design of the internal control system and confirmed its weaknesses, and provided suggestions for improvement; and making enquiries to the management and person in charge of the process and reviewing relevant documents to understand and analyse the implementation situation of review suggestions stated in the 2017 internal audit report but have yet to be rectified. The above scope of work and review method have been confirmed and approved by the Audit Committee.

Through the internal control review report for the Year provided by the external consultant, the Audit Committee and the Board analysed the internal control findings, suggestions and assessed the sufficiency and effectiveness of the internal audit function. The issues raised in the internal control review report would be promptly addressed and more strongly managed by the management, and the Audit Committee and the Board are satisfied that there are adequate risk management and internal control systems in the Company.

企業管治報告

Corporate Governance Report

4. 年度確認

本集團風險管理及內部監控系統旨在合理地(而非絕對地)保證無重大失實陳述或損失,同時管理(但並非完全消除)無法實現業務目標之風險。其在對達致業務目標至為重要之風險管理擔當關鍵角色。董事會已透過審核委員會並在內部審計部及外部顧問之協助下,檢討本年度業務營運之風險管理及內部監控,並認為其於本年度內屬有效及充分。管理層已就該等系統於本年度之有效性向風險管理委員會(及董事會)提供確認。

處理及發佈內幕消息

本公司已根據證券及期貨條例第XIVA部及上市規則之規定,制訂有關於處理及發佈本公司內幕消息之原則及程序的政策。該政策規範內幕消息之處理及發佈,當中包括:

- 擁有潛在內幕消息之有關職員按指定報告渠道將該消息告知由董事會指定之人士(「指定人士」);
- 指定人士評估潛在內幕消息及提供建議,並在適當情況下上報董事會知悉,從而議決進一步行動,以符合適用法律及規例;及
- 只限有需要知情之僱員查閱內幕消息。

4. Annual confirmation

The Group's risk management and internal control systems are designed to provide reasonable, but not absolute assurance against material misstatement or loss; to manage rather than completely eliminate the risk of failure to achieve business objectives. It has a key role in the management of risks that are significant to the fulfilment of business objectives. The Board, through the Audit Committee and with the assistance of the IAD and the external consultant, conducted risk management and internal control reviews of the business operations for the Year and considered it to be effective and adequate for the Year. The management has provided a confirmation to the Risks Management Committee (and the Board) on the effectiveness of these systems for the Year.

Handling and dissemination of inside information

The Company has a policy with regard to the principles and procedures for handling and disseminating the inside information of the Company in compliance with the requirements under Part XIVA of the SFO and the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channel for relevant officers in possession of potential inside information to notify the persons designated by the Board (the "Designated Persons");
- Designated Persons to assess the potential inside information and provide advice, and where appropriate, to escalate such information for the attention of the Board to resolve on further actions so as to comply with applicable laws and regulations; and
- Restrictive access to inside information to a limited number of employees on a need-to-know basis.

企業管治報告

Corporate Governance Report

外聘核數師酬金

就於本年度內之核數服務及非核數服務已付／應付予本集團外聘核數師之酬金載列如下：

External Auditor's Remuneration

The remuneration paid/payable to the Group's external auditor in respect of audit services and non-audit services for the Year is set out as follows:

		千港元 HK\$'000
為本集團提供之服務	Services rendered for the Group	
核數服務	Audit services	3,500
非核數服務 (包括審閱中期業績及其他)	Non-audit services (including review of interim results and others)	1,250
總計	Total	4,750

公司秘書

司徒敏慧女士為本公司之公司秘書兼首席財務長。司徒女士之履歷詳情載於本年報第76頁之董事會報告所載之「董事及高級管理人員之履歷詳情」一節。

COMPANY SECRETARY

Ms. Si Tou Man Wai is the Company Secretary and the Chief Financial Officer of the Company. Ms. Si Tou's brief biographical details are set out in the "Biographical Details of Directors and Senior Management" section in the Director's Report on page 76 of this annual report.

上市規則第3.29條規定，在每個財政年度，發行人之公司秘書須接受不少於15小時之相關專業培訓。司徒女士於本年度已完成不少於15小時之相關專業培訓。

Rule 3.29 of the Listing Rules stipulates that an issuer's company secretary is required to take no less than 15 hours of relevant professional training in each financial year. Ms. Si Tou has taken no less than 15 hours of relevant professional training during the Year.

與股東之溝通

董事會深明與股東保持良好溝通之重要性。有關本集團之資料適時透過多種正式途徑向股東發佈，包括中期報告及年報、公告及通函。該等發佈文件連同最近期之公司資料及消息亦已於本公司網站內登載。

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of good communication with Shareholders. Information in relation to the Group is disseminated to the Shareholders in a timely manner through a number of formal channels which include interim and annual reports, announcements and circulars. Such published documents together with the latest corporate information and news are also made available on the website of the Company.

除發佈資料外，本公司之股東大會亦提供重要機會讓董事會與股東之間進行建設性交流。

In addition to publication of information, the general meetings of the Company provide important opportunities for constructive communication between the Board and the Shareholders.

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Corporate Governance Report

二零一八年股東週年大會於二零一八年六月六日舉行。董事會主席親自主持二零一八年股東週年大會，確保股東與董事會交流意見。審核委員會、薪酬委員會及提名委員會各自之主席亦已出席有關大會回答問題，從而確保與股東有效溝通。董事於股東週年大會之出席情況載於本報告「董事會」一節內。

任何按需要或根據上市規則成立之獨立董事委員會之主席（或倘並無委任該主席，則至少一名獨立董事委員會成員）亦應出席任何就批准關連交易或須獲獨立股東批准之任何其他交易而召開之股東大會，以回答股東提問。

每項重大事項（包括但不限於重選董事及續聘德勤•關黃陳方會計師行為本公司獨立核數師）均於股東大會上提呈獨立決議案。

就股東週年大會而言，通告於大會舉行時間至少足二十個營業日前發送予股東，而就所有其他股東大會而言，通告於大會舉行時間至少足十個營業日前發送予股東。以按股數投票方式進行表決之詳細程序乃於大會開始時向股東解釋。主席會解答股東有關以按股數投票方式表決之任何問題。投票表決結果將根據上市規則規定之方式發佈。

持有本公司已繳足股本不少於十分之一之股東可根據章程細則第64條以書面請求形式要求召開股東特別大會，內容須註明擬提呈處理之事務，並須有效地送達本公司於香港註冊之總辦事處及主要營業地點（「總辦事處」）或本公司之股份過戶登記分處卓佳秘書商務有限公司（「登記處」）。此外，股東可於股東大會上提出議案，方法為以書面形式向董事會提交擬提呈之決議案，並送達總辦事處或登記處，內容須清楚及簡要地列明將予討論之提案且符合本公司之業務範疇。

The 2018 AGM was held on 6 June 2018. The Chairman of the Board took the chair of the 2018 AGM to ensure Shareholders' views are communicated to the Board. The chairman of each of the Audit Committee, the Remuneration Committee and the Nomination Committee were also present thereat to answer any question to ensure effective communication with the Shareholders. The attendance record of the Directors at the AGM is set out in the section headed "The Board" of this report.

The chairman of any independent Board committee formed as necessary or pursuant to the Listing Rules (or if no such chairman is appointed, at least a member of the independent Board committee) should also be available to answer questions of the Shareholders at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

Separate resolutions are proposed at the general meeting for each substantial issue, including but not limited to the re-election of Directors and the re-appointment of Deloitte Touche Tohmatsu as the independent auditor of the Company.

The notice to Shareholders is sent at least 20 clear business days before the meeting in the case of AGM and at least 10 clear business days in case of all other general meetings. An explanation of the detailed procedures of conducting a poll is provided to the Shareholders at the commencement of the meeting. The Chairman answers questions from the Shareholders regarding voting by way of a poll. The poll results are published in the manner prescribed under the requirements of the Listing Rules.

Shareholder(s) holding not less than one-tenth of the paid-up capital of the Company can request the convening of an extraordinary general meeting according to Article 64 of the Articles of Association by written requisition, with stated business proposed to be transacted, which must be validly served at the head office and principal place of business of the Company registered in Hong Kong (the "Head Office") or at Tricor Secretaries Limited, the branch share registrar of the Company (the "Registration Office"). Besides, Shareholders may make a proposal at a Shareholders' meeting by submitting it in written form to the Board at the Head Office or at the Registration Office in the form of a proposed resolution, which shall clearly and concisely set out the proposal for discussion and be relevant to the Company's business scope.

企業管治報告 Corporate Governance Report

董事會已制定股東通訊政策。股東可將其向董事會提交之查詢以書面形式送達總辦事處，內容須註明查詢之性質及提出查詢之理由。此外，股東亦可向登記處查詢任何有關其股權之問題。

有關提名任何人士參選董事之程序可於本公司網站<http://www.tfkf.com.hk>查閱。

董事及高級職員保險

本公司已就針對其董事及高級職員之潛在法律訴訟安排適當保險。

憲章文件

根據上市規則第13.90條，本公司已將章程細則登載於聯交所及本公司各自之網站。於本年度內，概無對本公司之憲章文件作出修訂。

代表董事會

主席
黃俞

二零一九年三月二十九日

The Board has established a shareholders' communication policy. A Shareholder may serve an enquiry to the Board to the Head Office for the attention of the Board in written form, which shall state the nature of the enquiry and the reason for making the enquiry. In addition, Shareholders can contact the Registration Office for any questions about their shareholdings.

As regards a proposed election of a person as a Director, the procedures are available on the website of the Company at <http://www.tfkf.com.hk>.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal actions against its directors and officers.

CONSTITUTIONAL DOCUMENTS

Pursuant to Rule 13.90 of the Listing Rules, the Company has posted its Articles of Association on the respective websites of the Stock Exchange and the Company. During the Year, no amendments were made to the constitutional documents of the Company.

On behalf of the Board

Huang Yu
Chairman

29 March 2019

董事會報告 Directors' Report

同方康泰產業集團有限公司(「本公司」)董事(「董事」)會(「董事會」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度(「本年度」)之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其附屬公司於二零一八年十二月三十一日之主要業務及詳情載於本年報綜合財務報表附註55。

本集團於本年度之收入主要來自中華人民共和國(「中國」)、新加坡及台灣之業務。本集團本年度收入之分析載於本年報綜合財務報表附註5。

發行新股份之所得款項用途

於二零一八年一月二十三日，本公司與清華同方節能控股有限公司* (THTF Energy-Saving Holdings Limited)(「認購方」)訂立一份認購協議，據此，認購方有條件同意認購而本公司有條件同意配發及發行400,000,000股本公司股份(「股份」)(「認購事項」)，認購價為每股認購股份0.5港元。該等認購股份之總面值為800,000港元。每股認購股份0.5港元之發行價相等於二零一八年一月二十三日(即認購協議日期)聯交所報股份之收市價每股0.5港元。認購事項於二零一八年二月十三日完成，所籌集之所得款項總額約為201.3百萬港元。扣除相關開支後，認購事項所籌集之所得款項淨額約為200.5百萬港元。

本公司已動用119.0百萬港元支付部份就收購同方藥業集團有限公司(「同方藥業」)之其餘40%股本權益應付之代價。是次認購事項之詳情披露於本年報第18頁「重大收購」一段內。誠如本公司日期為二零一八年一月二十三日之公告所披露，餘下所得款項淨額將用作一般企業及業務發展以及一般營運資金。

The board (the "Board") of directors (the "Directors") of Tongfang Kontafarma Holdings Limited (the "Company") presents their annual report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018 (the "Year").

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and details of its subsidiaries as at 31 December 2018 are set out in note 55 to the consolidated financial statements of this annual report.

The Group's revenue for the Year was derived mainly from activities carried out in the People's Republic of China (the "PRC"), Singapore and Taiwan. An analysis of the Group's revenue for the Year set out in note 5 to the consolidated financial statements of this annual report.

USE OF PROCEEDS FROM ISSUE OF NEW SHARES

On 23 January 2018, the Company and THTF Energy-Saving Holdings Limited (the "Subscriber") entered into a subscription agreement pursuant to which the Subscriber conditionally agreed to subscribe and the Company conditionally agreed to allot and issue 400,000,000 shares of the Company (the "Share(s)") (the "Subscription") at the subscription price of HK\$0.5 per subscription Share. The aggregate nominal value of such subscription shares amounted to HK\$800,000. The issue price of HK\$0.5 per subscription Share was identical to the closing price of HK\$0.5 per Share as quoted on the Stock Exchange on 23 January 2018, being the date of the subscription agreement. The Subscription was completed on 13 February 2018 and the gross proceeds raised from it amounted to approximately HK\$201.3 million. After deducting the relevant expenses, the net proceeds raised from the Subscription amounted to approximately HK\$200.5 million.

The Company had applied HK\$119.0 million for the settlement of part of the consideration payable for the acquisition of remaining 40% equity interest in Tongfang Pharmaceutical Group Co., Ltd* (同方藥業集團有限公司) ("Tongfang Pharmaceutical") by the Group. Details of this acquisition were disclosed in the paragraph headed "Material Acquisitions" on page 18 of this annual report. It was disclosed in the announcement of the Company dated 23 January 2018 that the remaining net proceeds will be used for general corporate and business development and general working capital.

董事會報告

Directors' Report

於二零一八年十二月三十一日，認購事項餘下所得款項已按以下方式動用：

- (i) 約39.3百萬港元用於在二零一八年八月二十七日償還銀行借貸；
- (ii) 約20.0百萬港元用於在二零一八年十一月三十日投資一項金融資產；及
- (iii) 約22.2百萬港元用於在本年度內結付一般營運資金。

該等交易之詳情分別於本公司日期為二零一八年一月二十三日、二零一八年二月十三日、二零一八年三月十六日及二零一八年五月三日之公告以及日期為二零一八年二月二十七日之通函披露。

業績及分配

本集團之業績及本公司之分配載於本年報第99至100頁之綜合損益及其他全面收益表及隨附之綜合財務報表附註內。

董事會已議決不建議就本年度派付任何末期股息（二零一七年：無）。

可分派儲備

本公司本年度之儲備詳情載於本年報綜合財務報表附註54。

物業、廠房及設備

於本年度內，本集團購入合共約58.3百萬港元之物業、廠房及設備。

上述事項及本集團物業、廠房及設備於本年度之其他變動詳情載於本年報綜合財務報表附註15。

As at 31 December 2018, the remaining net proceeds from the Subscription had been utilized in the following manner:

- (i) as to approximately HK\$39.3 million in the repayment of bank borrowings on 27 August 2018;
- (ii) as to approximately HK\$20.0 million in the investment in a financial asset on 30 November 2018; and
- (iii) as to approximately HK\$22.2 million in the settlement of general working capital during the Year.

Details of the transactions were disclosed in the announcements of the Company respectively dated 23 January 2018, 13 February 2018, 16 March 2018 and 3 May 2018 and the circular dated 27 February 2018.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company are set out in the consolidated statement of profit or loss and other comprehensive income on pages 99 to 100 of this annual report and in the accompanying notes to the consolidated financial statements.

The Board has resolved not to recommend any final dividend for the Year (2017: Nil).

DISTRIBUTABLE RESERVES

Details of the Company's reserves during the Year are set out in note 54 to the consolidated financial statements of this annual report.

PROPERTY, PLANT AND EQUIPMENT

During the Year, the Group acquired property, plant and equipment totalling approximately HK\$58.3 million.

Details of these and other movements in property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements of this annual report.

董事會報告 Directors' Report

業務回顧

本集團本年度之業務回顧載於本年報第5至7頁之「主席報告」、第8至20頁之「管理層討論及分析」及第21頁至41頁之「環境、社會及管治報告」以及以下段落。「主席報告」、「管理層討論及分析」及「環境、社會及管治報告」內之討論及分析構成本董事會報告之一部分。

主要風險及不明朗因素

醫療、醫藥及健康業務

本集團的醫療、醫藥及健康業務面臨的風險主要來源於宏觀政策方面的影響，中國醫療體制改革已步入重要階段，從國家監管層面組織架構的調整、到醫保政策的調整、再到涉及藥品本身各方面的改革，整個醫藥體系鏈條中每個環節都面臨著不確定性，集團需要針對新的外界變化及時做出切實有效的應對措施，措施不到位或者應對不及時會帶來相應的風險。

健身業務

新加坡、中國及台灣的健身、瑜伽及保健市場（本集團營運健身及瑜伽中心的所在市場）於二零一八年經歷眾多變化。每個地區之變化各有不同，且步伐各異。

於新加坡，頂級國際健身及瑜伽中心營運商具備大型和具規模的中心，直接與本集團競爭。各大型健身及瑜伽中心營運商主要在價格方面競爭，在所提供的服務較為次要。該市場最重大的改變為精品及小型健身及瑜伽中心數量增多，並日漸受歡迎。可供用戶前往眾多精品及小型健身及瑜伽中心的流動應用程式亦日漸普及。整體而言，上述因素正削弱前往大型健身及瑜伽中心的會員數目。

BUSINESS REVIEW

The business review of the Group for the Year is set out in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Environmental, Social and Governance Report" respectively from pages 5 to 7, pages 8 to 20 and pages 21 to 41 of this annual report and the paragraphs below. The discussion and analysis in the "Chairman's Statement", "Management Discussion and Analysis" and "Environmental, Social and Governance Report" form part of this Directors' Report.

Principal Risks and Uncertainties

Medical, Pharmaceutical and Health Business

The risks exposed to the medical, pharmaceutical and health business of the Group mainly arise from the impact of macroeconomic policies. With the deepened reform of the PRC's medical system involving adjustments to the organizational structure at national regulatory level and medical insurance policies as well as reform of all aspects in relation to drugs, every sector within the pharmaceutical system faces uncertainty. The Group needs to implement practical and effective measures in a timely manner in response to new external changes. Ineffective measures or untimely responses may bring corresponding risks.

Fitness Business

The fitness, yoga and wellness markets in Singapore, the PRC and Taiwan in 2018 (the markets in which the Group operates fitness and yoga centres) experienced much changes. The changes in each territory have been different, and at different paces.

In Singapore, the top international fitness and yoga centre operators have large established centres, and are in direct competition with the Group. All of the larger fitness and yoga centre operators compete mainly on pricing and to a lesser extent, service offerings. The most significant change in the market is the increase in the number of boutique and smaller fitness and yoga centres, and the increasing popularity of these. Mobile apps that allow subscribers to go to various boutique and smaller fitness and yoga centres have also gained popularity. Collectively, these have chipped away at the number of members that go to larger fitness and yoga centres.

董事會報告 Directors' Report

廈門的市場則出現不同的改變。當地的國際健身及瑜珈中心營運商數量極少，但由於收取預付會員費的吸引力及進入門檻較低，大量本地參與者已設立具備新器材及設施的大型新健身中心，與本集團直接競爭。該地亦有開設較小型的精品健身中心，但它們對本集團於中國的業務所構成之威脅不致最大。

至於台灣健身及瑜珈格局的變化則又有所不同。包括本集團在內，台灣只有三家頂級健身及瑜珈中心品牌，且均為本地品牌。然而，已有精品及小型健身及瑜珈中心開設，因此本集團須留意該等新加入市場者。

本集團於上述三地的健身及瑜珈中心之管理層正在整合策略，以有效應付各地區的轉變，並盡量減輕該等轉變的影響。

水泥業務

本集團之水泥業務主要於中國進行，中國之經濟情況對本集團水泥業務之經營業績及財務狀況有重大影響，本集團水泥產品之平均售價亦隨着中國水泥市場供需狀況而波動。此外，中國水泥行業之競爭十分激烈，本集團水泥業務與競爭對手在客戶、原材料、能源資源、分銷網絡及熟練勞工方面激烈競爭。儘管本集團無法控制市況，惟彼相信已設立有效措施以應對轉變。本集團將繼續着力於產品定價、服務、產品種類、資源來源、銷售及營銷、網絡、生產效率及品牌形象，以降低及控制各種風險。

金融風險

本集團面對各種金融風險，有關本集團所面對各主要類別金融風險之管理政策及程序之論述，收錄於本年報綜合財務報表附註49。

The changes in the market in Xiamen are different. There are very few international fitness and yoga operators, however, due to the attractiveness of being able to collect prepaid term membership fees, and low barrier to entry, many local participants have set up large new fitness centres with new equipment and facilities. These are in direct competition with the Group. Smaller boutique fitness centres have also been set up in the area, but they are not the greatest threat to the business of the Group in the PRC.

The changes to fitness and yoga landscape in Taiwan are again different. There are only 3 top fitness and yoga centre brands in Taiwan including the Group's, and all are local. However, boutique and small fitness and yoga centres have been opening up, and the Group needs to keep an eye on these new entrants.

The management of the Group's fitness and yoga centres in all of the above 3 regions is putting together a strategy to deal with the changes effectively in each region, and to minimise the impact of these changes.

Cement Business

The cement business of the Group are mainly conducted in the PRC, the economic conditions in the PRC have a significant impact on the operating results and financial conditions for the cement business of the Group. The Group's average selling price of cement products fluctuates along with demand and supply of the PRC cement market. Moreover, the cement industry is highly competitive in the PRC. The cement business of the Group competes with its competitors for customers, raw materials, energy resources, distribution network and skilled labour force. Although, the Group cannot control market conditions but it believes that it has effective measures in place to respond to changes. The Group will continue to focus on the basis of pricing of our products, our service, variety of product offerings, access to resources, sales and marketing, network, production efficiency and brand image to mitigate and control the various risks.

Financial Risk

The Group is exposed to a variety of financial risks, a discussion of the policies and procedures on the management of each of the major types of financial risks which the Group is facing is included in note 49 to the consolidated financial statements of this annual report.

董事會報告 Directors' Report

遵守相關法律及規例

我們已訂立合規程序以確保遵從與本集團有關的相關法律及規例。在公司法律顧問及公司秘書部的支援及協助下，執行委員會負責檢討及監察本集團有關遵守法律及監管規定的政策及常規。

有關遵守相關法律及規例之詳情載於本年報第21至41頁之「環境、社會及管治報告」。

與僱員、客戶及供應商之關係

有關與僱員、客戶及供應商之關係之詳情載於本年報第21至41頁之「環境、社會及管治報告」。

股本

本公司股本於本年度之變動詳情載於本年報綜合財務報表附註37。

股票掛鈎協議

除本年報綜合財務報表附註38所披露的本公司之購股權計劃外，本公司概無於本年度內或本年度結束時訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

購股權計劃

本公司購股權計劃之詳情載於本年報綜合財務報表附註38。

股份獎勵計劃

本公司股份獎勵計劃（「股份獎勵計劃」）之詳情載於本年報綜合財務報表附註39。

Compliance with Relevant Laws and Regulations

We have in place compliance procedures to ensure adherence to the relevant laws and regulations that are relevant to the Group. The Executive Committee is responsible for reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements, with the support and assistance of the legal consultants of the Company and the company secretarial department.

Details of compliance with relevant laws and regulations are set out in "Environmental, Social and Governance Report" on pages 21 to 41 of this annual report.

Relationships with Employees, Customers and Suppliers

Details of relationships with employees, customers and suppliers are set out in "Environmental, Social and Governance Report" on pages 21 to 41 of this annual report.

SHARE CAPITAL

Details of movement in the share capital of the Company during the Year are set out in note 37 to the consolidated financial statements of this annual report.

EQUITY-LINKED AGREEMENTS

Other than the Company's share option scheme as disclosed under note 38 to the consolidated financial statements of this annual report, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year or subsisted at the end of the Year.

SHARE OPTION SCHEME

Particulars of the share option scheme of the Company are set out in note 38 to the consolidated financial statements of this annual report.

SHARE AWARD SCHEME

Particulars of the share award scheme of the Company ("Share Award Scheme") are set out in note 39 to the consolidated financial statements of this annual report.

董事會報告

Directors' Report

酬金政策

提供予本集團之僱員的酬金一般包括薪金、醫療福利及按表現計算之花紅。本公司董事之酬金乃由本公司薪酬委員會經考慮本集團經營業績、董事個人表現及可資比較市場數據後提出建議，再由董事會作出決定，並經本公司股東（「股東」）在股東週年大會上授權。

優先購買權

本公司之經修訂及重訂組織章程細則（「章程細則」）或開曼群島法律並無有關優先購買權之規定，以致本公司須按比例向現有股東提呈發售新股。

借貸及已撥充資本之利息

本集團須於一年內償還之銀行及其他借貸分類為流動負債。有關本集團銀行及其他借貸之還款分析載於本年報綜合財務報表附註34。本集團於本年度並無資本化任何利息。

財務概要

本集團過往五個財政年度之業績以及資產及負債概要載於本年報第288頁。

稅務減免

本公司並不知悉股東因持有股份而可享有之任何稅務減免。

董事

於本年度內及截至本報告日期止之董事如下：

執行董事

黃俞先生（主席）
蔣朝文先生（本公司首席執行官
（「首席執行官」））
（委任日期：二零一八年一月二十三日）
黃清海先生
（辭任日期：二零一八年九月三日）

EMOLUMENT POLICY

The remuneration offered to the employees of the Group generally includes salaries, medical benefits and bonus on a performance related basis. The emoluments of the Directors are recommended by the remuneration committee of the Company and are decided by the Board, as authorized by shareholders of the Company (the "Shareholder(s)") at the annual general meeting, having regard to the Group's operating results, the Directors' individual performance and comparable market statistics.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the amended and restated articles of association of the Company (the "Articles of Association") or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

BORROWINGS AND INTEREST CAPITALISED

Bank and other borrowings of the Group which are repayable within one year are classified as current liabilities. Repayment analysis of bank and other borrowings of the Group is set out in note 34 to the consolidated financial statements of this annual report. The Group had not capitalised any interest during the Year.

FINANCIAL SUMMARY

A summary of the results as well as the assets and liabilities of the Group for the last five financial years is set out on page 288 of this annual report.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

DIRECTORS

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

Executive Directors

Mr. Huang Yu (Chairman)
Mr. Jiang Chaowen (chief executive officer of the Company
(the "Chief Executive Officer"))
(Date of appointment: 23 January 2018)
Mr. Ng Qing Hai
(Date of resignation: 3 September 2018)

董事會報告 Directors' Report

獨立非執行董事

陳思聰先生
張瑞彬先生
張俊喜先生

根據章程細則第108條，黃俞先生及陳思聰先生應於二零一九年六月十一日舉行之應屆股東週年大會（「二零一九年股東週年大會」）上輪值退任，且符合資格並願意膺選連任。

董事及高級管理人員之履歷詳情

執行董事

黃俞，現年五十歲，分別於二零一四年三月十五日及二零一四年七月二十四日獲委任為執行董事（「執行董事」）及董事會主席。黃先生亦獲委任為本公司執行委員會、提名委員會、股份交易委員會及投資委員會各自之主席以及本公司風險管理委員會之成員。彼亦為本公司若干附屬公司之董事。黃先生獲得格林威治大學理學碩士學位。彼為深圳華控賽格股份有限公司（其已發行股份在深圳證券交易所上市，股份代號：68）之董事長、深圳市奧融信投資發展有限公司（「深圳奧融信」）之執行董事、鵬華基金管理有限公司監事會主席及同方股份有限公司（「同方股份」）（其已發行股份在上海證券交易所上市，股份代號：600100）之副董事長兼總裁。黃先生亦為同方友友控股有限公司（其已發行股份於香港聯合交易所有限公司（「聯交所」）上市，股份代號：1868）之董事會主席及非執行董事及同方泰德國際科技有限公司（其已發行股份於聯交所上市，股份代號：1206）之非執行董事。

Independent Non-Executive Directors

Mr. Chan Sze Chung
Mr. Zhang Ruibin
Mr. Zhang Junxi Jack

Pursuant to Article 108 of the Articles of Association, Mr. Huang Yu and Mr. Chan Sze Chung shall retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting to be held on 11 June 2019 (the "2019 AGM").

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Huang Yu, aged 50, was appointed as an executive Director (the "Executive Director") and Chairman of the Board on 15 March 2014 and 24 July 2014, respectively. Mr. Huang was also appointed as a chairman of each of the executive committee, nomination committee, share dealing committee and investment committee of the Company and a member of the risks management committee of the Company. He is also a director of certain subsidiaries of the Company. Mr. Huang obtained a master's degree in science from the University of Greenwich. He is the chairman of the board of directors of Shenzhen Huakong Seg Co., Ltd.* (深圳華控賽格股份有限公司) (stock code: 68), the issued shares of which are listed on the Shenzhen Stock Exchange, an executive director of Shenzhen Aorongxin Investment Development Co., Ltd.* (深圳市奧融信投資發展有限公司) ("Shenzhen Aorongxin"), the chairman of supervisory committee of Penghua Fund Management Co., Ltd* (鵬華基金管理有限公司) and the vice chairman and president of Tsinghua Tongfang Co., Ltd.* (同方股份有限公司) ("Tsinghua Tongfang") (stock code: 600100), the issued shares of which are listed on the Shanghai Stock Exchange. Mr. Huang is also the chairman and a non-executive director of Neo-Neon Holdings Limited (stock code: 1868), the issued shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and a non-executive director of Technovator International Limited (stock code: 1206), the issued shares of which are listed on the Stock Exchange.

董事會報告

Directors' Report

蔣朝文，現年五十三歲，分別於二零一七年十二月十一日及二零一八年一月二十三日獲委任為首席執行官及執行董事。彼亦獲委任為本公司執行委員會及股份交易委員會各自之成員。彼於二零一六年七月加入本集團，現為同方藥業之總裁，及斯貝福(北京)生物技術有限公司、重慶康樂製藥有限公司、陝西紫光辰濟藥業有限公司及華控創新(北京)藥物研究院有限公司(該等公司均為本公司之附屬公司)董事長。彼亦為本公司若干附屬公司之董事。蔣先生畢業於重慶大學工商管理學院，取得研究生學歷。彼工作期間曾在中共重慶市委黨校、清華大學、西南師範大學、重慶大學等單位進修學習。蔣先生現任重慶健能醫藥開發有限公司及四川健能製藥有限公司之董事。加入本集團前，彼先後在西南製藥一廠(重慶青陽藥業有限公司)及重慶佳辰生物工程股份有限公司等擔任總經理及董事長職務，有近三十一年豐富的醫藥行業管理經驗。

Jiang Chaowen, aged 53, was appointed as the Chief Executive Officer and Executive Director on 11 December 2017 and 23 January 2018 respectively. He was also appointed as a member of the executive committee and share dealing committee of the Company. He joined the Group in July 2016, and is currently the president of Tongfang Pharmaceutical and the chairman of SPF (Beijing) Biotechnology Co., Ltd.* (斯貝福(北京)生物技術有限公司), Chongqing Kangle Pharmaceutical Co., Ltd.* (重慶康樂製藥有限公司), Shaanxi Unisplendour Life Care Pharmaceutical Co., Ltd.* (陝西紫光辰濟藥業有限公司) and Huakong Innovation (Beijing) Institute of Pharmaceutical Research Co., Ltd.* (華控創新(北京)藥物研究院有限公司), all of which are the subsidiaries of the Company. He is also a director of certain subsidiaries of the Company. Mr. Jiang graduated from the School of Business Administration of Chongqing University with a postgraduate degree. He further studied at the Party School of Chinese Communist Party of Chongqing City, Tsinghua University, Southwest China Normal University, and Chongqing University etc. during working time. Mr. Jiang is currently a director of Chongqing Jewelland Pharmaceutical Co, Ltd.* (重慶健能醫藥開發有限公司) and Si Chuan Jewelland Pharmaceutical Co., Ltd.* (四川健能製藥有限公司). Prior to joining the Group, he held positions of general manager and chairman in various companies, including The First South-west Pharmaceutical Factory* (西南製藥一廠) (Chongqing Qingyang Pharmaceutical Co., Ltd.* (重慶青陽藥業有限公司)) and Chongqing Jiachen Biological Engineering Co., Ltd.* (重慶佳辰生物工程股份有限公司). He has nearly 31 years of extensive management experience in the pharmaceutical industry.

董事會報告 Directors' Report

獨立非執行董事

陳思聰，現年四十九歲，於二零一一年十二月二十日獲委任為獨立非執行董事（「獨立非執行董事」）。彼於先前任期屆滿後於二零一七年十二月十一日與本公司訂立新委任函，任期由二零一八年一月十八日起至二零二零年一月十七日止。彼為本公司審核委員會主席及薪酬委員會、提名委員會、風險管理委員會以及投資委員會各自之成員。彼於一九九一年七月畢業於威爾斯大學，取得會計及金融文學學士學位，並於一九九二年十二月獲得蘭開斯特大學的會計及金融文學碩士學位。陳先生為香港會計師公會的會計師及美國註冊會計師公會會員。此外，彼亦獲認為美國特許財務分析員協會的特許財務分析員。於加入本公司之前，彼曾出任快意節能有限公司（現稱為非凡中國控股有限公司）（其已發行股份於聯交所上市，股份代號：8032）之財務總監（自二零零九年十二月起至二零一零年八月止），Nam Tai Electronic & Electrical Products Limited（其已發行股份曾於聯交所上市）之財務總監（署理）（自二零零八年九月起至二零零九年三月止），以及Nam Tai Electronics, Inc.（現稱為Nam Tai Property Inc.）（其已發行股份於紐約證券交易所上市，NYSE：NTP）之副財務總監（自二零零九年三月起至二零零九年十一月止）。自一九九三年一月至一九九七年八月期間，陳先生曾受僱於德勤•關黃陳方會計師行，於離職時所擔任職務為高級會計師。

Independent Non-Executive Directors

Chan Sze Chung, aged 49, was appointed as an independent non-executive Director (the "INED") on 20 December 2011. He entered into a new appointment letter with the Company on 11 December 2017 upon the expiry of previous terms with a term from 18 January 2018 until 17 January 2020. He is the chairman of the audit committee and a member of each of the remuneration committee, nomination committee, risks management committee and investment committee of the Company. He graduated from the University of Wales with a bachelor of arts degree in accounting and finance in July 1991 and obtained a master of arts degree in accounting and finance at the University of Lancaster in December 1992. Mr. Chan is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Besides, he is also recognised as a chartered financial analyst by the CFA Institute of the United States of America. Prior to joining the Company, he acted as the chief financial officer (from December 2009 to August 2010) of Coolpoint Energy Limited (now known as Viva China Holdings Limited) (stock code: 8032), the issued shares of which are listed on the Stock Exchange, as the acting chief financial officer (from September 2008 to March 2009) of Nam Tai Electronic & Electrical Products Limited, the issued shares of which were previously listed on the Stock Exchange, and as the vice chief financial officer (from March 2009 to November 2009) of Nam Tai Electronics, Inc. (now known as Nam Tai Property Inc.) (NYSE: NTP), the issued shares of which are listed on the New York Stock Exchange. During the period from January 1993 to August 1997, Mr. Chan was employed by Deloitte Touche Tohmatsu and served as a senior accountant at the time of his resignation.

董事會報告

Directors' Report

張瑞彬，現年四十六歲，於二零一四年七月二十四日獲委任為獨立非執行董事。張先生亦獲委任為本公司之薪酬委員會主席及審核委員會、提名委員會、風險管理委員會以及投資委員會各自之成員。張先生持有廈門大學統計學博士學位。彼為中國人民大學及中國人民銀行金融研究所博士後研究人員。彼擁有中國註冊會計師非執業會員資格。彼獲廣東省人事廳授予合資格高級經濟師、The Association for Financial Professionals之合資格國際財資管理師。彼榮獲中國證券業協會科研課題二等獎及中國人民銀行重點科研課題三等獎。張先生為中國貴州茅台酒廠集團有限責任公司外部董事。張先生(i)曾任貴州盤江精煤股份有限公司(其已發行股份於上海證券交易所上市，股份代碼：600395)之獨立董事(自二零一三年五月十八日起至二零一七年三月二十三日止)；(ii)自二零一四年七月二十五日起任中國振華(集團)科技股份有限公司(其已發行股份於深圳證券交易所上市，股份代號：000733)之獨立董事；(iii)自二零一四年九月十二日起任貴州黔源電力股份有限公司(其已發行股份於深圳證券交易所上市，股份代碼：002039)之獨立董事；(iv)自二零一六年三月十日起獲委任為貴州久聯民爆器材發展股份有限公司(其已發行股份於深圳證券交易所上市，股份代碼：002037)之獨立董事；及(v)自二零一六年七月二十二日起任北京五道口教育科技有限公司之執行董事。

Zhang Ruibin, aged 46, was appointed as an INED on 24 July 2014. Mr. Zhang was also appointed as the chairman of the remuneration committee and a member of each of the audit committee, nomination committee, risks management committee and investment committee of the Company. Mr. Zhang holds a doctoral degree in statistics from the Xiamen University. He was a postdoctoral research fellow at the Renmin University of China and 中國人民銀行金融研究所. He obtained a qualification of nonpracticing certified public accountant in China. He was qualified as a senior economist by 廣東省人事廳. He was qualified as a certified treasury professional of The Association for Financial Professionals. He has been awarded the research project second prize by The Securities Association of China and the key research project third prize by the People's Bank of China. Mr. Zhang is an external director of Moutai Group Company Limited* (中國貴州茅台酒廠集團有限責任公司). Mr. Zhang has been (i) an independent director of Guizhou Panjiang Refined Coal Co., Ltd. (stock code: 600395), the issued shares of which are listed on the Shanghai Stock Exchange, from 18 May 2013 to 23 March 2017; (ii) an independent director of China Zhenhua (Group) Science & Technology Co., Ltd. (stock code: 000733), the issued shares of which are listed on the Shenzhen Stock Exchange, since 25 July 2014; (iii) an independent director of Guizhou Qianyuan Power Co., Ltd (stock code: 002039), the issued shares of which are listed on the Shenzhen Stock Exchange, since 12 September 2014; (iv) an independent director of Guizhou Jiulian Industrial Explosive Materials Development Co., Ltd (stock code: 002037), the issued shares of which are listed on the Shenzhen Stock Exchange, since 10 March 2016; and (v) an executive director of Beijing Wudaokou Education & Technology Co., Ltd.* (北京五道口教育科技有限公司) since 22 July 2016.

董事會報告 Directors' Report

張俊喜，現年五十五歲，於二零一五年八月二十一日獲委任為獨立非執行董事。張先生亦獲委任為本公司之風險管理委員會主席及審核委員會、薪酬委員會以及提名委員會各自之成員。張先生於一九八三年七月畢業於南開大學，取得物理學學士學位。彼於一九八六年七月取得由中華人民共和國教育部（前稱中華人民共和國國家教育委員會）、南開大學和加拿大國際開發署合辦的經濟管理碩士學位。張先生於一九九二年八月獲得美國匹茲堡大學經濟系博士學位。張先生於經濟、金融以及商業管理範疇擁有逾二十年經驗，並主要從事有關貨幣經濟學及金融財務學方面的教學及研究工作。張先生自二零一三年二月起出任渤海銀行股份有限公司之獨立董事、自二零一一年十二月起出任天津財經大學之副校長及自二零零零年九月起出任北京大學中國經濟研究中心的兼職教授。自二零零七年四月起至二零一零年三月止，彼為濱海投資有限公司（其已發行股份於聯交所上市，股份代號：2886）之投資策略及發展分析師。自一九九二年八月起至一九九五年八月止，張先生於香港中文大學經濟系任教，並自一九九五年八月起至一九九七年七月止於英國的鄧迪大學從事教學及研究工作。張先生自一九九七年七月起至一九九八年八月止於新加坡國立大學任教，自一九九八年九月起至二零一二年八月止，彼任香港大學經濟金融學院博士生導師。張先生為國際知名的經濟金融學家，自二零零六年九月起至二零零九年八月止為中央財經大學中國金融發展研究院之院長，並自二零零九年九月起至二零一二年四月止為南開大學金融發展研究院之院長。

Zhang Junxi Jack, aged 55, was appointed as an INED on 21 August 2015. Mr. Zhang was also appointed as the chairman of the risks management committee and a member of each of the audit committee, remuneration committee and nomination committee of the Company. Mr. Zhang graduated from the Nankai University with a bachelor degree in Physics in July 1983. He obtained a master of business administration degree established jointly by the Ministry of Education of the People's Republic of China (formerly known as the State Education Commission of the People's Republic of China), Nankai University and Canadian International Development Agency in July 1986. Mr. Zhang also obtained a doctoral degree in the Department of Economics at the University of Pittsburgh in the United States in August 1992. Mr. Zhang has over 20 years of experience in the field of economics, financial and business management, and mainly engaged in teaching and research work in the aspect of Monetary Economics and Finance. Mr. Zhang has been an independent director of China Bohai Bank Co., Ltd. since February 2013, the vice principal of the Tianjin University of Finance and Economics since December 2011 and a part-time professor of China Center for Economic Research in Peking University since September 2000. From April 2007 to March 2010, he was an investment strategy and development analyst of Binhai Investment Company Limited (stock code: 2886), the issued shares of which are listed on the Stock Exchange. From August 1992 to August 1995, Mr. Zhang taught in the Department of Economics of The Chinese University of Hong Kong, and he was engaged in teaching and researching at the University of Dundee in the United Kingdom from August 1995 to July 1997. Mr. Zhang taught in the National University of Singapore from July 1997 to August 1998. From September 1998 to August 2012, he has been a doctoral tutor in the School of Economics and Finance at The University of Hong Kong. Mr. Zhang is an internationally well-known financial economist, he has been the dean of the China Academy of Finance and Development at the Central University of Finance and Economics from September 2006 to August 2009 and the dean of the Institute of Finance and Development at the Nankai University from September 2009 to April 2012.

董事會報告 Directors' Report

高級管理人員

司徒敏慧，現年四十一歲，於二零一四年十一月七日獲委任為本公司之首席財務長及公司秘書。彼亦為本公司若干附屬公司之董事。司徒女士持有新南威爾士大學商學碩士學位（資金管理）及商學學士學位（會計及金融）。彼為香港會計師公會之會員及澳洲特許會計師公會之會員。司徒女士曾於專業事務所及上市公司任職，在審計、會計、融資及財務諮詢服務方面（包括併購、估值及企業重組）擁有超過十八年經驗。於加入本公司前，彼曾任職於香港之德勤•關黃陳方會計師行。彼於二零一五年六月二十九日至二零一六年九月二十六日期間曾擔任柏榮集團（控股）有限公司（其已發行股份於聯交所上市，股份代號：8316）之獨立非執行董事。

梁嘉燁，現年三十七歲，於二零一六年七月加入本公司。彼為本公司之財務總監，亦為本公司若干附屬公司之董事。梁先生畢業於多倫多大學，獲會計工商管理學士學位。彼為香港會計師公會及澳洲註冊管理會計師公會之會員。於加入本公司前，彼曾於香港德勤•關黃陳方會計師行任職審計經理。梁先生於會計、審計及財務管理方面擁有豐富經驗。

曹捷，現年五十歲，於二零一六年七月加入本集團。彼為本公司之附屬公司華控創新（北京）藥物研究院有限公司之董事及總經理。曹先生於一九九二年獲頒天津中醫藥大學中醫本科生學位。彼在醫藥行業累積近二十七年經驗，曾任職（其中包括）生物技術公司及藥物科技公司，出任該等公司之研發總監約十五年。

Senior Management

Si Tou Man Wai, aged 41, was appointed as the chief financial officer and the company secretary of the Company on 7 November 2014. She is also a director of certain subsidiaries of the Company. Ms. Si Tou holds a master of commerce degree in funds management and a bachelor of commerce degree in accounting and finance from the University of New South Wales. She is a member of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants in Australia. Ms. Si Tou has more than 18 years of experience in auditing, accounting, financing, and financial advisory services including mergers and acquisitions, valuation and corporate restructuring, gained from both professional firm and listed company. Prior to joining the Company, she worked at Deloitte Touche Tohmatsu in Hong Kong. From 29 June 2015 to 26 September 2016, she was an independent non-executive director of Pak Wing Group (Holdings) Limited (stock code: 8316), the issued shares of which are listed on the Stock Exchange.

Leung Ka Yip Danny, aged 37, joined the Company in July 2016. He is the financial controller of the Company and also a director of certain subsidiaries of the Company. Mr. Leung was graduated from the University of Toronto with a Bachelor Degree in Business Administration in Accounting. He is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Certified Management Accountants. Prior to joining the Company, he worked at Deloitte Touche Tohmatsu in Hong Kong as an audit manager. Mr. Leung has extensive experiences in the field of accounting, auditing and financial management.

Cao Jie, aged 50, joined the Group in July 2016. He is a director and the general manager of Huakong Innovation (Beijing) Institute of Pharmaceutical Research Co., Ltd.* (華控創新（北京）藥物研究院有限公司), a subsidiary of the Company. Mr. Cao obtained his undergraduate degree in Chinese Medicine from the Tianjin University of Traditional Chinese Medicine in the year of 1992. He has accumulated nearly 27 years of experience in the medical and pharmaceutical industry working for, amongst others, biotechnology companies and pharmaceutical science and technology companies where he has acted as a research and development director for approximately 15 years.

董事會報告 Directors' Report

黃清海，現年六十二歲，曾於二零一一年三月獲委任為董事，並於二零一一年十二月調任為執行董事。彼於二零一八年九月三日辭任執行董事，惟留任本集團高級管理層成員。彼現任本公司若干附屬公司之董事。黃先生於一九八三年於上海建築材料工業專科學校企業管理系完成三年建材工業財務會計專業課程。彼為中國註冊會計師協會的非執業會員。黃先生為中國上海市水泥行業協會之第六任副主席，於二零零五年十一月至二零零六年十一月，彼亦為亞洲知識管理協會院士。彼於二零一三年一月獲委任為中國人民政治協商會議第十一屆山東省委員會委員。黃先生於二零一四年六月二十七日獲委任為大洋百貨集團控股股份有限公司（其已發行股份於台灣證券交易所上市，股份代號：5907）之董事並於二零一五年十二月二十一日獲委任為總經理及於二零一五年十二月二十一日獲委任為其附屬公司大洋百貨集團有限公司之總裁，二零一六年十月十八日獲委任為大洋百貨集團有限公司董事暨董事長。彼於二零一六年七月十一日獲委任益航股份有限公司（其已發行股份於台灣證券交易所上市，股份代號：2601）之董事。黃先生為本集團高級管理層成員黃五湖先生之胞弟。

黃五湖，現年六十六歲，於二零零一年六月加入本集團，為山東上聯水泥發展有限公司（「山東上聯」）之董事及總經理，及山東聯合王晁水泥有限公司（「聯合王晁」）之董事長，兩間公司均為本公司之附屬公司。於加入本集團之前，黃先生於中國福建省南安市多家農村信用社（現稱福建南安農村合作銀行）工作二十餘年。他曾為中國註冊策劃師及獲授予合資格金融經濟師，並獲中國經理人協會授予國際高級職業經理人。黃先生曾為中國人民政治協商會議棗莊市第七屆至第九屆常務委員會委員。彼為本集團高級管理層成員黃清海先生之胞兄。

Ng Qing Hai, aged 62, was appointed as a Director in March 2011, was re-designated as an Executive Director in December 2011. He resigned as an Executive Director on 3 September 2018 but remained as a senior management member of the Group. He is currently a director of certain subsidiaries of the Company. Mr. Ng completed a three-year course in finance and accounting in building materials industry in the faculty of enterprises management at Shanghai Institute of Building Materials Industry in 1983. He is a non-practising member of The Chinese Institute of Certified Public Accountants. Mr. Ng was the 6th vice chairman of Shanghai Cement Industrial Association of the PRC, and was a fellow member of the Asian Knowledge Management Association from November 2005 to November 2006. He was appointed as a member of 11th Shandong Provincial Committee of the Chinese People's Political Consultative Conference in January 2013. Mr. Ng was appointed as a director (on 27 June 2014) and the general manager (on 21 December 2015) of Grand Ocean Retail Group Limited (security code: 5907), the issued shares of which are listed on the Taiwan Stock Exchange, and the president (on 21 December 2015) and the director as well as the chairman (on 18 October 2016) of its subsidiary, Grand Ocean Department Stores Group Ltd. He is a director of First Steamship Co., Ltd. (stock code: 2601), the issued shares of which are listed on the Taiwan Stock Exchange, with effect from 11 July 2016. Mr. Ng is a younger brother of Mr. Huang Wuhu, a member of the senior management of the Group.

Huang Wuhu, aged 66, joined the Group in June 2001, is a director and the general manager of Shandong Shanghai Allied Cement Co., Ltd. ("Shandong SAC") and the chairman of Shandong Allied Wangchao Cement Limited ("Allied Wangchao"), both of which are subsidiaries of the Company. Prior to joining the Group, Mr. Huang worked for various unions in Nan'an City of Fujian province, the PRC, now known as Fujian Nan'an Rural Cooperative Bank, for more than twenty years. He was a registered planner in the PRC and was qualified as a finance economist and was also qualified as an international senior occupation manager by the China Manager Society. Mr. Huang was a Member of the Standing Committee of the 7th to 9th Zaozhuang Committee of the China People's Political Consultative Conference. He is an elder brother of Mr. Ng Qing Hai, a member of the senior management of the Group.

董事會報告

Directors' Report

李超，現年五十六歲，於二零零二年二月加入本集團。彼目前擔任上海聯合水泥有限公司（「上海上聯」）之財務總監及董事及聯合王晁之董事，兩間公司均為本公司之附屬公司。李先生於一九八三年修畢上海建築材料工業專科學校為期三年的企業管理系建材工業財務會計課程。彼於二零零一年修畢中共湖北省委黨校為期三年的經濟管理在職研究生課程。於一九九六年，李先生獲湖北省會計專業高級職務評審委員會授予合資格高級會計師。

余忠，現年五十六歲，曾於二零一一年三月獲委任為本公司董事，並自二零一一年十二月至二零一四年三月十五日調任為本公司執行董事。彼於一九九三年十二月加入上海上聯，現任上海上聯董事及副總經理，並自二零零三年十二月起擔任聯合王晁之董事。彼於二零零一年六月至二零零四年七月期間曾擔任山東上聯之副總經理一職。於一九八二年，余先生於上海市建築材料學校完成為期兩年半的水泥工藝課程，及於一九八八年，彼畢業於上海市輕工業局職工大學，主修工業企業管理。於一九九三年，余先生獲上海市建材局授予經濟師資格。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無與本集團訂立本集團不可於一年內毋須賠償（法定賠償除外）而終止之未到期服務合約。

獨立非執行董事之任期

陳思聰先生乃按兩年之特定年期獲委任，有關任期將持續至二零二零年一月十七日為止，惟受章程細則相關條文或任何其他適用法例所規限，董事應離任或退任。

Li Chao, aged 56, joined the Group in February 2002. He is currently the financial controller and a director of Shanghai Allied Cement Co., Ltd. ("Shanghai SAC") and also a director of Allied Wangchao, both of which are subsidiaries of the Company. Mr. Li completed a three-year course in finance and accounting in building materials industry in the faculty of enterprises management at the Shanghai Institute of Building Materials Industry in 1983. In 2001, he completed a three-year part-time post-graduate course in economic management at Party School of Chinese Communist Party of Hubei province, the PRC. Mr. Li was qualified as a senior accountant by the Professional Title Reform Office of Hubei province in 1996.

Yu Zhong, aged 56, was appointed a Director of the Company in March 2011 and was re-designated as an Executive Director of the Company from December 2011 to 15 March 2014. He joined Shanghai SAC in December 1993 and is currently a director and the vice general manager of Shanghai SAC, and has been a director of Allied Wangchao since December 2003. He served as the deputy general manager of Shandong SAC, for the period from June 2001 to July 2004. Mr. Yu completed a two-and-a-half-year course in cement craftsmanship at the Shanghai School of Building Materials in 1982 and in 1988, he graduated from the Shanghai Light Industry Authority Workers College in industrial enterprise management. In 1993, Shanghai Building Material Authority certified that Mr. Yu was qualified as an economist.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming AGM has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

TERMS OF OFFICE FOR THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Sze Chung was appointed for a specific term of two years, which shall continue until 17 January 2020 but subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office.

董事會報告 Directors' Report

就張瑞彬先生及張俊喜先生而言，彼等之任期分別為自二零一七年七月二十四日及二零一八年八月二十一日起計三年，惟受章程細則相關條文或任何其他適用法例所規限，董事應離任或退任。

For Mr. Zhang Ruibin and Mr. Zhang Junxi Jack, their terms of appointment shall be three years, which commenced on 24 July 2017 and 21 August 2018 respectively and are subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office.

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

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

於二零一八年十二月三十一日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有已記錄於根據證券及期貨條例第352條須備存之登記冊內，或根據聯交所證券上市規則（「上市規則」）附錄十所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）已知會本公司及聯交所之權益及淡倉如下：

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

(a) 於本公司之權益

(a) Interests in the Company

下表載列董事及最高行政人員於二零一八年十二月三十一日於股份及相關股份之好倉總數。

The table below sets out the aggregate long positions in the Shares and underlying shares of the Directors and chief executive as at 31 December 2018.

董事姓名 Name of Directors	股份數目 Number of Shares		購股權數目 (附註2) Number of share options (Note 2)	總計 Total	概約持股百分比 Approximate percentage of shareholdings
	個人權益 Personal Interests	公司權益 Corporate Interests			
黃俞 Huang Yu	-	3,172,778,000 (附註1) (Note 1)	-	3,172,778,000	56.77%
蔣朝文 Jiang Chaowen	-	-	12,000,000	12,000,000	0.21%
陳思聰 Chan Sze Chung	-	-	1,000,000	1,000,000	0.02%
張瑞彬 Zhang Ruibin	-	-	1,000,000	1,000,000	0.02%
張俊喜 Zhang Junxi Jack	-	-	1,000,000	1,000,000	0.02%

董事會報告 Directors' Report

附註：

- (1) 於二零一八年十二月三十一日，黃俞先生擁有深圳奧融信註冊資本99%之權益，而深圳奧融信擁有深圳市華融泰資產管理有限公司（「深圳華融泰」）註冊資本52%之權益。深圳華融泰透過其附屬公司華融泰資產管理（香港）有限公司（「華融泰香港」）擁有中國健康管理投資有限公司（「中國健康」）已發行股本100%之權益。由於中國健康為3,172,778,000股股份之實益擁有人，故黃俞先生被視為於中國健康所持有之股份中擁有權益。
- (2) 有關進一步詳情，請參閱本公司日期為二零一六年七月二十二日之公告及本年報綜合財務報表附註38。

(b) 於相聯法團之權益

Notes:

- (1) As at 31 December 2018, Mr. Huang Yu owned 99% interests in the registered capital of Shenzhen Aorongxin and Shenzhen Aorongxin owned 52% interests in the registered capital of Shenzhen Warranty Asset Management Co., Ltd.* (深圳市華融泰資產管理有限公司) ("Shenzhen Warranty"). Shenzhen Warranty, through its subsidiary, namely Warranty Assets Management (HK) Limited ("Warranty Hong Kong"), owned 100% interests in the issued share capital of China Health Management Investment Limited ("China Health"). Since China Health is the beneficial owner of 3,172,778,000 Shares, Mr. Huang Yu was deemed interested in the Shares held by China Health.
- (2) Please refer to the Company's announcement dated 22 July 2016 and note 38 to the consolidated financial statements of this annual report for further details.

(b) Interest in associated corporation

董事姓名 Name of Director	相聯法團名稱 Name of associated corporation	身份 Capacity	佔相聯法團 權益概約百分比 Approximate percentage of interest in the associated corporation
黃俞 Huang Yu	深圳奧融信 Shenzhen Aorongxin	實益擁有人 Beneficial owner	99%

附註：

於二零一八年十二月三十一日，黃俞先生擁有深圳奧融信註冊資本99%之權益，而深圳奧融信擁有深圳華融泰註冊資本52%之權益。深圳華融泰透過其附屬公司華融泰香港擁有中國健康已發行股本100%之權益。中國健康直接持有3,172,778,000股股份。

Note:

As at 31 December 2018, Mr. Huang Yu owned 99% interests in the registered capital of Shenzhen Aorongxin and Shenzhen Aorongxin owned 52% interests in the registered capital of Shenzhen Warranty. Shenzhen Warranty, through its subsidiary, Warranty Hong Kong, owned 100% interests in the issued share capital of China Health. China Health directly held 3,172,778,000 Shares.

除上文所披露者外，於二零一八年十二月三十一日，本公司董事或最高行政人員及彼等各自之聯繫人概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有任何已記錄於本公司根據證券及期貨條例第352條備存之登記冊內，或根據標準守則已知會本公司及聯交所之權益或淡倉。

Save as disclosed above, as at 31 December 2018, none of the Directors nor the chief executive of the Company and their respective associates had any interests or short positions in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事會報告 Directors' Report

董事於競爭業務之權益

根據上市規則第8.10條，以下董事已聲明於以下業務持有權益（並不包括本公司董事獲委任為有關公司之董事以代表本公司及／或本集團任何成員公司權益之業務），而該等業務被視為於本年度內與本集團業務構成直接或間接競爭或可能構成競爭：

蔣朝文先生於重慶健能醫藥開發有限公司擔任董事之職位，及擁有股本權益。重慶健能醫藥開發有限公司與本集團同樣從事化學原料藥及其製劑、抗生素原料藥及其製劑、生化藥品及中成藥批發。此外，彼亦於四川健能製藥有限公司擔任董事之職位。四川健能製藥有限公司與本集團同樣從事生產和銷售片劑、醫藥技術開發、技術轉讓及諮詢。

本公司董事會乃獨立於上述從事同樣業務之公司之董事會，而概無上述董事可控制本公司董事會，故本集團有能力獨立於該等公司的業務並按公平基準進行其業務。

除上文所披露者外，於本年度內及截至本報告日期止，按上市規則所界定，概無董事（獨立非執行董事除外）在與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, the following Director has declared interests in the following businesses (other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group during the Year:

Mr. Jiang Chaowen holds directorship in and has interests in the shares capital of Chongqing Jewelland Pharmaceutical Co, Ltd.* (重慶健能醫藥開發有限公司). Chongqing Jewelland Pharmaceutical Co, Ltd.* engages in the same businesses of chemical Active Pharmaceutical Ingredients and their preparations, antibiotic Active Pharmaceutical Ingredients and their preparations, whole sales of biochemical drugs and proprietary Chinese medicines as the Group. In addition, he holds directorship in Si Chuan Jewelland Pharmaceutical Co., Ltd.* (四川健能製藥有限公司). Si Chuan Jewelland Pharmaceutical Co., Ltd.* engages in the same businesses of production and sales of tablets, medical technology development, and technology transfer and consultations as the Group.

As the Board is independent of the board of directors of those companies which engage in the same businesses and the Director cannot control the Board, the Group is therefore capable of carrying on its businesses independently of, and at arm's length from the businesses of those companies.

Save as disclosed above, none of the Directors (not being the INEDs) had an interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as defined in the Listing Rules during the Year and up to the date of this report.

董事會報告

Directors' Report

董事於交易、安排或合約中之重大權益

於直至本年度終結時或於本年度內任何時間，並無存在由本公司、其附屬公司、其同系附屬公司或其控股公司訂立、董事或任何與董事有關連之實體直接或間接擁有重大權益而與本集團業務相關之重要交易、安排或合約。

獲准許之彌償條文

根據章程細則，全體董事（及每位董事）可就執行彼等之職責或推定職責或其他有關職責時因作出、發生或遺漏作出之任何行動而將會或可能招致或蒙受之所有訴訟、費用、收費、損失、損害及開支，從本公司資產中獲得彌償，惟本彌償保證不延伸至與任何董事欺詐或不誠實行為有關之任何事宜。

本公司於本年度全年已購買及維持董事責任保險，就針對董事之法律訴訟提供適當保障。

購買股份或債券之安排

除根據購股權計劃授予可認購股份之購股權外，本公司或其任何附屬公司於本年度內概無參與任何安排，使董事能藉此獲得本公司或任何其他法人團體之股份或債券而獲得利益。

管理合約

於本年度內概無訂立或簽立有關本公司全部或任何重大部份業務之管理及行政之合約（除僱傭合約外）。

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance in relation to the Group's businesses to which the Company, its subsidiaries, its fellow subsidiaries or its holding companies was a party or were parties and in which a Director or any entities connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, the Directors and every one of them is entitled to be indemnified out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which the Directors or any of them, 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, or supposed duty in their offices or otherwise in relation thereto provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

The Company has taken out and maintained Directors' liability insurance throughout the Year which provides appropriate cover for legal actions brought against the Directors.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate with the exception of granting of share options to subscribe for Shares under the share option scheme.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or executed during the Year.

董事會報告 Directors' Report

主要股東及其他人士於股份之權益及淡倉

於二零一八年十二月三十一日，就本公司任何董事或最高行政人員所知或獲另行知會，以下股東（本公司董事或最高行政人員除外）於股份或相關股份中擁有已記錄於根據證券及期貨條例第336條備存之登記冊之5%或以上權益：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES

At 31 December 2018, so far as it was known by or otherwise notified to any Directors or the chief executive of the Company, the following Shareholders (other than a Director or the chief executive of the Company) had 5% or more interests in the Shares or underlying shares as recorded in the register required to be kept under section 336 of the SFO:

股東名稱 Name of Shareholders	身份 Capacity	好倉 Long Positions	
		股份數目 Number of Shares	概約股權百分比 Approximate percentage of interest in shareholding
中國健康 China Health	實益擁有人 Beneficial owner	3,172,778,000 (附註1) (Note 1)	56.77%
華融泰香港 Waranty Hong Kong	受控制法團權益 Interest of a controlled corporation	3,172,778,000 (附註2) (Note 2)	56.77%
深圳華融泰 Shenzhen Waranty	受控制法團權益 Interest of a controlled corporation	3,172,778,000 (附註3) (Note 3)	56.77%
同方金融控股(深圳)有限公司 (「同方金控」) Tongfang Financial Holdings Co., Ltd* ("Tongfang Financial")	受控制法團權益 Interest of a controlled corporation	3,172,778,000 (附註4) (Note 4)	56.77%
清華同方節能控股有限公司 (「清華同方節能」) THTF Energy-Saving Holdings Limited ("THTF Energy-Saving")	實益擁有人 Beneficial owner	513,994,000 (附註5) (Note 5)	9.20%
Resuccess Investments Limited (「Resuccess」) Resuccess Investments Limited (“Resuccess”)	受控制法團權益 Interest of a controlled corporation	513,994,000 (附註6) (Note 6)	9.20%
同方股份有限公司(「同方股份」) Tsinghua Tongfang Co., Ltd.* (“Tsinghua Tongfang”)	受控制法團權益 Interest of a controlled corporation	3,686,772,000 (附註7) (Note 7)	65.97%
深圳奧融信 Shenzhen Aorongxin	受控制法團權益 Interest of a controlled corporation	3,172,778,000 (附註8) (Note 8)	56.77%

董事會報告 Directors' Report

附註：

1. 此數字指中國健康於3,172,778,000股股份之法律上及實益權益，其中3,165,974,000股已抵押予新鴻基結構融資有限公司（「新鴻基融資」）。根據證券及期貨條例，新鴻基融資之控股公司亦被視為擁有該3,165,974,000股股份之權益。
2. 華融泰香港擁有中國健康已發行股本100%之權益，因此被視為於中國健康擁有權益之股份中擁有權益。根據證券及期貨條例，此數字指中國健康之相同股份權益。
3. 深圳華融泰透過其附屬公司華融泰香港擁有中國健康已發行股本100%之權益，因此被視為於中國健康擁有權益之股份中擁有權益。根據證券及期貨條例，此數字指中國健康之相同股份權益。
4. 同方金控擁有深圳華融泰註冊資本48%之權益，因此被視為於深圳華融泰擁有權益之股份中擁有權益。根據證券及期貨條例，此數字指中國健康之相同股份權益。
5. 此數字指清華同方節能於513,994,000股股份之法律上及實益權益。
6. Resuccess擁有清華同方節能已發行股本100%之權益，因此被視為於清華同方節能擁有權益之股份中擁有權益。根據證券及期貨條例，此數字指清華同方節能之相同股份權益。
7. 同方股份擁有同方金控及Resuccess註冊資本100%之權益，因此被視為於同方金控及Resuccess擁有權益之股份中擁有權益。
8. 深圳奧融信擁有深圳華融泰註冊資本52%之權益，因此被視為於深圳華融泰擁有權益之股份中擁有權益。根據證券及期貨條例，此數字指中國健康之相同股份權益。

除上文所披露者外，於二零一八年十二月三十一日，本公司並無接獲任何人士（本公司董事或最高行政人員或彼等各自之聯繫人除外）通知，彼於股份及相關股份中擁有任何記錄於根據證券及期貨條例第336條備存之登記冊之權益及淡倉。

主要客戶及供應商

於本年度內，本集團五大客戶應佔之銷售總額及五大供應商應佔之採購總額分別佔本集團銷售額及採購額約39.59%及52.96%。

Notes:

1. The figure refers to the legal and beneficial interest of China Health in 3,172,778,000 Shares, 3,165,974,000 Shares of which are pledged to Sun Hung Kai Structured Finance Limited ("SHK Finance"). Under the SFO, the holding companies of SHK Finance are also deemed to be interested in these 3,165,974,000 Shares.
2. Waranty Hong Kong owned 100% interests in the issued share capital of China Health and was therefore deemed to have an interest in the Shares in which China Health was interested. The figure refers to the same interests of China Health in the Shares under the SFO.
3. Shenzhen Waranty, through its subsidiary, namely Waranty Hong Kong, owned 100% interests in the issued share capital of China Health and was therefore deemed to have an interest in the Shares in which China Health was interested. The figure refers to the same interests of China Health in the Shares under the SFO.
4. Tongfang Financial owned 48% interests in the registered capital of Shenzhen Waranty and was therefore deemed to have an interest in the Shares in which Shenzhen Waranty was interested. The figure refers to the same interests of China Health in the Shares under the SFO.
5. The figure refers to the legal and beneficial interest of THTF Energy-Saving in 513,994,000 Shares.
6. Resuccess owned 100% interests in the issued share capital of THTF Energy-Saving and was therefore deemed to have an interest in the Shares in which THTF Energy-Saving was interested. The figure refers to the same interests of THTF Energy-Saving in the Shares under the SFO.
7. Tsinghua Tongfang owned 100% interests in the registered capital of Tongfang Financial and Resuccess and was therefore deemed to have an interest in the Shares in which Tongfang Financial and Resuccess were interested.
8. Shenzhen Aorongxin owned 52% interests in the registered capital of Shenzhen Waranty and was therefore deemed to have an interest in the Shares in which Shenzhen Waranty was interested. The figure refers to the same interests of China Health in the Shares under the SFO.

Save as disclosed above, as at 31 December 2018, the Company had not been notified by any person (other than a Director or chief executive of the Company or their respective associate(s)) of any interest and short position in the Shares and underlying shares which were required to be recorded in the register required to be kept under section 336 of the SFO.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate sales attributable to the Group's five largest customers and the aggregate purchases attributable to the Group's five largest suppliers were approximately 39.59% and 52.96% of the Group's sales and purchases respectively.

董事會報告 Directors' Report

於本年度內，本集團最大客戶應佔之銷售總額及最大供應商應佔之採購總額分別佔本集團銷售額及採購額約29.14%及39.21%。

董事、彼等之緊密聯繫人或據董事所知擁有本公司已發行股份5%以上之任何股東概無於本集團五大供應商及客戶擁有實益權益。

購買、出售或贖回本公司上市證券

根據股東於二零一八年六月六日舉行之股東週年大會上授出回購股份之一般授權，本公司於聯交所回購合共5,292,000股股份（「股份回購」）。所回購之股份已於其後註銷。

於本年度進行股份回購之詳情概述如下：

During the Year, the aggregate sales attributable to the Group's largest customer and the aggregate purchases attributable to the Group's largest supplier were approximately 29.14% and 39.21% of the Group's sales and purchases respectively.

None of the Directors, their close associates or any shareholders, which to the knowledge of the Directors owned more than 5% of the Company's issued shares, had a beneficial interest in any of the Group's five largest suppliers and customers.

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

Pursuant to the general mandate to buy back the Shares granted by the Shareholders at the annual general meeting held on 6 June 2018, the Company bought back a total of 5,292,000 Shares on the Stock Exchange (the "Share Buy-Back"). The Shares bought back were subsequently cancelled.

Details of the Share Buy-Back during the Year are summarised as follows:

月份 Month	購回股份數目 Number of purchased Shares	每股股份之購回價 Purchase price per Share		所付總價格 Aggregate price paid 港元 HK\$
		最高 Highest 港元 HK\$	最低 Lowest 港元 HK\$	
九月 September	5,292,000	0.43	0.31	1,974,870

董事會相信股份回購將為股東帶來資本管理裨益。股份回購之詳情載於本公司日期為二零一八年九月六日之公告，以及日期為二零一八年九月六日、二零一八年九月七日、二零一八年九月十日、二零一八年九月十一日、二零一八年九月十二日及二零一八年九月十四日之翌日披露報表。

The Board believes the Share Buy-Back would create capital management benefits to the Shareholders. Details of the Share Buy-Back were set out in the announcement of the Company dated 6 September 2018 and the next day disclosure returns dated 6 September 2018, 7 September 2018, 10 September 2018, 11 September 2018, 12 September 2018 and 14 September 2018.

除上文及於「發行新股份之所得款項用途」一段所披露者外，本公司及其附屬公司於截至二零一八年十二月三十一日止期間概無購入、出售或贖回本公司任何上市證券。

Save as disclosed above and in the paragraph headed "Use of Proceeds from Issue of New Shares", neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018.

董事會報告 Directors' Report

董事資料變動

下文為自本公司二零一八年中報日期起至本報告日期止期間董事資料之變動，須根據上市規則第13.51B(1)條披露：

- (1) 黃清海先生(「黃先生」)已辭任執行董事，自二零一八年九月三日起生效，惟彼將留任本集團高級管理層成員，負責監督及管理本集團之水泥業務。黃先生亦不再擔任董事會之執行委員會、提名委員會、風險管理委員會及股份交易委員會之成員，自同日起生效。
- (2) 黃俞先生之董事薪金更改為每年715,416港元，自二零一九年一月一日起生效。
- (3) 蔣朝文先生之董事薪金更改為每年1,540,923港元，自二零一九年一月一日起生效。

關聯方交易

本集團與根據適用會計準則被視為「關聯方」的人士訂立若干交易。該等交易的詳情披露於本年報綜合財務報表附註52。若干於綜合財務報表附註52披露的關聯方交易根據上市規則構成關連交易或持續關連交易。

關連交易

於本年度內，本集團訂立以下構成根據上市規則第十四A章所界定之關連交易或持續關連交易之交易：

持續關連交易

誠如本公司日期為二零一七年五月六日之公告及日期為二零一七年七月二十八日之通函所披露，True Fitness Holdings (Singapore) Pte. Ltd. (「True Fitness」，本公司之間接非全資附屬公司)(作為特許權授予人)與全真概念健康事業股份有限公司(「全真概念」，全真瑜珈控股有限公司(「全真瑜珈」)(由黃友誠先生(「黃先生」)最終控制並由本公司擁有29%權益)之直接全資附屬公司)(作為特許權承授人)於二零一七年五月二十九日訂立一份特許協議(「特

CHANGES IN DIRECTORS' INFORMATION

The following are the changes in the information of Directors since the date of the 2018 Interim Report of the Company and up to the date of this report, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

- (1) With effect from 3 September 2018, Mr. Ng Qing Hai ("Mr. Ng") resigned as an executive Director but he remains as a senior management member of the Group overseeing and managing the cement business of the Group. Mr. Ng also ceased to act as a member of the executive committee, nomination committee, risks management committee and share dealing committee of the Board with effect from the same day.
- (2) Director's salary of Mr. Huang Yu was changed to HK\$715,416 per annum with effect from 1 January 2019.
- (3) Director's salary of Mr. Jiang Chaowen was changed to HK\$1,540,923 per annum with effect from 1 January 2019.

RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as "related parties" under the applicable accounting standards. Details of these transactions are disclosed in note 52 to the consolidated financial statements of this annual report. Certain related party transactions as disclosed in note 52 to the consolidated financial statements constitute connected transactions or continuing connected transactions under the Listing Rules.

CONNECTED TRANSACTIONS

During the Year, the Group has entered into the following transactions which constitute connected transactions or continuing connected transactions as defined under Chapter 14A of the Listing Rules:

Continuing Connected Transactions

As disclosed in the announcement and circular of the Company dated 6 May 2017 and 28 July 2017, respectively, True Fitness Holdings (Singapore) Pte. Ltd. ("True Fitness"), an indirect non-wholly owned subsidiary of the Company, as the franchisor and True Concept Ltd.* (全真概念健康事業股份有限公司) ("True Concept"), a direct wholly-owned subsidiary of True Yoga Holdings Limited ("True Yoga") which was ultimately controlled by Mr. Patrick John Wee Ewe Seng ("Mr. PJW") and owned as to 29% by the Company, as franchisee have entered into a franchise agreement (the "Franchise Agreement") on 29 May 2017 for a initial term

董事會報告 Directors' Report

許協議」），初步為期三十年，據此，True Fitness將向全真瑜珈及其附屬公司授出及提供不可轉讓權利及許可權，以經營參考系統並使用專利標誌於台灣經營及管理台灣境內各分銷渠道，以出售貨品及提供服務之業務（「特許業務」），代價為支付相等於緊接上一個月特許業務總營業額15%之專利權費。

黃先生憑藉控制TFKT True Holdings（本公司之附屬公司）股東大會上10%以上表決權而為TFKT True Holdings之主要股東。因此，黃先生為本公司於附屬公司層面之關連人士，而根據上市規則第十四A章，根據特許協議擬進行之交易構成本公司之持續關連交易。

誠如本公司日期為二零一八年三月五日之公告所披露，True Fitness與全真概念訂立一份特許協議之增補契約（「增補契約」）及附載於增補契約之服務協議（「服務協議」）（特許協議、增補契約及服務協議統稱為「經修訂特許協議」），以修訂費用之計算、支付及分類方式。True Fitness將根據經修訂特許協議實際收取之費用金額將維持不變，經批准年度上限亦因而維持不變。僅對特許業務項下應付之費用之計算及支付方式作出修訂，使其現將分類及細分為(i)經增補契約修訂之特許協議項下之特許權費；及(ii)服務協議項下之服務費。

於本年度內，特許協議下交易之實際金額為57.17百萬元，屬91.80百萬港元之年度上限範圍內。據本公司所知，根據上市規則定義，全真瑜珈不再為黃先生之聯營公司，自二零一八年十二月十四日起生效。因此，根據經修訂特許協議擬進行之交易自二零一八年十二月十四日起不再構成本公司之持續關連交易。

上述持續關連交易已由董事會（包括獨立非執行董事）審核並已確認該等持續關連交易乃於本集團之日常業務中訂立，按照正常商務條款或更佳條款進行，並根據有關交易之協議進行，而其條款屬公平合理，並且符合股東之整體利益。

of 30 years, pursuant to which True Fitness shall grant and provide True Yoga and its subsidiary with non-transferable right and license to operate the business of operating and managing each channel of distribution located within Taiwan offering merchandise and services for sale by reference to the system and using the proprietary marks in Taiwan (the "Franchise Business") in consideration for the payment of royalty fee equivalent to 15% of the gross turnover of the immediately preceding month derived from the Franchise Business.

Mr. PJW is a substantial shareholder of TFKT True Holdings which is a subsidiary of the Company by virtue of controlling over 10% of the voting power at the general meetings of TFKT True Holdings. Accordingly, Mr. PJW shall become a connected person of the Company at the subsidiary level and the transactions contemplated under Franchise Agreement constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As disclosed in the announcement of the Company dated 5 March 2018, True Fitness and True Concept entered into a supplemental agreement to the Franchise Agreement (the "Supplemental Agreement") and a service agreement (the "Service Agreement") appended to the Supplemental Agreement (the Franchise Agreement, the Supplemental Agreement and the Service Agreement collectively referred to as the "Revised Franchise Agreement") to amend the way fees are calculated, paid and classified. The amount of fees to be actually received by True Fitness under the Revised Franchise Agreement remains unchanged and so thus the approved annual caps. Amendments are made merely to the way of calculation and payment of the fee payable under the Franchise Business such that they will now be classified and sub-divided as (i) royalty fee under the Franchise Agreement as amended by the Supplemental Agreement; and (ii) service fee under the Service Agreement.

During the Year, the actual amount of transactions under the Franchise Agreement was 57.17 million and was within the annual cap of HK\$91.80 million. To the knowledge of the Company, True Yoga ceased to be an associate of Mr. PJW according to the definitions under the Listing Rules with effect from 14 December 2018. Therefore, the transactions contemplated under the Revised Franchise Agreement are no longer the continuing connected transactions of the Company since 14 December 2018.

The continuing connected transactions mentioned above have been reviewed by the Board, including the INEDs, and have confirmed that the continuing connected transactions have been entered into by the Group in the ordinary and usual course of business of the Group, on normal commercial terms or better and according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

董事會報告 Directors' Report

本公司核數師已受聘根據香港會計師公會頒佈之香港鑒證業務準則第3000號(經修改)「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，對上述持續關連交易作出報告。本公司核數師已致函董事會，確認並無注意到任何事項，令其相信該等持續關連交易：

- (1) 並未獲董事會批准；
- (2) 在各重大方面並無按照本集團之定價政策進行；
- (3) 在各重大方面並無根據有關交易之協議進行；及
- (4) 超逾上限。

關連交易

於二零一八年四月二十四日，上海建材(集團)有限公司(「上海建材」)與上海上聯訂立一份延長框架合同(「第四份延長框架合同」)，據此，下列委託貸款各自之期限在日期為二零一七年五月二十六日之延長框架合同(「第三份延長框架合同」)延長之期限上再延長一年：(i) 於二零一四年五月二十三日，上海上聯、上海建材及一間銀行訂立一份委託貸款協議，據此，上海上聯委託銀行向上海建材提供一份委託貸款，本金額為人民幣54.0百萬元，為期一年(「第一份貸款」)。第一份貸款之到期日為二零一五年五月二十六日；及(ii) 於二零一四年七月二日，上海上聯、上海建材及一間銀行訂立一份委託貸款協議，據此，上海上聯委託銀行向上海建材提供一份委託貸款，本金額為人民幣78.0百萬元，為期一年(「第二份貸款」)。第二份貸款之到期日為二零一五年七月三日。根據第四份延長框架合同，第二份貸款之金額減少至人民幣58百萬元，且第一份貸款及第二份貸款分別延長至二零一九年五月二十九日及二零一九年六月二十八日。倘上海上聯於第一份貸款及第二份貸款各自之期限結束前60日並無要求上海建材悉數償還貸款，則第一份貸款及第二份貸款各自將自動延長一年。

The auditor of the Company was engaged to report on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. They have provided a letter to the Board confirming that nothing has come to their attention that causes them to believe that the continuing connected transactions:

- (1) have not been approved by the Board;
- (2) were not, in all material respects, in accordance with the pricing policies of the Group;
- (3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (4) have exceeded the cap.

Connected Transactions

On 24 April 2018, Shanghai Building Material (Group) Company Limited* (上海建材(集團)有限公司) ("Shanghai Building Material") and Shanghai SAC entered into an extension framework agreement (the "Fourth Extension Framework Agreement"), pursuant to which the term of each of the following loans was further extended by one year beyond the term extended by the extension framework agreement dated 26 May 2017 (the "Third Extension Framework Agreement"): (i) On 23 May 2014, Shanghai SAC, Shanghai Building Material and a bank entered into an entrusted loan agreement, pursuant to which Shanghai SAC entrusted the bank to provide an entrusted loan in the principal amount of RMB54.0 million to Shanghai Building Material for a term of one year (the "First Loan"). The maturity date of the First Loan was 26 May 2015; and (ii) On 2 July 2014, Shanghai SAC, Shanghai Building Material and a bank entered into an entrusted loan agreement, pursuant to which Shanghai SAC entrusted the bank to provide an entrusted loan to Shanghai Building Material in the principal amount of RMB78.0 million for a term of one year (the "Second Loan"). The maturity date of the Second Loan was 3 July 2015. Pursuant to the Fourth Extension Framework Agreement, the amount of the Second Loan was reduced to RMB58 million, the First Loan and the Second Loan are extended to 29 May 2019 and 28 June 2019, respectively. If Shanghai SAC does not require Shanghai Building Material to fully repay the Loan 60 days before the end of the term of each of the First Loan and the Second Loan, each of the First Loan and the Second Loan will be automatically extended for one year.

董事會報告 Directors' Report

由於上海建材持有上海上聯40%股本權益，而上海上聯為本公司之附屬公司，因此，上海建材因身為上海上聯之主要股東而為本公司在附屬公司層面之關連人士。因此，根據上市規則第十四A章，第四份延長框架合同構成本公司在附屬公司層面之關連交易並須遵守申報及公告之規定，惟獲豁免遵守獨立股東批准之規定。有關進一步詳情，請參閱(i)本公司日期為二零一四年五月二十三日有關提供第一份貸款之公告；(ii)本公司日期為二零一四年七月二日有關提供第二份貸款之公告；(iii)本公司日期為二零一五年五月二十二日有關第一份延長框架合同之公告；(iv)本公司日期為二零一六年五月二十七日有關第二份延長框架合同之公告；(v)本公司日期為二零一七年五月二十六日有關第三份延長框架合同之公告；及(vi)本公司日期為二零一八年四月二十四日有關第四份延長框架合同之公告。

暫停辦理股份過戶登記

二零一九年股東週年大會謹訂於二零一九年六月十一日(星期二)舉行。為釐定出席二零一九年股東週年大會並於會上投票之權利，本公司將於二零一九年六月四日(星期二)至二零一九年六月十一日(星期二)(包括首尾兩天)暫停辦理股份過戶登記，此期間將不會登記股份之轉讓。

為符合資格出席二零一九年股東週年大會並於會上投票，股東須於二零一九年六月三日(星期一)下午四時三十分或之前將所有過戶表格連同相關股票送交本公司之股份過戶登記分處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心22樓)，以辦理登記手續。

捐款

本集團於本年度內作出慈善捐款0.3百萬港元。

企業管治

本公司致力維持高水準之企業管治常規。有關本公司所採納企業管治常規的資料載於本年報第42頁至64頁之企業管治報告。

Since Shanghai Building Material holds 40% equity interest in Shanghai SAC which is a subsidiary of the Company, Shanghai Building Material, as a substantial shareholder of Shanghai SAC, is therefore a connected person at the subsidiary level of the Company. Accordingly, the Forth Extension Framework Agreement constituted a connected transaction at the subsidiary level of the Company and is subject to the reporting and announcement, but is exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Please refer to (i) the announcement of the Company dated 23 May 2014 in relation to the provision of First Loan; (ii) the announcement of the Company dated 2 July 2014 in relation to the provision of the Second Loan; (iii) the announcement of the Company dated 22 May 2015 in relation to the First Extension Framework Agreement; (iv) the announcement of the Company dated 27 May 2016 in relation to the Second Extension Framework Agreement; (v) the announcement of the Company dated 26 May 2017 in relation to the Third Extension Framework Agreement, and (vi) the announcement of the Company dated 24 April 2018 in relation to the Forth Extension Framework Agreement for further details.

CLOSURE OF REGISTER OF MEMBERS

The 2019 AGM is scheduled to be held on Tuesday, 11 June 2019. For determining the entitlement to attend and vote at the 2019 AGM, the register of members of the Company will be closed from Tuesday, 4 June 2019 to Tuesday, 11 June 2019 (both days inclusive), during which period no transfer of Shares will be registered.

In order for the Shareholder to be eligible to attend and vote at the 2019 AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 3 June 2019.

DONATIONS

The Group made charitable donations of HK\$0.3 million during the Year.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 42 to 64 of this annual report.

董事會報告 Directors' Report

公眾持股量

基於本公司公開可得之資料及就董事所知，本公司於本年度及直至本報告日期已按上市規則所規定維持指定之公眾持股量。

獨立核數師

本集團本年度之財務報表已由德勤•關黃陳方會計師行審核，德勤•關黃陳方會計師行將退任且符合資格並願意獲續聘。二零一九年股東週年大會上將提呈有關續聘德勤•關黃陳方會計師行及授權董事釐定其酬金之決議案。

代表董事會

主席
黃俞

二零一九年三月二十九日

* 僅供識別

PUBLIC FLOAT

Based on the information which is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed amount of public float during the Year and up to the date of this report as required under the Listing Rules.

INDEPENDENT AUDITOR

The Group's financial statements for the Year have been audited by Messrs. Deloitte Touche Tohmatsu who will retire and, being eligible, offer itself for re-appointment. A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu and to authorise the Directors to fix its remuneration will be proposed at the 2019 AGM.

On behalf of the Board

Huang Yu
Chairman

29 March 2019

* For identification purpose only

獨立核數師報告
Independent Auditor's Report

Deloitte.

德勤

致同方康泰產業集團有限公司

(於開曼群島註冊成立之有限公司)
各股東

意見

我們已審核列載於第99頁至第287頁同方康泰產業集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一八年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流動表以及綜合財務報表附註，包括重要會計政策概要。

我們認為，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」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見之基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。我們就該等準則須承擔之責任在本報告之核數師就審核綜合財務報表須承擔之責任一節中進一步闡述。根據香港會計師公會之專業會計師道德守則(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中之其他道德責任。我們相信，我們所獲得之審核憑證乃充足和適當地為我們之意見提供基礎。

TO THE MEMBERS OF TONGFANG KONTAFARMA HOLDINGS LIMITED

同方康泰產業集團有限公司
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Tongfang Kontafarma Holdings Limited 同方康泰產業集團有限公司 (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 99 to 287, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the 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 for our opinion.

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關鍵審核事項

關鍵審核事項是根據我們之專業判斷，對本期間綜合財務報表之審核最為重要之事項。該等事項是在我們審核整體綜合財務報表及出具意見時進行處理的。我們不會就該等事項提供單獨意見。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審核事項 Key audit matter

我們之審核如何處理關鍵審核事項 How our audit addressed the key audit matter

應收貿易款項之預期信貸虧損（「預期信貸虧損」） Expected credit losses ("ECL") assessment of trade receivables

我們將貿易應收款項之減值評估列為關鍵審計事項，乃由於貿易應收款項對貴集團的綜合財務狀況實屬重大，且於評估報告期間結束時，貴集團貿易應收款項的預期信貸虧損時涉及主觀判斷及管理層估計。

We identified ECL assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the ECL of the Group's trade receivables at the end of the reporting period.

於二零一八年十二月三十一日，貴集團的貿易應收款項（經扣除信貸虧損撥備）為約686,591,000港元。如本綜合財務報告附註2描述，貴集團本年度採納了香港財務報告準則第9號「金融工具」並且根據香港財務報告準則第9號的過渡條款，於2018年1月1日確認了1,950,000港元減值。

As at 31 December 2018, the Group's trade receivables net of allowance for credit losses amounting to approximately HK\$686,591,000. As explained in note 2 to the consolidated financial statements, in the current year, the Group adopted HKFRS 9 *Financial Instruments* and recognised an additional impairment of HK\$1,950,000 as at 1 January 2018 in accordance with the transitional provisions of HKFRS 9.

我們有關應收貿易款項之減值評估之程序包括：
Our procedures in relation to ECL assessment of trade receivables included:

- 瞭解管理層估計貿易應收款項之信貸虧損撥備時的關鍵控制；
- Understanding key controls on how the management estimates the allowance for credit losses for trade receivables;
- 測試 貴集團於二零一八年一月一日初始採納香港財務報告準則第9號時就預期信貸虧損所作調整的準確性；
- Testing the accuracy of the ECL adjustment made by the Group as at 1 January 2018 on initial adoption of HKFRS 9;
- 透過將分析中的獨立項目與相關銷售協議及銷售發票比較，對管理層建立撥備矩陣時使用的信息的可信性（包括於二零一八年一月一日及二零一八年十二月三十一日之貿易應收款項賬齡分析）的準確性進行抽樣測試；及
- Testing the integrity of information used by management to develop the provision matrix, including trade receivables ageing analysis as at 1 January 2018 and 31 December 2018, on a sample basis, by comparing individual items in the analysis with the relevant sales agreements and sales invoices; and

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關鍵審核事項 Key audit matter

我們之審核如何處理關鍵審核事項 How our audit addressed the key audit matter

應收貿易款項之預期信貸虧損(「預期信貸虧損」)(續)

Expected credit losses ("ECL") assessment of trade receivables (CONTINUED)

如本綜合財務報表附註49披露，貴集團管理層根據撥備矩陣，在考慮了個別貿易應收款項的過往違約率及前瞻性資料後，將具有相似虧損模式的債務人進行分組，從而估計應收貨款的全期預期信貸虧損。估計虧損率乃基於應收賬款之預期可使用年期內觀察所得之歷史違約率，並按照前瞻性資料作出調整。

As disclosed in note 49 to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables based on provision matrix through grouping of various debtors that have similar loss patterns, after considering historical default rates and forward-looking information of respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information.

預期信貸虧損之詳情載於綜合財務報表附註49。
Details of the ECL are set out in note 49 to the consolidated financial statements.

- 查詢管理層在釐定於二零一八年一月一日及二零一八年十二月三十一日之貿易應收款項信貸虧損撥備時所採用的基準及判斷，包括管理層於撥備矩陣中按貿易應收賬款之內部信貸評級將貿易應收賬款分組至不同類別的合理性，以及應用於撥備矩陣各類別的預期虧損率基準(並參考過往違約率及前瞻性資料)。
- Challenging management's basis and judgement in determining credit loss allowance on trade receivables as at 1 January 2018 and 31 December 2018, including the reasonableness of management's grouping of the trade debtors into different categories in the provision matrix, and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information).

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關鍵審核事項 Key audit matter

我們之審核如何處理關鍵審核事項 How our audit addressed the key audit matter

經營健身中心及提供健身和健康諮詢服務所獲分配商譽之減值評估

Impairment assessment of goodwill allocated to the operating fitness centres and providing consultation services for fitness and health activities

由於管理層之評估過程複雜並涉及重大判斷，故我們將分配予經營健身中心及提供健身和健康諮詢服務活動之商譽減值評估認定為關鍵審核事項。

We identified the impairment assessment of goodwill allocated to operating fitness centres and providing consultation services for fitness and health activities as a key audit matter due to the complexity and significant judgments involved in the management's assessment process.

誠如綜合財務報表附註19所披露，該商譽於二零一八年十二月三十一日之賬面值為219,417,000港元。釐定商譽是否減值需要管理層估計所獲分配商譽之現金產生單位（「現金產生單位」）之使用價值。

As disclosed in note 19 to the consolidated financial statements, the carrying amount of such goodwill was HK\$219,417,000 as at 31 December 2018. Determining whether goodwill is impaired required the management's estimation of the value in use of the cash generating unit ("CGU") to which the goodwill has been allocated.

於估計現金產生單位之使用價值時，管理層使用之主要假設包括貼現率、增長率以及現金產生單位之經營健身中心及提供健身和健康諮詢服務之預算銷售額和毛利率以及其相關之現金流入及流出模式。管理層亦聘請獨立估值師對現金產生單位之使用價值進行估值。本集團管理層釐定，於二零一八年十二月三十一日含有商譽之現金產生單位並無減值。

In estimating the value in use of the CGU, key assumptions used by the management include discount rates, growth rates and budgeted sales and gross margin and their related cash inflows and outflows patterns for the operating fitness centres and providing consultation services for fitness and health activities of the CGU. The management also engaged independent valuers to carry out valuation of the value in use of the CGU. The management of the Group determined that there was no impairment in the CGU containing goodwill as at 31 December 2018.

我們有關分配予經營健身中心及提供健身和健康諮詢服務之商譽減值評估之程序包括：

Our procedures in relation to the impairment assessment of goodwill allocated to the operating fitness centres and providing consultation services for fitness and health activities:

- 評估獨立估值師之資格、能力及客觀性；
- Evaluating the competence, capabilities and objectivity of the independent valuers;
- 經參考 貴集團之未來業務計劃及行業趨勢評估預測未來現金流量是否合理後，評估支持貼現現金流量模型之假設（包括增長率、預算銷售額及毛銷售額）以及估值師之參與情況；
- Evaluating the assumptions underpinning the discounted cash flow models, including growth rates, budgeted sales and gross sales through assessing the reasonableness of forecasted future cash flows by reference to the future business plan of the Group as well as industry trend;
- 透過將市場數據與基準數據進行對比，評估釐定使用價值時所採用之貼現率是否合理；
- Assessing the reasonableness of the discount rates applied in determining the value in use by benchmarking against market data;
- 評估 貴集團管理層所提供之敏感度分析是否合理並重新執行，以評估對使用價值之影響程度；及
- Evaluating the reasonableness of and reperforming the sensitivity analysis provided by the management of the Group to assess the extent of impact on the value in use; and
- 透過將預測未來現金流量與本年度實際結果取樣比較並了解任何重大差異的原因，評估預測未來現金流量過往是否準確。
- Evaluating the historical accuracy of the forecasted future cash flows by comparing them to the actual results in the current year on a sample basis and understanding the causes of any significant variances.

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其他資料

貴公司董事須就其他資料承擔責任。其他資料包括年報所載資料，但不包括綜合財務報表及我們就此編製之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式之核證結論。

就綜合財務報表之審核而言，我們之責任是閱讀其他資料，並在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解之情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行之工作，如果我們認為其他資料有重大錯誤陳述，我們需要如實出具報告。就此我們沒有任何須報告事項。

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及按照香港公司條例之披露規定編製及真實而公平地列報綜合財務報表，並負責董事認為就編製綜合財務報表而言屬必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

治理層須負責監督貴集團之財務匯報過程。

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.

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.

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核數師就審核綜合財務報表須承擔之責任

我們之目標，是對整體綜合財務報表是否存在由於欺詐或錯誤而導致之任何重大錯誤陳述取得合理保證，並根據我們協定之委聘條款僅向閣下整體出具包含我們意見之核數師報告，除此之外，本報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。合理保證乃高水平之保證，但不能保證按香港審計準則進行之審核總能發現存在之某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘個別或整體在合理預期情況下可能影響使用者根據該等綜合財務報表作出之經濟決定，則有關錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審核程序以應對該等風險，以及取得充足和適當之審核憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險較未能發現因錯誤而導致之重大錯誤陳述之風險為高。
- 了解與審核相關之內部控制，以設計適當之審核程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評價董事所採用會計政策之恰當性以及所作出會計估計及相關披露資料之合理性。

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.
- 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.

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- 對董事採用持續經營會計基礎之恰當性作出結論。根據所得之審核憑證，決定是否存在與事件或情況有關之重大不確定性，而可能對 貴集團持續經營之能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者對綜合財務報表內相關披露資料之關注。假若有關之披露資料不足，則我們須出具非無保留意見之核數師報告。我們之結論是基於截至核數師報告日期止所取得之審核憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表之整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允反映相關交易和事項。
- 就 貴集團內實體或業務活動之財務資料獲取充分、適當之審核證據，以對綜合財務報表發表意見。我們負責指導、監督和執行集團審核。我們對審核意見承擔全部責任。
- 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.

我們與治理層溝通了計劃之審計範圍、時間安排、重大審核發現等事項，包括我們在審核期間識別出內部控制之任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性之相關專業道德要求，並與他們溝通所有合理地被認為會影響我們獨立性之關係和其他事項，以及在適用之情況下，相關之防範措施。

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.

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, related safeguards.

獨立核數師報告 Independent Auditor's Report

從與治理層溝通之事項中，我們決定哪些事項對本期間綜合財務報表之審核最為重要，因而構成關鍵審核事項。我們會在核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見之情況下，若有合理預期在我們報告中溝通某事項而造成之負面後果將會超過其產生之公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告之審核項目合夥人是胡家明。

德勤•關黃陳方會計師行
執業會計師

香港
二零一九年三月二十九日

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.

The engagement partner on the audit resulting in the independent auditor's report is Wu Ka Ming.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
29 March 2019

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

			二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
		附註 Notes		
收入—貨品及服務	Revenue – goods and services	5	2,093,724	1,344,336
銷售及服務成本	Cost of sales and services		(1,530,726)	(1,007,461)
毛利	Gross profit		562,998	336,875
其他收入	Other income	7	44,774	40,096
其他收益及虧損	Other gains and losses	8a	4,427	23,638
金融資產減值虧損， 扣除撥回金額	Impairment losses of financial assets, net of reversal	8b	(2,454)	(17,850)
分銷及銷售費用	Distribution and selling expenses		(243,605)	(133,027)
行政費用	Administrative expenses		(156,275)	(138,808)
其他費用	Other expenses		(31,385)	(32,641)
融資成本	Finance costs	9	(43,851)	(21,882)
應佔一間聯營公司業績	Share of results of an associate		(12,704)	(8,765)
應佔一間合營公司業績	Share of results of a joint venture		(13,059)	(11,666)
除稅前溢利	Profit before taxation		108,866	35,970
稅項	Taxation	11	(37,354)	(119)
本年度溢利	Profit for the year	12	71,512	35,851
其他全面(支出)收益：	Other comprehensive (expense) income:			
隨後不會重新分類至 損益賬之項目： 兌換為呈列貨幣產生 之匯兌差額	Item that will not be reclassified subsequently to profit or loss: Exchange difference arising on translation to presentation currency		(76,768)	101,338
隨後可能重新分類至 損益賬之項目： 兌換海外業務產生之 匯兌差額	Items that may be reclassified subsequently to profit or loss: Exchange difference arising on translation of foreign operations		1,760	(7,319)
透過其他全面收益按 公平值處理之債務工具 之公平值變動	Fair value change on debt instruments at fair value through other comprehensive income		(298)	–
本年度其他全面(支出) 收益	Other comprehensive (expense) income for the year		(75,306)	94,019
本年度全面(支出)收益 總額	Total comprehensive (expense) income for the year		(3,794)	129,870

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

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

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
	附註 Note		
本年度溢利(虧損)應佔方：	Profit (loss) for the year attributable to:		
本公司股東	Owners of the Company	32,499	(1,806)
非控股權益	Non-controlling interests	39,013	37,657
		71,512	35,851
本年度全面(支出)收益	Total comprehensive (expense) income		
總額應佔方：	for the year attributable to:		
本公司股東	Owners of the Company	(21,228)	60,782
非控股權益	Non-controlling interests	17,434	69,088
		(3,794)	129,870
		港仙	港仙
		HK cent	HK cent
每股盈利(虧損)	Earnings (loss) per share		
基本	Basic	0.60	(0.04)
攤薄	Diluted	0.60	(0.04)

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一八年十二月三十一日 At 31 December 2018

			二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
	附註 Notes			
非流動資產		Non-current assets		
物業、廠房及設備	15	Property, plant and equipment	641,732	690,533
設備及機器之按金	16	Deposits for equipment and machineries	77,827	81,927
土地使用權之預付租賃款項	17	Prepaid lease payments on land use rights	111,736	107,140
投資物業	18	Investment properties	4,855	5,276
商譽	19	Goodwill	437,569	439,160
無形資產	20	Intangible assets	322,093	324,302
於一間聯營公司之權益	22	Interests in an associate	303	13,007
於一間合營公司之權益	23	Interests in a joint venture	45,375	21,093
遞延稅項資產	41	Deferred tax assets	2,663	4,360
租金按金		Rental deposits	12,211	5,127
合約成本	27	Contract costs	3,043	–
已抵押銀行存款	31	Pledged bank deposits	2,216	2,247
			1,661,623	1,694,172
流動資產		Current assets		
持作銷售物業	24	Properties held for sale	2,204	2,321
生物資產		Biological assets	4,295	4,761
存貨	25	Inventories	114,903	97,401
應收貿易款項	26	Trade receivables	686,591	532,671
合約成本	27	Contract costs	11,481	–
其他應收款項、按金及預付款項	28	Other receivables, deposits and prepayments	164,554	149,432
應收貸款	29	Loans receivables	106,036	178,878
透過損益賬按公平值處理之金融資產	30	Financial assets at fair value through profit or loss	107,633	114,720
透過其他全面收益按公平值處理之債務工具	30	Debt instruments at fair value through other comprehensive income	31,336	–
其他投資	30	Other investment	20,000	–
土地使用權之預付租賃款項	17	Prepaid lease payments on land use rights	3,281	3,289
一間合營公司欠款	51	Amount due from a joint venture	343	7,972
一間聯營公司欠款	51	Amount due from an associate	71,886	34,667
其他關聯方欠款	52(c)	Amounts due from other related parties	204,525	208,961
已抵押銀行存款	31	Pledged bank deposits	50,543	33,515
現金及現金等價物	31	Cash and cash equivalents	101,230	381,450
			1,680,841	1,750,038

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一八年十二月三十一日 At 31 December 2018

		附註 Notes	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動負債	Current liabilities			
應付貿易款項及應付票據	Trade and bills payables	32	284,457	207,512
其他應付款項及已收按金	Other payables and deposits received	33	144,586	123,782
欠一間中介控股公司款項	Amount due to an intermediate holding company	51	16,164	17,011
欠其他關聯方款項	Amounts due to other related parties	52(c)	38,445	57,974
稅項負債	Tax liabilities		105,533	87,292
一年內到期之銀行及其他借貸	Bank and other borrowings due within one year	34	548,896	629,518
融資租賃責任	Obligations under finance leases		1,009	1,504
復原成本撥備	Provision of reinstatement cost	42	42,962	–
遞延收入	Deferred income	35	285	114,721
合約負債	Contract liabilities	36	117,525	–
			1,299,862	1,239,314
流動資產淨值	Net current assets		380,979	510,724
總資產減流動負債	Total assets less current liabilities		2,042,602	2,204,896
股本及儲備	Capital and reserves			
股本	Share capital	37	11,177	9,900
股份溢價及儲備	Share premium and reserves	40	1,382,204	1,214,123
本公司股東應佔權益	Equity attributable to owners of the Company		1,393,381	1,224,023
非控股權益	Non-controlling interests		515,680	624,689
權益總額	Total equity		1,909,061	1,848,712
非流動負債	Non-current liabilities			
一年後到期之銀行及其他借貸	Bank and other borrowings due after one year	34	96	175,484
遞延稅項	Deferred taxation	41	106,297	113,537
融資租賃責任	Obligations under finance leases		423	1,910
復原成本撥備	Provision of reinstatement cost	42	14,754	18,943
遞延收入	Deferred income	35	186	46,310
合約負債	Contract liabilities	36	11,785	–
			133,541	356,184
			2,042,602	2,204,896

第99頁至第287頁之綜合財務報表於二零一九年三月二十九日獲董事會批准及授權刊發，並由下列董事代表簽署：

黃俞
Huang Yu
董事
DIRECTOR

蔣朝文
Jiang Chaowen
董事
DIRECTOR

The consolidated financial statements on pages 99 to 287 were approved and authorised for issue by the Board of Directors on 29 March 2019 and are signed on its behalf by:

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

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

本公司股東應佔
Attributable to owners of the Company

		股本 Share capital 千港元 HK\$'000	股份溢價 Share premium 千港元 HK\$'000	為股份 獎勵計劃 持有之股份 Shares held for share award scheme 千港元 HK\$'000	以股份 為基礎之 僱員補償儲備 Employee share- based compensation reserve 千港元 HK\$'000	匯兌儲備 Translation reserve 千港元 HK\$'000	特別儲備 Special reserve 千港元 HK\$'000 (附註40(i)) (note 40(i))	資本儲備 Capital reserve 千港元 HK\$'000	其他儲備 Other reserves 千港元 HK\$'000 (附註40(ii)) (note 40(ii))	透過其他 全面收益 按公平值 處理之儲備 Fair value through other comprehensive income 千港元 HK\$'000	保留溢利 Retained profits 千港元 HK\$'000	非控股權益		權益總額 Total equity 千港元 HK\$'000
												總額 Total 千港元 HK\$'000	Non- controlling interests 千港元 HK\$'000	
於二零一七年一月一日	At 1 January 2017	9,900	1,215,024	(860)	13,739	(53,574)	(392,735)	824	32,814	-	300,702	1,125,834	517,229	1,643,063
本年度(虧損)溢利	(Loss) profit for the year	-	-	-	-	-	-	-	-	-	(1,806)	(1,806)	37,657	35,851
兌換為呈列貨幣產生之 匯兌差額	Exchange difference arising on translation to presentation currency	-	-	-	-	66,507	-	-	-	-	-	66,507	34,831	101,338
兌換海外業務產生之 匯兌差額	Exchange difference arising on translation of foreign operations	-	-	-	-	(3,919)	-	-	-	-	-	(3,919)	(3,400)	(7,319)
本年度全面收益(支出)總額	Total comprehensive income (expense) for the year	-	-	-	62,588	-	-	-	-	(1,806)	60,782	69,088	129,870	
授予一名非控股股東一項認沽期 權產生之承擔	Obligation arising on a put option to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	-	(81,900)	(81,900)	
取消確認授予一名非控股股東一項 認沽期權產生之承擔(附註9)	Derecognition of obligation arising on a put option to a non-controlling shareholder (note 9)	-	-	-	-	-	-	-	-	-	-	83,335	83,335	
收購附屬公司(附註43)	Acquisition of subsidiaries (note 43)	-	-	-	-	-	-	-	-	-	-	43,558	43,558	
確認權益結算以股份為 基礎之付款	Recognition of equity-settled share-based payments	-	-	-	10,397	-	-	-	-	-	-	10,397	10,397	
已失效之購股權	Share options lapsed	-	-	-	(2,426)	-	-	-	-	-	2,426	-	-	
為股份獎勵計劃購買股份	Purchase of shares for share award scheme	-	-	(3,484)	-	-	-	-	-	-	-	(3,484)	(3,484)	
視作一名股東之出資 (附註40(iii))	Deemed contribution from a shareholder (note 40(iii))	-	-	-	-	-	-	27,237	-	-	-	27,237	27,237	
視作收購一間附屬公司之 額外權益(附註40(ii)(3))	Deemed acquisition of additional interest in a subsidiary (note 40(ii)(3))	-	-	-	-	562	-	-	2,104	-	-	2,666	(2,666)	-
向非控股股東出售部份權益	Partial disposal of interest to non-controlling shareholder	-	-	-	-	-	-	-	-	-	591	591	2,709	3,300
分配予非控股權益之股息	Dividend distribution to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(6,664)	(6,664)	
於二零一七年十二月三十一日	At 31 December 2017	9,900	1,215,024	(4,344)	21,710	9,576	(392,735)	28,061	34,918	-	301,913	1,224,023	624,689	1,848,712
調整(附註2)	Adjustments (note 2)	-	-	-	-	-	-	-	-	-	(7,941)	(7,941)	(4,711)	(12,652)
於二零一八年一月一日 (經重列)	At 1 January 2018 (restated)	9,900	1,215,024	(4,344)	21,710	9,576	(392,735)	28,061	34,918	-	293,972	1,216,082	619,978	1,836,060
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	-	32,499	32,499	39,013	71,512
兌換為呈列貨幣產生之 匯兌差額	Exchange difference arising on translation to presentation currency	-	-	-	-	(57,697)	-	-	-	-	-	(57,697)	(19,071)	(76,768)
兌換海外業務產生之 匯兌差額	Exchange difference arising on translation of foreign operations	-	-	-	-	4,268	-	-	-	-	-	4,268	(2,508)	1,760
透過其他全面收益按公平值 處理之債務工具之 公平值變動	Fair value change on debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	(298)	-	(298)	-	(298)
本年度全面(支出)收益總額	Total comprehensive (expense) income for the year	-	-	-	(53,429)	-	-	-	-	(298)	32,499	(21,228)	17,434	(3,794)
出售一間附屬公司部份權益 (並無喪失控制權)	Partial disposal of interest in a subsidiary without losing control	-	-	-	-	-	-	-	-	-	-	-	2,347	2,347
收購一間附屬公司之 額外權益(附註52(d)(i))	Acquisition of additional interest in a subsidiary (note 52(d)(i))	488	111,689	-	-	(2,165)	-	-	(113,799)	-	-	(3,787)	(115,215)	(119,002)
發行普通股(附註52(d)(ii))	Issuance of ordinary shares (note 52(d)(ii))	800	199,200	-	-	-	-	-	-	-	-	200,000	-	200,000
確認權益結算以股份為 基礎之付款	Recognition of equity-settled share-based payments	-	-	-	4,799	-	-	-	-	-	-	4,799	-	4,799
已失效之購股權	Share options lapsed	-	-	-	(4,692)	-	-	-	-	-	4,692	-	-	-
為股份獎勵計劃購買股份	Purchase of shares for share award scheme	-	-	(510)	-	-	-	-	-	-	-	(510)	(510)	
已購回及註銷之股份	Shares repurchased and cancelled	(11)	(1,964)	-	-	-	-	-	-	-	-	(1,975)	-	(1,975)
分配予非控股權益之股息	Dividend distribution to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(8,864)	(8,864)
於二零一八年十二月三十一日	At 31 December 2018	11,177	1,523,949	(4,854)	21,817	(46,018)	(392,735)	28,061	(78,881)	(298)	331,163	1,393,381	515,680	1,909,061

綜合現金流動表

Consolidated Statement of Cash Flows

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

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
營運業務	OPERATING ACTIVITIES		
除稅前溢利	Profit before taxation	108,866	35,970
就下列項目作出之調整：	Adjustments for:		
攤銷及折舊	Amortisation and depreciation	81,495	56,745
釋出土地使用權之預付租賃款項	Release of prepaid lease payments on land use rights	3,396	3,151
金融資產減值虧損，扣除撥回金額	Impairment losses on financial assets, net of reversal	47,901	17,850
出售一間附屬公司之收益	Gain on disposal of a subsidiary	(7,165)	-
政府補助及補貼	Government grant and subsidy	(6,824)	-
融資成本	Finance costs	43,851	21,882
出售一間合營公司之虧損	Loss on disposal of a joint venture	-	180
利息收入	Interest income	(17,942)	(19,053)
出售及撇銷物業、廠房及設備之虧損淨額	Net loss on disposal and write-off of property, plant and equipment	4,077	11,176
出售無形資產之虧損淨額	Net loss on disposal of intangible assets	407	-
透過損益賬按公平值處理之金融資產之公平值虧損(收益)	Fair value losses (gains) on financial assets at fair value through profit or loss	2,369	(3,798)
權益結算以股份為基礎之付款	Equity-settled share-based payments	4,799	10,397
應佔一間聯營公司業績	Share of results of an associate	12,704	8,765
應佔一間合營公司業績	Share of results of a joint venture	13,059	11,666
存貨減值之虧損	Loss on impairment of inventories	-	1,469
財務擔保撥備	Provision of financial guarantee	-	1,488
溢利承諾不足之數之收益	Gain on shortfall of profit undertaking	(58,900)	(27,125)
營運資金變動前之營運現金流入	Operating cash inflow before movements in working capital	232,093	130,763
存貨增加	Increase in inventories	(25,674)	(13,583)
生物資產減少(增加)	Decrease (increase) in biological assets	228	(1,739)
應收貿易款項增加	Increase in trade receivables	(184,257)	(157,647)
其他應收款項、按金及預付款項(增加)減少	(Increase) decrease in other receivables, deposits and prepayments	(27,316)	4,958
合約成本減少	Decrease in contract costs	1,574	-
合約負債減少	Decrease in contract liabilities	(55,728)	-
應付貿易款項及應付票據增加	Increase in trade and bills payables	95,547	15,205
其他應付款項及已收按金增加(減少)	Increase (decrease) in other payables and deposits received	48,970	(12,280)
遞延收入增加(減少)	Increase (decrease) in deferred income	732	(15,626)
透過損益賬按公平值處理之金融資產減少	Decrease in financial assets at fair value through profit or loss	-	47,277
復原成本撥備增加	Increase in provision of reinstatement cost	39,405	1,898
一間聯營公司欠款增加	Increase in amount due from an associate	(42,742)	(34,983)
營運產生(所用)之現金已付所得稅	Cash generated from (used in) operations Income tax paid	82,832 (15,968)	(35,757) (11,505)
營運業務所得(所用)現金淨額	NET CASH FROM (USED IN) OPERATING ACTIVITIES	66,864	(47,262)

綜合現金流動表

Consolidated Statement of Cash Flows

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

			二零一八年 2018	二零一七年 2017
	附註 Notes		千港元 HK\$'000	千港元 HK\$'000
投資業務		INVESTING ACTIVITIES		
收購附屬公司(經扣除已 購入之現金及現金等價物)	43	Acquisition of subsidiaries, net of cash and cash equivalents acquired	–	(249,675)
出售物業、廠房及設備之 所得款項		Proceeds from disposal of property, plant and equipment	2,527	4,433
購買物業、廠房及設備		Purchase of property, plant and equipment	(59,359)	(84,592)
添置無形資產		Addition of intangible assets	(12,437)	(6,791)
一間合營公司還款(向一間 合營公司提供之墊款)		Repayment from (advance to) a joint venture	7,595	(7,841)
其他關聯方還款(向其他 關聯方提供之墊款)		Repayment from (advance to) other related parties	22,780	(449)
應收貸款墊款		Advance of loans receivables	(4,738,272)	(3,080,883)
其他應收款項墊款		Advance of other receivables	–	(2,054)
購買透過損益賬按公平值 處理之金融資產		Purchase of financial assets at fair value through profit or loss	(123,642)	(122,600)
購買其他投資		Purchase of other investment	(20,000)	–
贖回應收貸款之所得款項		Proceeds from redemption of loans receivables	4,757,525	3,081,843
贖回透過損益賬按公平值 處理之金融資產之 所得款項		Proceeds from redemption of financial assets fair value through profit or loss	93,350	85,473
一間中介控股公司還款		Repayment from an intermediate holding company	–	91,996
新造已抵押銀行存款		Placement of pledged bank deposits	(113,523)	(33,284)
提取已抵押銀行存款		Withdrawal of pledged bank deposits	95,077	423,001
提取定期存款		Withdrawal of time deposits	–	24,001
提取受限制銀行存款		Withdrawal of restricted bank deposit	–	2,518
向一間合營公司進一步注資		Further injection in a joint venture	(37,341)	–
出售一間附屬公司之現金 流入淨額	44	Net cash inflow on disposal of a subsidiary	3,714	–
預付租賃款項增加		Addition of prepaid lease payments	(13,865)	–
已收利息		Interest received	16,199	22,243
投資業務(所用)所得現金 淨額		NET CASH (USED IN) FROM INVESTING ACTIVITIES	(119,672)	147,339

綜合現金流動表

Consolidated Statement of Cash Flows

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

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
融資業務	FINANCING ACTIVITIES		
收購一間附屬公司之額外權益	Acquisition of additional interest in a subsidiary	(119,002)	–
出售一間附屬公司權益(並無喪失控制權)之所得款項	Proceeds from disposal of interest in a subsidiary without losing control	2,347	–
已付利息	Interest paid	(43,020)	(20,316)
已付其他融資成本	Other financial costs paid	–	(135)
新借銀行及其他借貸	New bank and other borrowings raised	239,469	222,153
償還銀行及其他借貸	Repayments of bank and other borrowings	(474,196)	(528,706)
償還融資租賃	Repayment of finance leases	(2,063)	(1,993)
已付非控股權益之股息	Dividends paid to non-controlling interests	(6,503)	(2,500)
向一間中介控股公司還款	Repayment to an intermediate holding company	–	(8,637)
來自其他關聯方之墊款	Advance from other related parties	7,270	5,692
來自非控股權益之墊款	Advance from non-controlling interests	–	48
向非控股權益還款	Repayment to non-controlling interests	–	(89)
向非控股股東出售一間附屬公司部分權益之所得款項	Proceeds from partial disposal of interest in a subsidiary to non-controlling shareholder	–	3,300
為股份獎勵計劃購買股份	Purchase of shares for share award scheme	(510)	(3,484)
發行普通股	Issuance of ordinary shares	200,000	–
已購回及註銷之股份	Shares repurchased and cancelled	(1,975)	–
融資業務所用現金淨額	NET CASH USED IN FINANCING ACTIVITIES	(198,183)	(334,667)
現金及現金等價物減少淨額	NET DECREASE IN CASH AND CASH EQUIVALENTS	(250,991)	(234,590)
年初之現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	381,450	581,137
匯率變動之影響	Effect of foreign exchange rate changes	(29,229)	34,903
年末之現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	101,230	381,450
即	Represented by		
銀行結餘及現金	bank balances and cash	101,230	381,450

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

1. 一般事項

本公司根據開曼群島法律第22章公司法(一九六一年法例第3條,經綜合及修訂)於二零一一年三月二十一日在開曼群島註冊成立為一間獲豁免有限公司。本公司之股份自二零一二年一月十八日起於香港聯合交易所有限公司(「聯交所」)上市。其母公司為中國健康管理投資有限公司(「中國健康」,一間於英屬處女群島註冊成立之私人有限公司)。其最終控股公司為深圳市奧融信投資發展有限公司(一間根據中華人民共和國(「中國」)法律成立之有限責任公司)。其最終控股方為黃俞先生。

本公司註冊辦事處之地址為P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands, 而本公司之總辦事處及主要營業地點位於香港灣仔告士打道138號聯合鹿島大廈15樓。

本公司為一間投資控股公司。其附屬公司之主要業務載於附註55。

綜合財務報表以港元(「港元」)呈列,有別於本公司之功能貨幣人民幣(「人民幣」),原因是本公司董事(「董事」)認為本公司之上市地為香港,故港元將方便本集團之財務資料之分析。

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 21 March 2011 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18 January 2012. Its parent is China Health Management Investment Limited ("China Health"), a private limited company which is incorporated in the British Virgin Islands. Its ultimate holding company is Shenzhen Aorongxin Investment Development Co., Ltd.* (深圳市奧融信投資發展有限公司), a company established under the laws of the People's Republic of China (the "PRC") with limited liability. The ultimate controlling party is Mr. Huang Yu.

The address of the registered office of the Company is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and the head office and principal place of business of the Company is 15th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 55.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$") which is different from the functional currency of the Company, Renminbi ("RMB"), as the directors of the Company (the "Directors") consider that HK\$ will facilitate analysis of the financial information of the Group.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本

於本年度，本集團已首次應用下列由
香港會計師公會（「香港會計師公會」）
頒佈之新訂香港財務報告準則及香港
財務報告準則修訂本。

香港財務報告準則 第9號	金融工具
香港財務報告準則 第15號	來自客戶合約之收入及 相關修訂本
香港（國際財務報告 詮釋委員會） －詮釋第22號	外幣交易及預收預付代價
香港財務報告準則 第2號修訂本	以股份支付交易之 分類及計量
香港財務報告準則 第4號修訂本	於香港財務報告準則第4號 「保險合約」下應用 香港財務報告準則第9號 「金融工具」
香港會計準則第28號 修訂本	作為二零一四年至二零一六 年週期之香港財務報告準 則年度改進之一部份
香港會計準則第40號 修訂本	轉移投資物業

除下述者外，於本年度應用新訂香港
財務報告準則及香港財務報告準則修
訂本並無對本集團當前及過往年度之
財務表現及狀況及／或本綜合財務報
表所載之披露事項產生重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）

**New and amendments to HKFRSs that are
mandatorily effective for the current year**

The Group has applied the following new and
amendments to HKFRSs issued by the Hong Kong
Institute of Certified Public Accountants（“HKICPA”）for
the first time in the current year.

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

Except as described below, the application of the new
and amendments to HKFRSs in the current year has had
no material impact on the Group’s financial performance
and positions for the current and prior years and/or on
the disclosures set out in these consolidated financial
statements.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本 (續)

2.1 香港財務報告準則第15號來自客戶合約之收入

於本年度，本集團已首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而初始應用該準則之累計影響已於二零一八年一月一日初始應用當日確認。於初始應用日期之任何差額於期初保留溢利確認，並無重列比較資料。再者，根據香港財務報告準則第15號之過渡條文，本集團已選擇僅就於二零一八年一月一日尚未完成之合約追溯應用該準則。由於比較資料乃根據香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋編製，因此，若干比較資料可能無法用作比較。

本集團確認來自以下主要來源及產生自客戶合約之收入：

- 製造及銷售處方藥及實驗室相關產品之收入；

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and related interpretations.

The Group recognises revenue from the following major sources which arise from contracts with customers:

- Revenue from manufacturing and sales of prescription drugs and laboratory related products;

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本 (續)

2.1 香港財務報告準則第15號來自客 戶合約之收入 (續)

- 經營健身中心及提供健身
和健康諮詢服務之收入；及
- 製造及銷售水泥及熟料以
及買賣水泥之收入。

有關本集團履約責任及應用香港
財務報告準則第15號之會計政
策之資料分別於附註5及附註3披
露。

應用香港財務報告準則第15號所 產生之影響概要

下表概述過渡至香港財務報告準
則第15號對於二零一八年一月一
日之保留溢利及非控股權益之影
響。

		附註	保留溢利 Retained profits	非控股權益 Non-controlling interests	總額 Total
		Notes	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
確認合約成本	Recognition of contract costs	a	8,693	7,405	16,098
隨時間確認之服務 套票合約登記費	Registration fee for service package contract recognised over time	b	(8,899)	(7,580)	(16,479)
稅務影響	Tax effects		73	62	135
於二零一八年 一月一日之影響	Impact at 1 January 2018		(133)	(113)	(246)

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

- Revenue from operating of fitness centres and
provision of consultation services for fitness
and health activities; and
- Revenue from manufacturing and sales of
cement and clinker and trading of cement.

Information about the Group's performance
obligations and the accounting policies resulting
from application of HKFRS 15 are disclosed in notes
5 and 3 respectively.

Summary of effects arising from application of HKFRS 15

The following table summarises the impact of
transition to HKFRS 15 on retained profits and
non-controlling interests at 1 January 2018.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則
(「香港財務報告準則」)及香
港財務報告準則修訂本(續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本(續)

2.1 香港財務報告準則第15號來自客
戶合約之收入(續)

應用香港財務報告準則第15號所
產生之影響概要(續)

於二零一八年一月一日之綜合財
務狀況表內確認之金額已作出下
列重新分類(即對於二零一八年
一月一日之保留溢利不會產生影
響的調整)及重新計量(即對於
二零一八年一月一日之保留溢利
會產生影響的調整)。不受變動
影響之分項並無包括在內。

2. APPLICATION OF NEW AND
AMENDMENTS TO HONG KONG
FINANCIAL REPORTING STANDARDS
("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with
Customers (CONTINUED)

Summary of effects arising from application of
HKFRS 15 (CONTINUED)

The following reclassifications, being the
adjustments without impact to the retained profits
as at 1 January 2018, and remeasurements, being
adjustments with impact to the retained profits
as at 1 January 2018, were made to the amounts
recognised in the consolidated statement of
financial position at 1 January 2018. Line items that
were not affected by the changes have not been
included.

			先前於 二零一七年 十二月三十一日 呈報之賬面金額 Carrying amounts previously reported at 31 December 2017 千港元 HK\$'000	重新分類 Reclassifications 千港元 HK\$'000	重新計量 Remeasurements 千港元 HK\$'000	於二零一八年 一月一日根據 香港財務報告 準則第15號之 賬面金額 ^a Carrying amounts under HKFRS 15 at 1 January 2018 ^a 千港元 HK\$'000
	附註 Notes					
非流動資產	Non-current assets					
合約成本	Contract costs	a	-	-	3,878	3,878
流動資產	Current assets					
合約成本	Contract costs	a	-	-	12,220	12,220
股本及儲備	Capital and reserves					
股份溢價及儲備	Share premium and reserves	a, b	1,214,123	-	(133)	1,213,990
非控股權益	Non-controlling interests	a, b	624,689	-	(113)	624,576
流動負債	Current liabilities					
其他應付款項及 已收按金	Other payables and deposits received	d	123,782	(18,711)	-	105,071
稅項負債	Tax liabilities	a, b	87,292	-	(135)	87,157
遞延收入	Deferred income	c	114,721	(114,721)	-	-
合約負債	Contract liabilities	b, c, d	-	133,432	11,329	144,761
非流動負債	Non-current liabilities					
遞延收入	Deferred income	c	46,310	(39,618)	-	6,692
合約負債	Contract liabilities	b, c	-	39,618	5,150	44,768

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本（續）

2.1 香港財務報告準則第15號來自客 戶合約之收入（續）

應用香港財務報告準則第15號所
產生之影響概要（續）

本欄金額未就應用香港財務報告
準則第9號作出調整。

(a) 本集團就取得以每月會籍
形式使用健身中心之客
戶合約對僱員產生遞增
銷售佣金。於應用香港財
務報告準則第15號前，該
等金額已於產生時支銷。
於初始應用香港財務報告
準則第15號當日，取得合
約之遞增成本16,098,000
港元已確認為合約成
本。因此，稅項負債增加
2,148,000港元，期初保留
溢利增加7,533,000港元及
非控股權益增加6,417,000
港元。

(b) 於應用香港財務報告準則
第15號前，本集團於與就
提供健身及健康諮詢服務
而使用健身中心的客戶訂
立服務套票合約時確認來
自登記費之收入。

按照香港財務報告準則第
15號，所得登記費未必導
致於與客戶訂立服務套票
合約時向客戶轉移已承諾
服務。管理層已評定，已
收取之登記費應於合約期
內按照服務套票合約提供
未來服務時確認為收入。
此外，管理層認為融資組
成部份並不重大。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs that are
mandatorily effective for the current year
（CONTINUED）

2.1 HKFRS 15 Revenue from Contracts with Customers（CONTINUED）

Summary of effects arising from application of
HKFRS 15（CONTINUED）

The amounts in this column are before the adjustments
from the application of HKFRS 9.

(a) The Group incurred incremental sales
commission to employees in connection
with obtaining contracts with customers
for use of fitness centres in the form of
monthly membership. These amounts were
previously expensed as incurred prior to the
application of HKFRS 15. At the date of initial
application of HKFRS 15, incremental costs of
obtaining contracts of HK\$16,098,000 were
recognised as contract costs. Accordingly,
the tax liabilities had been increased by
HK\$2,148,000, the opening retained profits
had been increased by HK\$7,533,000 and
non-controlling interests had been increased
by HK\$6,417,000.

(b) Prior to the application of HKFRS 15, the
Group recognised revenue derived and
received from registration fee when service
package contract was entered with customer
of fitness centres for provision of consultation
services for fitness and health activities.

In accordance with HKFRS 15, registration
fees derived may not result in the transfer of a
promised service to the customer when service
package contract is entered with customer.
Management has assessed that registration
fee received should be recognised as revenue
over the contract period when those future
services are provided in accordance with the
service package contract. In addition, the
management has considered the financing
component is insignificant.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」)及香 港財務報告準則修訂本(續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本(續)

2.1 香港財務報告準則第15號來自客 戶合約之收入(續)

應用香港財務報告準則第15號所
產生之影響概要(續)

(b) (續)

因此，本集團於二零一八
年一月一日之合約負
債已增加16,479,000港
元。因此，稅項負債減少
2,283,000港元，期初保
留溢利減少7,666,000港
元及非控股權益亦減少
6,530,000港元。

(c) 於初始應用香港財務報告
準則第15號當日，遞延收
入總額中包括就預付會籍
套票或私人訓練課預收之
分期款項154,339,000港
元，已重新分類至合約負
債。

(d) 於初始應用香港財務報
告準則第15號當日，先
前計入應付貿易款項及
其他應付款項之關於製
造及銷售處方藥及實驗
室相關產品、水泥及熟
料之銷售合約客戶墊款
分別為8,637,000港元及
10,074,000港元已重新分
類至合約負債。

下表概述透過應用香港財務報
告準則第15號，重新分類(即對
保留溢利不會產生影響的調整)
及重新計量(即對保留溢利會產
生影響的調整)對本集團於二零
一八年十二月三十一日之綜合財
務狀況表及本年度之綜合損益及
其他全面收益表內及綜合現金流
量各受影響分項之影響。並無載
列不受變動影響之分項。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

Summary of effects arising from application of
HKFRS 15 (CONTINUED)

(b) (CONTINUED)

Accordingly, contract liabilities of the
Group as at 1 January 2018 has been
increased by HK\$16,479,000. Accordingly,
the tax liabilities had been decreased by
HK\$2,283,000, the opening retained profits
had been decreased by HK\$7,666,000 and the
non-controlling interests had been decreased
by HK\$6,530,000.

(c) At the date of initial application of HKFRS
15, as included in the total deferred income,
HK\$154,339,000 related to the instalments
received in advance for prepaid membership
packages or personal training classes was
reclassified to contract liabilities.

(d) At the date of initial application of HKFRS 15,
advances from customers in respect of sales
contracts in relation to manufacture and sales
of prescription drugs and laboratory related
products, cement and clinker amounting to
HK\$8,637,000 and HK\$10,074,000
respectively, which were previously included in
trade and other payables were reclassified to
contract liabilities.

The following table summarise the impacts of
reclassifications, being the adjustments without
impact to the retained profits, and remeasurements,
being the adjustments with impact to the retained
profits, by applying HKFRS 15 on the Group's
consolidated statement of financial position as at
31 December 2018 and its consolidated statement
of profit or loss and other comprehensive income
and its consolidated cash flows for the current year
for each of the line items affected. Line items that
were not affected by the changes have not been
included.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本 (續)

2.1 香港財務報告準則第15號來自客 戶合約之收入 (續)

應用香港財務報告準則第15號所
產生之影響概要 (續)

對綜合財務狀況表之影響

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

Summary of effects arising from application of
HKFRS 15 (CONTINUED)

Impact on the consolidated statement of financial
position

					並無應用香港 財務報告準則 第15號之金額	
		經列報	重新分類	重新計量	Amounts without application of HKFRS 15	
		As reported	Reclassifications	Remeasurements	千港元	
		千港元	千港元	千港元	HK\$'000	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
附註	Notes					
非流動資產	Non-current assets					
合約成本	Contract costs	a	3,043	–	(3,043)	–
流動資產	Current assets					
合約成本	Contract costs	a	11,481	–	(11,481)	–
股本及儲備	Capital and reserves					
股份溢價及儲備	Share premium and reserves	a, b	1,382,204	–	2,315	1,384,519
非控股權益	Non-controlling interests	a, b	515,680	–	1,972	517,652
流動負債	Current liabilities					
其他應付款項及 已收按金	Other payables and deposits received	d	144,586	30,338	–	174,924
稅項負債	Tax liabilities	a, b	105,533	–	789	106,322
遞延收入	Deferred income	c	285	71,395	–	71,680
合約負債	Contract liabilities	b, c, d	117,525	(101,733)	(15,792)	–
非流動負債	Non-current liabilities					
遞延收入	Deferred income	c	186	7,977	–	8,163
合約負債	Contract liabilities	b, c	11,785	(7,977)	(3,808)	–

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本（續）

2.1 香港財務報告準則第15號來自客 戶合約之收入（續）

應用香港財務報告準則第15號所
產生之影響概要（續）

對綜合財務狀況表之影響（續）

- (a) 根據香港會計準則第18號，就取得以每月會籍形式使用健身中心之客戶合約對僱員產生之遞增銷售佣金於產生時支銷。為說明上表，取得合約之遞增成本14,524,000港元已支銷。因此，稅項負債減少2,258,000港元，保留溢利減少6,624,000港元及非控股權益減少5,642,000港元。
- (b) 根據香港會計準則第18號，本集團於與就提供健身及健康諮詢服務而使用健身中心的訂立服務套票合約時確認來自及收取自登記費之收入。為說明上表，本集團於二零一八年十二月三十一日之合約負債已減少19,600,000港元。因此，稅項負債增加3,047,000港元，保留溢利增加8,939,000港元及非控股權益增加7,614,000港元。
- (c) 根據香港會計準則第18號，就預付會籍套票或私人訓練課預收之分期款項分類為遞延收入。為說明上表，預收分期款項79,372,000港元已由合約負債重新分類為遞延收入。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs that are
mandatorily effective for the current year
（CONTINUED）

2.1 HKFRS 15 Revenue from Contracts with Customers（CONTINUED）

Summary of effects arising from application of
HKFRS 15（CONTINUED）

Impact on the consolidated statement of financial
position（CONTINUED）

- (a) Under HKAS 18, incremental sales commission incurred to employees in connection with obtaining contracts with customers for use of fitness centres, in the form of monthly membership were expensed when incurred. For illustrative purpose of the table above, incremental costs of obtaining contracts of HK\$14,524,000 were expensed. Accordingly, the tax liabilities was decreased by HK\$2,258,000, the retained profits was decreased by HK\$6,624,000 and the non-controlling interests was decreased by HK\$5,642,000.
- (b) Under HKAS 18, the Group recognised revenue derived and received from registration fee when service package contract was entered with customer of fitness centres for provision of consultation services for fitness and health activities. For illustrative purpose of the table above, contract liabilities of the Group as at 31 December 2018 has been decreased by HK\$19,600,000. Accordingly, the tax liabilities was increased by HK\$3,047,000, the retained profits was increased by HK\$8,939,000 and the non-controlling interests was increased by HK\$7,614,000.
- (c) Under HKAS 18, instalments received in advance for prepaid membership packages or personal training classes was classified as deferred income. For illustrative purpose of the table above, HK\$79,372,000 instalments received in advance was reclassified from contract liabilities to deferred income.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」)及香 港財務報告準則修訂本(續)

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本(續)

2.1 香港財務報告準則第15號來自客戶合約之收入(續)

應用香港財務報告準則第15號所產生之影響概要(續)

對綜合財務狀況表之影響(續)

- (d) 根據香港會計準則第18號，銷售合約客戶墊款已計入其他應付款項及已收按金。為說明上表，有關製造及銷售處方藥及實驗室相關產品、水泥及熟料之銷售合約客戶墊款分別為11,602,000港元及18,736,000港元已由合約負債重新分類為其他應付款項及已收按金。

對綜合損益及其他全面收益表之影響

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

Summary of effects arising from application of HKFRS 15 (CONTINUED)

Impact on the consolidated statement of financial position (CONTINUED)

- (d) Under HKAS 18, advances from customers in respect of sales contracts was included in other payables and deposits received. For illustrative purpose of the table above, advances from customers in respect of sales contracts in relation to manufacture and sales of prescription drugs and laboratory related products, cement and clinker amounting to HK\$11,602,000 and HK\$18,736,000 respectively, was reclassified from contract liabilities to other payables and deposits received.

Impact on the consolidated statement of profit and loss and other comprehensive income

		並無應用香港 財務報告準則 第15號之金額		
		經列報	重新計量	Amounts without application of HKFRS 15
		As reported	Remeasurements	
		千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000
收入 – 貨品及服務	Revenue – goods and services	a	2,093,724	2,096,580
銷售及服務成本	Cost of sales and services	b	(1,530,726)	(1,528,941)
毛利	Gross profit		562,998	567,639
除稅前溢利	Profit before taxation		108,866	113,507
稅項	Taxation	a, b	(37,354)	(38,143)
本年度溢利	Profit for the year		71,512	75,364
本年度其他全面支出	Other comprehensive expense			
	for the year	c	(75,306)	(75,250)
本年度全面(支出)收入總額	Total comprehensive (expense) income for the year		(3,794)	114

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本（續）

2.1 香港財務報告準則第15號來自客 戶合約之收入（續）

應用香港財務報告準則第15號所
產生之影響概要（續）

對綜合損益及其他全面收益表之
影響（續）

- (a) 根據香港會計準則第18號，本集團於與就提供健身及健康諮詢服務而使用健身中心的客戶訂立服務套票合約時確認來自及收取自登記費之收入。於應用香港財務報告準則第15號時，已收登記費應於按照服務套票合約提供未來服務之合約期內確認為收入。此項會計政策變動導致截至二零一八年十二月三十一日止年度之收入增加2,856,000港元及稅項減少486,000港元。
- (b) 根據香港會計準則第18號，就取得以每月會籍形式使用健身中心之客戶合約對僱員產生之遞增銷售佣金於產生時支銷。於應用香港財務報告準則第15號時，取得合約之遞增成本乃資本化為合約成本。此項會計政策變動導致截至二零一八年十二月三十一日止年度之銷售及服務成本及稅項分別減少1,785,000港元及增加303,000港元。
- (c) 截至二零一八年十二月三十一日止年度，會計政策之變動導致匯兌差額變動56,000港元。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs that are
mandatorily effective for the current year
（CONTINUED）

2.1 HKFRS 15 Revenue from Contracts with Customers（CONTINUED）

Summary of effects arising from application of
HKFRS 15（CONTINUED）

Impact on the consolidated statement of profit and
loss and other comprehensive income（CONTINUED）

- (a) Under HKAS 18, the Group recognised revenue derived and received from registration fee when service package contract was entered with customer of fitness centres for provision of consultation services for fitness and health activities. Upon application of HKFRS 15, registration fees received should be recognised as revenue over the contract period when those future services are provided in accordance with the service package contract. This change in accounting policies resulted in an increase of revenue of HK\$2,856,000 and taxation of HK\$486,000 for the year ended 31 December 2018.
- (b) Under HKAS 18, incremental sales commission incurred to employees in connection with obtaining contracts with customers for use of fitness centres, in the form of monthly membership, were expensed when incurred. Upon application of HKFRS 15, incremental costs of obtaining contracts were capitalised as contract costs. This change in accounting policies resulted in a decrease of cost of sales and services of HK\$1,785,000 and increase of taxation of HK\$303,000 for the year ended 31 December 2018 respectively.
- (c) The change in accounting polices resulted in a change in exchange difference of HK\$56,000 for the year ended 31 December 2018.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本 (續)

2.1 香港財務報告準則第15號來自客 戶合約之收入 (續)

應用香港財務報告準則第15號所
產生之影響概要 (續)

對綜合現金流動表之影響

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

Summary of effects arising from application of
HKFRS 15 (CONTINUED)

Impact on the consolidated statement of cash flows

			經列報 As reported 千港元 HK\$'000	重新計量 Adjustments 千港元 HK\$'000	並無應用香港 財務報告準則 第15號之金額 Amounts without application of HKFRS 15 千港元 HK\$'000
	附註 Notes				
營運業務		OPERATING ACTIVITIES			
除稅前溢利	a	Profit before taxation	108,866	4,641	113,507
營運資金變動前之營運現金 流動		Operating cash flows before movements in working capital			
合約成本減少	b	Decrease in contract costs	1,574	(1,574)	-
其他應付款項及已收按金 增加	c	Increase in other payables and deposits received	48,970	11,627	60,597
合約負債減少	c, d	Decrease in contract liabilities	(55,728)	55,728	-
遞延收入增加(減少)	d	Increase (decrease) in deferred income	732	(67,355)	(66,623)

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本 (續)

2.1 香港財務報告準則第15號來自客戶合約之收入 (續)

附註：

- a. 根據香港會計準則第18號，本集團於與客戶訂立服務套票合約時確認來自及收取自登記費之收入，而就取得以每月會籍形式使用健身中心之客戶合約對僱員產生之遞增銷售佣金於產生時支銷。此項會計政策變動導致截至二零一八年十二月三十一日止年度之除稅前溢利增加4,641,000港元。
- b. 根據香港會計準則第18號，就取得以每月會籍形式使用健身中心之客戶合約對僱員產生之遞增銷售佣金於產生時支銷。此導致合約負債減少1,574,000港元。
- c. 根據香港會計準則第18號，銷售合約客戶墊款計入其他應付款項及已收按金。有關生產及銷售處方藥及實驗室相關產品、水泥及熟料之客戶墊款11,627,000港元已由合約負債減少重新分類為其他應付款項及已收按金增加。
- d. 根據香港會計準則第18號，就預付會籍套票或私人訓練課預收之分期款項分類為遞延收入。預收之分期款項67,355,000港元已由合約負債減少重新分類為遞延收入增加。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.1 HKFRS 15 Revenue from Contracts with Customers (CONTINUED)

Notes:

- a. Under HKAS 18, the Group recognised revenue derived and received from registration fee when service package contract was entered with customer and incremental sales commission incurred to employees in connection with obtaining contracts with customers for use of fitness centres in the form of monthly membership were expensed when incurred. This changes in accounting policies resulted in an increase of profit before taxation of HK\$4,641,000 for the year ended 31 December 2018.
- b. Under HKAS 18, incremental sales commission incurred to employees in connection with obtaining contracts with customers for use of fitness centres in the form of monthly membership were expensed when incurred. This resulted in decrease in contract liabilities of HK\$1,574,000.
- c. Under HKAS 18, advance from customers in respect of sales contracts was included in other payables and deposits received. HK\$11,627,000 advances from customers in relation to manufacture and sales of prescription drugs and laboratory related products, cement and clinker was reclassified from decrease in contract liabilities to increase in other payables and deposits received.
- d. Under HKAS 18, instalments received in advance for prepaid membership packages or personal training classes was classified as deferred income. HK\$67,355,000 instalment received in advance was reclassified from decrease in contract liabilities to increase in deferred income.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本（續）

2.2 香港財務報告準則第9號「金融工具」及相關修訂本

於本年度，本集團已應用香港財務報告準則第9號「金融工具」及對其他香港財務報告準則作出之相關相應修訂。香港財務報告準則第9號引入有關(1)金融資產及金融負債分類及計量；(2)金融資產預期信貸虧損（「預期信貸虧損」）；及(3)一般對沖會計法之新規定。

本集團已根據香港財務報告準則第9號之過渡條文應用香港財務報告準則第9號，即對於二零一八年一月一日（初始應用日期）尚未終止確認之工具追溯應用分類及計量規定（包括預期信貸虧損模型下之減值），而並無對於二零一八年一月一日已終止確認之工具應用該等規定。於二零一七年十二月三十一日之賬面金額與於二零一八年一月一日之賬面金額之間的差額，於期初保留溢利及權益之其他部份確認，並無重列比較資料。

由於比較資料乃根據香港會計準則第39號「金融工具：確認及計量」編製，因此，若干比較資料可能無法用作比較。

應用香港財務報告準則第9號所引致之會計政策於附註3披露。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.2 HKFRS 9 Financial Instruments and the related Amendments

In the current year, the Group has applied HKFRS 9 *Financial Instruments*, and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities; (2) expected credit losses (“ECL”) for financial assets, and (3) general hedge accounting.

The Group has applied HKFRS 9, in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」)及香 港財務報告準則修訂本(續)

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本(續)

2.2 香港財務報告準則第9號「金融工具」及相關修訂本(續)

初始應用香港財務報告準則第9號所產生之影響概要

下文概述於二零一八年一月一日初始應用當日根據香港財務報告準則第9號按預期信貸虧損及香港會計準則第39號進行之金融資產分類及計量(包括減值)：

(a) 預期信貸虧損模型下之減值

本集團應用香港財務報告準則第9號之簡化方法計量預期信貸虧損，當中就所有應收貿易款項使用全期預期信貸虧損。為計量預期信貸虧損，應收貿易款項已按共同信貸風險特徵分類。

透過其他全面收益按公平值處理之債務工具、應收貸款、其他應收款項及按金、已抵押銀行存款、銀行結餘、一間合營公司／一間聯營公司／其他關聯方欠款及其他投資之預期信貸虧損乃按12個月預期信貸虧損(「12個月預期信貸虧損」)評估，其信貸風險自初始確認以來並無大幅增加。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.2 HKFRS 9 Financial Instruments and the related Amendments (CONTINUED)

Summary of effects arising from initial application of HKFRS 9

The classification and measurement (including impairment) of financial assets subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018 are summarised as follows:

(a) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses lifetime ECL for all trade receivables. To measure the ECL, trade receivables have been grouped based on share credit risk characteristics.

ECL for debt instruments at fair value through other comprehensive income, loans receivables, other receivables and deposits, pledged bank deposits, bank balances, amounts due from a joint venture/ an associate/other related parties and other investment are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit since initial recognition.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本（續）

2.2 香港財務報告準則第9號「金融工具」及相關修訂本（續）

初始應用香港財務報告準則第9號所產生之影響概要（續）

(a) 預期信貸虧損模型下之減值（續）

於二零一八年一月一日，額外信貸虧損撥備12,406,000港元中之7,808,000港元已於保留溢利確認，而4,598,000港元已於非控股權益確認。額外虧損撥備已自相關資產扣除。

金融資產（包括應收貿易款項、其他應收款項及按金、應收貸款以及一間合營公司、一間聯營公司或其他關聯方欠款）於二零一七年十二月三十一日之所有虧損撥備與於二零一八年一月一日之期初虧損撥備對賬如下：

	應收 貿易款項	其他 應收款項	應收貸款	其他關聯方 欠款	一間合營 公司欠款	一間聯營 公司欠款	總計
	Trade receivables	Other receivables	Loans receivables	Amounts due from other related parties	Amount due from a joint venture	Amount due from an associate	Total
	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一七年十二月三十一日 — 香港會計準則第39號	20,368	15,154	-	-	-	-	35,522
透過期初保留溢利及 非控股權益重新計量 之金額	1,950	1,621	3,110	4,478	233	1,014	12,406
於二零一八年一月一日	22,318	16,775	3,110	4,478	233	1,014	47,928

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs that are mandatorily effective for the current year
（CONTINUED）

2.2 HKFRS 9 Financial Instruments and the related Amendments（CONTINUED）

Summary of effects arising from initial
application of HKFRS 9（CONTINUED）

(a) Impairment under ECL model（CONTINUED）

As at 1 January 2018, additional credit loss allowance of HK\$12,406,000 has been recognised against retained profits of HK\$7,808,000 and non-controlling interests of HK\$4,598,000. The additional loss allowance is charged against the respective asset.

All loss allowances for financial assets including trade receivables, other receivables and deposits, loans receivables and amounts due from a joint venture, an associate/other related parties as at 31 December 2017 reconciled to the opening loss allowance as at 1 January 2018 is as follows:

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本 (續)

2.2 香港財務報告準則第9號「金融工 具」及相關修訂本 (續)

初始應用香港財務報告準則第9號
所產生之影響概要 (續)

- (b) 透過損益賬按公平值處理
(「透過損益賬按公平值處
理」) 及／或指定為透過損益
賬按公平值處理之金融資產

於初始應用日期，本集團
不再將可換股債券投資及
匯率掛鈎結構性存款指定
為以透過損益賬按公平值
處理之方式計量，原因為
根據香港財務報告準則第
9號，該等金融資產須以透
過損益賬按公平值處理之
方式計量。因此，該等投
資之公平值61,331,000港
元由指定為透過損益賬按
公平值處理之金融資產重
新分類為透過損益賬按公
平值處理之金融資產。

- (c) 透過其他全面收益按公平值
處理 (「透過其他全面收益按
公平值處理」) 之債務工具

先前分類為持作買賣之
31,635,000港元債券重新
分類為透過其他全面收益
按公平值處理之債務工
具，原因為本集團已於二
零一八年一月一日評估其
管理債券之業務模型，於
初始應用香港財務報告準
則第9號之日期符合香港財
務報告準則第9號下透過其
他全面收益按公平值處理
之定義。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.2 HKFRS 9 Financial Instruments and the related Amendments (CONTINUED)

Summary of effects arising from initial
application of HKFRS 9 (CONTINUED)

- (b) Financial assets at fair value through profit or
loss ("FVTPL") and/or designated at FVTPL

At the date of initial application, the Group
no longer applied designation as measured
at FVTPL for the investments in convertible
bonds and exchange rate linked structured
deposits, as these financial assets are required
to be measured at FVTPL under HKFRS 9. As
a result, these investments of HK\$61,331,000
were reclassified from financial assets
designated at FVTPL to financial assets at
FVTPL.

- (c) Debt instruments at fair value through other
comprehensive income ("FVTOCI")

Bonds amounting to HK\$31,635,000
previously classified as held for trading are
reclassified to debt instruments at FVTOCI as
the Group has assessed its business model for
managing its bonds on 1 January 2018 which
meets the definition of FVTOCI under HKFRS 9
at the date of initial application of HKFRS 9.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財務報告準則及香港財務報告準則修訂本 (續)

2.3 應用所有新訂準則對期初綜合財務狀況表造成之影響

由於上述實體會計政策有變，故須重列期初綜合財務狀況表。下表顯示就各個別分項確認之調整。不受變動影響之分項並無包括在內。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

2.3 Impacts on opening consolidated statement of financial position arising from the application of all new standards

As a result of the changes in the entity’s accounting policies above, the opening consolidated statement of financial position had to be restated. The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

	二零一七年 十二月三十一日 (經審核) 31 December 2017 (Audited) 千港元 HK\$'000	香港財務報告 準則第15號 HKFRS 15 千港元 HK\$'000	香港財務報告 準則第9號 HKFRS 9 千港元 HK\$'000	二零一八年 一月一日 (經重列) 1 January 2018 (Restated) 千港元 HK\$'000
非流動資產				
合約成本	-	3,878	-	3,878
透過其他全面收益按 公平值處理之債務工具	-	-	31,635	31,635
流動資產				
應收貿易款項	532,671	-	(1,950)	530,721
合約成本	-	12,220	-	12,220
其他應收款項、按金及 預付款項	149,432	-	(1,621)	147,811
應收貸款	178,878	-	(3,110)	175,768
透過損益賬按公平值 處理之金融資產	114,720	-	(31,635)	83,085
一間合營公司欠款	7,972	-	(233)	7,739
一間聯營公司欠款	34,667	-	(1,014)	33,653
其他關聯方欠款	208,691	-	(4,478)	204,213

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則
(「香港財務報告準則」) 及香
港財務報告準則修訂本 (續)

於本年度強制生效之新訂香港財
務報告準則及香港財務報告準則
修訂本 (續)

2.3 應用所有新訂準則對期初綜合財
務狀況表造成之影響 (續)

2. APPLICATION OF NEW AND
AMENDMENTS TO HONG KONG
FINANCIAL REPORTING STANDARDS
("HKFRSs") (CONTINUED)

New and amendments to HKFRSs that are
mandatorily effective for the current year
(CONTINUED)

2.3 Impacts on opening consolidated statement of
financial position arising from the application
of all new standards (CONTINUED)

		二零一七年 十二月三十一日 (經審核) 31 December 2017 (Audited) 千港元 HK\$'000	香港財務報告 準則第15號 HKFRS 15 千港元 HK\$'000	香港財務報告 準則第9號 HKFRS 9 千港元 HK\$'000	二零一八年 一月一日 (經重列) 1 January 2018 (Restated) 千港元 HK\$'000
流動負債	Current liabilities				
其他應付款項及已收按金	Other payables and deposits received	123,782	(18,711)	-	105,071
稅項負債	Tax liabilities	87,292	(135)	-	87,157
遞延收入	Deferred income	114,721	(114,721)	-	-
合約負債	Contract liabilities	-	144,761	-	144,761
股本及儲備	Capital and reserves				
股份溢價及儲備	Share premium and reserves	1,214,123	(133)	(7,808)	1,206,182
非控股權益	Non-controlling interests	624,689	(113)	(4,598)	619,978
非流動負債	Non-current liabilities				
遞延收入	Deferred income	46,310	(39,618)	-	6,692
合約負債	Contract liabilities	-	44,768	-	44,768

附註：就根據間接方法呈報截至二零一八年十二月三十一日止年度的經營業務所得現金流量而言，已根據上述於二零一八年一月一日的期初綜合財務狀況表計算營運資金變動。

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2018, movements in working capital have been completed based on opening consolidated statement of financial position as at 1 January 2018 as disclosed above.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 (「香港財務報告準則」) 及香 港財務報告準則修訂本 (續)

已頒佈但尚未生效之新訂香港財 務報告準則及香港財務報告準則 修訂本

本集團並無提早應用下列已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則修訂本：

香港財務報告準則 第16號	租賃 ¹
香港財務報告準則 第17號	保險合約 ³
香港(國際財務報告 詮釋委員會) — 詮釋第23號	有關所得稅處理方法之 不確定性 ¹
香港財務報告準則 第3號修訂本	業務之定義 ⁴
香港財務報告準則 第9號修訂本	具有負補償之提前還款 特性 ¹
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 合營公司之間的資產 出售或注資 ²
香港會計準則第1號及 香港會計準則 第8號修訂本	重大之定義 ⁵
香港會計準則第19號 修訂本	計劃修訂、縮減或結算 ¹
香港會計準則第28號 修訂本	於聯營公司及合營公司之 長期權益 ¹
香港財務報告準則 修訂本	二零一五年至二零一七年 週期之年度改進 ¹

- 1 於二零一九年一月一日或以後開始之年度期間生效
- 2 於某待定日期或以後開始之年度期間生效
- 3 於二零二一年一月一日或以後開始之年度期間生效
- 4 對於收購日期為二零二零年一月一日或以後開始之首個年度期間開始時或之後的業務合併及資產收購生效
- 5 於二零二零年一月一日或以後開始之年度期間生效

除下文所述之新訂香港財務報告準則及香港財務報告準則修訂本外，董事預期，應用所有其他新訂香港財務報告準則及香港財務報告準則修訂本於可見將來不會對綜合財務報表構成重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs have been issued but not yet effective

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

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle ¹

- 1 Effective for annual periods beginning on or after 1 January 2019
- 2 Effective for annual periods beginning on or after a date to be determined
- 3 Effective for annual periods beginning on or after 1 January 2021
- 4 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- 5 Effective for annual periods beginning on or after 1 January 2020

Except for the new and amendments to HKFRSs mentioned below, the Directors anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

已頒佈但尚未生效之新訂香港財
務報告準則及香港財務報告準則
修訂本（續）

香港財務報告準則第3號修訂本「業務之 定義」

該修訂本澄清業務之定義並就協助實
體釐定一宗交易應否作為業務合併或
資產收購計算提供額外指引，並引入
選擇性集中度測試，允許對一組已收
購活動及資產是否屬一項業務進行簡
單評估。該修訂本將就本集團於二零
二零年一月一日或以後完成之收購交
易前瞻性強制生效。

香港會計準則第1號及香港會計準則第 8號修訂本「重大之定義」

該修訂本就重大判斷包含額外指引及
解釋，以改進重大之定義。該修訂本
亦使所有香港財務報告準則之定義一
致，將於本集團二零二零年一月一日
或以後開始之年度期間強制生效。預
期應用該修訂本將不會對本集團之財
務狀況及表現造成重大影響，但或會
影響綜合財務報表之呈列及披露。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租
人及承租人之租賃安排及會計處理引
入一個全面模型。當香港財務報告準
則第16號生效時，將取代香港會計準
則第17號「租賃」及相關詮釋。

香港財務報告準則第16號以所識別資
產是否由客戶控制為基準區分租賃及
服務合約。此外，香港財務報告準則
第16號規定售後租回交易根據香港財
務報告準則第15號有關轉讓相關資產
是否應作為銷售入賬的規定而釐定。
香港財務報告準則第16號亦包括有關
分租及租賃修改之規定。

除短期租賃及低值資產租賃外，經營
租賃與融資租賃之區分自承租人會計
處理中移除，並由承租人須就所有租
賃確認使用權資產及相應負債之模型
替代。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs have been
issued but not yet effective (CONTINUED)

Amendments to HKFRS 3 Definition of a Business

The amendments clarify the definition of a business and provide additional guidance with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. Furthermore, an optional concentration test is introduced to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The amendments will be mandatorily effective to the Group prospectively for acquisition transactions completed on or after 1 January, 2020.

Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgements. The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group's annual period beginning on 1 January, 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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2. 應用新訂香港財務報告準則 （「香港財務報告準則」）及香 港財務報告準則修訂本（續）

已頒佈但尚未生效之新訂香港財
務報告準則及香港財務報告準則
修訂本（續）

香港財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。租賃負債初步按非當日支付之租賃款項之現值計量。隨後，租賃負債會就（其中包括）利息及租賃款項以及租賃修訂之影響作出調整。就現金流量分類而言，本集團目前將就自用租賃土地之預付租賃款項呈列為投資現金流量，而其他經營租賃款項則為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債之租賃款項將會分為本金及利息部分，而本集團會將本金及利息部分呈列為融資現金流量。前期預繳租賃款項將繼續按性質持續呈列為投資或經營現金流量（視情況而定）。

根據香港會計準則第17號，本集團已就本集團為承租人之融資租賃安排及租賃土地之預付租賃款項，確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產之分類出現潛在變動，惟須視乎本集團分開呈列使用權資產，抑或於呈列相應有關資產（倘為擁有相關資產）之同一項目內呈列使用權資產而定。

除亦適用於承租人之若干規定外，香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

再者，香港財務報告準則第16號要求作出更廣泛披露。

誠如附註46所披露，本集團於二零一八年十二月三十一日有不可撤銷經營租賃承擔274,375,000港元。初步評估顯示該等安排將符合租賃之定義。於應用香港財務報告準則第16號後，除非租賃符合資格作為低值或短期租賃，否則本集團將就所有該等租賃確認使用權資產及相應負債。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS （“HKFRSs”）（CONTINUED）

New and amendments to HKFRSs have been issued but not yet effective (CONTINUED)

HKFRS 16 Leases (CONTINUED)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group. Upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of HK\$274,375,000 as disclosed in note 46. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

綜合財務報表附註

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2. 應用新訂香港財務報告準則 (「香港財務報告準則」)及香 港財務報告準則修訂本(續)

已頒佈但尚未生效之新訂香港財
務報告準則及香港財務報告準則
修訂本(續)

香港財務報告準則第16號「租賃」(續)

此外，本集團目前將可退還之已付租金按金13,730,000港元視為應用香港會計準則第17號之租賃下之權利及義務。基於香港財務報告準則第16號下租賃款項之定義，該等按金並非與相關資產使用權有關之款項，因此，該等按金之賬面金額或會調整至攤銷成本，而有關調整被視為額外租賃款項並計入使用權資產之賬面金額。

應用新規定可能導致上文列示之計量、呈列及披露出現變動。本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號並未識別為包括租賃的合約應用該準則。因此，本集團將不會重新評估合約是否為或包括於首次應用日期前已存在的租賃。此外，本集團(作為承租人)擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對期初保留溢利的累計影響，而並無重列比較資料。

3. 重要會計政策

本綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則而編製。此外，本綜合財務報表包括聯交所證券上市規則(「上市規則」)之適用披露規定以及香港公司條例。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

New and amendments to HKFRSs have been issued but not yet effective (CONTINUED)

HKFRS 16 Leases (CONTINUED)

In addition, the Group currently considers refundable rental deposits paid of HK\$13,730,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments and included in the carrying amount of right-of-use assets .

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) – Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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3. 重要會計政策 (續)

除若干金融工具及生物資產於各報告期末按公平值及公平值減銷售成本(如適用)計量外，綜合財務報表已按歷史成本基準，並按照下文所載之會計政策編製。

歷史成本一般基於為換取貨品及服務而付出代價之公平值計量。

公平值為就市場參與者之間於計量日在有序交易中出售資產而收到或轉讓負債而支付之價格，不論該價格是直接可觀察或使用其他估值技術估計。若市場參與者於計量日為資產或負債定價時會計及該等資產或負債之特性，則本集團於估計該資產或負債之公平值時會計及該等特性。於本綜合財務報表內計量及／或披露之公平值按此基準釐定，惟香港財務報告準則第2號「以股份為基礎之付款」範圍內之以股份為基礎之付款交易、香港會計準則第17號「租賃」範圍內之租賃交易，以及與公平值類似但並非公平值之計量(例如香港會計準則第2號「存貨」內之可變現淨值或香港會計準則第36號「資產減值」內之使用價值)除外。

非金融資產之公平值計量會考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用其最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。

就按公平值交易之金融工具及投資物業而言，凡於往後期間採用以不可觀察輸入值計量公平值之估值技術，則該估值技術會作校正，以令估值技術之結果相等於交易價格。

此外，就財務申報而言，公平值計量會基於公平值計量所用輸入值之可觀察程度及公平值計量所用輸入值對其整體之重要程度，分為第一級、第二級與第三級，說明如下：

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and biological assets that are measured at fair values and fair value less costs to sell, as appropriate, at the end of each reporting period as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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Notes to the Consolidated Financial Statements

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3. 重要會計政策 (續)

- 第一級輸入值為實體於計量日就相同資產或負債於活躍市場可取得之報價(未經調整)；
- 第二級輸入值為除包括於第一級內之報價外，可直接或間接就資產或負債觀察之輸入值；及
- 第三級輸入值為資產或負債之不可觀察輸入值。

下文載列主要會計政策。

綜合賬目基準

綜合財務報表包含本公司及由本公司及其附屬公司控制之實體之財務報表。當出現下列情況，即表示本公司擁有控制權：

- 對被投資公司擁有權力；
- 從參與被投資公司享有或有權獲得可變回報；及
- 有能力行使其權力以影響其回報。

倘事實及情況顯示上述三項控制權要素中一項或以上出現變動，則本集團會重新評估其是否控制被投資公司。

將附屬公司綜合入賬於本集團取得有關附屬公司之控制權時開始，並於本集團失去對該附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及支出自本集團取得控制權之日起計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司之日為止。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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3. 重要會計政策 (續)

綜合賬目基準 (續)

於有需要時，本集團會調整附屬公司之財務報表，以令該等公司之會計政策與本集團之會計政策一致。

損益及其他全面收益之每個項目歸屬於本公司股東及非控股權益。附屬公司之全面收益總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

有關本集團成員公司之間交易之所有集團內資產及負債、權益、收入、支出及現金流量於綜合入賬時悉數對銷。

於附屬公司之非控股權益與本集團之權益分開呈列，該等權益指賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產之現時擁有權權益。

本集團於現有附屬公司之擁有權權益之變動

在不會導致本集團失去對附屬公司控制權之情況下，本集團於附屬公司之權益之變動入賬列為權益交易。本集團相關權益部分及非控股權益之賬面金額會作調整，以反映該等項目於附屬公司相對權益之變動，包括按本集團及非控股權益之權益比例將相關儲備在本集團與非控股權益之間重新歸屬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (CONTINUED)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

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3. 重要會計政策 (續)

綜合賬目基準 (續)

本集團於現有附屬公司之擁有權權益之變動 (續)

非控股權益調整金額與已付或已收取代價之公平值之間的任何差額直接於權益確認，並歸屬於本公司股東。

當本集團失去對附屬公司之控制權時，本集團會終止確認該附屬公司之資產及負債以及非控股權益 (如有)。收益或虧損於損益賬確認，並按(i)所收代價之公平值及任何保留權益之公平值總額與(ii)本公司股東應佔附屬公司資產 (包括商譽) 及負債之過往賬面值的差額計算。過往於其他全面收益就該附屬公司確認之所有款額，會按猶如本集團已直接出售該附屬公司相關資產或負債入賬 (即按適用香港財務報告準則所訂明/允許而重新分類至損益賬或轉撥至另一權益類別)。於失去控制權當日在前附屬公司保留之任何投資之公平值，會被視為根據香港財務報告準則第9號/香港會計準則第39號作其後入賬時之初步確認公平值，或 (如適用) 於一間聯營公司或一間合營公司之投資之初步確認成本。

業務合併

收購業務採用收購法入賬。於業務合併中轉讓之代價按公平值計量，而公平值乃按本集團所轉讓資產、本集團向被收購方原擁有人所產生負債及本集團為交換被收購方控制權所發行之股本權益於收購日期之公平值總和計算。有關收購之成本一般於產生時在損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (CONTINUED)

Changes in the Group's ownership interests in existing subsidiaries (CONTINUED)

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9/HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

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3. 重要會計政策 (續)

業務合併 (續)

於收購日期，所收購可識別資產及所承擔負債乃按公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別按照香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款安排或本集團為取代被收購方以股份為基礎之付款安排訂立之以股份為基礎之付款安排有關之負債或權益工具，於收購日期按照香港財務報告準則第2號「以股份為基礎之付款」（見下文會計政策）計量；及
- 按照香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組合）按照該項準則計量。

商譽按以所轉讓代價、任何非控股權益於被收購方中之金額及收購方以往所持被收購方股本權益之公平值（如有）之總和超逾於收購日期所收購可識別資產及所承擔負債淨額之差額計量。倘經過重估後，所收購可識別資產與所承擔負債淨額高於所轉讓代價、任何非控股權益於被收購方中之金額及收購方以往所持被收購方權益之公平值（如有）之總和，則超出數額即時於損益賬確認為議價購買收益。

屬現時擁有權權益且於清盤時賦予持有人權利按比例分佔相關附屬公司淨資產之非控股權益，初步按非控股權益應佔被收購方可識別淨資產之已確認金額比例或公平值計量。計量基準視乎每項交易而作出選擇。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (CONTINUED)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

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3. 重要會計政策 (續)

商譽

因收購業務而產生之商譽按收購業務當日確立之成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期自合併協同效益獲益之本集團現金產生單位(或多組現金產生單位)，該等單位代表為內部管理監察商譽之最低水平，且不會大於經營分部。

獲分配商譽之現金產生單位每年(或於有跡象顯示單位可能出現減值時更頻密地)測試減值。就於報告期間因收購而產生之商譽而言，獲分配商譽之現金產生單位於該報告期末前測試減值。倘可收回款額低於賬面金額，則減值虧損會首先分配至調低任何商譽賬面金額，其後基於該單位內各資產之賬面金額按比例分配至其他資產。

於出售相關現金產生單位或現金產生單位組別內的任何現金產生單位時，釐定出售之損益金額時會計入商譽之應佔款額。當本集團處置現金產生單位(或現金產生單位組別內的現金產生單位)內之一項業務時，所出售之商譽金額乃根據所處置業務(或現金產生單位)及所保留之現金產生單位(或現金產生單位組別)部分之相對價值計量。

於聯營公司及合營公司之投資

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指可參與被投資公司財務及營運政策決策之權力，惟對該等政策並無控制權或共同控制權。

合營公司為一項聯合安排，據此，對安排擁有共同控制權之訂約方對該聯合安排之淨資產擁有權利。共同控制權指按照合約協定共享某項安排之控制權，並僅在相關活動決策須經共同享有控制權之各方一致同意時存在。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating unit ("CGU") (or groups of CGU) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit.

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

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3. 重要會計政策 (續)

於聯營公司及合營公司之投資 (續)

聯營公司及合營公司之業績及資產與負債以權益會計法綜合納入本綜合財務報表。聯營公司及合營公司就權益會計處理所用之財務報表按與本集團於類似情況下就同類交易及事件所依循者一致之會計政策編製。根據權益法，於一間聯營公司或合營公司之投資初步按成本於綜合財務狀況表確認，其後會作調整以確認本集團應佔該聯營公司或合營公司之損益及其他全面收益。該聯營公司／合營公司之淨資產（損益及其他全面收益除外）變動不予入賬，除非該等變動導致本集團持有之擁有權益出現變動則作別論。當本集團分佔一間聯營公司或合營公司之虧損超逾本集團所佔該聯營公司或合營公司之權益（包括任何實際上構成本集團於該聯營公司或合營公司淨投資一部分之長遠權益）時，本集團會終止確認其分佔之進一步虧損。額外虧損僅於本集團已產生法定或推定責任或代表該聯營公司或合營公司付款時方予確認。

於一間聯營公司或合營公司之投資自被投資公司成為聯營公司或合營公司當日起按權益法入賬。收購於一間聯營公司或合營公司之投資時，投資成本超過本集團應佔被投資方之可識別資產及負債之公平值淨額之任何部分確認為商譽，計入該投資之賬面值。本集團應佔可識別資產及負債之公平值淨額超出投資成本之部分，經重新評估後即時於收購投資期間在損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in associates and joint ventures (CONTINUED)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

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3. 重要會計政策 (續)

於聯營公司及合營公司之投資 (續)

本集團會評估是否有客觀證據顯示於聯營公司或合營公司之權益可能出現減值。倘存在任何客觀證據，本集團會按照香港會計準則第36號「資產減值」，將投資(包括商譽)之全部賬面金額作為單一資產透過比較其可收回金額(使用價值與公平值減銷售成本之較高者)與賬面金額測試減值。任何已確認之減值虧損屬投資賬面金額之一部分。倘投資之可收回金額其後增加，則按照香港會計準則第36號確認該減值虧損撥回。

當集團實體與本集團之聯營公司或合營公司進行交易時，僅在該聯營公司或合營公司之權益與本集團並無關聯之情況下，與該聯營公司或合營公司進行交易所產生之溢利及虧損方會於本集團之綜合財務報表確認。

來自客戶合約之收入(根據附註2之過渡條文應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於(或隨)完成履約責任時(即與特定履約責任相關之貨品或服務之「控制權」轉移至客戶時)確認收入。

履約責任指個別之貨品或服務(或一組貨品或服務)或一系列大致相同之個別貨品或服務。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in associates and joint ventures (CONTINUED)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, 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.

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3. 重要會計政策 (續)

來自客戶合約之收入 (根據附註2之過渡條文應用香港財務報告準則第15號後) (續)

控制權隨時間轉移，倘符合以下其中一項標準，則收入參照完全履行相關履約責任之進度隨時間確認：

- 隨着本集團履約，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團履約會產生或增強一項於本集團履約時由客戶控制之資產；或
- 本集團履約並無產生對本集團有替代用途之資產，且本集團對迄今已完成履約之部份具有可強制執行收取付款之權利。

否則，收入於客戶獲得個別貨品或服務控制權之時點確認。

合約資產指本集團就本集團已轉移至客戶之貨品或服務而換取代價之權利 (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之無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團向客戶轉移已收取客戶代價 (或到期代價金額) 之貨品或服務之責任。

相同合約之合約資產及合約負債按淨額基準入賬及呈列。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (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 and 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.

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.

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

3. 重要會計政策 (續)

來自客戶合約之收入 (根據附註2之過渡條文應用香港財務報告準則第15號後) (續)

產出法

完全履行履約責任之進度按產出法計量，即透過直接計量迄今為止轉移給客戶之貨品或服務之價值相對於合約餘下所承諾貨品或服務之價值來確認收入，此乃描述本集團履約轉移貨品或服務控制權之最佳方法。

存在重大融資組成部份

於釐定交易價時，倘協定付款時間 (明確或隱含地) 給予客戶或本集團轉移貨品或服務予客戶之重大融資利益，則本集團會就金錢時間值之影響調整已承諾代價金額。在該等情況下，該合約會包含重大融資組成部份。無論合約中是否明確規定或於合約訂約方協定之付款條款暗示融資承諾，均可能存在重大融資組成部份。

對於付款至轉移相關貨品或服務相隔時間少於一年之合約，本集團會應用實際權宜方法，不就任何重大融資組成部份調整交易價。

就於轉移本集團已就重大融資組成部份而調整已承諾代價金額之相關貨品或服務前自客戶收取之預付款項而言，本集團應用將於本集團與客戶之間於合約開始時之獨立融資交易中反映之貼現率。已收取於預付款期間之相關利息開支，且轉移相關貨品及服務按相同基準入賬列作其他借貸成本。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (CONTINUED)

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

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3. 重要會計政策 (續)

來自客戶合約之收入 (根據附註 2 之過渡條文應用香港財務報告準則第15號後) (續)

取得合約之遞增成本

取得合約之遞增成本指本集團為與客戶訂立合約所產生之成本，如未取得合約則不會產生該成本。

倘本集團預期收回該等成本，則本集團將該等成本 (如銷售佣金) 確認為資產。如此確認之資產其後根據與該等資產相關之貨品或服務轉移至客戶之情況有系統地於損益賬內攤銷。

倘取得合約之遞增成本原應於一年內在損益賬悉數攤銷，則本集團會採用實際權宜方法將所有該等成本支銷。

收入確認 (於二零一八年一月一日之前)

收入按已收或應收代價之公平值計量，並指就正常業務過程中出售之貨品及提供服務應收之款項 (經扣除折扣及銷售相關稅項)。

當收入金額能夠可靠地計量；未來經濟利益很可能流入本集團，而本集團各項活動均符合下述指定條件時，即確認收入。

銷售貨品之收入於貨品付運及所有權轉移時確認。

出售持作銷售物業之收入於相關物業交付買家時確認。於符合上述收入確認標準前已收取買家之按金及分期付款項計入綜合財務狀況表內之流動負債。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (CONTINUED)

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Revenue recognition (prior to 1 January 2018)

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from sales of goods is recognised when goods are delivered and titles have passed.

Revenue from sale of properties held for sale is recognised when the respective properties have been delivered to the buyers. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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3. 重要會計政策 (續)

收入確認 (於二零一八年一月一日之前) (續)

會籍月費於服務使用期內以直線法確認為收入。就預付套票預先收取之分期付款項記錄為遞延收入。

體驗班之收入於體驗班提供時確認。

私人訓練課之收入於私人訓練課提供時確認。

登記及手續費之收入於與客戶訂立服務套票合約時確認。

投資所得之股息收入於股東收取款項之權利確立時確認。

基於銷售額之特許權安排參照相關安排確認。

服務收入於相關服務提供時確認。

利息收入按時間基準參照未償還本金及按適用實際利率計提，而實際利率為於金融資產之預期年限內將估計未來現金收入準確貼現至該資產於初步確認時之賬面淨額之比率。

物業、廠房及設備

物業、廠房及設備包括持作用於生產或供應貨品或服務或作行政用途之樓宇及建築物(在建工程除外)，乃按成本減隨後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (prior to 1 January 2018) (CONTINUED)

Monthly fees received for membership are recognised as revenue on straight-line basis over the service usage period. Instalments received in advance for prepaid packages are recorded as deferred income.

Revenue from trial classes is recognised when the trial class is provided.

Revenue from personal training classes is recognised when the personal training class is provided.

Revenue from registration and processing fee is recognised when service package contract is entered with customer.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Royalty arrangements that are based on sales are recognised by reference to the underlying arrangement.

Services income is recognised when the relevant services are provided.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Property, plant and equipment

Property, plant and equipment, including buildings and structures held for use in the production or supply of goods or services, or for administrative purpose, and other than construction in progress, are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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3. 重要會計政策 (續)

物業、廠房及設備 (續)

興建中用作生產、供應或作行政用途之物業按成本減任何已確認之減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化之借貸成本。該等物業於完成及可作擬定用途時分類為適當之物業、廠房及設備類別。當該等資產可作擬定用途時，本集團會按與其他物業資產相同之基準計算其折舊。

本集團會確認折舊，旨在於資產(在建工程除外)之估計可使用年期內使用直線法撇銷資產成本(經減去剩餘價值)。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，而任何估計變動之影響按未來適用法入賬。

根據融資租賃持有的資產按與自置資產相同的基準於預計可使用年期內折舊。然而，倘無法合理確定將於租期結束前取得擁有權，則資產會按租期與可使用年期兩者中的較短者折舊。

物業、廠房及設備項目於出售或預期繼續使用該資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目時產生之任何收益或虧損按該資產之銷售所得款項與賬面金額之差額釐定，並於損益賬確認。

投資物業

投資物業指為賺取租金及/或作資本增值而持有之物業。

投資物業初步按成本(包括任何直接應佔支出)計量。於初步確認後，投資物業按成本減隨後累計折舊及任何累計減值虧損列賬。本集團會確認折舊，旨在於投資物業之估計可使用年期內(經考慮其估計剩餘價值後)使用直線法撇銷投資物業成本。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (CONTINUED)

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

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3. 重要會計政策 (續)

投資物業 (續)

投資物業於出售或永久地不再使用及出售該資產預期不會產生任何未來經濟利益時終止確認。終止確認物業所產生之任何收益或虧損(按該資產之出售所得款項淨額與賬面金額之差額計算)於該物業終止確認之期間計入損益賬。

無形資產

個別收購之無形資產

個別收購具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產攤銷於資產估計可使用年期內以直線法確認。估計可使用年期及攤銷方法於各報告期末檢討，而任何估計變動之影響按未來適用法入賬。個別收購具有無限可使用年期之無形資產按成本減任何隨後累計減值虧損列賬。

內部產生之無形資產 – 研究及開發開支

研究活動之開支於產生之期間確認為費用。

因開發活動(或內部項目之開發階段)而於內部產生之無形資產，於及僅於顯示下列各項後方予確認：

- 技術水平足以完成無形資產，使其可供使用或出售；
- 有意完成並使用或出售該項無形資產；

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties (CONTINUED)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Intangible assets

Intangible assets acquired separately

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. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;

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3. 重要會計政策 (續)

無形資產 (續)

內部產生之無形資產－研究及開發開支 (續)

- 有能力使用或出售該項無形資產；
- 該項無形資產將如何產生可能之未來經濟利益；
- 具備足夠可用之技術、財務及其他資源，以完成開發及使用或出售該項無形資產；及
- 能夠可靠地計量無形資產於開發期間之應佔開支。

內部產生之無形資產之初步確認金額為自無形資產首次符合上列確認準則當日起產生之費用總和。倘並無內部產生之無形資產可供確認，則開發開支於產生之期間在損益賬確認。

初步確認後，內部產生之無形資產按與個別收購之無形資產相同之基準，按成本減累計攤銷及任何累計減值虧損(如有)呈報。

於業務合併中收購之無形資產

於業務合併中收購之無形資產會與商譽分開確認，初步按收購日期之公平值(被視為成本)確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (CONTINUED)

Internally-generated intangible assets – research and development expenditure (CONTINUED)

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

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3. 重要會計政策 (續)

無形資產 (續)

於業務合併中收購之無形資產 (續)

初步確認後，於業務合併中收購之具有限可使用年期無形資產按與獨立收購之無形資產相同之基準，按成本減累計攤銷及任何累計減值虧損呈報。於業務合併中收購之具無限可使用年期無形資產按成本減任何隨後累計減值虧損列賬。

無形資產於出售或使用或出售預期不會產生任何未來經濟利益時終止確認。終止確認無形資產所產生之收益及虧損（按該資產之出售所得款項淨額與賬面金額之差額計量）於該資產終止確認時在損益賬確認。

有形資產、無形資產及合約成本（商譽除外）之減值

於報告期末，本集團會檢討其具有限可使用年期之有形及無形資產及合約成本之賬面金額，以釐定是否有任何跡象顯示上述資產出現減值虧損。倘存在任何減值虧損之跡象，則會估計相關資產之可收回金額，以釐定減值虧損之程度（如有）。具有無限可使用年期之無形資產至少須每年及每當可能存在減值跡象時測試減值。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (CONTINUED)

Intangible assets acquired in a business combination (CONTINUED)

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

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.

Impairment of tangible assets, intangible assets and contract costs other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible, intangible assets and contract costs with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is an indication that they may be impaired.

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3. 重要會計政策 (續)

有形資產、無形資產及合約成本 (商譽除外)之減值 (續)

本集團會個別估計有形及無形資產之可收回金額。當不大可能個別估計資產之可收回金額時，本集團會估計資產所屬現金產生單位之可收回金額。當可識別合理及一致之分配基準時，公司資產亦會分配至個別現金產生單位，否則分配至可識別合理而一致分配基準之最小現金產生單位組別。

在本集團根據香港財務報告準則第15號將資本化資產減值虧損確認為合約成本前，本集團按適用準則評估和確認任何與相關合約有關之其他資產減值虧損。屆時，倘賬面值超過本集團預期收取以換取相關貨品或服務之代價減與提供該等貨品或服務直接有關之成本(已確認為開支)後之餘額，則就資本化為合約成本之資產確認減值虧損(如有)。屆時，資本化為合約成本之資產就評估相關現金產生單位之減值而言計入彼等所屬現金產生單位之賬面值。

可收回金額為公平值減銷售成本與使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量以稅前貼現率貼現至現值，該貼現率能反映當前市場所評估之貨幣時間值及資產(或現金產生單位)之特定風險(就此而言，估計未來現金流量尚未作出調整)。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible assets, intangible assets and contract costs other than goodwill (CONTINUED)

The recoverable amount of tangible and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the CGU to which they belong for the purpose of evaluating impairment of that CGU.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

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3. 重要會計政策 (續)

有形資產、無形資產及合約成本 (商譽除外)之減值 (續)

倘資產(或現金產生單位)之可收回金額估計將少於賬面金額,則資產(或現金產生單位)之賬面金額會調低至可收回金額。分配減值虧損時,減值虧損首先分配至調低任何商譽之賬面金額(如適用),然後再基於單位內各項資產之賬面金額按比例分配至其他資產。資產之賬面金額不得調低至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)與零三者中之最高者。原已分配至資產之減值虧損金額按單位其他資產比例分配。減值虧損即時於損益賬確認。

倘減值虧損其後撥回,則會調高資產(或現金產生單位)之賬面金額至其經修訂之估計可收回金額,惟調高後之賬面金額不得超過倘於過往年度並無確認該資產(或現金產生單位)之減值虧損而應確定之賬面金額。減值虧損之撥回即時於損益賬確認。

租賃

每當租賃條款將擁有權之絕大部分風險及回報轉讓予承租人時,該租賃歸類為融資租賃。所有其他租賃則歸類為經營租賃。

本集團作為出租人

來自經營租賃之租金收入於有關租賃之租期內按直線法於損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible assets, intangible assets and contract costs other than goodwill (CONTINUED)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognised as immediately in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

綜合財務報表附註

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3. 重要會計政策 (續)

租賃 (續)

本集團作為承租人

根據融資租賃持有的資產會按於租賃訂立時之公平值或(如較低)最低租賃款項之現值確認為本集團的資產。向出租人負有之相應負債作為融資租賃責任計入綜合財務狀況表。

租賃款項會於融資支出及租賃責任扣減之間分配，以就負債餘額之利息達致一個固定比率。融資支出會即時於損益賬確認，惟倘融資費用與合資格資產直接相關，則按照本集團有關借貸成本之政策撥充資本(見下文會計政策)。

經營租賃款項於有關租賃之租期內按直線法確認為支出。

租賃土地及樓宇

當本集團就一項同時包含租賃土地及樓宇部分之物業權益付款時，本集團基於對各部分擁有權所附帶絕大部分風險及回報是否已轉讓予本集團之評估，評估各部分應獨立分類為融資或是經營租賃，惟兩部分明顯確定為經營租賃則除外，在此情況下，整項物業入賬列作經營租賃。具體而言，整筆代價(包括任何一次性預付款)按初步確認時於土地部分及樓宇部分之租賃權益之相對公平值比例，在租賃土地及樓宇部分之間分配。

倘能可靠地分配有關款項，則入賬列作經營租賃之租賃土地權益於綜合財務狀況表呈列為「土地使用權之預付租賃款項」，並按直線法於租期內釋出。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (CONTINUED)

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease.

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments on land use rights" in the consolidated statement of financial position and is released over the lease term on a straight-line basis.

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3. 重要會計政策 (續)

持作銷售物業

持作銷售物業按成本與可變現淨值兩者中之較低者列賬。可變現淨值指估計售價減所有估計完工成本及銷售活動所需之成本。

生物資產

生物資產指於初步確認時計量及於各報告期末按公平值減銷售成本計量之實驗小鼠。於初步確認按公平值減銷售成本列賬之生物資產及生物資產之公平值減銷售成本之變動所產生之收益或虧損於產生之期間計入損益賬。

存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本採用加權平均法計算。可變現淨值指估計售價減所有估計完工成本及銷售活動所需之成本。

稅項

所得稅支出指即期應付稅項與遞延稅項之總和。

即期應付稅項乃基於本年度之應課稅溢利計算。應課稅溢利與除稅前溢利不同，乃源於其他年度應課稅或可扣減之收入或支出以及永不須課稅或永不可扣減之項目。本集團之即期稅項負債乃採用於報告期末前已頒佈或實際頒佈之稅率計算。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated cost of completion and costs necessary to make the sale.

Biological assets

Biological assets represent laboratory mice which is measured on initial recognition and at each end of the reporting period at their fair value less costs to sell. A gain or loss arising on initial recognition of biological asset at fair value less costs to sell and from a change in fair value less costs to sell of a biological asset is included in profit or loss for the period in which it arises.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated cost of completion and costs necessary to make the sale.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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3. 重要會計政策 (續)

稅項 (續)

遞延稅項按綜合財務報表所載資產及負債賬面金額與計算應課稅溢利時所採用相應稅基之臨時差異確認。本集團一般就所有應課稅臨時差異確認遞延稅項負債。倘若可能出現應課稅溢利可用於抵銷所有可扣減臨時差異，則本集團一般就該等可扣減臨時差異確認遞延稅項資產。倘若因初步確認一項交易(業務合併除外)的資產與負債而產生並無影響應課稅溢利或會計溢利之臨時差異，則不會確認該等遞延稅項資產與負債。此外，倘臨時差額因初步確認商譽而產生，則不會確認遞延稅項負債。

本集團就與於附屬公司之投資以及於聯營公司及合營公司之權益相關之應課稅臨時差異確認遞延稅項負債，惟倘本集團可控制臨時差異撥回，且在可見將來不大可能撥回有關臨時差異則作別論。與該等投資及權益相關之可扣減臨時差異所產生之遞延稅項資產，僅於可能有足夠應課稅溢利可動用臨時差異之利益且預期臨時差異會於可見將來撥回時確認。

遞延稅項資產之賬面金額會於各報告期末檢討，並在不可能再有足夠應課稅溢利足以收回全部或部分資產時調減。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (CONTINUED)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary difference. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in associates and joint ventures except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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3. 重要會計政策 (續)

稅項 (續)

遞延稅項資產及負債按預期於清償負債或變現資產期間適用之稅率及基於報告期末已頒佈或實際頒佈之稅率(及稅法)計量。

遞延稅項負債及資產之計量方法反映本集團於報告期末預期因收回資產或清償負債賬面金額而可能引致之稅務後果。

當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，而該等資產與負債與同一稅務機關所徵收之所得稅相關，且本集團有意按淨額基準結算其即期稅項資產及負債時，遞延稅項資產與遞延稅項負債可予抵銷。

即期及遞延稅項會於損益賬確認，惟當該等稅項與於其他全面收益或直接於權益確認之項目有關時，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。就因對業務合併進行首次會計處理而產生之即期稅項或遞延稅項而言，稅項影響乃計入業務合併之會計方法內。

借貸成本

收購、建造或生產合資格資產(即需要用上大量時間方能投入擬定用途或作出售的資產)直接應佔之借貸成本，會加入至該等資產之成本，直至該等資產大致上已準備就緒投入其擬定用途或出售為止。

所有其他借貸成本於產生之期間在損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (CONTINUED)

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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3. 重要會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易按交易當日之通行匯率換算為相關功能貨幣（即該實體經營所在主要經濟環境之貨幣）列賬。於報告期末，以外幣計值之貨幣項目按該日之通行匯率重新換算。以外幣計值按歷史成本計量之非貨幣項目不作重新換算。

因結算及重新換算貨幣項目而產生之匯兌差額於產生之期間在損益賬確認。

為呈報綜合財務報表，(i)本集團海外業務的資產及負債均換算為人民幣；及(ii)本集團以人民幣計值或已換算為人民幣之資產及負債按於各報告期末之通行匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目乃按期內平均匯率換算，除非期內匯率大幅波動，於此情況下會使用交易日之通行匯率換算。所產生之匯兌差額（如有）於其他全面收益確認並於權益中之匯兌儲備累計（非控股權益應佔（如適用））兌換為呈列貨幣產生之累計匯兌差額將不會轉回損益賬。

於出售海外業務（即出售本集團於海外業務之全部權益、或出售涉及失去包括海外業務之附屬公司之控制權、或出售包括海外業務之聯合安排或聯營公司之部份權益（其保留權益成為一項金融資產））時，就本公司擁有人應佔之業務於權益累計之所有匯兌差額重新分類至損益。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, (i) the assets and liabilities of the Group's foreign operations are translated into RMB; and (ii) the assets and liabilities of the Group denominated or translated in RMB are then translated into the presentation currency of the Group (i.e. HK\$), using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for that period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate). The accumulated exchange differences arising from translation into presentation currency will not be recycled to profit or loss.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

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3. 重要會計政策 (續)

政府補助

於能合理確定本集團將符合政府補助之附帶條件且將會收取補助時，方會確認該等補助。

政府補助於本集團將補助用於擬補貼之相關成本確認為費用之期間內有系統地在損益賬確認。特別是，政府補助的首要條件是本集團應購買、建造或獲得非流動資產，則可於綜合財務狀況表確認為遞延收入，然後按有系統及合理基礎於相關資產的可使用年內轉撥至損益賬。

作為已產生支出或損失之補償或向本集團提供即時財政支持而無未來相關成本之政府補助於成為應收之期間在損益賬確認。

退休福利成本

強制性公積金及國家管理之退休福利計劃之付款於僱員提供服務使彼等有權享有供款時確認為支出。若本集團在國家管理之退休福利計劃下之責任相等於界定供款退休福利計劃所產生者，則向有關計劃作出之供款會作為界定供款計劃之供款處理。

短期僱員福利

短期僱員福利按預期於僱員提供服務時及就此支付之未貼現福利金額確認。所有短期僱員福利均確認為費用，除非其他香港財務報告準則規定或允許於資產成本內計入福利則作別論。

本集團就僱員之應計福利(例如工資及薪金、年假及病假)於扣減任何已付金額後確認負債。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to Mandatory Provident Fund and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Short term employee benefits

Short term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as expenses unless other HKFRSs requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

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3. 重要會計政策 (續)

復原成本撥備

復原成本撥備乃就因收購或使用資產而產生之估計拆卸、移除或復修廠房及設備成本作出，而該等成本乃撥充資本及計入廠房及設備之成本，並於本集團由於過往事件而產生當法定或推定責任時確認，而本集團可能須解決有關責任及能夠可靠地估計有關責任金額。

確認為撥備的金額乃於報告期末對解決當前責任所需代價的最佳估計，並計及有關責任所涉及的風險及不確定因素。倘撥備以估計用於解決當前責任的現金流量計算，其賬面值則為該等現金流量的現值（倘資金時間值的影響屬重大）。

向僱員作出之權益結算以股份為基礎之付款

向僱員作出之權益結算以股份為基礎之付款按權益工具於授出日期之公平值計量。

於權益結算以股份為基礎之付款之授出日期釐定之公平值（並未考慮所有非市場歸屬條件）於歸屬期間以直線法基於本集團所估計將最終歸屬之權益工具支銷，而權益（以股份為基礎之僱員補償儲備）亦會相應增加。於各報告期末，基於對所有相關非市場歸屬條件之評估，本集團會修訂預期歸屬之權益工具之估計數目。修訂原估計之影響（如有）於損益賬確認，致使累計開支反映經修訂估計，而以股份為基礎之僱員補償儲備亦會作出相應調整。就即時於授出日期歸屬之權益工具而言，已授出之權益工具之公平值即時於損益賬支銷。

當購股權獲行使時，先前於以股份為基礎之僱員補償儲備確認之款額將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未行使，先前於以股份為基礎之僱員補償儲備確認之款額將轉撥至保留溢利。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provision of reinstatement cost

A provision for reinstatement cost is made for the estimated costs of dismantlement, removal restoration of plant and equipment arising from acquisition or use of assets, which are capitalised and included in the cost of plant and equipment and recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Equity-settled share-based payment to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee share-based compensation reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share-based compensation reserve. For equity instruments that vest immediately at the date of grant, the fair value of the equity instruments granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in employee share-based compensation reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in employee share-based compensation reserve will be transferred to retained profits.

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3. 重要會計政策 (續)

授予僱員之獎勵股份

當股份獎勵計劃之受託人從公開市場購買本公司之股份時，已付代價(包括任何直接應佔遞增成本)乃作為為股份獎勵計劃持有之股份呈列，並自權益總額扣除。本集團並無就本公司本身股份交易確認收益或虧損。

已獲得服務之公平值參考已授出股份獎勵於授出日期之公平值釐定，於歸屬期內按直線法支銷，權益(為股份獎勵儲備持有之股份)亦會相應增加。

當受託人於歸屬時將本公司之已授出股份轉移予承授人時，所歸屬之已授出股份之相關成本從為股份獎勵計劃持有之股份撥回。據此，所歸屬之已授出股份之相關費用從為股份獎勵儲備持有之股份撥回。該股份轉移產生之差額於保留溢利扣除/記入保留溢利。於報告期末，本集團修訂對預期最終歸屬獎勵股份數目之估計。修訂估計之影響(如有)於損益賬確認，並對為股份獎勵儲備持有之股份作出相應調整。

金融工具

當集團實體成為工具合約條文的訂約方時，本集團會確認金融資產及金融負債。所有以常規方式購入或出售之金融資產均按買賣日期基準確認及終止確認。以常規方式購入或出售指須於市場規定或慣例所訂時限內交付資產之金融資產購入或出售。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Awarded shares granted to employees

When trustee of the share award scheme purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share award scheme and deducted from total equity. No gain or loss is recognised on the transactions of the Company's own shares.

The fair value of services received is determined by reference to the fair value of share award granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (shares held for share award reserve).

When the trustee transfers the Company's granted shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held for share award scheme. Accordingly, the related expense of the granted shares vested is reversed from shares held for share award reserve. The difference arising from such transfer is debited/credited to retained profits. At the end of the reporting period, the Group revises its estimates of the number of awarded shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to the shares held for share award reserve.

Financial instruments

Financial assets and financial liabilities are recognised 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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產及金融負債初步按公平值計量，惟自二零一八年一月一日起，客戶合約所產生之應收貿易款項初步按照香港財務報告準則第15號計量。因收購或發行金融資產及金融負債(透過損益賬按公平值處理之金融資產或金融負債除外)而直接應佔之交易成本於初步確認時計入該項金融資產或金融負債之公平值或從有關公平值中扣除(如適用)。收購透過損益賬按公平值處理之金融資產或金融負債而直接應佔之交易成本即時於損益賬確認。

實際利息法

實際利息法為計算金融資產或金融負債攤銷成本及於有關期間攤分利息收入及利息支出之方法。實際利率為於金融資產或金融負債之預期年限或(如適用)較短期間內將估計未來收取及支付之現金(包括所有構成實際利率組成部分之已付或已收費用、交易成本及其他溢價或折讓)準確貼現至於初步確認時之賬面淨額之利率。

金融資產

金融資產之分類及其後計量(根據附註2之過渡條文應用香港財務報告準則第9號後)

符合下列條件之金融資產其後按攤銷成本計量：

- 該金融資產乃於以收取合約現金流量為目標之業務模型內持有；及

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or 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.

Effective interest method

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 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 (upon application of HKFRS 9 in accordance with transitions in note 2)

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 collect contractual cash flows; and

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及其後計量 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

- 合約條款於特定日期產生純粹為支付本金及未償還本金利息之現金流量。

符合下列條件之金融資產其後按透過其他全面收益按公平值處理之方式計量：

- 該金融資產於同時透過收取合約現金流量及出售金融資產達致目標之業務模型內持有；及
- 合約條款於特定日期產生純粹為支付本金及未償還本金利息之現金流量。

所有其他金融資產隨後均以透過損益賬按公平值處理之方式計量，惟於初始應用／初始確認金融資產日期，本集團或會不可撤回地選擇於其他全面收益(「其他全面收益」)內呈列股權投資之隨後公平值變動，前提是該股權投資並非持作買賣亦非收購方於香港財務報告準則第3號「業務合併」適用之業務合併中確認之或然代價。

倘屬下列情況，則金融資產會歸類為持作買賣：

- 購入金融資產之主要目的為於短期內出售；或
- 於初步確認時，其構成本集團合併管理之已識別金融工具組合之一部分，且近期呈現實際短期獲利模式；或

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (CONTINUED)

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; 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 the date of initial application/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 ("OCI") 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; or
- 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

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及其後計量 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

- 金融資產為未被指定為及可有效作為對沖工具之衍生工具。

此外，本集團或會不可撤回地將須按攤銷成本或透過其他全面收益按公平值處理之方式計量之金融資產指定為以透過損益賬按公平值處理之方式計量，前提是有關指定可消除或大幅減少會計錯配。

(i) 攤銷成本及利息收入

就其後按攤銷成本計量之金融資產及其後以透過其他全面收益按公平值處理之方式計量之債務工具而言，利息收入採用實際利息法確認。利息收入透過對金融資產之賬面總值應用實際利率計算，惟其後出現信貸減值之金融資產除外。就其後出現信貸減值之金融資產而言，自下個報告期起，利息收入透過對金融資產之攤銷成本應用實際利率確認。倘由釐定資產不再有信貸減值後之報告期開始起，信貸減值金融工具之信貸風險得以改善，使金融資產不再有信貸減值，則利息收入透過對金融資產之賬面總值應用實際利率確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (CONTINUED)

- it is a derivative that is not designated and effective as a hedging instrument.

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 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. 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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及其後計量 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

- (ii) 分類為透過其他全面收益按公平值處理之債務工具

由於利息收入採用實際利息法計算，分類為透過其他全面收益按公平值處理之債務工具賬面值之隨後變動及外匯收益及虧損於損益賬確認。該等債務工具賬面值之所有其他變動於其他全面收益確認，並於透過其他全面收益按公平值處理之儲備項下累計。在不減少該等債務工具賬面值之情況下，減值撥備於損益賬確認，相應調整於其他全面收益確認。倘該等債務工具按攤銷成本計量，則於損益賬確認之金額與原應於損益賬確認之金額相同。當該等債務工具終止確認時，原先於其他全面收益確認之累計收益或虧損將重新分類至損益。

- (iii) 透過損益賬按公平值處理之金融資產

未符合按攤銷成本或透過其他全面收益按公平值處理或指定為透過其他全面收益按公平值處理之方式計量準則之金融資產，均以透過損益賬按公平值處理之方式計量。

透過損益賬按公平值處理之金融資產按各報告期末之公平值計量，任何公平值收益或虧損於損益賬確認。於損益賬確認之收益或虧損淨額包括該金融資產所賺取之任何股息或利息，並計入「其他收益及虧損」一項。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (CONTINUED)

- (ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method, and foreign exchange gains and losses are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in OCI and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these debt instruments. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

- (iii) 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 includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後)

本集團就須根據香港財務報告準則第9號作出減值之金融資產 (包括應收貿易款項、應收貸款、其他應收款項及按金、一間合營公司、一間聯營公司或其他關聯方欠款、透過其他全面收益按公平值處理之債務工具、其他投資、已抵押銀行存款以及現金及現金等價物) 之預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認以來信貸風險之變動。

全期預期信貸虧損指於相關工具之預期年限內所有可能發生之違約事件所產生之預期信貸虧損。相反，12個月預期信貸虧損指預期於報告日期後12個月內可能發生之違約事件所產生之部份全期預期信貸虧損。本集團根據其過往信貸虧損經驗進行評估，並就債務人之特定因素、整體經濟狀況以及對於報告日期當前狀況及對未來狀況預測之評估作出調整。

本集團一直就不包含重大融資組成部份之應收貿易款項確認全期預期信貸虧損。本集團集體採用合適組別之撥備矩陣評估有關資產之預期信貸虧損。

至於所有其他工具，本集團計量之虧損撥備相等於12個月預期信貸虧損，除非自初始確認以來信貸風險大幅增加，則本集團確認全期預期信貸虧損。對於應否確認全期預期信貸虧損，本集團會根據自初始確認以來出現違約之可能性或風險大幅增加作出評估。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, loans receivables, other receivables and deposits, amounts due from a joint venture, an associate or other related parties, debt instruments at FVTOCI, other investment, pledged bank deposits and cash and cash equivalents. 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, 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.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, 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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(i) 信貸風險大幅增加

於評估信貸風險自初始確認以來有否大幅增加時，本集團比較金融工具於報告日期出現違約之風險與該金融工具於初始確認日期出現違約之風險。作此評估時，本集團會考慮合理並有證據支持之定量及定性資料，包括過往經驗及毋須付出不必要成本或努力下即可獲得之前瞻性資料。

具體而言，本集團於評估信貸風險有否大幅增加時會考慮下列資料：

- 金融工具之外部 (如有) 或內部信貸評級出現實際或預期之重大下跌情況；
- 信貸風險之外部市場指標出現顯著惡化，例如信貸息差、債務人之信貸違約掉期價格大幅增加；
- 業務、財務或經濟狀況之現有或預計不利變動預期將大幅降低債務人履行其債務責任之能力；
- 債務人經營業績出現實際或預期之重大倒退；或

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(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.

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

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(i) 信貸風險大幅增加 (續)

- 債務人身處之監管、經濟或技術環境出現實際或預期重大不利變動，導致債務人履行其債務責任之能力大幅下降。

不論上述評估結果如何，倘合約付款逾期超過30天，則本集團假定自初始確認以來信貸風險已大幅增加，除非本集團有合理（並有證據支持之）資料顯示情況並非如此，則作別論。

儘管如此，本集團一旦認定某項債務工具於報告日期之信貸風險為低，即假設其信貸風險自初始確認以來並無大幅增加。倘(i)債務工具違約風險低，(ii)借款人具備足夠能力於短期內履行其合約現金流量責任及(iii)長遠經濟及營商環境之不利變動或會但不一定會削弱借款人履行其合約現金流量責任之能力，則本集團認定該項債務工具具有低信貸風險。本集團認為，倘債務工具擁有內部及外界按國際普遍定義之「投資級別」信貸評級，則其具有低信貸風險。

本集團定期監控用以識別信貸風險有否顯著增加之標準之效益，且修訂標準（如適當）來確保標準能在金額逾期前識別信貸風險之顯著增加。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(i) Significant increase in credit risk (CONTINUED)

- 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.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(ii) 違約之定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源之資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上文所述，本集團視金融資產逾期超過90日為違約，除非本集團有合理及可靠資料證明更寬鬆的違約標準更為合適則另作別論。

(iii) 信貸減值金融資產

金融資產在一項或以上違約事件(對該金融資產之估計未來現金流量構成不利影響)發生時出現信貸減值。金融資產出現信貸減值之證據包括有關下列事件之可觀察數據：

- (a) 發行人或借款人之重大財務困難；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人因有關借款人財務困難之經濟或合約理由而向借款人批出貸款人不會另行考慮之優惠；
- (d) 借款人將可能陷入破產或其他財務重組；或
- (e) 由於財務困難，導致該金融資產之活躍市場消失。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(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 of default 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;
- (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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(iv) 撇銷政策

當資料顯示對手方處於嚴重財務困難及並無實際收回可能 (例如對手方被清盤或已進入破產程序) 時, 或就應收貿易款項及應收貸款而言, 當有關款項逾期超過兩年 (以較快發生者為準) 時, 本集團會撇銷金融資產。經考慮法律意見後 (倘合適), 已撇銷之金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回在損益賬確認。

(v) 預期信貸虧損計量及確認

預期信貸虧損之計量乃違約概率、違約虧損率 (即違約造成之虧損幅度) 及違約風險之函數。本集團按歷史數據對違約概率及違約虧損率進行評估, 並根據前瞻性資料作出調整。預期信貸虧損之估計乃無偏概率加權平均金額, 以各自發生違約之風險為權重釐定。

一般而言, 預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額估計, 並按初始確認時釐定之實際利率貼現。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(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 and loans 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.

(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 adjusted by 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.

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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(v) 預期信貸虧損計量及確認 (續)

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在之情況，則金融工具按以下基準歸類：

- 金融工具性質 (即本集團應收貿易款項及其他應收款項各自評為獨立組別)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級 (倘有)。

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入按金融資產之賬面總額計量，除非金融資產出現信貸減值，在此情況下，利息收入按金融資產之攤銷成本計量。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(v) Measurement and recognition of ECL (CONTINUED)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group);
- 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.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (根據附註2之過渡條文應用香港財務報告準則第9號後) (續)

(v) 預期信貸虧損計量及確認 (續)

除透過其他全面收益按公平值處理之債務工具投資外，本集團通過調整所有金融工具之賬面金額於損益賬內確認其減值收益或虧損，惟應收貿易款項、其他應收款項、應收貸款、其他關聯方欠款、一間合營公司欠款及一間聯營公司欠款之相應調整透過虧損撥備賬確認。至於透過其他全面收益按公平值處理之債務工具投資，虧損撥備於其他全面收益確認，並於透過其他全面收益按公平值處理儲備中累計，而不會扣減該等債務工具／應收款項之賬面金額。

金融資產之分類及其後計量 (於二零一八年一月一日應用香港財務報告準則第9號前)

本集團之金融資產分類為透過損益賬按公平值處理之金融資產與貸款及應收款項。分類取決於金融資產之性質及目的，並於初步確認之時釐定。

透過損益賬按公平值處理之金融資產

當金融資產(i)為持作買賣，或(ii)被指定為透過損益賬按公平值處理時，金融資產會分類為透過損益賬按公平值處理。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (upon application of HKFRS 9 with transitions in accordance with note 2) (CONTINUED)

(v) Measurement and recognition of ECL (CONTINUED)

Except for investments in debt instruments that are measured at FVTOCI, 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, other receivables, loans receivables, amounts due from other related parties, amount due from a joint venture and amount due from an associate where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the FVTOCI reserve without reducing the carrying amount of these debt instruments/receivables.

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

The Group's financial assets are classified as financial assets at FVTPL and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading, or (ii) it is designated as at FVTPL.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

透過損益賬按公平值處理之金融資產 (續)

倘屬下列情況，則金融資產會歸類為持作買賣：

- 購入金融資產之主要目的為於短期內出售；或
- 於初步確認時，其構成本集團合併管理之已識別金融工具組合之一部分，且近期呈現實際短期獲利模式；或
- 金融資產為未被指定為及可有效作為對沖工具之衍生工具。

倘出現下列情況，則金融資產(持作買賣之金融資產除外)可於初步確認時指定為透過損益賬按公平值處理：

- 有關指定可對銷或大幅減少原應產生之不一致計量或確認；或
- 該項金融資產為一組金融資產或金融負債或兩者之組成部分，而按照本集團之既定風險管理或投資策略，其按公平值基準管理及評估表現，且有關組別之資料會按該基準向內部提供；或
- 其為包含一項或多項嵌入式衍生工具之合約之組成部分，而香港會計準則第39號允許將整份合併合約(資產或負債)指定為透過損益賬按公平值處理。

透過損益賬按公平值處理之金融資產按公平值計量，因重新計量而產生之公平值變動於變動產生之期間直接在損益賬確認。於損益賬確認之收益或虧損淨額包括以金融資產賺取之任何股息或利息，並計入「其他收益及虧損」一項。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Financial assets at FVTPL (CONTINUED)

A financial asset is classified as held for trading if:

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

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the "other gains and losses" line item.

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款而於活躍市場上並無報價之非衍生金融資產。於初步確認後，貸款及應收款項(包括應收貿易款項、其他應收款項、應收貸款、一間合營公司欠款、一間聯營公司欠款、其他關聯方欠款、已抵押銀行存款以及銀行結餘及現金)乃使用實際利息法按攤銷成本減任何已識別減值虧損列賬。有關金融資產減值虧損之會計政策載於下文。

利息收入使用實際利率確認，惟確認利息影響不大之短期應收款項除外。

金融資產之減值(於二零一八年一月一日應用香港財務報告準則第9號前)

本集團於報告期末評定金融資產(透過損益賬按公平值處理者除外)是否有減值跡象。倘有客觀證據顯示金融資產之估計未來現金流量因於初步確認金融資產後發生之一項或多項事件而受到影響，則該等金融資產會被視為已減值。

就按攤銷成本計量之金融資產而言，減值之客觀證據可包括：

- 發行人或交易對手存在重大財政困難；或
- 違約，如拖欠或逾期支付利息或本金；或

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables, loans receivables, amount due from a joint venture, amount due from an associate, amounts due from other related parties, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses. The accounting policy on impairment loss of financial assets is set out below.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been affected.

For financial assets at amortised cost, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or

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3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之減值 (於二零一八年一月一日應用香港財務報告準則第9號前) (續)

- 借款人將可能破產或進行財務重組。

一組應收款項之客觀減值證據可包括本集團過往之收款經驗、組合中超過平均信貸期之延期付款宗數增加、與拖欠應收款項相關之國家或本地經濟環境之可觀察轉變。

就按攤銷成本列賬之金融資產而言，所確認減值虧損之金額為資產賬面金額與按金融資產原實際利率貼現之估計未來現金流量之現值之間之差額。

就所有金融資產而言，本集團直接按減值虧損扣除金融資產之賬面金額，惟應收貿易款項及其他應收款項之賬面金額則透過使用撥備賬扣減。撥備賬賬面金額之變動於損益賬確認。當應收貿易款項及其他應收款項被視為不可收回時，便會於撥備賬撇銷。隨後收回過往撇銷之款項會計入損益賬。

就按攤銷成本計量之金融資產而言，倘於隨後期間，減值虧損金額有所減少，且此情況與於確認減值虧損後發生之事件存在客觀關係，則過往確認之減值虧損會透過損益賬撥回，惟於減值日撥回的資產賬面金額不可超過未確認減值之情況下之攤銷成本。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (CONTINUED)

- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When the trade and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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3. 重要會計政策 (續)

金融工具 (續)

終止確認金融資產

僅當從資產獲得現金流量之合約權利屆滿，或將金融資產及該資產擁有權之絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。

於終止確認按攤銷成本計量之金融資產時，資產賬面金額與已收及應收代價總額之差額於損益賬確認。

於應用香港財務報告準則第9號後終止確認分類為透過其他全面收益按公平值處理之債務工具投資時，先前於透過其他全面收益按公平值處理儲備中累積之累計收益或虧損會重新分類至損益賬。

金融負債及權益工具

集團實體發行之金融負債及權益工具乃按照所訂立合約安排之實質內容以及金融負債和權益工具之定義分類為金融負債或權益。

權益工具

權益工具乃證明經扣減其所有負債後於實體資產中擁有剩餘權益之任何合約。本公司發行之權益工具按已收所得款項扣除直接發行費用確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (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.

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.

On derecognition of an investment in a debt instrument classified as FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

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3. 重要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

按攤銷成本計量之金融負債

金融負債(包括應付貿易款項及應付票據、其他應付款項及已收按金、欠一間中介控股公司款項、欠其他關聯方款項以及銀行及其他借貸)隨後使用實際利息法按攤銷成本計量。

向非控股股東出售有關一間附屬公司股份之一項認沽期權產生之承擔

向非控股股東出售認沽期權(並非透過以固定數額現金換取固定數目之附屬公司股份結算)視為衍生金融工具處理,並於初步確認時按公平值確認。公平值於隨後報告日期出現之任何變動在損益賬確認。

當購買附屬公司股份之合約義務確立時,本集團會確認認沽期權所產生之金融負債總額,即使有關義務乃取決於交易對手行使向本集團出售股份之權利亦然。股份贖回額之負債初步按估計購買價之現值確認及計量,並相應於非控股權益入賬。於隨後期間,已沽出之認沽期權下之估計義務總額之實際利息於損益賬確認。

終止確認金融負債

本集團於及僅於其責任獲解除、註銷或屆滿時終止確認金融負債。終止確認之金融負債之賬面金額與已付及應付代價之差額於損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial liabilities and equity instruments (CONTINUED)

Financial liabilities at amortised cost

Financial liabilities (including trade and bills payables, other payables and deposit received, amount due to an intermediate holding company, amounts due to other related parties and bank and other borrowings) are subsequently measured at amortised cost, using the effective interest method.

Obligation arising from a put option on shares of a subsidiary written to non-controlling shareholders

Put option written to non-controlling shareholders, which will be settled other than by exchange of fixed amount of cash for a fixed number of shares in a subsidiary is treated as a derivative financial instrument and is recognised at fair value upon initial recognition. Any changes of fair value in subsequent reporting dates are recognised in profit or loss.

The gross financial liability arising from the put option is recognised when contractual obligation to purchase the shares in a subsidiary is established even if the obligation is conditional on the counterparty exercising a right to sell the shares to the Group. The liability for the share redemption amount is initially recognised and measured at present value of the estimated purchase price with the corresponding debit to the non-controlling interests. In subsequent periods, effective interest on the estimated gross obligation under the written put option is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they 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.

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4. 重大會計判斷及估計不確定性之主要來源

於應用附註3所述本集團之會計政策時，董事須就無法隨時從其他來源獲得之資產及負債賬面金額作出判斷、估計及假設。估計及相關假設乃基於歷史經驗及被視為相關之其他因素作出。實際結果可能有別於該等估計。

估計及相關假設乃按持續基準檢討。如會計估計之修訂僅對修訂期間產生影響，則會於估計修訂期間確認；如有關修訂對當前及未來期間均產生影響，則將在估計修訂期間及未來期間進行確認。

應用會計政策時的關鍵判斷

除涉及估計者外(見下文)，以下為董事在應用本集團會計政策過程中所作出之關鍵判斷，亦對綜合財務報表中確認之金額產生最大影響。

隨時間完成之履約責任的完成進度之計量方法

根據香港財務報告準則第15號，隨時間完成之履約責任的來自客戶合約之收入以單一方式確認，而該方式應貫徹應用於相近情況下之相近履約責任。本集團認為產量法將中肯描述本集團履約責任完成進度之表現。因此，自健身中心提供之會籍套票以及有關台灣健身及健康服務之特許權費收入及服務費收入所確認之收入乃基於產量法。

估計不確定性之主要來源

於報告期末，有關未來之主要假設及估計不確定性之其他主要來源(具有風險導致於下一個財政年度內之資產及負債賬面金額出現重大調整)如下。

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Method of measuring progress for performance obligation satisfied over time

Under HKFRS 15, revenue from contracts with customers is recognised by a single method for each performance obligation satisfied over time and the method should be applied consistently to similar performance obligations in similar circumstances. The Group has considered that the output selected would faithfully depict the Group's performance towards complete satisfaction of the performance obligation. Accordingly, revenue recognised from provision of membership packages in fitness centres, royalty fee income and service fee income in relation to fitness and health activities in Taiwan are based on output method.

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 risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

綜合財務報表附註

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4. 重大會計判斷及估計不確定性之主要來源 (續)

估計不確定性之主要來源 (續)

貿易應收款項預期信貸虧損撥備 (應用香港財務報告準則第9號後)

本集團使用撥備矩陣計算貿易應收款項預期信貸虧損。撥備率乃根據具有類似虧損模式的不同債務人分組的內部信貸評級計算。撥備矩陣以本集團的過往違約率為基礎，並考慮毋須繁重成本或工作即可取得的合理可靠前瞻性資料。於各報告日期會重新評估過往已觀察的違約率及考慮前瞻性資料的變動。

預期信貸虧損撥備受到估計變動的影響。有關預期信貸虧損及本集團的貿易應收款項資料分別披露於附註49及附註26。

於二零一八年十二月三十一日，應收貿易款項之賬面金額為686,951,000港元(經扣除信貸虧損22,008,000港元)。信貸虧損撥備之詳情披露於附註26。

呆壞賬撥備 (應用香港財務報告準則第9號前)

本集團基於對應收貿易款項之可收回性評估計提呆壞賬撥備。倘出現可能無法收回結餘之任何客觀證據，則就應收貿易款項計提撥備。於估計呆壞賬撥備時，管理層考慮應收貿易款項之客戶信貸歷史，包括拖欠或延遲付款、後續付款、賬齡分析及與客戶之業務關係。倘應收貿易款項可收回性之實際結果有別於原先估計，則有關差額會影響估計出現變動之期間應收貿易款項之賬面值及呆壞賬撥備。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (CONTINUED)

Provision of ECL for trade receivables (upon application of HKFRS 9)

The Group uses provision matrix to calculate ECL 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.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in notes 49 and 26.

As at 31 December 2018, the carrying amount of trade receivables is HK\$686,951,000 (net of credit losses of HK\$22,008,000). Details of the allowance for credit losses are disclosed in note 26.

Allowance for bad and doubtful debts (prior to application of HKFRS 9)

The Group makes allowance for bad and doubtful debts based on an assessment of the recoverability of trade receivables. Allowances are made on trade receivables whenever there is any objective evidence that the balances may not be collectible. In estimating the allowance for bad and doubtful debts, the management considers the credit history of customers, including default or delay in settlement, subsequent settlements, aging analysis of the trade receivables and the business relationship with the customers. Where the actual outcome of the recoverability of trade receivables is different from the original estimate, such difference will impact the carrying value of trade receivables and allowance for bad and doubtful debts in the period in which such estimate has changed.

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4. 重大會計判斷及估計不確定性之主要來源 (續)

估計不確定性之主要來源 (續)

呆壞賬撥備 (應用香港財務報告準則第9號前) (續)

於二零一七年十二月三十一日，應收貿易款項之賬面金額為532,671,000港元(經扣除撥備20,368,000港元)。呆壞賬撥備之詳情於附註26披露。

商譽及無形資產之減值

釐定商譽及無形資產有否減值時，須要估計獲分配商譽及無形資產之現金產生單位之使用價值。計算使用價值時，須要本集團使用合適之貼現率估計包含商譽及無形資產在內之現金產生單位所預期產生之未來現金流量之現值。倘相關現金產生單位所產生之預期未來現金流量有別於原先估計，則可能產生減值虧損。有關可收回金額計算之詳情於附註21披露。

於二零一八年十二月三十一日，商譽及無形資產之賬面金額分別為437,569,000港元(二零一七年：439,160,000港元)(附註19)及322,093,000港元(二零一七年：324,302,000港元)(附註20)。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (CONTINUED)

Allowance for bad and doubtful debts (prior to application of HKFRS 9) (CONTINUED)

As at 31 December 2017, the carrying amount of trade receivables is HK\$532,671,000 (net of allowance of HK\$20,368,000). Details of the allowance for bad and doubtful debts are disclosed in note 26.

Impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the value in use of the CGUs to which goodwill and the intangible assets have been allocated. The value in use calculation requires the Group to estimate the present value of the future cash flows expected to arise from the CGUs containing goodwill and the intangible assets using suitable discount rates. Where the expected future cash flows arising from the relevant CGUs differ from the original estimation, an impairment loss may arise. Details of the recoverable amount calculation are disclosed in note 21.

As at 31 December 2018, the carrying amounts of goodwill and intangible assets are HK\$437,569,000 (2017: HK\$439,160,000) (note 19) and HK\$322,093,000 (2017: HK\$324,302,000) (note 20), respectively.

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5. 收入

5. REVENUE

(A) 截至二零一八年十二月三十一日止年度

(A) For the year ended 31 December 2018

(i) 來自客戶合約之收入解析

(i) Disaggregation of revenue from contracts with customers

	醫療、醫藥及 健康業務 Medical, pharmaceutical and health business 千港元 HK\$'000	健身業務 Fitness business 千港元 HK\$'000	水泥業務 Cement business 千港元 HK\$'000	總計 Total 千港元 HK\$'000	
貨品及服務種類	Types of goods and services				
製造及銷售處方藥及實驗室 相關產品	Manufacture and sales of prescription drugs and laboratory related products	495,757	–	–	495,757
經營健身中心及提供健身和 健康諮詢服務	Operation of fitness centres and provision of consultation services for fitness and health activities	–	130,837	–	130,837
– 私人訓練課	– Personal training classes	–	179,655	–	179,655
– 會籍套票	– membership packages	–	54,182	–	54,182
有關台灣健身及健康服務之 特許權費收入	Royalty fee income in relation to fitness and health activities in Taiwan	–	2,993	–	2,993
有關台灣健身及健康服務之 服務費收入	Service fee income in relation to fitness and health activities in Taiwan	–	–	447,738	447,738
製造及銷售水泥及熟料	Manufacture and sales of cement and clinker	–	–	782,562	782,562
買賣水泥	Trading of cement	–	–	–	–
總計	Total	495,757	367,667	1,230,300	2,093,724
收入確認時間	Timing of revenue recognition				
某一時間點	Point in time	495,757	130,837	1,230,300	1,856,894
隨時間	Over time	–	236,830	–	236,830
總計	Total	495,757	367,667	1,230,300	2,093,724
地區市場	Geographical markets				
中國	The PRC	495,757	26,490	1,230,300	1,752,547
新加坡	Singapore	–	284,002	–	284,002
台灣	Taiwan	–	57,175	–	57,175
總計	Total	495,757	367,667	1,230,300	2,093,724

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

5. 收入 (續)

- (A) 截至二零一八年十二月三十一日止年度 (續)
- (ii) 客戶合約之履約責任

就製造及銷售處方藥、實驗室相關產品而言，收入於貨品控制權轉移時確認，即貨品交付至指定地點之時（交付）。正常信貸期介於交付後30至90日。本集團要求若干客戶提供佔合約總額10%至20%之前期的按金。貨品與銷售有關的保用不能單獨購買，而保用可保證銷售的貨品符合商定的規格。因此，本集團根據香港會計準則第37號「撥備、或然負債及或然資產」按其先前的會計處理方法入賬。

就提供健身中心之私人訓練課而言，收入於客戶獲得服務時於某個時點確認。就提供健身中心之會籍套票而言，收入於服務控制權轉移至客戶時隨時間確認。貿易應收款項主要指就個別客戶以信用卡結算之款項，一般於由交易日期起計15天結算。預付會籍套票或私人訓練課之交易價會按分期付款或預先收取全額，這將導致尚未確認收入之合約負債。有關台灣健身及健康服務之特許權費收入及有關台灣健身及健康服務之服務費收入於服務控制權轉移時隨時間確認，一般於由交易日期起計30日結算。

就製造及銷售水泥及熟料以及買賣水泥而言，收入於貨品控制權轉移之時間點確認，即貨品交付指定地點之時（交付）。正常信貸期介於交付後90日至一年。本集團要求若干客戶提供佔合約總額10%至20%之前期按金。當本集團於貨品交付指定地點收到按金，合約負債將在合約開始時產生。

5. REVENUE (CONTINUED)

- (A) For the year ended 31 December 2018 (CONTINUED)
- (ii) Performance obligations for contracts with customers

For manufacture and sales of prescription drugs and laboratory related products, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the designated location (delivery). The normal credit period is 30 to 90 days upon delivery. The Group requires certain customers to provide upfront deposits range from 10% to 20% of the total contract sum. Sales-related warranties associated with the goods cannot be purchased separately and they serve as an assurance that the goods sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with HKAS 37 *Provision, Contingent Liabilities and Contingent Assets* consistent with its previous accounting treatment.

For provision of personal training classes in fitness centres, revenue is recognised at point in time when the customers obtain the services. For provision of membership packages in fitness centres, revenue is recognised over time when the control of the services have been transferred to the customers. Trade receivables mainly represent receivables from financial institutions in relation to the payment settled through using credit cards by individual customers of which the settlement is normally 15 days from transaction date. Transaction price is received by installments or in advance in full for prepaid membership packages or personal training classes and this will give rise to contract liabilities in which revenue have not been recognised. Royalty fee income in relation to fitness and health activities in Taiwan and service fee income in relation to fitness and health activities in Taiwan is recognised over time when the control of the services have been transferred. The settlement is normally 30 days from transaction date.

For manufacture and sales of cement and clinker and trading of cement, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the designated location (delivery). The normal credit period is 90 days to 1 year upon delivery. The Group requires certain customers to provide upfront deposits range from 10% to 20% of total contract sum. When the Group receives a deposit before the goods have been delivered to the designated location, this will give rise to contract liabilities at the start of a contract.

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Notes to the Consolidated Financial Statements

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5. 收入 (續)

- (A) 截至二零一八年十二月三十一日止年度 (續)
(iii) 分配至客戶合約之剩餘履約責任之交易價

於二零一八年十二月三十一日，分配至剩餘履約責任(未履約或部份未履約)之交易價及預期確認收入之時間如下：

		健身業務 Fitness business 千港元 HK\$'000
一年內	Within one year	127,212
一年以上但不超過兩年	More than one year but not more than two years	61,323
		188,535

醫療、醫藥及健康業務以及水泥業務之合約為期一年或少於一年。如香港財務報告準則第15號所允許，分配至該等未履行合約之交易價並未披露。

Contracts for medical, pharmaceutical and health business and cement business are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

- (B) 截至二零一七年十二月三十一日止年度

本集團於年內的收入分析如下：

- (B) For the year ended 31 December 2017

An analysis of the Group's revenue for the year is as follows:

		二零一七年 2017 千港元 HK\$'000
製造及銷售處方藥及實驗室相關產品	Manufacture and sales of prescription drugs and laboratory related products	353,774
經營健身中心及提供健身和健康諮詢服務	Operation of fitness centres and provision of consultation services for fitness and health activities	195,763
有關台灣健身及健康服務之特許權費收入	Royalty fee income in relation to fitness and health activities in Taiwan	31,252
有關台灣健身及健康服務之服務費收入	Service fee income in relation to fitness and health activities in Taiwan	2,074
製造及銷售水泥及熟料	Manufacture and sales of cement and clinker	275,683
買賣水泥	Trading of cement	485,790
		1,344,336

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

6. 分部資料

於截至二零一七年十二月三十一日止年度，本集團收購健身業務。最高行政人員（即主要經營決策者）已重新評估本集團之營運及財務表現評估之計量方法，並將(1)醫療、醫藥及健康業務；(2)健身業務；及(3)水泥業務視作本集團三個獨立經營及可呈報分部。

各分部內組織及管理之經營業務代表提供不同產品及服務之策略性業務單位，以供分配資源及評估分部表現。本集團有以下經營及可呈報分部：

- 醫療、醫藥及健康業務－製造及銷售處方藥及實驗室相關產品。
- 健身業務－經營健身中心及提供健身和健康諮詢服務及經營特許業務以獲得特許權費及服務費收入。
- 水泥業務－製造及銷售水泥及熟料以及買賣水泥。

於得出本集團之可呈報分部時，概無合併處理任何已識別之經營分部。

6. SEGMENT INFORMATION

During the year ended 31 December 2017, the Group acquired fitness business. The chief executive, being the chief operating decision maker, had reassessed the Group's operations and measurement of financial performance assessment and identified (1) medical, pharmaceutical and health business; (2) fitness business; and (3) cement business as three separate operating and reportable segments of the Group.

The operating business organised and managed in each segment represents a strategic business unit that offers different products and services for the purpose of resource allocation and assessment of segment performance. The Group has following operating and reportable segments:

- Medical, pharmaceutical and health business – manufacture and sales of prescription drugs and laboratory related products.
- Fitness business – operate fitness centres and provide consultation services for fitness and health activities and operate the franchise business for royalty and service fee income.
- Cement business – manufacture and sales of cement and clinker and trading of cement.

No operating segments identified have been aggregated in arriving at the reportable segments of the Group.

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

6. 分部資料 (續)

6. SEGMENT INFORMATION (CONTINUED)

(i) 分部收入及業績

(i) Segment revenue and results

本集團分部收入及業績之分析如下：

Analysis of the Group's segment revenue and results is as follows:

		醫療、醫藥及健康業務		健身業務		水泥業務		總額	
		Medical, pharmaceutical and health business		Fitness business		Cement business		Total	
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		2018	2017	2018	2017	2018	2017	2018	2017
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
外界客戶分部收入	Segment revenue from external customers	495,757	353,774	367,667	229,089	1,230,300	761,473	2,093,724	1,344,336
分部業績	Segment results	54,736	33,817	67,859	39,864	85,805	14,370	208,400	88,051
未分配企業收入	Unallocated corporate income							4,072	8,856
未分配企業開支	Unallocated corporate expenses							(59,755)	(39,055)
融資成本	Finance costs							(43,851)	(21,882)
除稅前溢利	Profit before taxation							108,866	35,970

截至二零一八年及二零一七年十二月三十一日止年度內並無分部間銷售。可呈報分部之會計政策與本集團之會計政策相同。分部業績指各分部之溢利，不包括未分配企業收入及開支以及融資成本。此乃就資源分配及表現評估向本公司主要經營決策者報告之計量基準。

There was no inter-segment sales during the years ended 31 December 2018 and 2017. The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit from each segment without allocation of unallocated corporate income and expenses, and finance costs. This is the measure reported to the chief operating decision maker of the Company for the purposes of resource allocation and performance assessment.

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6. 分部資料 (續)

(ii) 分部資產及負債

		醫療、醫藥及健康業務 Medical, pharmaceutical and health business		健身業務 Fitness business		水泥業務 Cement business		總額 Total	
		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
分部資產	Segment assets	995,566	1,280,513	738,518	713,103	1,469,622	1,352,080	3,203,706	3,345,696
遞延稅項資產	Deferred tax assets							2,663	4,360
未分配企業資產	Unallocated corporate assets							136,095	94,154
綜合資產	Consolidated assets							3,342,464	3,444,210

		醫療、醫藥及健康業務 Medical, pharmaceutical and health business		健身業務 Fitness business		水泥業務 Cement business		總額 Total	
		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
分部負債	Segment liabilities	150,772	122,908	162,347	248,806	358,164	212,603	671,283	584,317
稅項負債	Tax liabilities							105,533	87,292
銀行及其他借貸	Bank and other borrowings							548,992	805,002
遞延稅項	Deferred taxation							106,297	113,537
未分配企業負債	Unallocated corporate liabilities							1,298	5,350
綜合負債	Consolidated liabilities							1,433,403	1,595,498

就監控分部表現及於分部間分配資源而言：

- 所有資產分配至經營分部，惟不包括遞延稅項資產及未分配企業資產；及
- 所有負債分配至經營分部，惟不包括稅項負債、銀行及其他借貸、遞延稅項及未分配企業負債。

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than deferred tax assets and unallocated corporate assets; and
- all liabilities are allocated to operating segments other than tax liabilities, bank and other borrowings, deferred taxation and unallocated corporate liabilities.

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6. 分部資料 (續)

6. SEGMENT INFORMATION (CONTINUED)

(iii) 其他分部資料

(iii) Other segment information

計入分部損益或分部資產計量之金額：

Amounts included in the measure of segment profit or loss or segment assets:

		醫療、醫藥及健康業務		健身業務		水泥業務		未分配		總額	
		Medical, pharmaceutical and health business		Fitness business		Cement business		Unallocated		Total	
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
添置非流動資產	Addition to non-current assets	68,085	69,583	4,095	604,678	12,412	18,174	9	2,270	84,601	694,705
攤銷及折舊	Amortisation and depreciation	29,277	17,028	30,355	18,724	21,404	20,678	459	315	81,495	56,745
透過損益按公平值處理之金融資產之公平值(收益)虧損	Fair value (gains) losses on financial assets at FVTPL	-	-	-	-	(8,437)	(2,168)	10,806	(6,841)	2,369	(9,009)
利息收入	Interest income	(4,545)	(471)	(57)	(43)	(9,268)	(9,683)	(4,072)	(8,856)	(17,942)	(19,053)
已於損益賬確認之金融資產之減值虧損(撥回)	Impairment losses (reversed) on financial assets recognised in profit or loss	3,429	892	2,100	577	(2,851)	16,381	(224)	-	2,454	17,850
撇銷應收貸款	Written off on loans receivables	-	-	-	-	45,447	-	-	-	45,447	-
存貨(撥回)減值虧損及撇銷	(Reversal of) impairment loss on inventories	-	(618)	-	-	-	2,087	-	-	-	1,469
應佔一間聯營公司業績	Share of results of an associate	-	-	(12,704)	(8,632)	-	(133)	-	-	(12,704)	(8,765)
應佔一間合營公司業績	Share of results of a joint venture	(13,059)	(11,666)	-	-	-	-	-	-	(13,059)	(11,666)
釋出土地使用權之預付租賃款項	Release of prepaid lease payments on land use rights	3,212	2,971	-	-	184	180	-	-	3,396	3,151
出售及撇銷物業、廠房及設備之虧損(收益)淨額	Net loss (gain) on disposal and write-off of property, plant and equipment	678	(22)	3,374	-	25	11,198	-	-	4,077	11,176
權益結算以股份為基礎之付款	Equity-settled share-based payments	4,124	8,868	-	-	-	-	675	1,529	4,799	10,397
於一間聯營公司之權益	Interests in an associate	-	-	303	13,007	-	-	-	-	303	13,007
於一間合營公司之權益	Interests in a joint venture	-	-	-	-	-	-	45,375	21,093	45,375	21,093

(iv) 有關主要客戶之資料

(iv) Information about major customers

截至二零一八年十二月三十一日止年度，來自水泥業務一名客戶之收入達610,205,000港元(二零一七年：375,162,000港元)，單獨佔本集團收入超過10%。

For the year ended 31 December 2018, revenue from a customer in the cement business amounting to HK\$610,205,000 (2017: HK\$375,162,000) individually represented more than 10% of the Group's revenue.

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6. 分部資料 (續)

(v) 地區資料

本集團之營運位於中國、新加坡及台灣。有關本集團持續經營業務來自外界客戶之收入的資料乃基於營運所在位置呈列。有關本集團非流動資產(遞延稅項資產及已抵押銀行存款除外)的資料乃基於資產之地理位置呈列。

6. SEGMENT INFORMATION (CONTINUED)

(v) Geographical information

The Group's operations are located in the PRC, Singapore and Taiwan. Information about the Group's revenue from continuing operations from external customers is presented based on the location of operations. Information about the Group's non-current assets (other than deferred tax assets and pledged bank deposits) is presented based on the geographical location of the assets.

		來自外界客戶之收入		非流動資產	
		Revenue from external customers		Non-current assets	
		二零一八年	二零一七年	二零一八年	二零一七年
		2018	2017	2018	2017
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
中國	The PRC	1,752,547	1,129,941	1,086,653	1,083,078
新加坡	Singapore	284,002	181,069	569,788	591,480
台灣	Taiwan	57,175	33,326	303	13,007
		2,093,724	1,344,336	1,656,744	1,687,565

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

7. 其他收入

7. OTHER INCOME

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
來自銀行之利息收入	Interest income from banks	4,189	4,344
應收貸款利息收入	Interest income from loans receivables	6,178	6,499
來自本集團附屬公司之一名 非控股股東之利息收入	Interest income from a non-controlling shareholder of the Group's subsidiary	5,683	6,387
來自一間中介控股公司之 利息收入	Interest income from an intermediate holding company	–	995
來自其他應收款項之 利息收入	Interest income from other receivables	322	828
來自透過其他全面收益按 公平值處理之債務工具之 利息收入	Interest income from debt instruments at FVTOCI	1,238	–
來自其他投資之利息收入	Interest income from other investment	45	–
來自一間合營公司 之利息收入	Interest income from a joint venture	287	–
		17,942	19,053
按攤銷成本計量之金融資產 之利息收入	Interest income from financial assets at amortised cost	16,704	19,053
透過其他全面收益按公平值 處理之金融資產之 利息收入	Interest income from financial assets at FVTOCI	1,238	–
		17,942	19,053
政府補助及補貼	Government grant and subsidy		
– 遞延收入撥回(附註35)	– release from deferred income (note 35)	6,824	–
– 相關開支	– expenses related	12,342	8,725
廢料銷售	Sales of scrap	1,034	2,277
租金收入	Rental income	3,693	3,869
雜項收入	Sundry income	2,939	6,172
		44,774	40,096

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8. 其他收益及虧損以及金融資產 減值虧損(扣除撥回金額)

8. OTHER GAINS AND LOSSES AND IMPAIRMENT LOSSES OF FINANCIAL ASSETS NET OF REVERSAL

(a) 其他收益及虧損

(a) Other gains and losses

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
匯兌虧損淨額	Net foreign exchange loss	(9,338)	4,071
透過損益賬按公平值處 理之金融資產之公平 值(虧損)收益	Fair value (losses) gains on financial assets at FVTPL	(2,369)	3,798
出售及撇銷物業、廠房 及設備之虧損淨額	Net loss on disposal and write-off of property, plant and equipment	(4,077)	(11,176)
出售無形資產之虧損 淨額	Net loss on disposal of intangible assets	(407)	–
撇銷就以下確認： – 應收貸款(附註i)	Written off recognised on: – Loan receivables (note i)	(45,447)	–
溢利承諾不足之數之 收益(附註ii)	Gain on shortfall of profit undertaking (note ii)	58,900	27,125
出售一間附屬公司之 收益(附註44)	Gain on disposal of a subsidiary (note 44)	7,165	–
出售一間合營公司之 虧損	Loss on disposal of a joint venture	–	(180)
		4,427	23,638

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8. 其他收益及虧損以及金融資產減值虧損(扣除撥回金額)(續)

(a) 其他收益及虧損(續)

附註：

(i) 於截至二零一八年十二月三十一日止年度，由於交易對手代表及股東表示，債務人因二零一八年六月發現之嚴重財政困難而無資源還款，故本金總額為人民幣35,000,000元(相當於41,652,000港元)之應收貸款及相關應收利息已獲全面撇銷。鑒於本集團知悉交易對手之狀況，董事認為無法收回應收貸款。

(ii) 根據有關收購TFKT True Holdings及其附屬公司(「TFKT True集團」)51%股本權益以及全真瑜伽控股有限公司及其附屬公司(「True Yoga集團」)29%股本權益(統稱「True收購事項」)之股東協議，Active Gains Universal Limited(「Active Gains」，TFKT True Holdings之非控股股東)與黃友誠先生(True收購事項之保證人暨TFKT True Holdings之創辦人)均承諾，倘TFKT True集團截至二零一七年十二月三十一日止年度、截至二零一八年十二月三十一日止年度及截至二零一九年十二月三十一日止年度之經審核綜合除稅後純利分別少於8,200,000美元(「美元」)、10,900,000美元及13,800,000美元(設有10%下調緩衝額度，將於TFKT True集團截至二零一七年十二月三十一日止年度、截至二零一八年十二月三十一日止年度及截至二零一九年十二月三十一日止年度之經審核綜合除稅後純利分別少於7,380,000美元、9,810,000美元及12,420,000美元時觸發)，Active Gains將以美元向本集團支付相等於不足之數(如TFKT True集團蒙受虧損，則包括虧損淨額)乘以100%之等額款項。

因此，溢利承諾不足之數之收益即TFKT True集團截至二零一八年十二月三十一日止年度之綜合除稅後純利與10,900,000美元之差額(二零一七年：8,200,000美元)。董事估計，截至二零一九年十二月三十一日止年度之溢利承諾不足之數於本綜合財務報表日期不會獲批准發出。

8. OTHER GAINS AND LOSSES AND IMPAIRMENT LOSSES OF FINANCIAL ASSETS NET OF REVERSAL (CONTINUED)

(a) Other gains and losses (CONTINUED)

Notes:

(i) During the year ended 31 December 2018, loans receivables with an aggregate principal amount of RMB35,000,000 (equivalent to HK\$41,652,000) and the corresponding interest receivables had been fully written off in view of the fact that the counterparty's representative and the shareholder have indicated that the debtor does not have resources to repay due to severe financial difficulties noted in June 2018. Based on the Group's knowledge on the counterparty's situation, the Directors considered the loans receivable cannot be recovered.

(ii) Pursuant to the shareholders' agreement for the acquisition of 51% equity interest in TFKT True Holdings and its subsidiaries (the "TFKT True Group") and 29% equity interest in True Yoga Holdings Limited and its subsidiary (the "True Yoga Group") (collectively the "True Acquisition"), Active Gains Universal Limited ("Active Gains"), the non-controlling shareholder of TFKT True Holdings, and Mr. Patrick John Wee Ewe Seng, the warrantor for the True Acquisition and founder of TFKT True Holdings, have undertaken that if the audited consolidated net profit after tax of TFKT True Group for the year ended 31 December 2017, year ended 31 December 2018 and year ending 31 December 2019 shall be less than United States dollars ("US\$") 8,200,000, US\$10,900,000 and US\$13,800,000, respectively (subject to a 10% buffer of downward adjustment which will be triggered if the audited consolidated net profit after tax of TFKT True Group is less than US\$7,380,000, US\$9,810,000 and US\$12,420,000 for the year ended 31 December 2017, year ended 31 December 2018 and year ending 31 December 2019 respectively), Active Gains shall pay to the Group an amount equal to such shortfall (including the amount of net loss in the event TFKT True Group is loss making) on a dollar-to-dollar basis multiplied by 100% in the US\$.

Accordingly, the gain on shortfall of profit undertaking represented the difference between the consolidated net profit after tax of TFKT True Group for the year ended 31 December 2018 and US\$10,900,000 (2017: US\$8,200,000). The Directors do not anticipate shortfalls of profit undertaking for the year ending 31 December 2019 at the date of these consolidated financial statements were approved for issuance.

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8. 其他收益及虧損以及金融資產 減值虧損(扣除撥回金額)(續)

(b) 金融資產減值虧損(扣除撥 回金額)

	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
就以下各項確認(撥回) 之減值虧損：	Impairment losses (reversed) recognised on:	
– 應收貿易款項	– Trade receivables	2,696
– 其他應收款項	– Other receivables	15,154
– 應收貸款	– Loans receivables	–
– 一間聯營公司欠款	– Amount due from an associate	–
– 一間合營公司欠款	– Amount due from a joint venture	–
– 其他關聯方欠款	– Amounts due from other related parties	–
	2,454	17,850

8. OTHER GAINS AND LOSSES AND IMPAIRMENT LOSSES OF FINANCIAL ASSETS NET OF REVERSAL (CONTINUED)

(b) Impairment losses of financial assets, net of reversal

9. 融資成本

	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
以下借貸之利息：	Interests on following borrowings:	
銀行貸款	Bank loans	7,254
其他借貸	Other borrowings	12,980
授予非控股股東 一項認沽期權產生之 應歸利息(附註)	Imputed interest arising from a put option granted to non-controlling shareholder (note)	1,435
融資租賃責任	Obligations under finance leases	78
貸款安排費	Loans arrangement fee	135
	43,851	21,882

附註：

根據True收購事項之股東協議，Active Gains (TFKT True Holdings之非控股股東)獲授予一項認沽期權，可向本集團出售TFKT True Holdings之9%股本權益。認沽期權可由Active Gains以10,800,000美元之行使價行使，惟TFKT True集團截至二零一七年十二月三十一日止年度之經審核綜合除稅後純利不得少於8,200,000美元(設有10%下調緩衝額度，即7,380,000美元)。

購買TFKT True Holdings股份之合約義務一經確立，會於True收購事項完成時確認認沽期權所產生之金融負債總額，即使有關義務乃取決於Active Gains行使向本集團出售股份之權利亦然。股份贖回額之負債初步按估計購買價之現值確認及計量，並相應於非控股權益內入賬。因此，授予Active Gains該認沽期權所產生之應歸利息於損益賬內確認。由於截至二零一七年十二月三十一日止年度之溢利承諾出現不足之數(附註8(a))，故認沽期權所產生之金融負債總額已於二零一七年十二月三十一日被終止確認。

Note:

Pursuant to a shareholders' agreement for the True Acquisition, Active Gains, the non-controlling shareholder of TFKT True Holdings, is granted a put option to sell to the Group 9% of equity interest in TFKT True Holdings. The put option is exercisable by Active Gains with an exercise price of US\$10,800,000 provided that the audited consolidated net profit after tax of TFKT True Group for the year ended 31 December 2017 shall be not less than US\$8,200,000 (subject to a 10% buffer of downward adjustment i.e. US\$7,380,000).

The gross financial liability arising from the put option is recognised upon the completion of the True Acquisition when contractual obligation to purchase the shares in TFKT True Holdings is established even if the obligation is conditional on Active Gains exercising a right to sell the shares to the Group. The liability for the share redemption amount is initially recognised and measured at present value of the estimated purchase price with the corresponding debit to the non-controlling interests. Accordingly, the imputed interest arising from this put option granted to Active Gains is recognised in profit or loss. Such gross financial liability arising from the put option has been derecognised as at 31 December 2017 as a result of the shortfall of undertaking for the year ended 31 December 2017 (note 8(a)).

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10. 董事、最高行政人員、僱員及高級管理人員酬金

本年度之董事、僱員及高級管理人員酬金根據上市規則及香港公司條例所規定之適用披露資料披露如下：

董事酬金

已付或應付七名(二零一七年：七名)董事及首席執行官各自之薪酬如下：

10. DIRECTORS', CHIEF EXECUTIVE'S EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS

Emoluments of directors', employees' and senior management for the year, disclosed pursuant to the applicable disclosures required by the Listing Rules and Hong Kong Companies Ordinance are as follows:

Directors' emoluments

The remuneration paid or payable to each of the seven (2017: seven) directors and the Chief Executive Officer were as follows:

		二零一八年 2018					
		薪金/服務費 及其他福利 Salaries/ service fee and other benefits	按表現計算 之花紅 Performance related bonuses	退休福利 計劃供款 Retirement scheme contributions	權益結算 以股份為基礎 之付款 Equity- settled share-based payments	酬金總額 Total emoluments	
		董事袍金 Directors' fees 千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
首席執行官及執行董事：	Chief Executive Officer and Executive Director:						
蔣朝文先生#	Mr. Jiang Chaowen#	9	1,500	-	63	1,978	
執行董事：	Executive Directors:						
黃俞先生	Mr. Huang Yu	10	681	75 (note a) (附註a)	34	800	
黃清海先生##	Mr. Ng Qing Hai##	7	1,823	713 (note b) (附註b)	114	2,748	
非執行董事：	Non-Executive Director:						
張軼先生**	Mr. Zhang Yi**	1	104	-	3	108	
獨立非執行董事：	Independent Non-Executive Directors:						
陳思聰先生	Mr. Chan Sze Chung	10	80	-	-	124	
張瑞彬先生	Mr. Zhang Ruibin	10	80	-	-	124	
張俊喜先生	Mr. Zhang Junxi Jack	10	80	-	-	124	
		57	4,348	788	191	6,006	

蔣朝文先生於二零一七年十二月十一日獲委任為本公司之首席執行官及於二零一八年一月二十三日獲委任為本公司執行董事。上文所披露蔣朝文先生之酬金包括彼於年內作為首席執行官及執行董事提供服務之酬金。

黃清海先生於二零一八年九月三日終止出任本公司之執行董事，惟繼續擔任本公司之高級管理人員。上文所披露黃清海先生之酬金包括彼於年內作為執行董事提供服務之酬金。

** 張軼先生於二零一八年一月二十三日辭任本公司之非執行董事。上文所披露張軼先生之酬金包括彼於年內作為非執行董事提供服務之酬金。

Mr. Jiang Chaowen was appointed as the Chief Executive Officer and Executive Director of the Company on 11 December 2017 and 23 January 2018, respectively. His emoluments disclosed above include those for services rendered by him as the Chief Executive Officer and Executive Director during the year.

Mr. Ng Qing Hai ceased to be the Executive Director of the Company on 3 September 2018 but continued to act as a senior management of the Company. His emoluments disclosed above include his services rendered by him as an Executive Director during the year.

** Mr. Zhang Yi resigned as a Non-Executive Director of the Company on 23 January 2018. His emoluments disclosed above include his services rendered by him as a Non-Executive Director during the year.

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10. 董事、最高行政人員、僱員及高級管理人員酬金 (續)

10. DIRECTORS', CHIEF EXECUTIVE'S EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

		二零一七年 2017					
		薪金/服務費 及其他福利 Salaries/ service fee and other benefits	按表現 計算之花紅 Performance related bonuses	退休福利 計劃供款 Retirement benefits scheme contributions	權益結算 以股份為基礎 之付款 Equity- settled share-based payments	酬金總額 Total emoluments	
		董事袍金 Directors' fees 千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
執行董事：	Executive Directors:						
黃俞先生	Mr. Huang Yu	10	649	200 (note a) (附註a)	30	889	
黃清海先生 ^{**}	Mr. Ng Qing Hai ^{**}	10	2,834	288 (note b) (附註b)	131	3,646	
非執行董事：	Non-Executive Director:						
張軼先生 [^]	Mr. Zhang Yi [^]	10	1,800	1,088 (note a) (附註a)	54	4,485	
獨立非執行董事：	Independent Non-Executive Directors:						
陳思聰先生	Mr. Chan Sze Chung	10	79	-	-	166	
張瑞彬先生	Mr. Zhang Ruibin	10	79	-	-	166	
張俊喜先生	Mr. Zhang Junxi Jack	10	79	-	-	166	
最高行政人員：	Chief Executive:						
蔣朝文先生 [#]	Mr. Jiang Chaowen [#]	-	57	-	3	60	
		60	5,577	1,576	218	9,578	

^{**} 黃清海先生於二零一七年十二月十一日終止出任本公司之董事總經理(根據上市規則相當於最高行政人員之職位)，惟繼續擔任本公司之執行董事。上文所披露黃清海先生之酬金包括彼於截至二零一七年十二月三十一日止年度作為董事總經理及執行董事提供服務之酬金。

[^] 張軼先生於二零一七年十二月十一日由本公司之執行董事調任為非執行董事。

[#] 蔣朝文先生於二零一七年十二月十一日獲委任為本公司之首席執行官。其於上文所述之酬金包括彼於二零一七年十二月十一日至二零一七年十二月三十一日期間作為首席執行官提供服務之酬金。

^{**} Mr. Ng Qing Hai ceased to be the Managing Director of the Company (equivalent to the role as the chief executive under the Listing Rules) on 11 December 2017 but continued to act as an Executive Director of the Company. Mr. Ng Qing Hai's emoluments disclosed above include those for services rendered by him as the Managing Director and Executive Director during the year ended 31 December 2017.

[^] Mr. Zhang Yi was re-designated from an Executive Director to a Non-Executive Director of the Company on 11 December 2017.

[#] Mr. Jiang Chaowen was appointed as the Chief Executive Officer of the Company on 11 December 2017. His emoluments above include his services rendered by him as the Chief Executive Officer from 11 December 2017 to 31 December 2017.

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10. 董事、最高行政人員、僱員及高級管理人員酬金 (續)

以上所示執行董事之酬金與彼等管理本公司及本集團事務所提供之服務有關。以上所示非執行董事之酬金與其擔任本公司或其附屬公司董事所提供之服務有關。以上所示獨立非執行董事之酬金與彼等擔任本公司董事所提供之服務有關。

花紅乃參考本集團經營業績、個人表現及類似市場數據釐定。

於截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄任何酬金。

附註：

- (a) 金額指年內已批准之相關董事前一年度酌情花紅。
- (b) 金額指年內已批准之董事月度目標計劃花紅。

10. DIRECTORS', CHIEF EXECUTIVE'S EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's emoluments shown above were for his services as director of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Bonus was determined with reference to the Group's operating results, individual performance and comparable market statistics.

None of the Directors waived any emoluments during the years ended 31 December 2018 and 2017.

Notes:

- (a) The amount represented the discretionary bonus of the preceding year approved to the respective directors during the year.
- (b) The amount represented the bonus on monthly target scheme approved to the director during the year.

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10. 董事、最高行政人員、僱員及高級管理人員酬金 (續)

僱員酬金

本集團五名最高薪酬人士中有兩名(二零一七年：兩名)為本公司董事或前董事，彼等之酬金已於上文披露。截至二零一八年十二月三十一日止年度，其餘三名(二零一七年：三名)最高薪酬人士之酬金如下：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
薪金及其他福利	Salaries and other benefits	4,143	2,895
按表現計算之花紅	Performance related bonuses	356	250
退休福利計劃供款	Retirement benefits scheme contributions	151	148
權益結算以股份為基礎之付款	Equity-settled share-based payments	438	2,583
		5,088	5,876

彼等之酬金介乎於下列範圍：

Their emoluments were within the following bands:

		僱員數目 Number of employees	
		二零一八年 2018	二零一七年 2017
無至1,000,000港元	Nil to HK\$1,000,000	1	–
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	1	1
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	1	2
		3	3

於截至二零一八年十二月三十一日止年度，本集團概無向五名最高薪酬人士支付任何酬金(二零一七年：無)，以作為吸引彼等加入或於加入本集團後之報酬。

During the year ended 31 December 2018, no emoluments (2017: Nil) were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group.

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10. 董事、最高行政人員、僱員及高級管理人員酬金 (續)

高級管理人員酬金

本集團高級管理人員中有六名(二零一七年：六名)為本公司董事或前董事，彼等之酬金已於上文披露。截至二零一八年十二月三十一日止年度，其餘八名(二零一七年：九名)人士之酬金如下：

10. DIRECTORS', CHIEF EXECUTIVE'S EMPLOYEES' AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

Senior management's emoluments

Of the senior management of the Group, six (2017: six) were the Directors or former directors of the Company whose emoluments are included in the disclosure above. The emoluments of the remaining eight (2017: nine) individuals for the year ended 31 December 2018 were as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
薪金及其他福利	Salaries and other benefits	6,465	5,465
按表現計算之花紅	Performance related bonuses	643	697
退休福利計劃供款	Retirement benefits scheme contributions	404	444
權益結算以股份為基礎之付款	Equity-settled share-based payments	708	3,196
		8,220	9,802

彼等之酬金介乎於下列範圍：

Their emoluments were within the following bands:

		僱員數目 Number of employees	
		二零一八年 2018	二零一七年 2017
無至1,000,000港元	Nil to HK\$1,000,000	5	6
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	2	1
1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	1	–
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	–	2
		8	9

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11. 稅項

11. TAXATION

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
支出包括：	The charge comprises:		
即期稅項	Current tax		
— 中國企業所得稅	— PRC Enterprise Income Tax	(33,456)	(1,974)
— 香港利得稅	— Hong Kong Profits Tax	(10)	(19)
— 新加坡企業所得稅	— Singapore Corporate Income Tax	(587)	(1,979)
— 台灣企業所得稅	— Taiwan Corporate Income Tax	(6,811)	(4,999)
		(40,864)	(8,971)
過往年度超額撥備	Over provision in prior years		
— 中國企業所得稅	— PRC Enterprise Income Tax	535	7,475
— 香港利得稅	— Hong Kong Profits Tax	9	14
		544	7,489
遞延稅項(附註41)	Deferred tax (note 41)	2,966	1,363
		(37,354)	(119)

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11. 稅項 (續)

中國企業所得稅按適用於各附屬公司之稅率計算。按照中國稅務法律及法規，兩間於中國成立並獲認可為高新科技企業之附屬公司可於截至二零一八年及二零一七年十二月三十一日止年度享有優惠稅率15%。另一間於中國成立之附屬公司獲認可為《企業從事農、林、牧、漁業項目》，並可於截至二零一八年及二零一七年十二月三十一日止年度享有優惠稅率12.5%。於中國成立之其他附屬公司截至二零一八年十二月三十一日止年度之適用稅率為25%（二零一七年：25%）。

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務（修訂本）（第7號）條例草案》（「條例草案」）引入利得稅兩級制。該條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊登憲報。根據利得稅兩級制，合資格集團實體首筆2百萬港元溢利將按8.25%的稅率繳稅，及超過2百萬港元的溢利將按16.5%的稅率繳稅。不符合兩級制利得稅資格之集團實體之溢利將繼續按16.5%之劃一稅率徵收稅項。

董事認為，實施利得稅兩級制所涉及之金額與綜合財務報表並無重大關係。因此，兩個年度之香港利得稅均按估計應課稅溢利之16.5%計算。

新加坡企業所得稅就兩個年度之估計應課稅溢利按17%計算。

台灣企業所得稅就兩個年度之估計應課稅溢利按17%計算。

11. TAXATION (CONTINUED)

The PRC Enterprise Income Tax is calculated at the rates applicable to respective subsidiaries. According to the PRC tax laws and regulations, two subsidiaries established in the PRC, which was recognised as the High and New Technology Enterprise, is entitled to enjoy the preferential tax rate at 15% for the years ended 31 December 2018 and 2017. Another subsidiary established in the PRC was recognised as《企業從事農、林、牧、漁業項目》and is entitled to enjoy the preferential tax rate at 12.5% for the years ended 31 December 2018 and 2017. The applicable tax rate for other subsidiaries established in the PRC is 25% (2017: 25%) for the year ended 31 December 2018.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, 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%.

The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Singapore Corporate Income Tax is calculated at 17% of the estimated assessable profits for both years.

Taiwan Corporate Income Tax is calculated at 17% of the estimated assessable profits for both years.

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11. 稅項 (續)

本年度稅項支出與綜合損益及其他全面收益表內之除稅前溢利對賬如下：

11. TAXATION (CONTINUED)

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
除稅前溢利	Profit before taxation	108,866	35,970
按國內所得稅稅率25% (二零一七年：25%) 計算之稅項	Tax at the domestic income tax rate of 25% (2017: 25%)	(27,217)	(8,993)
不可扣稅支出之稅項影響	Tax effect of expenses not deductible for tax purpose	(14,870)	(6,837)
毋須課稅收入之稅項影響	Tax effect of income not taxable for tax purpose	13,379	11,215
未確認之稅項虧損之 稅項影響	Tax effect of tax losses not recognised	(1,233)	(596)
優惠稅率之稅項影響	Tax effect of preferential tax rate	1,107	1,293
未確認可扣減臨時差異之 稅項影響	Tax effect of deductive temporary differences not recognised	(7,435)	-
在其他司法權區經營之 附屬公司之不同稅率 之影響	Effect of different tax rates of subsidiaries operating in other jurisdictions	782	597
未分派盈利之預扣稅之 稅項影響	Tax effect of withholding tax on undistributed earnings	(1,610)	104
過往年度超額撥備	Over provision in prior years	544	7,489
使用先前未確認之稅項虧損	Utilisation of tax losses previously not recognised	5,640	672
應佔一間聯營公司業績之 稅項影響	Tax effect of share of result of an associate	(3,176)	(2,191)
應佔一間合營公司業績之 稅項影響	Tax effect of share of result of a joint venture	(3,265)	(2,917)
其他	Others	-	45
本年度稅項支出	Taxation charge for the year	(37,354)	(119)

國內稅率指於中國經營之主要集團公司之法定稅率。

The domestic tax rate represents the statutory tax rate of the major group companies operating in the PRC.

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12. 本年度溢利

12. PROFIT FOR THE YEAR

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
本年度溢利乃於扣除下列各項後達致：	Profit for the year has been arrived at after charging:		
員工成本(包括董事酬金)	Staff costs (including directors' emoluments)		
薪金及其他成本	Salaries and other costs	204,333	139,119
權益結算以股份為基礎之付款	Equity-settled share-based payments	4,799	10,397
退休福利供款計劃	Retirement benefits contributions schemes	20,929	25,759
總員工成本	Total staff costs	230,061	175,275
減：員工成本(已資本化之存貨)	Less: staff costs (capitalised in inventories)	(36,708)	(31,932)
總員工成本(包含於銷售及服務成本、分銷及銷售費用與行政費用)	Total staff costs (included in cost of sales and services, distribution and selling expenses and administrative expenses)	193,353	143,343
核數師酬金	Auditor's remuneration	4,073	2,107
研究及開發費用 (計入其他開支)	Research and development expenses (included in other expenses)	25,283	23,727
存貨減值之虧損 (計入銷售及服務成本)	Loss on impairment of inventories (included in cost of sales and services)	–	1,469
財務擔保撥備 (計入其他開支)(附註)	Provision of financial guarantee (included in other expenses) (note)	–	1,488
無形資產攤銷	Amortisation of intangible assets	12,711	5,231
投資物業折舊	Depreciation of investment properties	162	158
物業、廠房及設備折舊	Depreciation of property, plant and equipment	68,622	51,356
攤銷及折舊總額	Total amortisation and depreciation	81,495	56,745
釋出土地使用權之預付租賃款項	Release of prepaid lease payments on land use rights	3,396	3,151
物業之經營租賃租金	Operating lease rentals in respect of premises	106,554	66,865

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12. 本年度溢利(續)

於截至二零一八年十二月三十一日止年度，本集團向為其提供臨時勞工之一間人才服務公司支付服務費534,000港元(二零一七年：763,000港元)。該等款項並未計入上文所述之員工成本總額。

附註：

TFKT True集團就(i)為數100,000,000泰銖(「泰銖」)之貸款融通及(ii)應付一名第三方(「貸款人」)之應計利息向貸款人提供一項財務擔保。該貸款融通乃由貸款人授予一間由TFKT True Holdings之非控股股東所控制之實體(「借款人」)。於截至二零一七年十二月三十一日止年度確認之進一步撥備指截至貸款人同意解除TFKT True集團作為該貸款融通擔保人當日止之應計利息。

12. PROFIT FOR THE YEAR (CONTINUED)

During the year ended 31 December 2018, the Group paid HK\$534,000 (2017: HK\$763,000) services fee to a personnel services company providing temporary labours to the Group. Such amounts are excluded from the total staff costs as mentioned on above.

Note:

TFKT True Group granted a financial guarantee to a third party (the "Lender") in respect of (i) loan facilities amounting to Thai Bhat ("THB")100,000,000 and (ii) the accrued interest payable to the Lender. The loan facilities were granted by the Lender to an entity under control of the non-controlling shareholder of TFKT True Holdings (the "Borrower"). The further provision recognised represented the accrued interest up to the date when the Lender agreed to release TFKT True Group as the guarantor in respect of this loan facilities during the year ended 31 December 2017.

13. 每股盈利(虧損)

本公司股東應佔之每股基本及攤薄盈利(虧損)乃基於以下數據計算：

13. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
用以計算每股基本及攤薄盈利(虧損)之盈利(虧損) — 本公司股東應佔	Earnings (loss) for the purposes of basic and diluted earnings (loss) per share – attributable to owners of the Company 32,499	 (1,806)
	二零一八年 2018 股 Shares	二零一七年 2017 股 Shares
股份數目 用以計算每股基本及攤薄盈利(虧損)之普通股加權平均數	Number of shares Weighted average number of ordinary shares for the purposes of basic and diluted earnings (loss) per share 5,455,121,336	 4,943,780,754

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13. 每股盈利(虧損)(續)

上文列示之普通股加權平均數乃於扣除股份獎勵計劃(「股份獎勵計劃」)持有之股份後達致。

由於本公司購股權的行使價高於二零一八年股份的平均市價，故計算截至二零一八年十二月三十一日止年度之每股攤薄盈利時並無假設該等購股權獲行使。

截至二零一七年十二月三十一日止年度，計算年內每股攤薄虧損時，本公司假設購股權不獲行使，因該假設會導致每股虧損減少。

14. 股息

本公司董事會(「董事會」)不建議派付截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

本公司於截至二零一八年十二月三十一日止年度並無宣派或派付任何股息(二零一七年：無)。

13. EARNINGS (LOSS) PER SHARE (CONTINUED)

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the share award scheme (the “Share Award Scheme”).

For the year ended 31 December 2018, the computation of diluted earnings per share does not assume the exercise of the Company’s options because the exercise price of those options was higher than the average market price for shares for 2018.

For the year ended 31 December 2017, the computation of the diluted loss per share does not assume the exercise of the Company’s share options as such assumption would result in a decrease in loss per share.

14. DIVIDEND

The board of directors of the Company (the “Board”) does not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: Nil).

No dividend was declared or paid by the Company during the year ended 31 December 2018 (2017: Nil).

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15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		樓宇及 建築物 Buildings and structures	租賃裝修 Leasehold improvements	廠房及機器 Plant and machinery	在建工程 Construction in progress	傢俬、裝置 及設備 Furniture, fixtures and equipment	汽車 Motor vehicles	健身設備 Fitness equipment	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本	COST								
於二零一七年一月一日	At 1 January 2017	369,723	14,185	259,950	37,565	25,618	6,179	-	713,220
匯兌差額	Exchange differences	27,377	2,845	19,850	4,941	2,107	512	505	58,137
收購附屬公司所產生	Arising on acquisition of subsidiaries	-	43,855	7,070	10,790	3,308	795	12,337	78,155
添置	Additions	101	6,659	13,712	50,922	4,536	5,542	1,285	82,757
出售及撇銷	Disposals and write-off	(9,558)	(1,812)	(13,342)	(1,209)	(819)	(3,289)	(511)	(30,540)
重新分類	Reclassification	1,787	7,813	430	(14,786)	655	(6)	4,107	-
於二零一七年十二月三十一日	At 31 December 2017	389,430	73,545	287,670	88,223	35,405	9,733	17,723	901,729
匯兌差額	Exchange differences	(19,809)	(2,104)	(14,673)	(4,794)	(1,721)	(541)	(371)	(44,013)
添置	Additions	11,800	8,212	9,299	17,992	5,895	4,651	450	58,299
出售及撇銷	Disposals and write-off	(764)	(3,624)	(1,326)	-	(1,997)	(1,485)	(900)	(10,096)
重新分類	Reclassification	3,120	-	8,888	(12,008)	-	-	-	-
出售一間附屬公司	Disposal of a subsidiary	-	-	-	-	(277)	(62)	-	(339)
於二零一八年十二月三十一日	At 31 December 2018	383,777	76,029	289,858	89,413	37,305	12,296	16,902	905,580
折舊	DEPRECIATION								
於二零一七年一月一日	At 1 January 2017	48,434	1,001	103,956	-	5,537	2,088	-	161,016
匯兌差額	Exchange differences	4,109	345	8,496	-	612	139	54	13,755
本年度撥備	Provided for the year	11,982	12,716	16,216	-	5,776	1,971	2,695	51,356
於出售及撇銷時對銷	Eliminated on disposals and write-off	(2,697)	(1,810)	(6,604)	-	(771)	(2,565)	(484)	(14,931)
於二零一七年十二月三十一日	At 31 December 2017	61,828	12,252	122,064	-	11,154	1,633	2,265	211,196
匯兌差額	Exchange differences	(3,587)	(962)	(6,739)	-	(742)	(210)	(174)	(12,414)
本年度撥備	Provided for the year	14,503	20,703	17,685	-	6,738	4,608	4,385	68,622
於出售及撇銷時對銷	Eliminated on disposals and write-off	(120)	(35)	(343)	-	(1,342)	(965)	(687)	(3,492)
出售一間附屬公司	Disposal of a subsidiary	-	-	-	-	(52)	(12)	-	(64)
於二零一八年十二月三十一日	At 31 December 2018	72,624	31,958	132,667	-	15,756	5,054	5,789	263,848
賬面值	CARRYING VALUES								
於二零一八年十二月三十一日	At 31 December 2018	311,153	44,071	157,191	89,413	21,549	7,242	11,113	641,732
於二零一七年十二月三十一日	At 31 December 2017	327,602	61,293	165,606	88,223	24,251	8,100	15,458	690,533

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15. 物業、廠房及設備 (續)

以上物業、廠房及設備(在建工程除外)乃以直線法按以下年率折舊：

樓宇及建築物	2.5%–9%
租賃裝修	4.5%–18%
廠房及機器	5%–9%
傢俬、裝置及設備	9%–20%
汽車	18%–33.3%
健身設備	14.3%

本集團之樓宇位於中國之租賃土地。

資產抵押之詳情請參閱附註50。

16. 設備及機器之按金

上海聯合水泥有限公司(「上海上聯」)於二零一二年九月二十八日與獨立第三方訂立三份購買協議，以購買若干設備及機器，總代價為人民幣380,000,000元(相當於約433,197,000港元(二零一七年：456,018,000港元))。根據三份購買協議購買之設備及機器旨在未來用於上海浦東白龍港所在之新水泥生產設施發展項目(「白龍港項目」)，將由一間將成立之合資公司經營及管理(詳情請參閱附註47)，本集團及本公司無意將該等設備及機器留作自用。於二零一八年十二月三十一日，上海上聯已支付三份購買協議總代價之各首期付款合共人民幣68,270,000元(二零一七年：人民幣68,270,000元)(相當於約77,827,000港元(二零一七年：81,927,000港元))。交易詳情載於本公司日期為二零一二年十月三日之公告、日期為二零一二年十一月十五日之通函及本綜合財務報表附註47。

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above property, plant and equipment other than construction in progress are depreciated on a straight-line basis at the following rates per annum:

Buildings and structures	2.5% – 9%
Leasehold improvements	4.5% – 18%
Plant and machinery	5% – 9%
Furniture, fixtures and equipment	9% – 20%
Motor vehicles	18% – 33.3%
Fitness equipment	14.3%

The buildings of the Group are situated on the leasehold land in the PRC.

Details of the pledged of assets referred to note 50.

16. DEPOSITS FOR EQUIPMENT AND MACHINERIES

On 28 September 2012, Shanghai Allied Cement Co., Ltd.* (上海聯合水泥有限公司) (“Shanghai SAC”) entered into three purchase agreements with independent third parties for the purchases of certain equipment and machineries at the aggregate consideration of RMB380,000,000 (equivalent to approximately HK\$433,197,000 (2017: HK\$456,018,000)). The equipment and machineries under the three purchase agreements were purchased for future use in the development of new cement production facilities at Bailonggang, Pudong, Shanghai (“Bailonggang Project”) which is to be managed and operated by a joint venture company to be set up (details refer to note 47). The Group and the Company do not intend to retain such equipment and machineries for their own use. As at 31 December 2018, Shanghai SAC has settled the respective first payments of the total consideration in an aggregate amount of RMB68,270,000 (2017: RMB68,270,000) (equivalent to approximately HK\$77,827,000 (2017: HK\$81,927,000)) under the three purchase agreements. Details of the transaction were set out in the announcement and circular of the Company dated 3 October 2012 and 15 November 2012 respectively and note 47 to these consolidated financial statements.

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17. 土地使用權之預付租賃款項

17. PREPAID LEASE PAYMENTS ON LAND USE RIGHTS

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
土地使用權之 預付租賃款項包括： 中期租賃下之 中國租賃土地	The prepaid lease payments on land use rights comprise: Leasehold land in the PRC under medium-term lease	115,017	110,429
就報告而作出之分析如下： 非流動 流動	Analysed for reporting purposes as: Non-current Current	111,736 3,281	107,140 3,289
		115,017	110,429

租賃土地乃以直線法按剩餘租期釋出。

The leasehold land is released on a straight-line basis over the remaining term of leases.

資產抵押之詳情請參閱附註50。

Details of the pledged of assets referred to note 50.

18. 投資物業

18. INVESTMENT PROPERTIES

		千港元 HK\$'000
成本	COST	
於二零一七年一月一日	At 1 January 2017	5,133
匯兌差額	Exchange differences	377
於二零一七年十二月三十一日	At 31 December 2017	5,510
匯兌差額	Exchange differences	(276)
於二零一八年十二月三十一日	At 31 December 2018	5,234
攤銷	AMORTISATION	
於二零一七年一月一日	At 1 January 2017	67
匯兌差額	Exchange differences	9
本年度扣除	Charge for the year	158
於二零一七年十二月三十一日	At 31 December 2017	234
匯兌差額	Exchange differences	(17)
本年度扣除	Charge for the year	162
於二零一八年十二月三十一日	At 31 December 2018	379
賬面值	CARRYING VALUE	
於二零一八年十二月三十一日	At 31 December 2018	4,855
於二零一七年十二月三十一日	At 31 December 2017	5,276

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19. 商譽

19. GOODWILL

		千港元 HK\$'000
成本	COST	
於二零一七年一月一日	At 1 January 2017	217,555
收購附屬公司所產生(附註43(A))	Arising on acquisition of subsidiaries (note 43 (A))	219,417
匯兌差額	Exchange differences	2,188
於二零一七年十二月三十一日	At 31 December 2017	439,160
匯兌差額	Exchange differences	(1,591)
於二零一八年十二月三十一日	At 31 December 2018	437,569

於二零一七年五月二十九日，本集團完成自一名獨立第三方進行之True收購事項，現金代價為36,720,000美元（相當於284,580,000港元）。因收購而產生之商譽金額為219,417,000港元，已分配予經營健身中心及提供健身和健康諮詢服務業務。詳情請參閱附註43。

On 29 May 2017, the Group completed the True Acquisition from an independent third party for a cash consideration of US\$36,720,000 (equivalent to HK\$284,580,000). The amount of goodwill arising as a result of the acquisition was HK\$219,417,000 and has been allocated to operating fitness centres and providing consultation services for fitness and health activities. Details referred to note 43.

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20. 無形資產

20. INTANGIBLE ASSETS

		採礦權 Mining right 千港元 HK\$'000	會所會籍 Club membership 千港元 HK\$'000	產品許可證 Product license 千港元 HK\$'000	商標 Trademark 千港元 HK\$'000 (note a) (附註a)	特許協議 Franchise agreement 千港元 HK\$'000 (note b) (附註b)	客戶關係 Customer relationship 千港元 HK\$'000	開發費用 Development expenditure 千港元 HK\$'000	電腦軟件 Computer software 千港元 HK\$'000	總額 Total 千港元 HK\$'000
成本	COST									
於二零一七年一月一日	At 1 January 2017	11,222	278	6,520	-	-	-	-	18,020	
匯兌差額	Exchange differences	831	-	553	(599)	(1,260)	(112)	286	(301)	
收購附屬公司所產生	Arising on acquisition of subsidiaries	-	-	-	93,475	196,576	17,534	-	307,585	
添置	Addition	-	-	-	-	-	6,555	236	6,791	
於二零一七年十二月三十一日	At 31 December 2017	12,053	278	7,073	92,876	195,316	17,422	6,841	332,095	
匯兌差額	Exchange differences	(603)	-	(401)	-	-	-	(757)	(4)	
出售及撇銷	Disposals and write off	-	-	-	-	-	-	-	(407)	
添置	Additions	-	-	-	-	-	12,262	175	12,437	
於二零一八年十二月三十一日	At 31 December 2018	11,450	278	6,672	92,876	195,316	17,422	18,346	342,360	
攤銷	AMORTISATION									
於二零一七年一月一日	At 1 January 2017	2,169	-	176	-	-	-	-	2,345	
匯兌差額	Exchange differences	173	-	44	-	-	-	-	217	
本年度扣除	Charge for the year	291	-	457	-	3,798	685	-	5,231	
於二零一七年十二月三十一日	At 31 December 2017	2,633	-	677	-	3,798	685	-	7,793	
匯兌差額	Exchange differences	(142)	-	(75)	-	-	-	(20)	(237)	
本年度扣除	Charge for the year	299	-	457	-	6,511	4,832	612	12,711	
於二零一八年十二月三十一日	At 31 December 2018	2,790	-	1,059	-	10,309	5,517	592	20,267	
賬面值	CARRYING VALUES									
於二零一八年十二月三十一日	At 31 December 2018	8,660	278	5,613	92,876	185,007	11,905	17,754	322,093	
於二零一七年十二月三十一日	At 31 December 2017	9,420	278	6,396	92,876	191,518	16,737	6,841	324,302	

附註：

- (a) 本集團之商標具有有限法律年期，惟可於到期時以極低成本續期。董事認為，本集團會持續並有能力為商標續期。因此，董事視商標為具有無限可使用年期，因預期商標會對現金流入淨額產生無限貢獻。商標將不作攤銷，直至可使用年期被評定為有限為止。取而代之，商標將每年及每當有跡象顯示可能出現減值時作減值測試。

Notes:

- (a) The Group's trademark has finite legal lives but is renewable upon expiry at minimal costs. The Directors are of the opinion that the Group would renew the trademark continuously and has the ability to do so. As a result, the trademark is considered by the Directors as having indefinite useful lives because it is expected to contribute to net cash inflows indefinitely. The trademark will not be amortised until its useful lives are determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that they may be impaired.

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20. 無形資產 (續)

附註：(續)

- (b) 於True收購事項完成時，本集團向True Yoga集團授出及提供於台灣經營特許業務之非獨家權利，自二零一七年五月二十九日起為期30年，而True Yoga集團將每月支付特許權費。每月支付之特許權費將細分為(i)特許權費及(ii)服務費。於截至二零一八年十二月三十一日止年度已確認特許權費收入54,182,000港元(二零一七年：31,252,000港元)及服務費收入2,993,000港元(二零一七年：2,074,000港元)。

除具無限可使用年期之會所會籍及商標外，無形資產按直線法於以下期間攤銷：

採礦權	50年
產品許可證	7年
特許協議	30年
客戶關係	5年
開發費用	10年
電腦軟件	3年

20. INTANGIBLE ASSETS (CONTINUED)

Notes: (CONTINUED)

- (b) Upon completion of the True Acquisition, the Group grants and provides True Yoga Group with non-exclusive rights to operate the franchise business in Taiwan for a term of 30 years commencing from 29 May 2017 and True Yoga Group shall pay a monthly franchise fee. The monthly franchise fee will be sub-divided as (i) royalty fee and (ii) service fee. During the year ended 31 December 2018, royalty fee income and service fee income of HK\$54,182,000 (2017: HK\$31,252,000) and HK\$2,993,000 (2017: HK\$2,074,000), respectively, are recognised.

Other than the club membership and trademark, which have indefinite useful lives, the intangible assets are amortised on a straight-line basis over the following periods:

Mining right	50 years
Product license	7 years
Franchise agreement	30 years
Customer relationship	5 years
Development expenditure	10 years
Computer software	3 years

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21. 商譽及無形資產減值評估

為評估商譽之減值，附註19所詳述之商譽賬面值已分配至兩組現金產生單位如下：

21. IMPAIRMENT ASSESSMENT ON GOODWILL AND INTANGIBLE ASSETS

For the purposes of impairment assessment of goodwill, the carrying value of goodwill as detailed in note 19 have been allocated to two groups of CGUs, as follows:

		商譽 Goodwill	
		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
製造及銷售處方藥及實驗室 相關產品(「單位A」)	Manufacturing and sales of prescription drugs and laboratory related products ("Unit A")	218,152	219,746
經營健身中心及提供健身和 健康諮詢服務(「單位B」)	Operating fitness centres and providing consultation services for fitness and health activities ("Unit B")	219,417	219,414
		437,569	439,160

本集團管理層確定，於截至二零一八年及二零一七年十二月三十一日止年度，其包含商譽在內之現金產生單位概無減值。上述現金產生單位之可收回金額之基準及其主要相關假設概述如下。

為評估附註20所載之無形資產及商標之減值，有關無形資產已分配至預期可產生未來經濟利益之單位B個別現金產生單位。

Management of the Group determined that there were no impairment in any of its CGUs containing goodwill during the years ended 31 December 2018 and 2017. The basis of the recoverable amounts of the above CGUs and their principal underlying assumptions are summarised below.

For the purposes of impairment assessment of intangible assets and trademark of the Group as set out in note 20, they are allocated to individual CGUs of Unit B that are expected to generate future economic benefits.

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21. 商譽及無形資產減值評估(續)

上述現金產生單位之可收回金額乃基於使用價值計算法釐定。該計算法採用以管理層所審批未來五年之財務預算為基礎之現金流量預測，而單位A及單位B之貼現率分別為15%及18.75%（二零一七年：單位A及單位B分別為15%及18.53%），由估值師使用資本資產定價模型釐定。使用價值計算法乃由獨立估值師釐定。單位A與單位B超過五年期之現金流量使用3%（二零一七年：單位A與單位B均為3%）之穩定增長率推算。該等增長率以相關行業預測為基礎，且不會超過相關行業之平均長遠增長率。使用價值計算法之其他主要假設包括預算銷售額及毛利率以及相關現金流入及流出模式，乃基於該等單位之過往表現及管理層對市場發展之預期估計。管理層相信，任何該等假設之任何合理及可能變動不會導致單位A與單位B之可收回金額跌至低於其各自之賬面金額。

21. IMPAIRMENT ASSESSMENT ON GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

The recoverable amounts of the above CGUs have been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a five-year period, and discount rates for Unit A and Unit B are 15% and 18.75% respectively (2017: 15% and 18.53% for Unit A and Unit B, respectively), determined by valuers using Capital Assets Pricing Model. The value in use calculation were determined by independent valuers. The cash flows beyond the five-year period are extrapolated using a steady growth rate of 3% for both Unit A and Unit B (2017: 3% for both Unit A and Unit B). These growth rates are based on the forecasts of the relevant industries and do not exceed the average long-term growth rate for the relevant industries. Other key assumptions for the value in use calculations included budgeted sales and gross margins and their related cash inflows and outflows patterns, estimated based on the units' historical performance and the management's expectation of the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the recoverable amounts of Unit A and Unit B to fall below their respective carrying amounts.

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22. 於一間聯營公司之權益

22. INTERESTS IN AN ASSOCIATE

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
投資成本，非上市	Cost of investment, unlisted	21,640	21,640
應佔收購後儲備	Share of post-acquisition reserves	(21,337)	(8,633)
		303	13,007

本集團於報告期末之唯一聯營公司為於開曼群島註冊成立之全真瑜珈控股有限公司。誠如附註43(A)所披露，全真瑜珈控股有限公司之29%股本權益已於二零一七年五月二十九日由本集團收購。True Yoga集團在台灣從事經營健身中心及提供健身和健康諮詢服務。全真瑜珈控股有限公司之詳情載列如下：

The Group's only associate at the end of the reporting period is True Yoga Holdings Limited which was incorporated in the Cayman Islands. As disclosed in note 43(A), 29% equity interest in True Yoga Holdings Limited was acquired by the Group on 29 May 2017. True Yoga Group is engaged in operating fitness centres and providing consultation services for fitness and health activities in Taiwan. Details of True Yoga Holdings Limited is as follows:

公司名稱 Name of company	註冊地點 Place of registration	經營地點 Place of operations	繳足註冊資本 Paid up registered capital	表決權 Voting power		本集團應佔 實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	
				%	%	%	%	
全真瑜珈控股有限公司 True Yoga Holdings Limited	開曼群島 Cayman Islands	台灣 Taiwan	165,245,000新台幣 New Taiwan dollar 165,245,000	29	29	29	29	投資控股 Investment holding

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22. 於一間聯營公司之權益 (續)

根據香港財務報告準則編製有關True Yoga集團之財務資料概要載列如下。

22. INTERESTS IN AN ASSOCIATE (CONTINUED)

Summarised financial information in respect of True Yoga Group prepared in accordance with HKFRSs is set out below.

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
收入	Revenue	375,890	224,332
本年度虧損及全面收益總額	Loss and total comprehensive income for the year	(43,807)	(29,768)
本集團應佔本年度虧損及全面支出總額	Loss and total comprehensive expense for the year, attributable to the Group	(12,704)	(8,633)
已收股息	Dividends received	–	–
非流動資產	Non-current assets	151,839	186,501
流動資產	Current assets	83,392	120,895
非流動負債	Non-current liabilities	(10,571)	(49,935)
流動負債	Current liabilities	(223,615)	(212,609)
		1,045	44,852
與於聯營公司之權益賬面金額之對賬：	Reconciliation to the carrying amount of interest in the associate:		
聯營公司股權持有人應佔淨資產	Net assets attributable to the equity holders of the associate	1,045	44,852
本集團於聯營公司之擁有權益比例	Proportion of the Group's ownership interest in the associate	29%	29%
本集團於聯營公司之權益之淨資產	Net assets of the Group's interest in the associate	303	13,007

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23. 於一間合營公司之權益

23. INTERESTS IN A JOINT VENTURE

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
投資成本	Cost of investment	74,196	36,855
應佔收購後儲備	Share of post-acquisition reserves	(28,821)	(15,762)
		45,375	21,093

本集團於過往年度與一名個人第三方（「個人」）訂立普通合夥投資及股東協議。根據該協議，本集團與個人共同控制泰勝投資有限公司（「泰勝」），而泰勝為普通合夥人，全面控制同方康泰資本（「康泰資本」）。康泰資本持有 Apros Therapeutics, Inc.（「Apros」，一間根據美利堅合眾國特拉華州法律正式註冊成立之公司）之81.48%（二零一七年：68.74%）權益。Apros主力從事免疫學及小分子醫療研究。於二零一八年十二月三十一日，本集團投資9,500,000美元（相當於74,196,000港元）（二零一七年：4,750,000美元（相當於36,855,000港元））於康泰資本，因而以有限合夥人身份直接持有康泰資本之99.99%（二零一七年：99.99%）權益，並透過一間非全資附屬公司向康泰資本提供管理服務並就此收取管理費。

根據康泰資本之合夥協議，有限合夥人於康泰資本概無投票權，僅普通合夥人（即泰勝）擁有控制康泰資本相關活動之投票權。經考慮泰勝僅為共同控制公司，故此康泰資本被視為本集團擁有99.99%權益之合營公司。

本集團擁有可認購250,000股泰勝股份之選擇權，該選擇權一經行使，本集團可對泰勝行使控制權。選擇權可於(i)投資日期滿四週年當日（即二零二零年八月五日）；及(ii)Apros就先導化合物完成專利註冊兩者中之較早者後隨時行使。董事認為，認購選擇權之價值並不重大。

The Group entered into a general partner investment and shareholders agreement with an individual third party (the "Individual") in previous years. Pursuant to the agreement, the Group and the Individual jointly controlled Taisheng Investment Co., Ltd. ("Taisheng"), and Taisheng is the general partner and in turns has full control over Tongfang Konta Capital, L.P. ("Konta Capital"), a partnership, which holds 81.48% (2017: 68.74%) equity interests of Apros Therapeutics, Inc. ("Apros"), a company duly incorporated under the laws of Delaware, the United States of America. Apros is engaged in medical research with a focus in immunology and small molecule. As at 31 December 2018, the Group invested US\$9,500,000 (equivalent to HK\$74,196,000) (2017: US\$4,750,000 (equivalent to HK\$36,855,000)) in Konta Capital and, accordingly, directly held 99.99% (2017: 99.99%) of Konta Capital as a limited partner and also provided management services to Konta Capital via a non-wholly owned subsidiary in return for management fee.

Based on the partnership agreements of Konta Capital, the limited partner does not have any voting rights in Konta Capital, and only the general partner (i.e. Taisheng) has the voting power to control the relevant activities of Konta Capital. Considering Taisheng is only a jointly controlled company, Konta Capital is therefore considered as a 99.99% joint venture of the Group.

The Group has an option to subscribe for 250,000 shares of Taisheng, which by then the Group could exercise control over Taisheng. The option shall be exercisable at any time after the earlier of (i) the fourth anniversary of the date of investment (i.e. 5 August 2020) and (ii) the registration of a patent for a lead compound by Apros. In the opinion of the Directors, the value of the subscription option is insignificant.

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23. 於一間合營公司之權益 (續)

董事認為，該投資將提升本集團於發展醫療及醫藥產品方面之研究及創新能力。

本集團主要合營公司之詳情載列如下：

23. INTERESTS IN A JOINT VENTURE (CONTINUED)

The Directors consider that the investment will enhance the research and innovation capability of the Group in the development of medical and pharmaceutical products.

Particulars of the Group's major joint venture is as follows:

公司名稱 Name of company	註冊成立地點 Place of incorporation	經營地點 Place of operation	繳足普通股 股本/繳足 註冊資本 Paid up ordinary share capital/ paid up registered capital	表決權 Voting power		本集團應佔 實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	二零一八年 2018 %	二零一七年 2017 %	
康泰資本 Konta Capital	開曼群島 Cayman Islands	美利堅合眾國 The United States of America	100美元 US\$100	50	50	99.99	99.99	投資控股 Investment holding

根據香港財務報告準則編製有關本公司合營公司及其附屬公司(「康泰資本集團」)之財務資料概要載列如下。

Summarised financial information in respect of the Company's joint venture and its subsidiary ("Konta Capital Group") prepared in accordance with HKFRSs is set out below.

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動資產	Current assets	22,882	29,856
非流動資產	Non-current assets	11,859	—
流動負債	Current liabilities	731	(15,942)
非流動負債	Non-current liabilities	—	—
非控股權益—虧絀	Non-controlling interests – deficit	11,365	7,179

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23. 於一間合營公司之權益 (續)

23. INTERESTS IN A JOINT VENTURE (CONTINUED)

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
上述資產及負債金額包括 以下各項：	The above amounts of assets and liabilities include the following:		
現金及現金等價物	Cash and cash equivalents	22,480	14,058
流動金融負債(不包括應付 貿易款項及其他應付款項 以及撥備)	Current financial liabilities (excluding trade and other payables and provision)	731	15,942
收入	Revenue	–	–
折舊	Depreciation	–	(1,109)
本公司股東應佔虧損	Loss attributable to owners of the Company	(13,059)	(11,666)
康泰資本附屬公司之 非控股權益應佔虧損	Loss attributable to non-controlling interests of Konta Capital's subsidiary	(4,186)	(5,276)
本年度虧損	Loss for the year	(17,245)	(16,942)

上述財務資料與綜合財務報表內所確
認於康泰資本集團之權益賬面金額之
對賬：

Reconciliation of the above financial information to the
carrying amount of the interest in Konta Capital Group
recognised in the consolidated financial statements:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
康泰資本集團之淨資產	Net assets of Konta Capital Group	45,375	21,093
本集團於康泰資本集團 之擁有權權益比例	Proportion of the Group's ownership interest in Konta Capital Group	99.99%	99.99%
本集團於康泰資本集團 之權益賬面金額	Carrying amount of the Group's interest in Konta Capital Group	45,375	21,093

24. 持作銷售物業

24. PROPERTIES HELD FOR SALE

結餘指位於中國之已落成物業。

The balance represented completed properties located in
the PRC.

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25. 存貨

25. INVENTORIES

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
存貨包括下列項目：	Inventories consist of the following:		
原料	Raw materials	51,187	28,276
在製品	Work in progress	18,834	16,155
製成品	Finished goods	44,882	52,970
		114,903	97,401

於報告期末，存貨成本1,235,822,000港元（二零一七年：825,641,000港元）確認為支出。

At the end of the reporting period, cost of inventories of HK\$1,235,822,000 (2017: HK\$825,641,000) are recognised as expenses.

26. 應收貿易款項

26. TRADE RECEIVABLES

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
應收貿易款項	Trade receivables		
— 貨品及服務	— goods and services	708,599	553,039
減：信貸虧損撥備	Less: Allowance for credit losses	(22,008)	(20,368)
應收貿易款項總額	Total trade receivables	686,591	532,671

於報告期末基於發票日期呈列之應收貿易款項（扣除信貸虧損撥備）之賬齡分析如下：

The aged analysis of trade receivables, net of allowance for credit losses, is presented based on the invoice date at the end of the reporting period as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
0至90天	0 to 90 days	296,537	254,138
91至180天	91 to 180 days	197,311	197,028
181至365天	181 to 365 days	181,889	74,446
超過1年	Over 1 year	10,854	7,059
		686,591	532,671

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26. 應收貿易款項及應收票據 (續)

於二零一八年十二月三十一日，已收票據總額為145,210,000港元(二零一七年：131,913,000港元)，作為本集團於未來結算應收貿易款項之用。本集團於報告期末繼續確認彼等之全數賬面金額。本集團之所有已收票據之到期期限為少於一年。

於二零一八年十二月三十一日，本集團之應收貿易款項結餘包括於報告日期已逾期而本集團並無計提減值虧損(因並無視其為拖欠)之應收賬款，賬面總額為54,842,000港元。在該等逾期結餘中，12,956,000港元已逾期90天或以上，而由於根據有關客戶之還款記錄及現時信譽，可收回該等款項結餘，故並無視其為拖欠。

於二零一七年十二月三十一日，信貸虧損撥備內包括總結餘為7,059,000港元之個別已減值應收貿易款項，該等結餘乃經考慮應收貿易款項之客戶信貸歷史(包括拖欠或延遲付款、後續付款、應收貿易款項賬齡分析及與客戶之業務關係)後評估。本集團並無就該等結餘持有任何抵押品。

已逾期但未減值之應收貿易款項之賬齡分析如下：

26. TRADE AND BILLS RECEIVABLES (CONTINUED)

As at 31 December 2018, total bills received amounting to HK\$145,210,000 (2017: HK\$131,913,000) are held by the Group for future settlement of trade receivables. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year.

At 31 December 2018, included in the Group's trade receivables balances are debtors with aggregate carrying amount of HK\$54,842,000 which are past due at the reporting date for which the Group has not provided for impairment loss as it is not considered as default. Out of those past due balances, HK\$12,956,000 has been past due 90 days or more and is not considered as in default since these balances could be recovered based on the repayment history and the current creditworthiness of these customers.

At 31 December 2017, included in the allowance for credit losses are individually impaired trade receivables with an aggregate balance of HK\$7,059,000 which was assessed after considering the credit history of the customers, including default or delay in settlement, subsequent settlements, aging analysis of trade receivables and the business relationship with the customers. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired:

	二零一七年 2017 千港元 HK\$'000
超過1年	7,059

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26. 應收貿易款項及應收票據 (續)

26. TRADE AND BILLS RECEIVABLES (CONTINUED)

信貸虧損撥備變動如下：

Movement in the allowance for credit losses:

		二零一七年 2017 千港元 HK\$'000
一月一日	1 January	34,562
匯兌差額	Exchange differences	2,768
就應收款項確認之減值虧損	Impairment losses recognised on receivables	4,422
作為無法收回款項撇銷之款項	Amounts written off as uncollectible	(19,658)
年內收回之款項	Amounts recovered during the year	(1,726)
十二月三十一日	31 December	20,368

截至二零一八年十二月三十一日止年度，應收貿易款項之減值評估詳情載於附註49。

Details of impairment assessment of trade receivables for the year ended 31 December 2018 are set out in note 49.

27. 合約成本

27. CONTRACT COSTS

本集團就取得以每月會籍形式使用健身中心之客戶合約產生對僱員之遞增銷售佣金。

The Group incurred incremental sales commission to employees in connection with obtaining contracts with customers for use of fitness centres, in the form of monthly membership.

合約成本於確認相關會籍銷售收入期間於綜合損益及其他全面收益表確認為銷售及服務成本之一部分。年內，於損益賬確認之資本化成本金額為2,402,000港元。資本化成本之年初結餘或年內資本化成本並無減值。預期將於二零一八年十二月三十一日後一年內確認之合約成本已分類為流動資產。

Contract costs are recognised as part of cost of sales and services in the consolidated statement of profit or loss and other comprehensive income in the period in which revenue from the related membership sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was HK\$2,402,000. There was no impairment in relation to the opening balance of capitalised costs or the costs capitalised during the year. Contract costs that are expected to be recognised within one year after 31 December 2018 have been classified as current assets.

倘本集團原應確認之資產攤銷期為一年或以內，則本集團會採用實際權宜方法將取得與銷售會籍之合約之有關遞增成本於產生時確認為開支。

The Group applies the practical expedient and recognises the incremental costs of obtaining contracts relating to the sale of membership as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

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28. 其他應收款項、按金及預付款項

28. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
向供應商提供之墊款	Advance to suppliers	96,881	83,183
已付按金	Deposits paid	10,886	19,339
預付款項	Prepayments	19,508	4,774
其他應收款項(附註)	Other receivables (note)	36,961	41,863
應收銀行利息收入	Bank interest income receivable	318	273
		164,554	149,432

附註：於二零一七年十二月三十一日，其他應收款項內包括一筆應收獨立第三方款項15,664,000港元，按年利率6%計息，已於二零一八年悉數償還。

Note: As at 31 December 2017, there is a receivable from independent third party, amounting to HK\$15,664,000 carrying interest at 6% per annum included in other receivable which was fully repaid in 2018.

信貸虧損撥備變動如下：

Movement in the allowance for credit losses:

		二零一七年 2017 千港元 HK\$'000
一月一日	1 January	—
已確認減值虧損	Impairment losses recognised	15,154
十二月三十一日	31 December	15,154

截至二零一八年十二月三十一日止年度，其他應收款項之減值評估詳情載於附註49。

Details of impairment assessment of other receivables for the year ended 31 December 2018 are set out in note 49.

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29. 應收貸款

29. LOANS RECEIVABLES

			二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
逆回購協議	Reverse repurchase agreements	(a)	17,108	74,437
其他應收貸款	Other loans receivables	(b)	88,928	104,441
			106,036	178,878

(a) 逆回購協議

於截至二零一八年十二月三十一日止年度，本集團作為逆回購方透過上海證券交易所訂立以人民幣計值之債券質押式回購交易，本金總額為人民幣4,121,549,000元（相當於4,698,528,000港元）（二零一七年：人民幣2,517,300,000元（相當於3,020,881,000港元）），到期期間介乎1至28天，按固定年利率介乎1.60%至13.54%（二零一七年：2.30%至13.54%）計息。該等逆回購協議分類為按攤銷成本計量之金融資產（二零一七年：貸款及應收款項），按攤銷成本列賬。

於截至二零一八年十二月三十一日止年度，本金總額為人民幣4,074,660,000元（相當於4,645,075,000港元）（二零一七年：人民幣2,568,100,000元（相當於3,081,843,000港元））之逆回購協議已到期及已贖回。

(b) 其他應收貸款

於二零一八年十二月三十一日，本金總額為人民幣30,000,000元及人民幣50,000,000元（分別相當於34,200,000港元及57,000,000港元）（二零一七年：人民幣35,000,000元及人民幣50,000,000元（分別相當於39,106,000港元及60,002,000港元））之其他應收貸款分別按固定年利率12%及6%計息，並按攤銷成本列賬，乃到期日為報告期末後一年內之應收貸款。

截至二零一八年十二月三十一日止年度，應收貸款之減值評估詳情載於附註49。

(a) Reverse repurchase agreements

During the year ended 31 December 2018, the Group, as the reverse repo party, entered into pledge-style bond repo transactions that were denominated in RMB with the aggregate principal amount of RMB4,121,549,000 (equivalent to HK\$4,698,528,000) (2017: RMB2,517,300,000 (equivalent to HK\$3,020,881,000)) through the Shanghai Stock Exchange with maturity periods from 1 day to 28 days and carried interest at fixed rate ranged from 1.60% to 13.54% (2017: 2.30% to 13.54%) per annum. Such reverse repurchase agreements are classified as financial assets at amortised cost (2017: loans and receivables) and stated at amortised cost.

During the year ended 31 December 2018, reverse repurchase agreements with aggregate principal amount of RMB4,074,660,000 (equivalent to HK\$4,645,075,000) (2017: RMB2,568,100,000 (equivalent to HK\$3,081,843,000)) had matured and been redeemed.

(b) Other loans receivables

As at 31 December 2018, other loans receivables with aggregate principal amount of RMB30,000,000 and RMB50,000,000 (equivalent to HK\$34,200,000 and HK\$57,000,000, respectively) ((2017: RMB35,000,000 and RMB50,000,000 (equivalent to HK\$39,106,000 and HK\$60,002,000)) carrying fixed interest at 12% and 6%, respectively, per annum are stated at amortised cost. It represented the loans receivables with maturity within one year from the end of the reporting period.

Details of impairment assessment of loans receivables for the year ended 31 December 2018 are set out in note 49.

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30. 透過損益賬按公平值處理之金融資產

30. FINANCIAL ASSETS AT FVTPL/DEBT INSTRUMENTS AT FVTOCI/OTHER INVESTMENT

	附註 Notes	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
強制按透過損益賬按公平值處理計量之金融資產	Financial assets mandatorily measured at FVTPL		
持作買賣投資	Held for trading investments		
債券	Bonds (a)	–	31,635
於香港上市之股本證券	Equity securities listed in Hong Kong (b)	–	21,324
於香港以外上市之股本證券	Equity securities listed outside Hong Kong (b)	–	428
交易所買賣基金	Exchange-traded funds (b)	–	2
透過損益賬按公平值處理之金融資產	Financial assets as at FVTPL		
匯率掛鉤結構性存款	Exchange rate linked structured deposits (c)	96,850	–
於香港上市之股本證券	Equity securities listed in Hong Kong (b)	10,518	–
於香港以外上市之股本證券	Equity securities listed outside Hong Kong (b)	265	–
指定透過損益賬按公平值處理之金融資產	Financial assets designated as at FVTPL		
可換股債券	Convertible bonds (c)	–	36,504
匯率掛鉤結構性存款	Exchange rate linked structured deposits (c)	–	24,827
		107,633	114,720
透過其他全面收益按公平值處理之債務工具	Debt instruments at FVTOCI		
債券	Bonds (a)	31,336	–
其他投資	Other investment (d)	20,000	–

截至二零一八年十二月三十一日止年度之透過其他全面收益按公平值處理之債務工具評估詳情載於附註49。

Details of impairment assessment of debt instruments at FVTOCI for the year ended 31 December 2018 are set out in note 49.

附註：

Notes:

(a) 債券

該等債券以美元計值，按年利率3.99%至4.00%計息。

(a) Bonds

The bonds were denominated in US\$ and carried interest at 3.99% to 4.00% per annum.

(b) 股本證券及交易所買賣基金

股本證券按公平值列賬，而該公平值乃根據有關證券交易所所報之市場買入價釐定。

(b) Equity securities and exchange-traded funds

Equity securities are stated at fair value which is determined based on the quoted market bid price available on the relevant stock exchanges.

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30. 透過損益賬按公平值處理之金融資產／透過其他全面收益按公平值處理之債務工具／其他投資 (續)

附註：(續)

(c) 匯率掛鈎結構性存款

匯率掛鈎結構性存款為保本型及以人民幣計值。

該等結構性存款之利率因應美元與澳元之匯率變動而浮動。該等結構性存款於首次確認時被指定為透過損益賬按公平值處理之金融資產。

- (d) 款項為銀行設立之定息基金。基金將於報告期末後六個月到期，獲保證可收回本金及利息。本集團擬持有該基金直至到期。

資產抵押之詳情請參閱附註50。

31. 已抵押銀行存款／現金及現金等價物

於二零一八年十二月三十一日，所有已抵押銀行存款均按固定年利率0.05%至1.50% (二零一七年：0.05%至1.50%) 計息。除為獲得一年後到期之銀行借貸而抵押並分類為非流動資產之2,216,000港元 (二零一七年：2,247,000港元) 外，餘額乃用於獲得短期銀行融資並分類為流動資產。

本集團持有之其他銀行結餘乃按市場利率計息，年利率介乎0.00%至0.35% (二零一七年：0.00%至0.35%)。

截至二零一八年十二月三十一日止年度之已抵押銀行存款及銀行結餘減值評估詳情載於附註49。

30. FINANCIAL ASSETS AT FVTPL/DEBT INSTRUMENTS AT FVTOCI/OTHER INVESTMENT (CONTINUED)

Notes: (Continued)

(c) Exchange rate linked structured deposits

Exchange rate linked structured deposits were principal protected and denominated in RMB.

Interest rates of these structured deposits vary depending on the movement of exchange rate between the US\$ and the Australian dollars. Such structured deposits are designated as financial assets at FVTPL on initial recognition.

- (d) Amount represented a fixed interest fund set up by banks. The fund will be matured in six months after the end of the reporting period with guaranteed return of principal and interest. The Group intends to hold the fund until matured.

Details of the pledged of assets referred to note 50.

31. PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

As at 31 December 2018, all pledged bank deposits carry fixed interest rate ranging from 0.05% to 1.50% (2017: 0.05% to 1.50%) per annum. Except for the amount of HK\$2,216,000 (2017: HK\$2,247,000) that are used to secure bank borrowings due after one year and is classified as non-current assets, the remaining balances are used to secure short-term bank facilities and are classified as current assets.

Other bank balances held by the Group carried interest at market rates which range from 0.00% to 0.35% (2017: 0.00% to 0.35%) per annum.

Details of impairment assessment of pledged bank deposits and bank balances for the year ended 31 December 2018 are set out in note 49.

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32. 應付貿易款項及應付票據

於報告期末基於發票日期呈列之本集團應付貿易款項及應付票據之賬齡分析如下：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
0至90天	0 to 90 days	133,343	81,559
91至180天	91 to 180 days	51,844	16,793
181至365天	181 to 365 days	89,283	101,539
超過1年	Over 1 year	9,987	7,621
		284,457	207,512

採購商品之平均信貸期介乎30至90日。本集團設有金融風險管理政策，以確保所有應付款項於信貸期內結清。

32. TRADE AND BILLS PAYABLES

An aged analysis of the Group's trade and bills payables, presented based on the invoice date, at the end of the reporting period is as follows:

The credit period on purchases of goods ranged from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

33. 其他應付款項及已收按金

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
購置物業、廠房及設備 應付款項	Payables for acquisition of property, plant and equipment	757	1,817
收取客戶墊款(附註)	Receipt in advance from customers (note)	–	18,711
其他應付稅項	Other tax payables	50,480	35,611
其他應付款項	Other payables	22,184	17,722
其他應計經營費用	Other accrued operating expenses	28,791	22,507
已收按金	Deposits received	1,133	1,887
應付租金及水電費	Rental and utilities payables	14,282	13,285
應計廣告費用	Accrued expenses for advertising	26,959	12,242
		144,586	123,782

附註：於初始應用香港財務報告準則第15號當日，先前計入應付貿易款項及其他應付款項之有關製造及銷售處方藥及實驗室相關產品、水泥及熟料之銷售合約客戶墊款18,711,000港元已重新分類至合約負債(附註36)。

33. OTHER PAYABLES AND DEPOSITS RECEIVED

Note: At the date of initial application of HKFRS 15, advances from customers of HK\$18,711,000 in respect of sales contracts in relation to manufacture and sales of prescription drugs and laboratory related product, cement and clinker previously included in trade and other payables were reclassified to contract liabilities (note 36).

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34. 銀行及其他借貸

34. BANK AND OTHER BORROWINGS

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
銀行貸款	Bank loans	105,153	248,352
其他借貸	Other borrowings	443,839	556,650
		548,992	805,002
有抵押	Secured	104,880	249,795
無抵押	Unsecured	444,112	555,207
		548,992	805,002

上述銀行及其他借貸之到期情況如下：

The maturity profile of the above bank and other borrowings is as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
銀行貸款之賬面金額須償還如下：	The carrying amount of bank loans are repayable as follows:		
一年內	Within one year	105,057	248,352
一年以上但不超過兩年	More than one year but not exceeding two years	96	-
		105,153	248,352
其他借貸之賬面金額須償還如下：	The carrying amount of other borrowings is repayable as follows:		
一年內	Within one year	443,839	381,166
一年以上但不超過兩年	More than one year but not exceeding two years	-	180
兩年以上但不超過五年	More than two years but not exceeding five years	-	175,304
		443,839	556,650
銀行及其他借貸	Bank and other borrowings	548,992	805,002
減：一年內到期及計入流動負債之款項	Less: Amounts due within one year and shown under current liabilities	(548,896)	(629,518)
一年後到期及計入非流動負債之款項	Amounts due after one year and shown under non-current liabilities	96	175,484

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34. 銀行及其他借貸 (續)

於二零一八年十二月三十一日，銀行及其他借貸380,000,000港元(二零一七年：380,000,000港元)乃以港元(並非有關集團實體之功能貨幣)計值。

於二零一八年十二月三十一日，本集團銀行貸款約104,880,000港元(二零一七年：246,010,000港元)乃由本公司之中介控股公司擔保。

本集團為獲得銀行貸款而抵押之資產詳情載於附註50。

本集團之定息和浮息銀行及其他借貸之風險如下：

34. BANK AND OTHER BORROWINGS (CONTINUED)

Bank and other borrowings of HK\$380,000,000 (2017: HK\$380,000,000) were denominated in HK\$ at 31 December 2018, the currency other than the functional currency of the relevant group entities.

At 31 December 2018, bank loans of approximately HK\$104,880,000 (2017: HK\$246,010,000) of the Group were guaranteed by the Company's intermediate holding company.

Details of the assets of the Group pledged to secure bank loans are set out in note 50.

The exposures of the Group's fixed-rate and variable-rate bank and other borrowings are as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
須於下列期間償還之 定息借貸：	Fixed-rate borrowings repayable:		
一年內	Within one year	444,016	1,166
一年以上但不超過兩年	More than one year but not more than two years	96	180
兩年以上但不超過五年	More than two years but not more than five years	–	175,304
須於下列期間償還之 浮息借貸：	Variable-rate borrowings repayable:		
一年內	Within one year	104,880	628,352
		548,992	805,002

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34. 銀行及其他借貸 (續)

附帶須定期重新釐定利率之浮息銀行及其他借貸如下：

34. BANK AND OTHER BORROWINGS
(CONTINUED)

The variable-rate bank and other borrowings carry interest rate, which are repriced periodically, as follows:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
香港銀行同業拆息加2.75%	Hong Kong Interbank Offered Rate plus 2.75%	–	380,000
中國人民銀行一年期基準利率乘以130%	1-year People's Bank of China benchmark interest rate multiplied by 130%	104,880	246,009
3個月倫敦銀行同業拆息加1.75%	3-months London Interbank Offered Rate plus 1.75%	–	2,343
		104,880	628,352

於截至二零一八年及二零一七年十二月三十一日止年度，本集團銀行及其他借貸之實際利率（亦與已訂約利率相同）範圍如下：

The ranges of effective interest rates (which are also equal to contracted interest rates) of the Group's bank and other borrowings during the years ended 31 December 2018 and 2017 are as follows:

		二零一八年 2018	二零一七年 2017
實際利率：	Effective interest rate:		
定息銀行及其他借貸	Fixed-rate bank and other borrowings	5.00% – 18.00%	1.20% – 10.00%
浮息銀行及其他借貸	Variable-rate bank and other borrowings	5.44% – 5.66%	2.91% – 7.69%

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35. 遞延收入

35. DEFERRED INCOME

		政府補助 Government grant 千港元 HK\$'000	遞延收入 Deferred income 千港元 HK\$'000 (附註) (note)	總額 Total 千港元 HK\$'000
於二零一七年十二月三十一日	At 31 December 2017			
重新分類至合約負債	Reclassified to contract liabilities	6,692	154,339	161,031
		–	(154,339)	(154,339)
於二零一八年一月一日 (經重列)	At 1 January 2018 (restated)	6,692	–	6,692
匯兌差額	Exchange differences	(129)	–	(129)
添置	Addition	732	–	732
於損益賬確認	Recognised in profit or loss	(6,824)	–	(6,824)
於二零一八年十二月三十一日	At 31 December 2018	471	–	471

以下為就財務報告作出之遞延收入分析：

The following is the analysis of the deferred income for financial reporting purposes:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動負債	Current liabilities	285	114,721
非流動負債	Non-current liabilities	186	46,310
		471	161,031

附註：遞延收入指就為期一至三年之預付會籍套票或私人訓練課預先收取之分期付款項。

Note: Deferred income represented instalments received in advance for prepaid membership packages or personal training classes for one to three years.

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36. 合約負債

36. CONTRACT LIABILITIES

		二零一八年 十二月 三十一日 31.12.2018 千港元 HK\$'000	二零一八年 一月一日# 1.1.2018# 千港元 HK\$'000
製造及銷售處方藥及 實驗室相關產品	Manufacture and sales of prescription drugs and laboratory related products	11,602	8,637
經營健身中心及 提供健身和 健康諮詢服務	Operation of fitness centres and provision of consultation services for fitness and health activities	98,972	170,818
製造及銷售水泥及熟料	Manufacture and sales of cement and clinker	18,736	10,074
		129,310	189,529
流動	Current	117,525	144,761
非流動	Non-current	11,785	44,768
		129,310	189,529

該項目中的款項乃應用香港財務報告準則第15號後之經調整金額。

The amounts in this column are after the adjustments from the application of HKFRS 15.

預期不會在本集團正常營運週期內結算之合約負債根據本集團向客戶轉讓貨品或服務之最早責任分類為流動及非流動負債。

Contract liabilities, that are not expected to be settled within the Group's normal operating cycle, are classified as current and non-current based on the Group's earliest obligation to transfer goods or services to the customers.

已於年內確認來自製造及銷售處方藥及實驗室相關產品、水泥及熟料之收入及來自經營健身中心及提供健身和健康諮詢服務之收入分別為8,637,000港元、10,074,000港元及113,197,000港元，乃與結轉之合約負債有關。

Revenue derived from manufacturing and sales of prescription drugs and laboratory related products, cement and clinker and operation of fitness centres and provision of consultation services for fitness and health activities, amounting to HK\$8,637,000, HK\$10,074,000 and HK\$113,197,000, respectively, recognised during the year relates to carried-forward contract liabilities.

影響已確認合約負債金額的主要支付條款如下：

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

- 經營健身中心及提供健身和健康諮詢服務

- Operation of fitness centres and provision of consultation services for fitness and health activities

預付會籍套票或私人訓練課之交易價會按分期付款或預先收取全額，這將導致尚未確認收入之合約負債。

Transaction price is received by installments or in advance in full for prepaid membership packages or personal training classes and this will give rise to contract liabilities in which revenue have not been recognised.

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36. 合約負債 (續)

- 製造及銷售處方藥及實驗室相關產品以及水泥及熟料

本集團要求若干客戶提供佔合約總額10%至20%之前期按金。倘於貨品交付指定地點前收到按金，將於合約期初導致合約負債，直至相關合約所確認收益超過按金金額。

36. CONTRACT LIABILITIES (CONTINUED)

- Manufacture and sales of prescription drugs and laboratory related products, and cement and clinker

The Group requires certain customers to provide upfront deposits range from 10% to 20% of total contract sum. A deposit received before the goods have been delivered to the designated location will give rise to contract liabilities at the start of a contract until the revenue recognised on the relevant contract exceeds the amount of the deposit.

37. 股本

37. SHARE CAPITAL

		股份數目 Number of shares	價值 Value 千港元 HK\$'000
每股面值0.002港元之普通股	Ordinary shares of HK\$0.002 each		
法定	Authorised		
於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年十二月三十一日	At 1 January 2017, 31 December 2017 and 31 December 2018	100,000,000,000	200,000
已發行及繳足	Issued and fully paid		
於二零一七年一月一日及 二零一七年十二月三十一日	At 1 January 2017 and 31 December 2017	4,950,000,000	9,900
發行新股份作為收購事項之 代價(定義見附註52(d)(i))	New shares issued as consideration for the Acquisition (as defined in note 52 (d)(i))	243,863,777	488
根據認購協議發行普通股 (定義見附註52(d)(ii))	Issuance of ordinary shares under the Subscription Agreement (as defined in note 52 (d)(ii))	400,000,000	800
已購回及註銷股份(附註)	Shares repurchased and cancelled (note)	(5,292,000)	(11)
於二零一八年十二月三十一日	At 31 December 2018	5,588,571,777	11,177

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37. 股本 (續)

附註：截至二零一八年十二月三十一日止年度，本公司於聯交所購回其自身股份如下：

37. SHARE CAPITAL (CONTINUED)

Note: During the year ended 31 December 2018, the Company repurchased its own shares on the Stock Exchange as follows:

購回月份	Month of Repurchase	購回之 普通股數目 Number of ordinary shares of repurchased	每股價格 Price per share		已付代價總額 Aggregate consideration paid 千港元 HK\$'000
			已付最高價格 Highest price paid	已付最低價格 Lowest price paid	
二零一八年九月	September 2018	5,292,000	HK\$0.43 0.43港元	HK\$0.31 0.31港元	1,975

於截至二零一八年十二月三十一日止年度，本公司為股份獎勵計劃以總成本510,000港元（二零一七年：3,484,000港元）購買並持有1,668,000股（二零一七年：6,756,000股）股份，該等股份於權益內「為股份獎勵計劃持有之股份」項下確認及累計。於二零一八年十二月三十一日，為股份獎勵計劃持有之股份總數為9,858,000股（二零一七年：8,190,000股）。

During the year ended 31 December 2018, 1,668,000 (2017: 6,756,000) shares of the Company were acquired at a total cost of HK\$510,000 (2017: HK\$3,484,000) and held for the share award scheme which recognised and accumulated in equity under the heading of "Shares held for share award scheme". As at 31 December 2018, the aggregated number of shares held for the share award scheme was 9,858,000 (2017: 8,190,000).

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38. 購股權計劃

本公司之購股權計劃（「購股權計劃」）於二零一一年四月二十八日採納，旨在激勵參與者為本集團作出貢獻，並使本集團得以招聘及挽留具有卓越才幹之僱員，以及吸納及挽留本集團寶貴之人力資源。董事會可向其絕對酌情認為基於表現、服務年期已對本集團業務作出寶貴貢獻，或基於工作經驗、行業知識及其他相關因素被認為是本集團寶貴人力資源之任何個別人士，即本集團任何成員公司之僱員、高級職員、代理、顧問或代表（包括本集團任何成員公司之任何執行或非執行董事），授予可認購本公司股份之購股權。購股權計劃自二零一二年一月十八日起計十年內有效，並將於二零二二年一月十七日屆滿。

因購股權計劃及本公司任何其他購股權計劃已授出而未獲行使之所有尚未行使購股權（不包括已失效及已註銷之購股權）獲行使而可能發行之本公司股份總數限額，不得超過本公司不時已發行股份總數之30%。此外，因根據購股權計劃連同本公司任何其他購股權計劃將授出之所有購股權（不包括已失效之購股權）獲行使而可能發行之本公司股份總數，不得超過本公司股份於聯交所上市之日本公司已發行股份總數之10%（「計劃授權限額」），或批准更新計劃授權限額之日本公司已發行股份總數之10%。

38. SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") was adopted on 28 April 2011 for the purpose of providing incentives to participants to contribute to the Group and to enable the Group to recruit and retain high-calibre employees and attract and retain human resources that are valuable to the Group. The Board may grant an option to subscribe for the shares in the Company to any individual being an employee, officer, agent, consultant or representative of any members of the Group (including any executive or non-executive director of any member of the Group) who, as the Board may determine in its absolute discretion, has made valuable contribution to the business of the Group based on his/her performance, years of service, or is regarded to be a valuable human resource of the Group based on his/her working experience, knowledge in the industry and other relevant factors. The Share Option Scheme shall be valid and effective for a period of ten years commencing on 18 January 2012 and will expire on 17 January 2022.

The limit on the total number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company (excluding lapsed and cancelled options) must not exceed 30% of the total number of the Company's shares in issue from time to time. In addition, the total number of the Company's shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, together with all options to be granted under any other share option scheme(s) of the Company (excluding lapsed options), must not represent more than 10% of the total number of the Company's shares in issue as at the date of commencement of the listing of shares of the Company on the Stock Exchange (the "Scheme Mandate Limit") or as at the date of approval of the refreshed Scheme Mandate Limit.

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38. 購股權計劃 (續)

由於二零一六年進行普通股拆細(「股份拆細」)，故根據購股權計劃可供發行之股份總數已作調整。於二零一八年十二月三十一日，根據購股權計劃可供發行之股份總數為330,000,000股(二零一七年：330,000,000股)，相當於二零一八年十二月三十一日及本報告日期本公司已發行股份總數(即5,588,571,777股(二零一七年：4,950,000,000股))約5.90%(二零一七年：6.67%)。

於緊接建議授出日期前十二個月期間內，因已授予各參與者之購股權連同根據本公司任何其他購股權計劃已經及將會授予該參與者之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使而已發行及將發行之股份總數，不得超過於建議授出日期本公司已發行股份總數之1%。凡向某一參與者進一步授出超過1%限額之購股權，須經由本公司股東批准，而該參與者及其聯繫人須放棄表決權。

將根據購股權計劃向本公司董事、最高行政人員或主要股東或任何彼等各自之聯繫人授出之任何購股權，必須經由獨立非執行董事(不包括身為承授人之獨立非執行董事)批准。此外，倘向本公司主要股東或獨立非執行董事或任何彼等各自之聯繫人授出任何購股權將導致於任何十二個月期間內已發行及將發行之股份超過已發行股份之0.1%或總值(根據於授出日期之股份收市價計算)超過5,000,000港元，則須經由本公司股東於股東大會上批准。

38. SHARE OPTION SCHEME (CONTINUED)

As a result of the subdivision of the ordinary shares in 2016 (the "Share Subdivision"), the total number of shares available for issue under the Share Option Scheme was adjusted. As at 31 December 2018, the total number of shares available for issue under the Share Option Scheme was 330,000,000 (2017: 330,000,000), representing approximately 5.90% (2017: 6.67%) of the total number of shares of the Company in issue (i.e. 5,588,571,777), as at 31 December 2018 (2017: 4,950,000,000) and the date of this report.

The total number of shares issued and to be issued upon exercise of the options granted to each participant, together with all options granted and to be granted to him/her under any other share option scheme(s) of the Company within the 12-month period immediately preceding the proposed date of grant (including exercised, cancelled and outstanding options) shall not exceed 1% of the total number of the Company's shares in issue as at the proposed date of grant. Any further grant of options to a participant in excess of the 1% limit shall be subject to the shareholders' approval of the Company with such participant and his/her associates abstaining from voting.

Any option to be granted under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors (excluding independent non-executive director who is the grantee). In addition, any option to be granted to a substantial shareholder of the Company or an independent non-executive director or any of their respective associates which will result in the shares issued and to be issued in excess of 0.1% of the issued shares or with an aggregate value (based on the closing price of the shares at the date of the grant) in excess of HK\$5,000,000 within any 12-month period is subject to approval by the shareholders of the Company in general meeting.

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38. 購股權計劃 (續)

授予購股權之要約必須於由授出日期起計二十八日內獲接納。各購股權承授人就接納授予購股權要約應付本公司之金額為1.00港元。行使期將由董事會決定，於任何情況下不得超過由授出購股權日期起計十年。

於購股權計劃項下購股權獲行使時本公司股份之行使價不得低於以下三者之最高者：(a)於授出日期(必須為營業日)聯交所每日報價表所列之股份收市價；(b)於緊接授出日期前五個營業日聯交所每日報價表所列股份之平均收市價；及(c)股份面值。

於二零一六年七月二十二日(「授出日期」)，董事會議決根據購股權計劃向若干合資格參與者(「承授人」)授出合共148,500,000份購股權(「購股權」)，以認購合共148,500,000股本公司股本中每股面值0.002港元之本公司普通股，惟須待有關承授人接納後方可作實。所有購股權將按其各自之歸屬條件歸屬。有關授出購股權之進一步詳情載於本公司日期為二零一六年七月二十二日之公告。

38. SHARE OPTION SCHEME (CONTINUED)

An offer for grant of options must be accepted within 28 days from the date of grant. The amount payable by each grantee of options to the Company on acceptance of the offer for the grant of options is HK\$1.00. The exercisable period will be determined by the Board and in any event must not be more than 10 years from the date of the grant of the option.

The exercise price for the Company's shares on the exercise of options under the Share Option Scheme shall be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the 5 business days immediately preceding the date of grant; and (c) the nominal value of the share.

On 22 July 2016 (the "Grant Date"), the Board has resolved to grant to certain eligible participants (the "Grantees"), subject to acceptance by such Grantees, a total of 148,500,000 share options (the "Share Options") to subscribe for a total number of 148,500,000 ordinary shares of HK\$0.002 each of the Company in the share capital of the Company under the Share Option Scheme. All the share options shall be vested in accordance with their respective vesting conditions of the share options. Further details regarding the grant of Share Options are set out in the Company's announcement dated 22 July 2016.

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38. 購股權計劃 (續)

本公司根據購股權計劃授出之購股權於年內之變動詳情如下：

38. SHARE OPTION SCHEME (CONTINUED)

The details of the movements of the Company's share options under the Share Option Scheme during the year are as follows:

承授人姓名/類別 Name of grantees/category	授出日期 Date of grant	每股行使價 Exercise price per share 港元 HK\$	行使期 Exercise period	歸屬期 Vesting period	購股權數目 Number of share options					
					於二零一七年一月一日 As at 1 January 2017	年內失效 Lapsed during the year	於二零一七年十二月三十一日 As at 31 December 2017	年內轉讓 Transferred during the year	年內失效 Lapsed during the year	於二零一八年十二月三十一日 As at 31 December 2018
首席執行官及執行董事 Chief Executive Officer and Executive Director										
蔣朝文先生 Mr. Jiang Chaowan	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	-	-	-	12,000,000	-	12,000,000
執行董事 Executive Director										
黃清海先生* Mr. Ng Qing Hai*	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	5,000,000	-	5,000,000	(5,000,000)	-	-
執行董事/非執行董事 Executive Director/ Non-Executive Director										
張欽先生** Mr. Zhang Yi**	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	20,000,000	-	20,000,000	-	(20,000,000)	-
獨立非執行董事 Independent Non-Executive Directors										
陳思聰先生 Mr. Chan Sze Chung	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	1,000,000	-	1,000,000	-	-	1,000,000
張瑞彬先生 Mr. Zhang Ruibin	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	1,000,000	-	1,000,000	-	-	1,000,000
張俊喜先生 Mr. Zhang Junxi Jack	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	1,000,000	-	1,000,000	-	-	1,000,000
					28,000,000	-	28,000,000	7,000,000	(20,000,000)	15,000,000
其他僱員 Other employees										
	二零一六年七月二十二日 22 July 2016	0.68	二零一六年七月二十二日至二零二零年七月三十一日 22 July 2016 to 21 July 2020	附註1 Note 1	95,400,000	(5,300,000)	90,100,000	(7,000,000)	(1,800,000)	81,300,000
	二零一六年七月二十二日 22 July 2016	0.68	二零一七年七月二十二日至二零二零年七月三十一日 22 July 2017 to 21 July 2021	附註2 Note 2	24,500,000	(9,300,000)	15,200,000	-	(500,000)	14,700,000
總額 Total					147,900,000	(14,600,000)	133,300,000	-	(22,300,000)	111,000,000
於年末可行使 Exercisable at the end of the year							62,580,000			79,575,000

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38. 購股權計劃 (續)

黃清海先生於二零一八年九月三日終止出任本公司之執行董事，惟繼續擔任本公司之高級管理人員。

** 張軼先生於二零一七年十二月十一日由本公司執行董事調任為非執行董事。彼於二零一八年一月二十三日辭任本公司之非執行董事。

附註：

(1) 購股權之有效期為二零一六年七月二十二日至二零二零年七月二十一日，須分四批按下列歸屬日期歸屬：

(i) 授予承授人之25%購股權須於授出日期歸屬，並於二零一六年七月二十二日至二零二零年七月二十一日可供行使；

(ii) 授予承授人之25%購股權須於授出日期滿1週年當日歸屬，並於二零一七年七月二十二日至二零二零年七月二十一日可供行使；

(iii) 授予承授人之25%購股權須於授出日期滿2週年當日歸屬，並於二零一八年七月二十二日至二零二零年七月二十一日可供行使；及

(iv) 授予承授人之25%購股權須於授出日期滿3週年當日歸屬，並於二零一九年七月二十二日至二零二零年七月二十一日可供行使。

(2) 購股權之有效期為二零一六年七月二十二日至二零二一年七月二十一日，須分四批按下列歸屬日期歸屬：

(i) 授予承授人之25%購股權須於授出日期滿1週年當日歸屬，並於二零一七年七月二十二日至二零二一年七月二十一日可供行使；

(ii) 授予承授人之25%購股權須於授出日期滿2週年當日歸屬，並於二零一八年七月二十二日至二零二一年七月二十一日可供行使；

(iii) 授予承授人之25%購股權須於授出日期滿3週年當日歸屬，並於二零一九年七月二十二日至二零二一年七月二十一日可供行使；及

(iv) 授予承授人之25%購股權須於授出日期滿4週年當日歸屬，並於二零二零年七月二十二日至二零二一年七月二十一日可供行使。

該等購股權於授出日期之公平值為33,492,000港元，乃根據普敦國際評估有限公司（一間與本集團並無關連之獨立及合資格專業估值師行）作出之估值釐定。截至二零一八年十二月三十一日止年度，4,799,000港元（二零一七年：10,397,000港元）於損益賬內確認為權益結算以股份為基礎之付款。

38. SHARE OPTION SCHEME (CONTINUED)

Mr. Ng Qing Hai ceased to be the Executive Director of the Company on 3 September 2018 but continued to act as a senior management of the Company.

** Mr. Zhang Yi was re-designated from an Executive Director to a Non-Executive Director of the Company on 11 December 2017. He resigned as a Non-Executive Director of the Company on 23 January 2018.

Notes:

(1) Share Options are valid from 22 July 2016 to 21 July 2020 and shall be vested in four tranches in accordance with the following vesting dates:

(i) 25% of the Share Options so granted to the grantees shall become vested on the Grant Date and shall be exercisable from 22 July 2016 to 21 July 2020;

(ii) 25% of the Share Options so granted to the grantees shall become vested on the 1st anniversary of the Grant Date and shall be exercisable from 22 July 2017 to 21 July 2020;

(iii) 25% of the Share Options so granted to the grantees shall become vested on the 2nd anniversary of the Grant Date and shall be exercisable from 22 July 2018 to 21 July 2020; and

(iv) 25% of the Share Options so granted to the grantees become vested on the 3rd anniversary of the Grant Date and shall be exercisable from 22 July 2019 to 21 July 2020.

(2) Share Options are valid from 22 July 2016 to 21 July 2021 and shall be vested in four tranches in accordance with the following vesting dates:

(i) 25% of the Share Options so granted to the grantees become vested on the 1st anniversary of the Grant Date and shall be exercisable from 22 July 2017 to 21 July 2021;

(ii) 25% of the Share Options so granted to the grantees become vested on the 2nd anniversary of the Grant Date and shall be exercisable from 22 July 2018 to 21 July 2021;

(iii) 25% of the Share Options so granted to the grantees become vested on the 3rd anniversary of the Grant Date and shall be exercisable from 22 July 2019 to 21 July 2021; and

(iv) 25% of the Share Options so granted to the grantees become vested on the 4th anniversary of the Grant Date and shall be exercisable from 22 July 2020 to 21 July 2021.

The fair value of these share options at the Grant Date was amounting to HK\$33,492,000, which have been arrived on the basis of a the valuation carried out by Norton Appraisals Limited, a firm of independent and qualified professional valuers not connected with the Group. For the year ended 31 December 2018, HK\$4,799,000 (2017: HK\$10,397,000) was recognised as equity-settled share-based payments to the profit or loss.

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39. 股份獎勵計劃

於二零一六年九月二十日（「採納日期」），本公司採納股份獎勵計劃（「股份獎勵計劃」），旨在給予選定僱員（「選定僱員」）獎勵，以挽留彼等協助本集團持續營運及發展，並為本集團之增長及進一步發展招攬適當人才。董事會可根據股份獎勵計劃之條款，向選定僱員（包括但不限於董事會不時絕對酌情認為曾經或將會對本集團業務發展作出貢獻之本集團任何成員公司之董事、行政人員、高級職員及其他僱員（不論全職或兼職））獎勵本公司股份。

如董事會根據股份獎勵計劃授出及批准之獎勵股份（「獎勵股份」）總數超出於採納日期已發行股份總數之10%，則董事會將不會作出任何進一步股份獎勵。

根據股份獎勵計劃可授予一名選定僱員之獎勵股份最高數目不得超過於採納日期已發行股份總數之1%。

由於採納日期之已發行股份總數為4,950,000,000股股份，故根據股份獎勵計劃可授出之獎勵股份最高數目為495,000,000股股份，而可授予一名選定僱員之獎勵股份最高數目為49,500,000股股份。

39. SHARE AWARD SCHEME

On 20 September 2016 (the "Adoption Date"), the Company adopted the share award scheme (the "Share Award Scheme") for the purpose of providing incentives to selected employees (the "Selected Employees") in order to retain them for the continual operation and development of the Group and to attract suitable personnel for the growth and further development of the Group. The Board may award shares of the Company, pursuant to the terms of the Share Award Scheme, to the Selected Employees including without limitation, the Directors, executives, officers and other employees, whether full-time or part-time, of any member of the Group from time to time who the Board considers, in its absolute discretion, has contributed or will contribute to the business development of the Group.

The Board shall not make any further award of Shares which will result in the total number of Shares awarded (the "Awarded Shares") and approved by the Board under the Share Award Scheme, to be in excess of 10% of the total number of issued Shares as at the Adoption Date.

The maximum number of Awarded Shares which may be awarded to a Selected Employee under the Share Award Scheme shall not exceed 1% of the total number of issued Shares as at the Adoption Date.

As the total number of Shares in issue was 4,950,000,000 Shares as at the Adoption Date, the maximum number of Awarded Shares that may be awarded under the Share Award Scheme is 495,000,000 shares and the maximum number of Awarded Shares that may be awarded to a Selected Employee is 49,500,000 shares.

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39. 股份獎勵計劃 (續)

於截至二零一八年十二月三十一日止年度，本公司已透過其信託人於聯交所購買1,668,000股(二零一七年：6,756,000股)股份，金額約為510,000港元(二零一七年：3,484,000港元)。於截至二零一八年及二零一七年十二月三十一日止年度，概無根據股份獎勵計劃向選定僱員獎勵任何股份。已購買股份於權益內「為股份獎勵計劃持有之股份」項下確認及累計。

40. 股份溢價及儲備

本年度及過往年度本集團股份溢價及儲備之金額以及其變動於綜合權益變動表內呈列。

- (i) 特別儲備指本公司已發行股份面值與根據於過往年度為籌備本公司股份於聯交所上市而進行之公司重組所購入附屬公司股份面值之差額。

39. SHARE AWARD SCHEME (CONTINUED)

During the year ended 31 December 2018, the Company has purchased 1,668,000 shares (2017: 6,756,000 shares) amounting to HK\$510,000 (2017: HK\$3,484,000) through its trustee on the Stock Exchange. No share was awarded to Selected Employees under the Share Award Scheme during the years ended 31 December 2018 and 2017. The acquired Shares was recognised and accumulated in equity under the heading of "Shares held for share award scheme".

40. SHARE PREMIUM AND RESERVES

The amounts of the Group's share premium and reserves and the movement therein for the current and prior years are presented in the consolidated statement of changes in equity.

- (i) The special reserve represents the difference between the nominal amount of the shares issued by the Company and the nominal amount of the shares of subsidiaries acquired pursuant to a corporate reorganisation in the preparation for the listing of the Company's shares on the Stock Exchange in previous years.

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40. 股份溢價及儲備 (續)

(ii) 於二零一八年十二月三十一日之其他儲備包括以下項目：

1. 儲備基金24,092,000港元(二零一七年：24,092,000港元)，乃用於增加企業之營運資金。當企業蒙受虧損時，儲備基金可用於彌補於特殊情況下未能收回之虧損；
2. 上海上聯、山東聯合王晁水泥有限公司及山東上聯水泥發展有限公司之企業拓展基金8,722,000港元(二零一七年：8,722,000港元)，乃用於拓展業務，如獲批准亦可用於增加資本；
3. 於二零一七年七月，本集團根據於二零一七年五月簽訂之買賣協議進一步向TFKT True Holdings注資5,000,000美元(相當於5,000,000港元)。因此，本集團於TFKT True Holdings之持股量由51%增加至54%。非控股權益賬面金額與就視作收購一間附屬公司額外權益之已付代價公平值之差額2,666,000港元已於其他儲備及匯兌儲備內分別記入2,104,000港元及562,000港元；及
4. 於二零一八年一月，本集團收購同方藥業(定義見附註52(d)(i))其餘40%股本權益，因此，非控股權益賬面金額115,215,000港元與就收購事項已付代價公平值之差額231,179,000港元已於其他儲備及匯兌儲備內分別扣除113,799,000港元及2,165,000港元。

40. SHARE PREMIUM AND RESERVES

(CONTINUED)

(ii) Other reserves as at 31 December 2018 comprise the following:

1. reserve fund of HK\$24,092,000 (2017: HK\$24,092,000) which is used to expand the enterprise's working capital. When the enterprise suffers losses, the reserve fund may be used to make up unrecovered losses under special circumstances;
2. enterprise expansion fund of HK\$8,722,000 (2017: HK\$8,722,000) of Shanghai SAC, Shandong Allied Wangchao Cement Limited* (山東聯合王晁水泥有限公司) and Shandong Shanghai Allied Cement Co., Ltd.. The enterprise expansion fund is to be used for business expansion and, if approved, can also be used to increase capital;
3. in July 2017, the Group further injected US\$5,000,000 (equivalent to HK\$5,000,000) in TFKT True Holdings pursuant to the sales and purchase agreement signed in May 2017. Consequently, the Group's shareholding in TFKT True Holdings was increased from 51% to 54%. The difference between the carrying amount of the non-controlling interests and the fair value of consideration paid in relation to the deemed acquisition of additional interest in a subsidiary of HK\$2,666,000 has been credited to the other reserves and translation reserve at the amount of HK\$2,104,000 and HK\$562,000, respectively; and
4. in January 2018, the Group acquired the remaining 40% equity interest in Tongfang Pharmaceutical (as defined in note 52(d)(i)), accordingly, the difference between the carrying amount of the non-controlling interests of HK\$115,215,000 and the fair value of consideration paid in relation to the Acquisition of HK\$231,179,000 has been debited to the other reserves and translation reserve at the amount of HK\$113,799,000 and HK\$2,165,000, respectively.

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40. 股份溢價及儲備 (續)

- (iii) 於截至二零一七年十二月三十一日止年度，貸款人同意解除TFKT True集團作為授予借款人27,237,000港元貸款融通之擔保人。鑑於借款人乃一間受TFKT True Holdings非控股股東控制之實體，董事認為解除該擔保為因與TFKT True Holdings之股東以股東身份進行交易而引起之事件，因此視作一名股東之出資。故此，解除該擔保會於資本儲備記賬。

於中國成立之附屬公司將保留溢利匯出中國須取得地方機關之批准，並須視乎該等附屬公司所產生及保留之外幣是否足夠。

40. SHARE PREMIUM AND RESERVES (CONTINUED)

- (iii) The Lender agreed to release TFKT True Group as the guarantor in respect of the loan facilities granted to the Borrower amounting to HK\$27,237,000 during the year ended 31 December 2017. In view that the Borrower is an entity under the control of the non-controlling shareholder of TFKT True Holdings, the Directors considered the discharge of this guarantee is an event resulting from transaction with the shareholder of TFKT True Holdings in the shareholder's capacity and therefore as a deemed contribution from a shareholder. Accordingly, the discharge of this guarantee is recorded in capital reserve.

The remittance of retained profits of the subsidiaries established in the PRC outside the PRC is subject to approval of the local authorities and the availability of foreign currencies generated and retained by these subsidiaries.

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41. 遞延稅項

於報告期末以及於本年度及過往年度內，就臨時差額確認之遞延稅項負債（資產）與以下各項有關：

41. DEFERRED TAXATION

At the end of the reporting period and during the current and prior years, deferred tax liabilities (assets) were recognised in respect of the temporary differences attributable to the following:

		加速稅務折舊	信貸虧損撥備	未分派盈利之預扣稅	業務合併之公平值調整	稅項虧損	其他	總額
		Accelerated tax depreciation	Allowance for credit losses	Withholding tax on undistributed earnings	Fair value adjustments on business combination	Tax losses	Others	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一七年一月一日	At 1 January 2017	33,620	(13,354)	1,580	22,957	-	(232)	44,571
匯兌差額	Exchange differences	2,510	(840)	112	1,766	(123)	17	3,442
收購附屬公司所產生	Arising on acquisition of subsidiaries	(16)	-	-	63,372	(414)	(415)	62,527
於損益賬扣除（計入）	Charge (credit) to profit or loss	190	3,408	(104)	(2,791)	(2,318)	252	(1,363)
於二零一七年十二月三十一日	At 31 December 2017	36,304	(10,786)	1,588	85,304	(2,855)	(378)	109,177
匯兌差額	Exchange differences	(1,808)	729	(134)	(1,442)	32	18	(2,605)
出售附屬公司	Disposal of subsidiary	-	-	-	-	28	-	28
於損益賬扣除（計入）	Charge (credit) to profit or loss	759	(5,776)	1,610	(1,256)	1,672	25	(2,966)
於二零一八年十二月三十一日	At 31 December 2018	35,255	(15,833)	3,064	82,606	(1,123)	(335)	103,634

以下為就財務報告作出之遞延稅項結餘分析：

The following is the analysis of the deferred tax balances for financial reporting purposes:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
遞延稅項資產	Deferred tax assets	2,663	4,360
遞延稅項負債	Deferred tax liabilities	(106,297)	(113,537)
		(103,634)	(109,177)

於二零一八年十二月三十一日，本集團擁有為數177,245,000港元（二零一七年：203,471,000港元）之估計未動用稅項虧損可用於抵銷未來溢利。本集團已就稅項虧損4,492,000港元（二零一七年：11,420,000港元）確認遞延稅項資產。由於未來溢利流量難以估計，因此並無就餘下稅項虧損172,753,000港元（二零一七年：192,051,000港元）確認遞延稅項資產。於二零一八年十二月三十一日，為數29,831,000港元（二零一七年：44,738,000港元）之未動用稅項虧損將在五年內逐步到期，而餘下未動用稅項虧損可無限期結轉。

The Group had estimated unused tax losses of HK\$177,245,000 (2017: HK\$203,471,000) at 31 December 2018, which were available for offset against future profits. A deferred tax asset has been recognised in respect of tax losses of HK\$4,492,000 (2017: HK\$11,420,000). No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$172,753,000 (2017: HK\$192,051,000) due to the unpredictability of future profit streams. Unused tax losses of HK\$29,831,000 (2017: HK\$44,738,000) at 31 December 2018 will gradually expire in five years and the remaining unused tax losses may be carried forward indefinitely.

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42. 復原成本撥備

42. PROVISION OF REINSTATEMENT COST

		千港元 HK\$'000
於二零一七年一月一日	At 1 January 2017	–
收購附屬公司所產生	Arising on acquisition of subsidiaries	16,519
匯兌差額	Exchange differences	526
額外撥備	Additional provision	1,898
於二零一七年十二月三十一日	At 31 December 2017	18,943
匯兌差額	Exchange differences	(632)
額外撥備	Additional provision	41,834
動用撥備	Utilisation of provision	(2,429)
於二零一八年 十二月三十一日	At 31 December 2018	57,716

以下為就財務報告目的呈列之復原成本撥備分析：

The following is the analysis of the provision of reinstatement cost for the financial reporting purposes:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動負債	Current liabilities	42,962	–
非流動負債	Non-current liabilities	14,754	18,943
		57,716	18,943

根據與業主或當地政府簽訂之租賃協議之條款，本集團應於相關租賃協議到期時移除及復原健身中心及製造水泥的租賃場址，費用由本集團承擔。因此，本集團已就預計產生之復原成本所作之最佳估計計提撥備。

Under the terms of the rental agreements signed with landlords or local government, the Group should remove and re-instate the rented premises for fitness centres and for manufacturing of cement at the Group's cost upon expiry of the relevant rental agreements. Provision is therefore made for the best estimate of the expected reinstatement costs to be incurred.

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43. 收購附屬公司

- (A) 於二零一七年五月二十九日，本集團完成自一名獨立第三方進行之True收購事項，現金代價為36,720,000美元（相當於284,580,000港元）。該項交易已採用購買法入賬。因收購附屬公司而產生之商譽金額為219,417,000港元，已分配至健身中心業務及提供健身及健康諮詢服務業務。TFKT True集團及True Yoga集團從事經營健身中心及提供健身和健康諮詢服務。收購TFKT True集團旨在實現更佳回報及發展。

收購之相關成本4,023,000港元未有計入已轉讓代價，並已於截至二零一七年十二月三十一日止年度在綜合損益及其他全面收益表內之其他費用項下確認為費用。

43. ACQUISITION OF SUBSIDIARIES

- (A) On 29 May 2017, the Group completed the True Acquisition from an independent third party for a cash consideration of US\$36,720,000 (equivalent to HK\$284,580,000). The transaction had been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition of subsidiaries was HK\$219,417,000 and has been allocated to operation of fitness centres and provision of consultation services of fitness and health activities. TFKT True Group and True Yoga Group are engaged in the operation of fitness centres and provision of consultation services of fitness and health activities. TFKT True Group was acquired so as to achieve better returns and development.

Acquisition-related costs amounting to HK\$4,023,000 has been excluded from the consideration transferred and have been recognised as an expense in the year ended 31 December 2017, within the other expenses line item in the consolidated statement of profit or loss and other comprehensive income.

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43. 收購附屬公司 (續)

(A) (續)

		千港元 HK'000
購買代價	Purchase consideration	
現金代價	Cash consideration	257,455
應付代價	Consideration payable	27,125
		284,580
於收購日期所收購資產及 所承擔負債之公平值如下：	Fair value of assets acquired and liabilities assumed at the date of acquisition are as follows:	
物業、廠房及設備	Property, plant and equipment	70,214
無形資產	Intangible assets	307,585
遞延稅項資產	Deferred tax assets	845
租金按金	Rental deposits	13,453
已抵押銀行存款	Pledged bank deposits	2,162
應收貿易款項	Trade receivables	1,918
其他應收款項	Other receivables	5,376
現金及現金等價物	Cash and cash equivalents	10,740
應付貿易款項	Trade payables	(2,081)
其他應付款項	Other payables	(38,861)
欠其他關聯方款項	Amounts due to other related parties	(174)
財務擔保撥備	Provision for financial guarantee	(24,565)
遞延稅項	Deferred taxation	(63,372)
銀行及其他借貸	Bank and other borrowings	(5,868)
融資租賃責任	Obligations under finance leases	(5,114)
遞延收入	Deferred income	(170,399)
復原成本撥備	Provision of reinstatement cost	(16,519)
所收購可識別淨資產總值	Total identifiable net assets acquired	85,340

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43. 收購附屬公司 (續)

(A) (續)

於業務合併中所收購無形資產 (主要與確認特許協議、商標及客戶關係有關) 及所承擔遞延收入之公平值乃基於獨立合資格專業估值師進行之估值釐定。

應收貿易款項及其他應收款項於收購日期之公平值為7,294,000港元。於收購日期，已收購應收貿易款項及其他應收款項之合約總額為7,294,000港元。

43. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(A) (CONTINUED)

The fair values of intangible assets (mainly related to recognition of franchise agreement, trademark and customer relationship) acquired and deferred income assumed in business combination are based on valuations performed by an independent qualified professional valuer.

The fair value of trade and other receivables at the date of acquisition amounted to HK\$7,294,000. The gross contractual amount of trade and other receivables acquired amounted to HK\$7,294,000 at the date of acquisition.

		千港元 HK\$'000
收購產生之商譽	Goodwill arising on acquisition	
代價	Consideration	284,580
加：非控股權益	Plus: non-controlling interests	41,817
減：所收購淨資產	Less: net assets acquired	(85,340)
減：於一間聯營公司之權益， 即True Yoga集團之29% 股本權益(附註)	Less: interest in an associate, representing 29% equity interest in True Yoga Group (note)	(21,640)
		219,417

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43. 收購附屬公司 (續)

(A) (續)

附註：該金額指收購True Yoga集團29%股權所分配之代價，乃基於管理層在獨立估值師漢華評值有限公司協助下參照True Yoga集團之貼現現金流量進行之估值釐定。

截至二零一七年十二月三十一日止年度有關此項收購之現金及現金等價物流出淨額分析如下：

		千港元 HK\$'000
所收購現金及現金等價物	Cash and cash equivalents acquired	10,740
減：以現金支付之代價	Less: Consideration satisfied by cash	(257,455)
收購所產生之現金流出淨額	Net cash outflow on acquisition	(246,715)

於收購日期確認之TFKT True集團非控股權益乃按現有擁有權權益於被收購方可識別淨資產已確認金額之應佔部分計量，有關金額為41,817,000港元。

收購產生之商譽包括有關TFKT True集團預期收入增長、未來市場發展及裝配勞動力所帶來利益之金額。本集團一直不時於全民健康產業物色投資機會。本集團可運用其資源協助TFKT True集團於中國拓展業務及把握健身及健康行業之機會。管理層已檢討本集團之業務，並持續積極探索醫療、醫藥及健康產業商機以及其他投資機會。由於健身中心屬於全民健康產業，故True收購事項符合本集團之業務策略。

43. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(A) (CONTINUED)

Note: The amount represents the allocated consideration for acquiring the 29% shareholding of True Yoga Group, which is determined based on a valuation carried out by the management with the assistance from Greater China Appraisal Limited, an independent valuer, by reference of the discounted cash flow of the True Yoga Group.

An analysis of the net outflow of cash and cash equivalents in the year ended 31 December 2017 in respect of the acquisition is as follows:

The non-controlling interests in TFKT True Group recognised at the acquisition date was measured at the present ownership interest's proportionate share in the recognised amounts of the acquiree's identifiable net assets and amounted to HK\$41,817,000.

Goodwill arose in the acquisition included amounts in relation to the benefit of expected revenue growth, future market development and the assembled workforce of TFKT True Group. The Group has been looking for investment opportunities in the universal health sector from time to time. The Group could leverage its resources to facilitate the TFKT True Group to expand the business in China and capture the opportunities of the fitness and health industry. The management has reviewed the business of the Group and has been actively exploring the medical, pharmaceutical and health industry businesses and other investment opportunities. The True Acquisition is in line with the business strategy of the Group as fitness centres belong to universal health industry.

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43. 收購附屬公司 (續)

(A) (續)

由於該等利益不符合可識別無形資產之確認條件，故並無與商譽分開確認。

預期此項收購所產生之商譽不可扣稅。

本年度溢利包括TFKT True集團業務所產生之7,295,000港元。本年度收入包括TFKT True集團所產生之229,089,000港元。

倘收購事項於二零一七年一月一日完成，則本年度之本集團收入總額應為1,510,731,000港元，而本年度溢利應為37,044,000港元。備考資料僅供說明，未必為假設收購事項於二零一七年一月一日完成時，本集團實際將可達致之經營收入及業績指標，亦不擬作未來業績之預測。

於釐定本集團「備考」收入及溢利時（假設TFKT True集團已於報告期初被收購），董事乃根據首次將業務合併入賬所產生之公平值（而非在收購前財務報表內確認之賬面金額）計算所收購無形資產之攤銷及就所承擔遞延收入確認之收入。

43. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(A) (CONTINUED)

These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Included in the profit for the year is HK\$7,295,000 attributable to the business generated by TFKT True Group. Revenue for the year includes HK\$229,089,000 generated from TFKT True Group.

Had the acquisition been completed on 1 January 2017, total Group revenue for the year would have been HK\$1,510,731,000 and profit for the year would have been HK\$37,044,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had TFKT True Group been acquired at the beginning of the reporting period, the Directors have calculated amortisation of intangible assets acquired and recognition of revenue on deferred income assumed on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements.

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43. 收購附屬公司 (續)

- (B) 於二零一七年八月二十五日及二零一七年十一月十五日，本集團與本集團一間主要在中國從事提供合同能源管理之聯營公司上海國瑞同順節能環保技術發展有限公司(「國瑞同順」)之股東訂立多份協議，據此，本集團進一步購入國瑞同順之46%股份，代價為人民幣4,600,000元(相等於5,520,000港元)。因此，於二零一七年十一月十五日，國瑞同順成為本集團擁有85%權益之附屬公司，並已採用購買法入賬。收購國瑞同順旨在實現水泥業務之更佳回報及發展。

此項收購之進一步詳情(包括代價、所收購臨時資產及所確認負債)載列如下。

43. ACQUISITION OF SUBSIDIARIES (CONTINUED)

- (B) On 25 August 2017 and 15 November 2017, the Group entered into agreements with the shareholders of Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd.* (上海國瑞同順節能環保技術發展有限公司) (“Guorui Tongshun”), an associate of the Group which principally engaged in provision of energy performance contracting in the PRC, where the Group further purchased 46% of shares of Guorui Tongshun at a consideration of RMB4,600,000 (equivalent to HK\$5,520,000). Accordingly, on 15 November 2017, Guorui Tongshun becomes a 85% owned subsidiary of the Group and has been accounted for using the purchase method. Guorui Tongshun was acquired so as to achieve better returns and development for cement business.

Further details of the acquisition, including the consideration, provisional assets acquired and liabilities recognised, are set out below.

千港元
HK\$'000

於收購日期確認之所收購資產及所承擔負債之臨時公平值如下：	Provisional fair value of assets acquired and liabilities recognised at the date of acquisition are as follows:	
物業、廠房及設備	Property, plant and equipment	7,941
存貨	Inventories	240
應收貿易款項	Trade receivables	144
其他應收款項	Other receivables	3,214
銀行結餘及現金	Bank balances and cash	2,560
應付貿易款項及其他應付款項	Trade and other payables	(2,311)
所收購可識別淨資產總值	Total identifiable net assets acquired	11,788

應收貿易款項及其他應收款項於收購日期之臨時公平值為3,358,000港元。所收購應收貿易款項及其他應收款項於收購日期之合約總額為3,358,000港元。

The provisional fair value of trade and other receivables at the date of acquisition amounted to HK\$3,358,000. The gross contractual amounts of trade and other receivables acquired amounted to HK\$3,358,000 at the date of acquisition.

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43. 收購附屬公司 (續)

43. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(B) (續)

(B) (CONTINUED)

		千港元 HK\$'000
收購產生之臨時商譽：	Provisional goodwill arising on acquisition:	
現金代價	Cash consideration	5,520
先前於國瑞同順所持股本權益之 公平值	Fair value of previously held equity interest in Guorui Tongshun	4,527
加：非控股權益	Plus: non-controlling interests	1,741
減：所收購淨資產	Less: net assets acquired	(11,788)
		—

截至二零一七年十二月三十一日止年度有關此項收購之現金及現金等價物流出淨額分析如下：

An analysis of the net outflow of cash and cash equivalents in the year ended 31 December 2017 in respect of the acquisition is as follows:

		千港元 HK\$'000
所收購銀行結餘及現金	Bank balances and cash acquired	2,560
減：以現金支付之代價	Less: Consideration satisfied by cash	(5,520)
收購所產生之現金流出淨額	Net cash outflow on acquisition	(2,960)

本期間溢利包括國瑞同順額外業務所產生之46,000港元。本期間收入包括國瑞同順所產生之130,000港元。倘收購事項於二零一七年一月一日完成，則本年度之本集團收入總額應為1,345,346,000港元，而本年度溢利應為36,191,000港元。備考資料僅供說明，未必為假設收購事項於二零一七年一月一日完成時，本集團實際將可達致之經營收入及業績指標，亦不擬作未來業績之預測。

Included in the profit for the period is HK\$46,000 attributable to the additional business generated by Guorui Tongshun. Revenue for the period includes HK\$130,000 generated from Guorui Tongshun. Had the acquisition been completed on 1 January 2017, total group revenue for the year would have been HK\$1,345,346,000, and profit for the year would have been HK\$36,191,000. The pro forma information is for illustrative purposes only and is not necessary an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

附註：基於截至二零一八年十二月三十一日止年度的最終評估，所收購資產及所承擔負債之公平值與上文之所收購資產及所承擔負債之臨時公平值相若。因此，收購事項並無產生商譽。

Note: Based on the final assessment during the year ended 31 December 2018, the fair value of assets acquired and liabilities recognised approximate to the provisional fair value of assets acquired and liabilities recognised above. Accordingly, there is no goodwill arising on the acquisition.

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44. 出售一家附屬公司

於二零一八年五月二十三日，本集團向一家獨立第三方出售其於陝西辰濟大藥房有限公司（「陝西大藥房」）的全部股權，總代價為人民幣4,000,000元（相當於4,920,000港元）。

於出售日期歸屬於陝西大藥房的資產及負債總額如下：

44. DISPOSAL OF A SUBSIDIARY

On 23 May 2018, the Group disposed of its entire equity interest in Shaanxi Chen Ji Pharmacy Co., Ltd*（陝西辰濟大藥房有限公司）（“Shaanxi Pharmacy”） to an independent third party for an aggregate consideration of RMB4,000,000 (equivalent to HK\$4,920,000).

The aggregate amounts of assets and liabilities attributable to Shaanxi Pharmacy on the date of disposal were as follows:

		千港元 HK\$'000
已收代價：	Consideration received:	
現金代價	Cash consideration	4,920
已失去控制的資產及負債分析：	Analysis of assets and liabilities over which control was lost:	
物業、廠房及設備	Property, plant and equipment	275
遞延稅項資產	Deferred tax assets	28
存貨	Inventories	7,298
應收貿易款項	Trade receivables	2,284
其他應收款項、按金及預付款項	Other receivables, deposits and prepayments	136
銀行結餘及現金	Bank balances and cash	1,206
應付貿易款項	Trade payables	(8,216)
其他應付款項及已收按金	Other payables and deposits received	(5,256)
已出售負債淨額	Net liabilities disposed of	(2,245)
出售一家附屬公司的收益：	Gain on disposal of a subsidiary:	
已收取代價	Consideration received	4,920
減：已出售負債淨額	Less: Net liabilities disposed of	(2,245)
出售收益	Gain on disposal	7,165
因出售產生的現金流入：	Cash inflow arising from disposal:	
已出售的銀行結餘及現金	Bank balances and cash disposed of	(1,206)
減：以現金收取的代價	Less: Consideration received by cash	4,920
		3,714

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45. 退休福利計劃

本集團之中國僱員乃當地政府運作之國家管理退休福利計劃之成員。本集團須按僱員薪支成本之若干百分比向該等退休福利計劃供款，為有關福利提供資金。本集團就該等退休福利計劃承擔之唯一責任為作出特定供款。

本集團於新加坡之附屬公司參與一個由新加坡中央公積金局(Central Provident Fund Board)營辦之界定供款計劃。該計劃之資產於多個由受託人控制之基金內分開持有。於該等附屬公司確認之費用指該等附屬公司按計劃規則所訂費率已付及應付該計劃之供款。

本集團亦設有強制性公積金計劃(「強積金計劃」)。所有香港合資格僱員均須參與強積金計劃。計劃之資產與本集團之資產分開持有，存置於由受託人控制之基金。僱員及本集團之供款乃按僱員每月相關收入之5%計算，設有強制性上限，若僱員之每月基本薪金超過強制性上限，則本集團將作出額外5%之供款。

截至二零一八年及二零一七年十二月三十一日止年度退休福利計劃供款載於附註12。

45. RETIREMENT BENEFITS SCHEMES

The PRC employees of the Group are members of state-managed retirement benefits schemes operated by the local government. The Group is required to contribute certain percentage of their payroll costs to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the specified contributions.

The Group's subsidiaries in Singapore participate in a defined contribution scheme operated by Central Provident Fund Board in Singapore. The assets of the scheme are held separately in funds under the control of trustees. The expenses recognised in these subsidiaries represent contributions paid and payable to the plan by these subsidiaries at rates specified in the rules of the plan.

The Group also operates a Mandatory Provident Fund Scheme (the "MPF Scheme"). All qualifying employees in Hong Kong are required to join the MPF Scheme. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. Both employees' and the Group's contributions are calculated at 5% of the employee's monthly relevant income with the mandatory cap, and the Group will make 5% top-up contribution if an employee's monthly basic salary exceeds the mandatory cap.

The retirement benefits scheme contributions for the years ended 31 December 2018 and 2017 are stated in note 12.

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46. 經營租賃承擔及安排

本集團作為承租人

於報告期末，本集團根據上述安排及其他不可撤銷之水泥生產設施場所及健身中心場所經營租賃須承擔之未來最低租賃款項之到期情況如下：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
不超過一年	Not later than one year	88,568	90,999
一年以上但不超過五年	Later than one year and not later than five years	180,898	130,891
超過五年	Later than five years	4,909	514
		274,375	222,404

本集團作為出租人

於報告期末，本集團已就以下未來最低租賃款項與租戶訂立合同：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
不超過一年	Not later than one year	3,199	1,809
一年以上但不超過五年	Later than one year and not later than five years	11,032	6,477
超過五年	Later than five years	2,597	2,395
		16,828	10,681

46. OPERATING LEASE COMMITMENTS AND ARRANGEMENTS

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under the above arrangement and other non-cancellable operating leases for premises as the production facilities for manufacture of cement and premises for fitness centres which fall due as follows:

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

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47. 資本承擔

47. CAPITAL COMMITMENTS

本集團有以下資本承擔：

The Group had the following capital commitments:

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
已訂約但未於綜合財務報表撥備之資本承擔：	Capital commitments contracted for but not provided in the consolidated financial statements:		
一向一間合營公司出資 (附註)	- Capital contribution to a joint venture (note)	378,169	398,092
一向合營公司康泰資本出資	- Capital contribution to Konta Capital, a joint venture	-	36,812
一購置物業、廠房及設備	- Acquisition of property, plant and equipment	34,749	47,952
		412,918	482,856

附註：誠如本公司於二零一二年二月十五日所公佈，於二零一二年二月十三日，上海上聯與國有企業上海建材(集團)有限公司(「上海建材」)訂立《關於建設「白龍港項目」合作協議》(「合作協議」)及《關於設立合資公司(原則)協議》(「合資原則協議」)，以根據有關協議之條款及條件成立一間合資公司(「合資公司」)。根據合作協議，上海建材與上海上聯同意於取得白龍港項目之有關政府批文後，按合資原則協議之條款成立合資公司，以經營及管理白龍港項目。向一間合營公司出資承擔指本集團提供合資公司註冊資本之50%份額人民幣400,000,000元(二零一七年：人民幣400,000,000元)(相當於約455,996,000港元(二零一七年：480,019,000港元))。交易詳情載於本公司日期分別為二零一二年二月十五日及二零一四年一月三十日之公告及通函以及本公司日期為二零一二年三月十六日之通函。

Note: As announced by the Company on 15 February 2012, Shanghai SAC entered into the Bailonggang Project Construction Cooperation Agreement* (《關於建設「白龍港項目」合作協議》) (the "Cooperation Agreement") and the Principle Agreement for the Establishment of the Joint Venture Company* (《關於設立合資公司(原則)協議》) (the "JV Principle Agreement") with Shanghai Building Material (Group) Company Limited* (上海建材(集團)有限公司) ("Shanghai Building Material"), a state-owned enterprise, for the purpose of setting up a joint venture company (the "JV Company") pursuant to the terms and conditions therein on 13 February 2012. Pursuant to the Cooperation Agreement, Shanghai Building Material and Shanghai SAC agreed to establish the JV Company to operate and manage the Bailonggang Project under the terms of the JV Principle Agreement after the relevant government approvals for the Bailonggang Project being obtained. The commitment on capital contribution to a joint venture represents the 50% share of registered capital of the JV Company by the Group amounting to RMB400,000,000 (2017: RMB400,000,000) (equivalent to approximately HK\$455,996,000 (2017: HK\$480,019,000)). Details of the transaction were set out in the announcement and circular of the Company dated 15 February 2012 and 30 January 2014, respectively, and the circular of the Company dated 16 March 2012.

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47. 資本承擔 (續)

附註：(續)

於二零一二年九月二十八日，上海上聯訂立三份購買協議，以購買若干設備及機器，總代價為人民幣380,000,000元（二零一七年：人民幣380,000,000元）（相當於約433,197,000港元（二零一七年：456,018,000港元））。於二零一八年十二月三十一日，上海上聯已支付該三份購買協議總代價之各首期付款合共人民幣68,270,000元（二零一七年：人民幣68,270,000元）（相當於約77,827,000港元（二零一七年：81,927,000港元））。根據三份購買協議購買之設備及機器旨在未來用於白龍港項目，本集團及本公司無意將該等設備及機器留作自用。於合資公司成立後，上海上聯可根據相關中國規則及法規，按成本透過出售或其他方式將所購買之設備及機器轉讓予合資公司，或按成本更替購買協議之權利及責任予合資公司，或在相關中國規則及法規規限下按成本以實物出資方式轉讓該等設備及機器，以履行其於合資公司註冊資本比例之出資。交易詳情分別載於本公司日期為二零一二年十月三日之公告及日期為二零一二年十一月十五日之通函。

由於根據三份購買協議購買之設備及機器旨在未來用於白龍港項目，故本集團於白龍港項目之總承擔（包括該三份購買協議項下之承擔）最高為人民幣331,730,000元（相當於約378,169,000港元（二零一七年：398,092,000港元）），即向一間合資公司出資之承擔。

48. 資本風險管理

本集團管理其資本，以確保本集團之實體可持續經營，並透過優化債務及權益結餘為本公司股東帶來最大回報。本集團之整體策略與上一年度維持不變。

本集團之資本結構包括債務（主要包括附註34所披露之銀行及其他借貸）及本公司股東應佔權益，包括已發行股本、儲備及保留溢利。董事每年檢討資本結構。作為檢討之一部分，董事會考慮資本成本及各資本類別相關之風險。按照董事之建議，本集團將透過發行新股份、回購股份及發行新債務或贖回現有債務以平衡其整體資本結構。

47. CAPITAL COMMITMENTS (CONTINUED)

Note: (CONTINUED)

On 28 September 2012, Shanghai SAC entered into three purchase agreements for the purchases of certain equipment and machineries at the aggregate consideration of RMB380,000,000 (2017: RMB380,000,000) (equivalent to approximately HK\$433,197,000 (2017: HK\$456,018,000)). As at 31 December 2018, Shanghai SAC has settled the respective first payments of the total consideration in an aggregate amount of RMB68,270,000 (2017: RMB68,270,000) (equivalent to approximately HK\$77,827,000 (2017: HK\$81,927,000)) under the three purchase agreements. The equipment and machineries under the three purchase agreements were purchased for future use in the Bailonggang Project and the Group and the Company do not intend to retain such equipment and machineries for their own use. After the JV Company is established, Shanghai SAC may transfer, by way of disposal or otherwise, the equipment and machineries purchased at cost or novate the rights and obligations of the purchase agreements at cost to the JV Company in accordance with the relevant PRC rules and regulations, or subject to the relevant PRC rules and regulations, may transfer such equipment and machineries at cost by way of contribution in kind to satisfy its proportion of the registered capital of the JV Company. Details of the transaction were set out in the announcement and circular of the Company dated 3 October 2012 and 15 November 2012 respectively.

Since the equipment and machineries under the three purchase agreements were purchased for future use in the Bailonggang Project, the total commitment of the Group to the Bailonggang Project, including the commitment under the three purchase agreements, would be limited to RMB331,730,000 (equivalent to approximately HK\$378,169,000 (2017: HK\$398,092,000)) being the commitment on capital contribution to a joint venture.

48. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to owners of the Company through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which mainly includes the bank and other borrowings disclosed in note 34 and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits. The Directors review the capital structure on an annual basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through issuance of new shares and share buy-back as well as the issuance of new debts or the redemption of existing debts.

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49. 金融工具

49. FINANCIAL INSTRUMENTS

金融工具之類別

Categories of financial instruments

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
金融資產	Financial assets		
強制按透過損益賬按公平值處理計量之金融資產	Financial assets mandatorily measured at FVTPL		
– 持作買賣投資(附註30)	– Held for trading investments (note 30)	–	53,389
– 其他(附註30)	– Others (note 30)	107,633	–
		107,633	53,389
指定透過損益賬按公平值處理之金融資產(附註30)	Financial assets designated as at FVTPL (note 30)	–	61,331
		107,633	114,720
透過其他全面收益按公平值處理之債務工具(附註30)	Debt instruments at FVTOCI (note 30)	31,336	–
按攤銷成本計量之金融資產/貸款及應收款項	Financial assets at amortized costs/loans and receivables		
應收貿易款項(附註26)	Trade receivables (note 26)	686,591	532,671
其他應收款項及已付按金(計入其他應收款項、按金及預付款項)(附註28)	Other receivables and deposits paid (included in other receivables, deposits and prepayments) (note 28)	47,847	61,202
應收銀行利息收入(計入其他應收款項、按金及預付款項)(附註28)	Bank interest income receivable (included in other receivables, deposits and prepayments) (note 28)	318	273
應收貸款(附註29)	Loans receivables (note 29)	106,036	178,878
一間合營公司欠款(附註51)	Amount due from a joint venture (note 51)	343	7,972
一間聯營公司欠款(附註51)	Amount due from an associate (note 51)	71,886	34,667
其他關聯方欠款(附註52(c))	Amounts due from other related parties (note 52(c))	204,525	208,961
其他投資(附註30)	Other investment (note 30)	20,000	–
已抵押銀行存款(附註31)	Pledged bank deposits (note 31)	52,759	35,762
現金及現金等價物(附註31)	Cash and cash equivalents (note 31)	101,230	381,450
		1,291,535	1,441,836
		1,430,504	1,556,556

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Notes to the Consolidated Financial Statements

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49. 金融工具 (續)

49. FINANCIAL INSTRUMENTS (CONTINUED)

金融工具之類別 (續)

Categories of financial instruments (CONTINUED)

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
按攤銷成本計量之金融負債	Financial liabilities measured at amortised cost		
應付貿易款項及應付票據 (附註32)	Trade and bills payables (note 32)	284,457	207,512
其他應付款項及已收按金 (計入其他應付款項及 已收按金)(附註33)	Other payables and deposits received (included in other payables and deposits received) (note 33)	64,558	45,136
購置物業、廠房及設備 應付款項(計入其他應付 款項及已收按金)(附註33)	Payables for acquisition of property, plant and equipment (included in other payables and deposits received) (note 33)	757	1,817
其他應計經營費用(計入 其他應付款項及已收按金) (附註33)	Other accrued operating expenses (included in other payables and deposits received) (note 33)	28,791	22,507
欠一間中介控股公司款項 (附註51)	Amount due to an intermediate holding company (note 51)	16,164	17,011
欠其他關聯方款項 (附註52(c))	Amounts due to other related parties (note 52(c))	38,445	57,974
銀行及其他借貸(附註34)	Bank and other borrowings (note 34)	548,992	805,002
		982,164	1,156,959

金融風險管理目標及政策

本集團之主要金融工具載於上文。該等金融工具詳情於相關附註內披露。有關該等金融工具之風險包括市場風險(利率風險、外幣風險及其他價格風險)、信貸風險及流動性風險。有關如何減輕該等風險之政策載於下文。管理層會管理及監察該等風險，以確保及時且有效地採取適當措施。

Financial risk management objectives and policies

The Group's major financial instruments are listed above. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (interest rate risk, foreign currency risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險

利率風險

本集團之公平值利率風險主要與若干定息已抵押銀行存款、借予本集團附屬公司一名非控股股東之貸款、應收貸款以及銀行及其他借貸有關(有關該等銀行及其他借貸之詳情請參閱附註34)。

本集團之現金流量利率風險主要與浮息銀行結餘以及銀行及其他借貸有關(有關該等銀行及其他借貸之詳情請參閱附註34)。

本集團並未使用任何利率掉期以減低其面對之利率風險。然而，管理層會監察利率風險，並於預期面對重大利率風險時考慮採取所需行動。

本集團面對之金融負債利率風險之詳情載於流動性風險部分。本集團之現金流量利率風險主要集中於本集團銀行及其他借貸所產生香港銀行同業拆息、倫敦銀行同業拆息與中國人民銀行所報利率波動之風險。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Market risk

Interest rate risk

The Group's fair value interest rate risk relates primarily to certain fixed-rate pledged bank deposits, loan to a non-controlling shareholder of the Group's subsidiary, loans receivables and bank and other borrowings (see note 34 for details of these bank and other borrowings).

The Group's cash flow interest rate risk primarily relates to variable-rate bank balances and bank and other borrowings (see note 34 for details of these bank and other borrowings).

The Group has not used any interest rate swaps to mitigate its exposure associated with interest rate risk. However, the management monitors interest rate exposure and will consider necessary actions when significant interest rate exposure is anticipated.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate, London Interbank Offered Rate and the interest rates quoted by the People's Bank of China arising from the Group's bank and other borrowings.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

利率風險 (續)

敏感度分析

以下敏感度分析乃按報告期末基於有關銀行結餘以及浮息銀行及其他借貸之非衍生工具面對之利率風險釐定，編製時已假設於報告期末尚存資產與負債金額於整個年度一直存在。200個基點之增減(就銀行及其他借貸而言)及15個基點之增加(就銀行結餘而言)代表管理層對利率合理可能變動之評估。預計銀行結餘之利率在自報告期末起計未來十二個月內不會下降。

倘銀行及其他借貸相關利率增加／減少200個基點，而所有其他可變因素維持不變，則本集團截至二零一八年十二月三十一日止年度之溢利將減少／增加1,573,000港元(二零一七年：年度溢利減少／增加9,425,000港元)。

此外，倘銀行結餘相關利率增加15個基點，而所有其他可變因素維持不變，則本集團截至二零一八年十二月三十一日止年度之溢利將增加114,000港元(二零一七年：年度溢利增加429,000港元)。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

Interest rate risk (CONTINUED)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rate for non-derivative instruments relating to bank balances and floating-rate bank and other borrowings at the end of the reporting period. The analysis is prepared assuming the amount of assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year. 200 basis points increase or decrease for bank and other borrowings and 15 basis points increase for bank balances represent the management's assessment of the reasonably possible change in interest rates. It is expected that the interest rate for bank balances will not decrease in the next twelve months from end of the reporting period.

If interest rates had been increased/decreased by 200 basis points in respect of bank and other borrowings and all other variables were held constant, the Group's profit for the year ended 31 December 2018 would decrease/increase by HK\$1,573,000 (2017: profit for the year would decrease/increase by HK\$9,425,000).

In addition, if interest rates had been increased by 15 basis points in respective of bank balances and all other variables were held constant, the Group's profit for the year ended 31 December 2018 would increase by HK\$114,000 (2017: profit for the year would increase by HK\$429,000).

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

其他價格風險

本集團因其於債券及上市股本證券之投資而面對其他價格風險。管理層密切監察價格風險，並於有需要時考慮對沖風險。管理層認為就其投資面對之其他價格風險並不重大，因此並無呈列敏感度分析。

外幣風險

外幣風險為金融工具價值因外幣匯率變動而波動之風險。本集團之營運主要位於中國、香港及新加坡。於二零一八年十二月三十一日，本集團持有以各集團實體之功能貨幣以外貨幣計值之銀行結餘、已抵押銀行存款、其他關聯方欠款、欠其他關聯方款項以及銀行及其他借貸(二零一七年：銀行結餘、欠其他關聯方款項以及銀行及其他借貸)。本集團目前並無外幣對沖政策。然而，管理層密切監察外匯風險，並於有需要時考慮對沖重大外幣風險。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

Other price risk

The Group is exposed to other price risk through its investments in bonds and listed equity securities. The management closely monitors the price risk and will consider hedging the risk exposure should the need arise. The management considers the exposure of other price risk for its investments is not significant. Accordingly, no sensitivity analysis is presented.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's operations are mainly in the PRC, Hong Kong and Singapore. As at 31 December 2018, the Group has bank balances, pledged bank deposits, amounts due from other related parties, amounts due to other related parties and bank and other borrowings (2017: bank balances, amounts due to other related parties and bank and other borrowings) denominated in currencies other than the functional currencies of the respective group entities. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arises.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

外幣風險 (續)

以集團實體之功能貨幣以外貨幣計值之貨幣資產及貨幣負債之賬面金額如下：

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

Foreign currency risk (CONTINUED)

The carrying amounts of monetary assets and monetary liabilities that are denominated in currencies other than the functional currency of the group entities are as follows:

		資產		負債	
		Assets		Liabilities	
		二零一八年	二零一七年	二零一八年	二零一七年
		2018	2017	2018	2017
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
美元	US\$	37,090	32,610	273	2,343
港元	HK\$	17,286	87,606	388,979	387,334
新加坡元	Singapore dollar ("SGD")	7,214	12,523	10,169	21,748

下表詳列本集團就人民幣兌相關外幣上升及下降5%之敏感度。5%為管理層評估外幣匯率之合理可能變動時採用之敏感度比率。敏感度分析包括以相關外幣計值之金融資產及金融負債，並於報告期末以外幣匯率5%之變動調整換算。下文所示正數或負數表示人民幣兌相關外幣上升5%時本年度溢利之增加或減少。至於人民幣兌該等外幣下跌5%時，本年度業績會出現同等及相反影響。

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. 5% sensitivity rate represents the management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis includes the financial assets and financial liabilities denominated in the relevant foreign currencies, and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rate. A positive or negative number below indicates an increase or a decrease in profit for the year where RMB strengthen 5% against the relevant foreign currency. For a 5% weakening of RMB against in these currencies, there would be an equal and opposite impact on the result for the year.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

外幣風險 (續)

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

Foreign currency risk (CONTINUED)

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
本年度業績	Result for the year		
美元	US\$	(1,381)	(1,135)
港元	HK\$	13,938	11,240
新加坡元	SGD	111	346

信貸風險

本集團之信貸風險主要與應收貿易款項及其他應收款項、其他投資、透過其他全面收益按公平值處理之債務工具、應收貸款、一間合營公司欠款、一間聯營公司欠款、其他關聯方欠款、已抵押銀行存款、匯率掛鈎結構性存款以及銀行結餘及現金有關。

本集團因交易對手未能履行責任而使本集團須蒙受財務損失之最高信貸風險，相當於綜合財務狀況表所列之各項已確認金融資產之賬面金額。

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, other investment, debt instruments at FVTOCI, loans receivables, amount due from a joint venture, amount due from an associate, amounts due from other related parties, pledged bank deposits, exchange rate linked structured deposits and bank balances and cash.

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

由客戶合約產生之應收貿易款項

為將信貸風險降至最低，本集團管理層已委派一支團隊專責決定信貸額度、信貸審批及其他監察程序，以確保採取跟進行動收回逾期債務。本集團會聘用獨立之公司，以調查客戶之信用狀況及彼等有需要時所提供之擔保或資產抵押。此外，本集團於按撥備矩陣對應收貿易款項應用香港財務報告準則第9號(二零一七年：已產生虧損模式)後，根據預期信貸虧損模式進行減值評估。

其他投資、已抵押銀行存款以及現金及現金等價物

由於本集團之其他投資、已抵押銀行存款、結構性存款及銀行結餘乃存入香港、中國及新加坡具有高信貸評級之銀行，故流動資金及結構性存款之信貸風險有限。

其他應收款項及按金、應收貸款、一間合營公司／一間聯營公司欠款及其他關聯方欠款

本集團於個別對此等金融資產應用香港財務報告準則第9號(二零一七年：已產生虧損模式)後，根據預期信貸虧損模式進行減值評估。就此而言，董事認為本集團的信貸風險已大幅減少。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Trade receivables arising from contracts with customers

In order to minimise credit risk, the management of the Group has delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Independent companies are engaged to investigate the credibility of customers, and guarantees or pledges of assets provided by them on a needed basis. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on trade receivables based on provision matrix.

Other investment, pledged banks deposit and cash and cash equivalents

The credit risk on liquid funds and structured deposits are limited because the Group's other investment, pledged bank deposits, structured deposits and bank balances are deposited with banks of high credit ratings in Hong Kong, the PRC and Singapore.

Other receivables and deposits, loans receivables, amount due from a joint venture/an associate and other related parties

The Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on these financial assets individually. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

透過其他全面收益按公平值處理之債務工具

本集團僅投資低信用風險的債務證券。本集團透過其他全面收益按公平值處理之債務工具主要包括金融機構發行的債券(按照全球公認的定義列為最高投資等級的債券，因此被視為低信用風險投資)。

於二零一八年十二月三十一日，本集團存在的集中風險為給予本集團附屬公司之一名非控股股東的貸款127,283,000港元(二零一七年：158,607,000港元)及應收貸款106,036,000港元(二零一七年：178,878,000港元)分別佔按攤銷成本計量之金融資產總額之9.9%(二零一七年：11.0%)及8.2%(二零一七年：12.4%)。本集團監察風險水平，確保即時採取跟進及/或矯正行動以減輕風險。

除上述存入多間信貸評級良好之銀行之流動資金所產生之集中信貸風險外，本集團並無任何其他高度集中之信貸風險。應收貿易款項涉及之客戶數目龐大，並分散於不同行業及地區。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Debt instruments at FVTOCI

The Group only invests in debt securities with low credit risk. The Group's debt instruments at FVTOCI mainly comprise of bonds issued by financial institution that are graded in the top investment grade as per globally understood definitions and therefore are considered to be low credit risk investments.

The Group has concentration risk on loan to a non-controlling shareholder of the Group's subsidiary amounted to HK\$127,283,000 (2017: HK\$158,607,000) and loans receivables amounted to HK\$106,036,000 (2017: HK\$178,878,000) representing 9.9% (2017: 11.0%) and 8.2% (2017: 12.4%) of total financial assets at amortised cost, respectively, as at 31 December 2018. The Group monitors the level of exposure to ensure that follow up actions and/or corrective actions are taken promptly to lower the risk exposure.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings mentioned above, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

透過其他全面收益按公平值處理之債務工具 (續)

本集團的內部信貸風險評級包括下列類別：

內部信用評級

Internal credit rating	Description	Trade receivables	Other financial assets
低風險	交易對手違約風險較低，且無任何逾期金額	全存續期預期信貸虧損 -無信用減值	12個月預期信貸虧損
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
觀察名單	債務人經常在到期日後償還，但通常在到期日後結算	全存續期預期信貸虧損 -無信用減值	12個月預期信貸虧損
Watch list	Debtor frequently repays after due dates but usually settle after due date	Lifetime ECL – not credit-impaired	12m ECL
可疑	自通過內部開發的資訊或外部資源初步確認以來，信用風險顯著增加	全存續期預期信貸虧損 -無信用減值	全存續期預期信貸虧損 -無信用減值
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
虧損	有證據表明資產存在信貸減值	全存續期預期信貸虧損 -有信用減值	全存續期預期信貸虧損 -有信用減值
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
撇銷	有證據表明債務人處於嚴重的財務困境，而本集團的收款前景不明	款項已撇銷	款項已撇銷
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Debt instruments at FVTOCI (CONTINUED)

The Group's internal credit risk grading assessment comprises the following categories:

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

透過其他全面收益按公平值處理之債務工具 (續)

下表詳述須經過預期信貸虧損評估的本集團金融資產的信貸風險情況：

二零一八年 2018	附註 Note	外部信用評級 External credit rating	內部信用評級 Internal credit rating	12個月或全存續 期的預期信貸虧損 12m or lifetime ECL	賬面總額 Gross carrying amount	
					千港元 HK\$'000	千港元 HK\$'000
按攤銷成本計量的金融資產 Financial assets at amortised cost						
應收貸款 Loans receivables	29	不適用 N/A	(附註1) (Note 1)	12個月預期信貸虧損 12m ECL	110,266	110,266
一間聯營公司欠款 Amount due from an associate	51	不適用 N/A	(附註1) (Note 1)	12個月預期信貸虧損 12m ECL	73,538	73,538
一間合營公司欠款 Amount due from a joint venture	51	不適用 N/A	(附註1) (Note 1)	12個月預期信貸虧損 12m ECL	351	351
其他關聯方欠款 Amounts due from other related parties	52(c)	不適用 N/A	(附註1) (Note 1)	12個月預期信貸虧損 12m ECL	208,547	208,547
已抵押銀行存款 Pledged bank deposits	31	AA至BBB AA to BBB	(附註3) (Note 3)	12個月預期信貸虧損 12m ECL	52,759	52,759
銀行結餘 Bank balances	31	AA至BBB AA to BBB	(附註3) (Note 3)	12個月預期信貸虧損 12m ECL	101,068	101,068
其他應收款項及已付按金 Other receivables and deposits	28	不適用 N/A	(附註1) (Note 1)	全存續期的預期 信貸虧損 (信貸減值) Lifetime ECL (credit-impaired) 12個月預期信貸虧損 12m ECL	15,120	64,837
應收貿易款項-商品及服務 Trade receivables – goods and services	26	不適用 N/A	(附註2) (Note 2)	全存續期的預期 信貸虧損 (撥備矩陣) Lifetime ECL (provision matrix) 虧損 Loss 全存續期的預期 信貸虧損 (信貸減值) Lifetime ECL (credit-impaired)	689,329	708,599
其他投資 Other investment	30	AA+ AA+	(附註3) (Note 3)	12個月預期信貸虧損 12m ECL	20,000	20,000
透過其他全面收益表按公平值 處理之債務工具 Debt instruments at FVTOCI						
債券 Bonds	30	AA+ AA+	(附註3) (Note 3)	12個月預期信貸虧損 12m ECL	31,336	31,336

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Debt instruments at FVTOCI (CONTINUED)

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

透過其他全面收益按公平值處理之債務工具 (續)

附註：

1. 在內部信貸風險管理方面，本集團使用逾期資訊評估自初始確認後信貸風險是否顯著增加。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Debt instruments at FVTOCI (CONTINUED)

Notes:

1. For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

		逾期	未逾期/ 無固定還款期 Not past due/ No fixed repayment terms	總計
		Past due 千港元 HK\$'000	千港元 HK\$'000	Total 千港元 HK\$'000
應收貸款	Loan receivables	–	110,266	110,266
一間聯營公司欠款	Amounts due from an associate	–	73,538	73,538
合營公司欠款	Amounts due from joint ventures	–	351	351
其他關聯方欠款	Amounts due from other related parties	–	208,547	208,547
其他應收款項	Other receivables	15,120	49,717	64,837

2. 就應收貿易款項而言，本集團已採用香港財務報告準則第9號的簡化方法計量全存續期預期信貸虧損的虧損撥備。除具有信貸減值的債務人外，本集團採用按逾期狀態分組的撥備矩陣釐定該等項目的預期信貸虧損。

撥備矩陣—債務人的賬齡

作為本集團信貸風險管理的一環，本集團透過債務人的賬齡評估其客戶的減值，原因為該等客戶乃由數量眾多的小型客戶組成，而彼等具有可反映彼等根據合約條款償還所有應付款項的共同風險特性。下表提供有關應收貿易款項信貸風險的資訊，該等款項於二零一八年十二月三十一日已基於撥備矩陣評估全存續期的預期信貸虧損（無信貸減值）。

2. For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with credit-impaired, the Group determines the expected credit losses on these items by using a provision matrix, grouped by past due status.

Provision matrix – debtors' aging

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 December 2018 within lifetime ECL (not credit impaired).

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

附註：(續)

2. (續)

撥備矩陣-債務人的賬齡 (續)

賬面總額

即期 (未逾期)	Current (not past due)
逾期1至90天	1 – 90 days past due
逾期90天以上	More than 90 days past due

估計虧損率乃根據債務人於預期年期的歷史觀察違約率估計，並會根據無需過多成本或努力即可獲得的前瞻性資料作出調整。管理層定期檢討有關分組，以確保特定債務人的相關資料保持更新。

3. 其信貸風險有限，原因在於交易對手為聲譽良好之銀行及金融機構。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Notes: (CONTINUED)

2. (CONTINUED)

Provision matrix – debtors' aging (CONTINUED)

Gross carrying amount

		平均虧損率 Average loss rate	應收貿易款項 Trade receivables
		%	千港元 HK\$'000
即期 (未逾期)	Current (not past due)	0.10	634,487
逾期1至90天	1 – 90 days past due	1.30	41,886
逾期90天以上	More than 90 days past due	12.04	12,956
			689,329

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

3. The credit risk is limited because the counterparties are banks and financial institutions with high reputation.

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

下表顯示根據簡化方法就應收貿易款項確認的全存續期預期信貸虧損的變動情況。

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		全存續期 預期信貸 虧損(無信 貸減值) Lifetime ECL (not credit- impaired) 千港元 HK\$'000	全存續期 預期信貸 虧損 (信貸減值) Lifetime ECL (credit- impaired) 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零一七年十二月三十一日根據香港會計準則第39號	As at 31 December 2017 under HKAS 39			
		–	20,368	20,368
於採用香港財務報告準則第9號時調整	Adjustment upon application of HKFRS 9	1,950	–	1,950
於二零一八年一月一日 – 經重列	As at 1 January 2018 – As restated	1,950	20,368	22,318
已確認的減值虧損	Impairment losses recognised	944	28	972
匯兌差額	Exchange differences	(156)	(1,126)	(1,282)
於二零一八年十二月三十一日	As at 31 December 2018	2,738	19,270	22,008

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

下表顯示就其他應收款項及其他按金／應收貸款／應收其他關聯方／一間聯營公司／一間合資公司款項確認的虧損撥備的對賬：

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

The following tables show reconciliation of loss allowances that has been recognised for other receivables and other deposits/loans receivables/amounts due from other related parties/an associate/a joint venture:

		12個月預期信貸虧損 12m ECL					全存續期 預期 信貸虧損 (信貸減值) Lifetime ECL (credit- impaired)	
		其他 應收款項 及按金	應收貸款	其他 關聯方欠款	一間 合營公司 欠款	一間 聯營公司 欠款	其他應收 款項及按金	總計
		Other receivables and deposits	Loans receivables	Amounts due from other related parties	Amount due from a joint venture	Amount due from an associate	Other receivables and deposits	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一七年十二月 三十一日根據香港 會計準則第39號	As at 31 December 2017 under HKAS 39	-	-	-	-	-	15,154	15,154
於採用香港財務報告 準則第9號時調整	Adjustment upon application of HKFRS 9	1,621	3,110	4,478	233	1,014	-	10,456
於二零一八年一月一日 -經重列	As at 1 January 2018 - As restated	1,621	3,110	4,478	233	1,014	15,154	25,610
已確認的減值虧損	Impairment losses recognised	1,377	2,631	-	-	660	-	4,668
已撥回減值虧損	Impairment losses reversed	(1,351)	(1,368)	(242)	(225)	-	-	(3,186)
撇銷	Write-offs	(80)	-	-	-	-	-	(80)
匯兌差額	Exchange differences	(15)	(143)	(214)	-	(22)	(34)	(428)
於二零一八年十二月三十一日	As at 31 December 2018	1,552	4,230	4,022	8	1,652	15,120	26,584

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49. 金融工具 (續)

金融風險管理目標及政策 (續)

流動性風險

於管理流動性風險時，本集團監察及維持管理層認為足以為本集團營運提供資金及減輕現金流量波動影響之現金及現金等價物水平。本集團依賴銀行及其他借貸作為重要流動資金來源。管理層監察銀行及其他借貸之使用情況。

下表詳列本集團金融負債之餘下合約到期狀況。該等列表乃基於本集團可被要求償還金融負債之最早日期，按金融負債未貼現現金流量編製。該表包括利息及本金現金流量。因利息流為浮動利率，故未貼現款額以報告期末之利率計算。

流動資金及利息風險表

	加權平均 實際利率 Weighted average effective interest rate %	少於1個月	1至3個月	3個月至1年	1至5年	未貼現現金 流量總額	賬面金額
		Less than 1 month 千港元 HK\$'000	1 - 3 months 千港元 HK\$'000	3 months to 1 year 千港元 HK\$'000	1 - 5 years 千港元 HK\$'000	Total undiscounted cash flows 千港元 HK\$'000	Carrying amount 千港元 HK\$'000
於二零一八年 十二月三十一日							
應付貿易款項及應付 票據及其他應付款項		193,706	80,635	104,222	-	378,563	378,563
欠一間中介控股公司款項		16,164	-	-	-	16,164	16,164
欠其他關聯方款項		38,445	-	-	-	38,445	38,445
銀行及其他借貸－浮息	5.64	105,358	-	-	-	105,358	104,880
銀行及其他借貸－定息	16.37	397,894	-	55,689	112	453,695	444,112
		751,567	80,635	159,911	112	992,225	982,164
融資租賃責任		88	176	792	528	1,584	1,432

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on bank and other borrowings as a significant source of liquidity. The management monitors the utilisation of bank and other borrowings.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity and interest risk tables

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金融風險管理目標及政策 (續)

流動性風險 (續)

流動資金及利息風險表 (續)

49. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Liquidity risk (CONTINUED)

Liquidity and interest risk tables (CONTINUED)

	加權平均 實際利率 Weighted average effective interest rate %	少於1個月 Less than 1 month 千港元 HK\$'000	1至3個月 1-3 months 千港元 HK\$'000	3個月至1年 3 months to 1 year 千港元 HK\$'000	1至5年 1-5 years 千港元 HK\$'000	未貼現現金	賬面金額
						流量總額 Total undiscounted cash flows 千港元 HK\$'000	Carrying amount 千港元 HK\$'000
於二零一七年 十二月三十一日 At 31 December 2017							
應付貿易款項及應付 票據及其他應付款項 Trade and bills payables and other payables	-	166,516	39,421	71,035	-	276,972	276,972
欠一間中介控股公司款項 Amount due to an intermediate holding company	-	17,011	-	-	-	17,011	17,011
欠其他關聯方款項 Amounts due to other related parties	-	57,974	-	-	-	57,974	57,974
銀行及其他借貸-浮息 Bank and other borrowings - variable rate	4.69	2,193	493,735	142,878	-	638,806	628,352
銀行及其他借貸-定息 Bank and other borrowings - fixed rate	1.26	186	372	2,602	186,822	189,982	176,650
		243,880	533,528	216,515	186,822	1,180,745	1,156,959
融資租賃責任 Obligation under finance lease	6.34	136	271	2,441	856	3,704	3,414

倘浮動利率變動與於報告期末釐定之估計利率出現差異，則計入上述非衍生金融負債之浮息工具之金額或會變動。

金融工具之公平值計量

本附註提供有關本集團如何釐定各項金融資產之公平值之資料。

本集團若干金融資產按於各報告期末之公平值計量。下表提供釐定該等金融資產公平值之方式(尤其是所使用之估值技術及輸入值)，以及根據公平值計量所用輸入值之可觀察程度而將公平值計量歸類於公平值等級之級別(第一至三級)之資料。

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 to those estimates of interest rates determined at the end of the reporting period.

Fair value measurements of financial instruments

This note provides information about how the Group determines fair value of various financial assets.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

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49. 金融工具 (續)

49. FINANCIAL INSTRUMENTS (CONTINUED)

金融工具之公平值計量 (續)

Fair value measurements of financial instruments (CONTINUED)

金融資產 Financial assets	公平值於		公平值等級 Fair value hierarchy	估值技術及主要輸入值 Valuation technique and key inputs
	Fair value at			
	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000		
透過損益賬按公平值處理 之金融資產 Financial assets at FVTPL				
債券 Bonds	-	31,635	第二級 Level 2	定價服務之報價。 Quoted prices from pricing services.
於香港上市之股本證券 Equity securities listed in Hong Kong	10,518	21,324	第一級 Level 1	市場所報買入價。 Quoted bid prices in market.
於香港以外上市之股本證券 Equity securities listed outside Hong Kong	265	428	第一級 Level 1	市場所報買入價。 Quoted bid prices in market.
交易所買賣基金 Exchange-traded funds	-	2	第一級 Level 1	市場所報買入價。 Quoted bid price in market.
於中國上市之可換股債券 Convertible bonds listed in the PRC	-	36,504	第二級 Level 2	金融機構提供之報價。 Quoted price from financial institutions.

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49. 金融工具 (續)

49. FINANCIAL INSTRUMENTS (CONTINUED)

金融工具之公平值計量 (續)

Fair value measurements of financial instruments (CONTINUED)

金融資產 Financial assets	公平值於		公平值等級	估值技術及主要輸入值
	Fair value at		Fair value	Valuation technique and key inputs
	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000	hierarchy	
匯率掛鈎結構性存款			第二級	貼現現金流量。根據未來匯率變動之概率(利用於報告期末從外匯期權市場取得之引伸波幅價格模擬)及合約利率估計未來現金流量，並以反映本集團或各交易對手(如適用)之信貸風險之貼現率將其貼現。
Exchange rate linked structured deposits	96,850	24,827	Level 2	Discounted cash flow. Future cash flows are estimated based on the probabilities of future exchange rate movements (which are modelled using the implied volatility prices at the end of the reporting period from the foreign exchange options market) and contracted interest rates, discounted at a rate that reflects the credit risk of the Group or the counterparties, as appropriate.
透過其他全面收益按公平值處理之債務工具				
Debt instruments at FVTOCI				
債券			第二級	定價服務之報價
Bonds	31,336	-	Level 2	Quoted prices from pricing services
	138,969	114,720		

於截至二零一八年及二零一七年十二月三十一日止年度，第一級、第二級與第三級之間並無轉移。

There were no transfers among Levels 1, 2 and 3 during the year ended 31 December 2018 and 2017.

董事認為，本集團在綜合財務報表內按攤銷成本記賬之金融資產及金融負債之賬面金額與公平值相若。該等公平值乃基於貼現現金流量分析按照公認定價模型釐定。

The Directors consider that the carrying amount of the Group's financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

50. 資產抵押

於二零一八年十二月三十一日，本集團之銀行及其他借貸104,880,000港元(二零一七年：249,795,000港元)、有關向供應商開具應付票據之短期銀行融資169,270,000港元(二零一七年：100,003,000港元)及融資租賃1,432,000港元(二零一七年：3,414,000港元)已以下列項目作抵押：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
樓宇及建築物	Buildings and structures	53,275	155,271
廠房及機器	Plant and machinery	987	54,339
土地使用權之預付租賃款項	Prepaid lease payments on land use rights	16,459	99,524
匯率掛鈎結構性存款	Exchange rate linked structured deposits	28,412	24,001
已抵押銀行存款	Pledged bank deposits	52,759	35,762
		151,892	368,897

50. PLEDGE OF ASSETS

As at 31 December 2018, the Group's bank and other borrowings of HK\$104,880,000 (2017: HK\$249,795,000), short-term bank facilities in respect of the issuance of bills payable to suppliers amounting to HK\$169,270,000 (2017: HK\$100,003,000) and finance lease of HK\$1,432,000 (2017: HK\$3,414,000) were secured by the following:

51. 一間中介控股公司／一間合營公司／一間聯營公司之欠款(欠一間中介控股公司／一間合營公司／一間聯營公司款項)

一間中介控股公司、一間合營公司及一間聯營公司之欠款(欠一間中介控股公司／一間合營公司／一間聯營公司款項)為無抵押、免息及須按要求償還。

誠如附註52(a)所披露，一間聯營公司欠款主要為特許權費收入、管理費收入及服務費收入。於報告期末基於發票日期呈列之一間聯營公司欠款(扣除信貸虧損撥備)之賬齡分析如下：

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
0至90天	0 – 90 days	18,729	19,305
91至180天	91 – 180 days	14,089	15,362
181至365天	181 – 365 days	25,271	–
超過1年	Over 1 year	13,797	–
		71,886	34,667

51. AMOUNT DUE FROM (TO) AN INTERMEDIATE HOLDING COMPANY/A JOINT VENTURE/AN ASSOCIATE

Amount due from (to) an intermediate holding company, a joint venture and an associate are unsecured, interest-free and are repayable on demand.

Amount due from an associate mainly represented the royalty fee income, management fee income and service fee income as disclosed in note 52(a). The aged analysis of amount due from an associate, net of allowance for credit losses is presented based on the invoice date at the end of the reporting period as follows:

綜合財務報表附註

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

52. 關聯方交易及結餘

除本綜合財務報表內其他部份所披露之交易、結餘及承擔外，於截至二零一八年十二月三十一日止年度，本集團與關聯方之交易及結餘如下：

(a) 交易概要

		(收入) 費用 (Income) Expenses	
		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
		附註 Notes	
本集團附屬公司之非控股股東	Non-controlling shareholders of the Group's subsidiaries		
– 利息收入	– Interest income	(i)	(5,683)
– 管理費費用	– Management fee expense		115
一間聯營公司	An associate		
– 管理費收入	– Management fee income		(1,029)
– 特許權費收入	– Royalty fee income	(iii)	(54,182)
– 服務費收入	– Service fee income	(iii)	(2,993)
中介控股公司	Intermediate holding company		
– 利息收入	– Interest income		–
			(995)

(b) 主要管理層人員補償

(b) Key management personnel compensation

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
薪金及其他短期福利	Salaries and other short-term benefits	12,124	13,375
離職後成本	Post-employment costs	595	662
權益結算以股份為基礎之付款	Equity-settled share-based payments	1,330	5,343
		14,049	19,380

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

52. 關聯方交易及結餘 (續)

52. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(c) 結餘概要

(c) Summary of balances

		附註 Notes	二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動資產	Current assets			
借予本集團 附屬公司一名 非控股股東之貸款	Loan to a non-controlling shareholder of the Group's subsidiary	(i)	127,283	158,406
應收本集團 附屬公司一名 非控股股東之利息	Interest receivable from a non-controlling shareholder of the Group's subsidiary	(i)	–	201
最終控股公司 之一間同系 附屬公司欠款	Amount due from a fellow subsidiary of the ultimate holding company	(ii)	18,034	22,763
一名股東欠款	Amount due from a shareholder	(ii)	344	466
本集團附屬 公司之一名 非控股股東欠款	Amount due from a non-controlling shareholder of the Group's subsidiary	(ii)	58,864	27,125
其他關聯方欠款	Amounts due from other related parties		204,525	208,961
流動負債	Current liabilities			
應付本集團 附屬公司一名 非控股股東之股息	Dividend payable to a non-controlling shareholder of the Group's subsidiary	(ii)	8,864	6,846
欠本集團附屬 公司非控股 股東之款項	Amounts due to non-controlling shareholders of the Group's subsidiaries	(ii)	560	28,083
欠最終控股 公司一間同系 附屬公司之款項	Amounts due to a fellow subsidiary of the ultimate holding company	(ii)	18,852	12,044
欠受本集團附屬 公司一名非控股 股東控制之一間 實體之款項	Amount due to an entity controlled by a non-controlling shareholder of the Group's subsidiary	(ii)	2,300	2,336
欠本集團附屬公司 一名董事之款項	Amount due to a director of the Group's subsidiary	(ii)	7,869	7,822
欠中介控股 公司一間同系 附屬公司之款項	Amount due to a fellow subsidiary of the intermediate holding company	(ii)	–	843
欠其他關聯方款項	Amounts due to other related parties		38,445	57,974

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Notes to the Consolidated Financial Statements

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

52. 關聯方交易及結餘 (續)

52. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(c) 結餘概要 (續)

(c) Summary of balances (CONTINUED)

附註：

Notes:

- (i) 該等交易及結餘指向本集團附屬公司之一名非控股股東提供之貸款。於二零一七年十二月三十一日，貸款透過銀行信託，本金按固定年利率4.15%計息，為無抵押及須於二零一八年五月及二零一八年六月償還。該等交易亦構成持續關連交易(定義見上市規則)。交易詳情載於本公司日期為二零一七年五月二十六日之公告。於本公司日期為二零一八年四月二十四日的公告後，本集團已與本集團附屬公司的非控股股東協定，本集團將不會委託銀行提供該等貸款，而將直接向本集團附屬公司的該非控股股東提供貸款。貸款將延長還款期限一年，因此，貸款將於二零一九年五月及二零一九年六月償還。
- (ii) 結餘為無抵押、不計息及須按要求償還。
- (iii) 該等交易符合上市規則內「持續關連交易」之定義。

- (i) The transactions and balances represented loans to a non-controlling shareholder of the Group's subsidiary. As at 31 December 2017, the principals of the loans bear interest at fixed rate of 4.15% per annum, were entrusted through a bank, unsecured and repayable in May 2018 and June 2018. The transactions also constituted connected transactions within the meaning of the Listing Rules. Details of the transactions were set out in the announcement of the Company dated 26 May 2017. Following the announcements of the Company dated 24 April 2018, the Group has agreed with the non-controlling shareholder of the Group's subsidiary that the Group will not entrust a bank to provide these loans but will directly provide the loans to the non-controlling shareholder of the Group's subsidiary and will also extend the repayment for 1 more year, accordingly, the loans will be repayable in May 2019 and June 2019.
- (ii) The balances were unsecured, non-interest bearing and were repayable on demand.
- (iii) These transactions fall under the definition of "continuing connected transaction" under the Listing Rules.

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

52. 關聯方交易及結餘 (續)

(d) 其他

- (i) 於二零一八年一月二十三日，本公司及本公司的間接全資附屬公司興活有限公司（「興活」）與深圳市世奧萬運投資有限公司及Sea Best Group Limited（統稱為「賣方」）訂立買賣協議，收購同方藥業集團有限公司（「同方藥業」）的剩餘40%股權（「收購事項」）。根據買賣協議，興活有條件同意收購，而賣方有條件同意出售同方藥業合共40%之股權，總代價為人民幣200,000,000元，其中(i)人民幣100,000,000元將以現金支付；及(ii)人民幣100,000,000元將由本公司以每股代價股份0.5港元的發行價向賣方發行243,863,777股代價股份支付。收購事項已於二零一八年五月三日完成，同方藥業成為本公司的間接全資附屬公司。243,863,777股代價股份已按本公司所報股價每股0.46港元發行。交易詳情載於本公司日期為二零一八年一月二十三日、二零一八年二月十三日、二零一八年三月十六日及二零一八年五月三日的公告，以及本公司日期為二零一八年二月二十七日的通函。

52. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(d) Others

- (i) On 23 January 2018, the Company and Kingwood Limited, an indirect wholly-owned subsidiary of the Company (“Kingwood”) entered into the sale and purchase agreement with Shenzhen Shiao Wan Yun Investment Co. Ltd.* (深圳市世奧萬運投資有限公司) and Sea Best Group Limited (collectively, the “Vendors”) for the acquisition of remaining 40% equity interest in Tongfang Pharmaceutical Group Co., Ltd* (同方藥業集團有限公司) (“Tongfang Pharmaceutical”) (the “Acquisition”). Pursuant to the sale and purchase agreement, Kingwood conditionally agreed to acquire, and the Vendors conditionally agreed to sell, the aggregated 40% equity interest in Tongfang Pharmaceutical, at a total consideration of RMB200,000,000, of which (i) RMB100,000,000 would be satisfied in cash and (ii) RMB100,000,000 would be satisfied by the issue of 243,863,777 consideration shares by the Company to the Vendors at the issue price of HK\$0.5 per consideration share. The Acquisition was completed on 3 May 2018 whereupon Tongfang Pharmaceutical became an indirect wholly-owned subsidiary of the Company. 243,863,777 consideration shares were issued by reference to the quoted share price of the Company at HK\$0.46 per share. Details of the transaction were set out in the announcements of the Company dated 23 January 2018, 13 February 2018, 16 March 2018 and 3 May 2018, and the circular of the Company dated 27 February 2018.

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Notes to the Consolidated Financial Statements

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52. 關聯方交易及結餘 (續)

(d) 其他 (續)

- (ii) 於二零一八年一月二十三日，本公司與清華同方節能控股有限公司（「認購人」）訂立認購協議，據此，認購人有條件同意認購，而本公司有條件同意按每股0.5港元的價格配發及發行400,000,000股本公司股份（「認購協議」）。同方金融控股(深圳)有限公司（「同方金融」）是深圳市華融泰資產管理有限公司的非控股股東，間接擁有本公司直接母公司中國健康管理投資有限公司的100%股權。認購人及同方金融均為同方股份有限公司的全資附屬公司。認購事項已於截至二零一八年十二月三十一日止年度內完成。

53. 融資業務所產生負債之對賬

下表詳述本集團融資業務所產生負債之變動（包括現金及非現金變動）。融資業務所產生負債之現金流量已經或未來現金流量將會於本集團綜合現金流動表內分類為融資業務現金流量。

52. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(d) Others (CONTINUED)

- (ii) On 23 January 2018, the Company and THTF Energy-saving Holdings Limited (the "Subscriber") entered into a subscription agreement pursuant to which the Subscriber conditionally agreed to subscribe and the Company conditionally agreed to allot and issue 400,000,000 shares of the Company a price of HK\$0.5 per share (the "Subscription Agreement"). Tongfang Financial Holdings Co., Ltd* (同方金融控股(深圳)有限公司) ("Tongfang Financial") is the non-controlling shareholder of Shenzhen Warranty Asset Management Co., Ltd.* (深圳市華融泰資產管理有限公司), which indirectly owned 100% equity interest in China Health Management Investment Limited, the immediate parent of the Company. Both the Subscriber and Tongfang Financial are wholly-owned subsidiaries of Tsinghua Tongfang Co., Ltd. (同方股份有限公司). The subscription has been completed during the year ended 31 December 2018.

53. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

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53. 融資業務所產生負債之對賬 (續)

53. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

		借貸	應付利息	融資租賃責任	欠一間 中介控股 公司款項	欠其他 關聯方款項	授予非控股 股東一項 認沽期權 產生之承擔	總額
		Borrowings	Interest payables	Obligations under finance leases	Amount due to an intermediate holding company	Amounts due to other related parties	Obligation arising from a put option to non- controlling shareholder	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
		(附註34) (note 34)			(附註51) (note 51)	(附註52(c)) (note 52(c))		
於二零一七年一月一日	At 1 January 2017	1,079,441	864	-	24,230	9,528	-	1,114,063
融資現金流量	Financing cash flows	(306,553)	(20,316)	(1,993)	(8,637)	3,151	-	(334,348)
收購附屬公司	Acquisition of subsidiaries	5,868	368	5,114	-	174	-	11,524
應付代價	Consideration payable	-	-	-	-	27,125	-	27,125
新融資租賃	New finance leases	-	-	211	-	-	-	211
授予非控股股東一項 認沽期權產生之承擔	Obligation arising from a put option to non-controlling shareholder	-	-	-	-	-	81,900	81,900
匯兌差額	Exchange differences	26,246	-	4	1,418	11,332	-	39,000
利息支出	Interest expenses	-	20,234	78	-	-	-	20,312
應歸利息(附註9)	Imputed interest (note 9)	-	-	-	-	-	1,435	1,435
終止確認授予非控股股東 一項認沽期權產生之承擔	Derecognition of obligation arising from a put option to non-controlling shareholder	-	-	-	-	-	(83,335)	(83,335)
分派予非控股權益之股息	Dividend distribution to non-controlling interests	-	-	-	-	6,664	-	6,664
於二零一七年十二月三十一日 及二零一八年一月一日	At 31 December 2017 and 1 January 2018	805,002	1,150	3,414	17,011	57,974	-	884,551
融資現金流	Financing cash flows	(234,727)	(43,020)	(2,063)	-	(118,235)	-	(398,045)
收購一間附屬公司之額外 權益	Acquisition of additional interest in a subsidiary	-	-	-	-	119,002	-	119,002
匯兌差額	Exchange differences	(21,283)	-	(14)	(847)	(2,035)	-	(24,179)
利息開支	Interest expenses	-	43,756	95	-	-	-	43,851
非現金項目(附註)	Non-cash item (note)	-	-	-	-	(27,125)	-	(27,125)
分派予非控股權益之股息	Dividend distribution to non-controlling interests	-	-	-	-	8,864	-	8,864
於二零一八年十二月三十一日	At 31 December 2018	548,992	1,886	1,432	16,164	38,445	-	606,919

附註：應付代價27,125,000港元已與截至二零一七年十二月三十一日止年度自溢利承諾不足之數之收益產生之本集團附屬公司非控股股東欠款27,125,000港元抵銷。

Note: The consideration payable of HK\$27,125,000 has been netted off with amount due from non-controlling shareholder of the Group's subsidiary which arise from the gain on shortfall of profit undertaking of HK\$27,125,000 for the year ended 31 December 2017.

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

54. 本公司之財務狀況表

54. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	1,493	1,943
於附屬公司之投資	Investments in subsidiaries	499,863	457,171
於一間合營公司之權益	Interests in a joint venture	45,375	21,093
附屬公司欠款(附註b)	Amounts due from subsidiaries (note b)	798,614	642,475
		1,345,345	1,122,682
流動資產	Current assets		
其他應收款項及預付款項	Other receivables and prepayments	2,367	7,229
透過損益賬按公平值處理之金融資產	Financial assets at FVTPL	10,518	52,958
透過其他全面收益按公平值處理之債務工具(附註b)	Debt instruments at FVTOCI (note b)	31,336	–
其他投資(附註b)	Other investment (note b)	20,000	–
一間合營公司欠款	Amount due from a joint venture	343	7,972
現金及現金等價物	Cash and cash equivalents	25,019	10,931
		89,583	79,090
流動負債	Current liabilities		
其他應付款項及應計費用	Other payables and accrued expenses	1,399	5,388
流動資產淨值	Net current assets	88,184	73,702
總資產減流動負債	Total assets less current liabilities	1,433,529	1,196,384
股本及儲備	Capital and reserves		
股本	Share capital	11,177	9,900
股份溢價及儲備(附註a)	Share premium and reserves (note a)	1,422,352	1,186,484
權益總額	Total equity	1,433,529	1,196,384

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

54. 本公司之財務狀況表 (續)

54. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

附註：

Notes:

(a) 股份溢價及儲備

(a) Share premium and reserves

		股份溢價	為股份獎勵計劃持有之股份	以股份為基礎之僱員補償儲備	匯兌儲備	透過其他全面收益表按公平值處理之儲備	累計虧損	總額
		Share premium	Shares held for share award	Employee share-based compensation reserve	Translation reserve	FVTOCI reserves	Accumulated losses	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零一七年一月一日	At 1 January 2017	1,215,024	(860)	13,739	(35,836)	-	(10,654)	1,181,413
本公司本年度虧損	Loss for the year of the Company	-	-	-	-	-	(11,746)	(11,746)
兌換為呈列貨幣產生之匯兌差額	Exchange difference arising on translation to presentation currency	-	-	-	9,904	-	-	9,904
確認權益結算以股份為基礎之付款	Recognition of equity-settled share-based payments	-	-	10,397	-	-	-	10,397
已失效之購股權	Share options lapsed	-	-	(2,426)	-	-	2,426	-
為股份獎勵計劃購買股份	Purchase of shares for share award scheme	-	(3,484)	-	-	-	-	(3,484)
於二零一七年十二月三十一日	At 31 December 2017	1,215,024	(4,344)	21,710	(25,932)	-	(19,974)	1,186,484
調整(附註)	Adjustments (note)	-	-	-	-	-	(3,445)	(3,445)
於二零一八年一月一日(經重列)	At 1 January 2018 (restated)	1,215,024	(4,344)	21,710	(25,932)	-	(23,419)	1,183,039
本公司本年度虧損	Loss for the year of the Company	-	-	-	-	-	(47,305)	(47,305)
兌換為呈列貨幣產生之匯兌差額	Exchange difference arising on translation to presentation currency	-	-	-	(26,298)	-	-	(26,298)
透過其他全面收益表按公平值處理之債務工具之公平值變動	Fair value change on debt instruments at FVTOCI	-	-	-	-	(298)	-	(298)
本年度全面收入(開支)總額	Total comprehensive income (expense) for the year	-	-	-	(26,298)	(298)	(47,305)	(73,901)
收購一家附屬公司的額外權益(附註52(d)(i))	Acquisition of additional interest in a subsidiary (note 52(d)(i))	111,689	-	-	-	-	-	111,689
根據認購協議發行普通股(附註52(d)(iii))	Issuance of ordinary shares under the Subscription Agreement (note 52(d)(iii))	199,200	-	-	-	-	-	199,200
確認權益結算以股份為基礎之付款	Recognition of equity-settled share-based payments	-	-	4,799	-	-	-	4,799
已失效之購股權	Share options lapsed	-	-	(4,692)	-	-	4,692	-
為股份獎勵計劃購買股份	Purchase of shares for share award scheme	-	(510)	-	-	-	-	(510)
回購及註銷之股份	Shares repurchased and cancelled	(1,964)	-	-	-	-	-	(1,964)
於二零一八年十二月三十一日	At 31 December 2018	1,523,949	(4,854)	21,817	(52,230)	(298)	(66,032)	1,422,352

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54. 本公司之財務狀況表(續)

附註：(續)

(a) 股份溢價及儲備(續)

附註：

附屬公司欠款、其他應收款項、其他投資、現金及現金等價物以及一間合營公司欠款之預期信貸虧損，乃按12個月預期信貸虧損評估，其信貸風險自初始確認以來並無大幅增加。

於二零一八年一月一日，已就累計虧損確認一間合營公司欠款及附屬公司欠款之額外信貸虧損撥備3,445,000港元。額外虧損撥備已自相關資產扣除。

(b) 透過其他全面收益按公平值處理之債務工具

先前分類為持作買賣之31,336,000港元債券重新分類為透過其他全面收益按公平值處理之債務工具，原因為本公司已於二零一八年一月一日評估其管理債券之業務模型，於初始應用香港財務報告準則第9號之日期符合香港財務報告準則第9號下透過其他全面收益按公平值處理之債務工具之定義。

54. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Notes: (CONTINUED)

(a) Share premium and reserves (CONTINUED)

Note:

ECL for amounts due from subsidiaries, other receivables, other investment, cash and cash equivalents and amount due from a joint venture are assessed, using on 12m ECL basis as there had been no significant increase in credit since initial recognition.

As at 1 January 2018, additional credit loss allowance of HK\$3,445,000 on amount due from a joint venture and amounts due from subsidiaries have been recognised against accumulated losses. The additional loss allowance is charged against the respective assets.

(b) Debt instruments at FVTOCI

Bonds amounting to HK\$31,336,000 previously classified as held for trading are reclassified to debt instruments at FVTOCI as the Company has assessed its business model for managing its bonds on 1 January 2018 which meets the definition of debt instruments at FVTOCI under HKFRS 9 at the date of initial application of HKFRS 9.

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55. 附屬公司資料

本公司所有附屬公司於二零一八年及二零一七年十二月三十一日之資料如下：

55. PARTICULARS OF SUBSIDIARIES

Particulars of all subsidiaries of the Company as at 31 December 2018 and 2017 are as follows:

公司名稱 Name of company	註冊成立/登記地點 Place of incorporation/ registration	經營地點 Place of operations	已發行及繳足 普通股股本/ 已繳足註冊資本 Paid up issued ordinary share capital/paid up registered capital	本集團應佔之實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	
All-cement Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股及水泥業務 Investment holding and cement business
All-Shanghai Inc.	英屬處女群島 British Virgin Islands	香港 Hong Kong	15,376,500美元 US\$15,376,500	83.33	83.33	投資控股及水泥業務 Investment holding and cement business
Fester Global Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
金瑞有限公司 Fortunate Gold Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
富而嘉有限公司 Fully Fine Limited	香港 Hong Kong	香港 Hong Kong	1港元 HK\$1	100	100	投資控股 Investment holding
Gratwick Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
Greater Vision Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
興璋香港有限公司 Kingway Hong Kong Limited	香港 Hong Kong	香港 Hong Kong	1港元 HK\$1	100	100	投資控股 Investment holding
興活有限公司 Kingwood Limited	香港 Hong Kong	香港 Hong Kong	1港元 HK\$1	100	100	投資控股 Investment holding
康泰投資管理有限公司 Konta Investment Management Co., Ltd.	開曼群島 Cayman Islands	香港 Hong Kong	100美元 US\$100	90	90	投資控股 Investment holding
SAC Intellectual Properties Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding

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55. 附屬公司資料 (續)

55. PARTICULARS OF SUBSIDIARIES
(CONTINUED)

公司名稱 Name of company	註冊成立/登記地點 Place of incorporation/ registration	經營地點 Place of operations	已發行及繳足 普通股股本/ 已繳足註冊資本 Paid up issued ordinary share capital/paid up registered capital	本集團應佔之實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	
山東聯合王冕水泥有限公司	中國(附註1) The PRC (Note 1)	中國 The PRC	14,360,000美元 US\$14,360,000	100	100	生產及銷售水泥及熟料 Manufacture and sales of cement and clinker
山東上聯水泥發展有限公司 Shandong Shanghai Allied Cement Co., Ltd.	中國(附註2) The PRC (Note 2)	中國 The PRC	1,000,000美元 US\$1,000,000	100	100	生產及銷售礦渣 Manufacture and sales of slag
上海聯合水泥有限公司	中國(附註1) The PRC (Note 1)	中國 The PRC	104,000,000美元 US\$104,000,000	50*	50*	買賣水泥及熟料 Trading of cement and clinker
上聯水泥集團有限公司 Shanghai Allied Cement Holdings Limited	香港 Hong Kong	香港 Hong Kong	10,000,000港元 HK\$10,000,000	100	100	投資控股 Investment holding
Sharkview Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
鉅聯有限公司 Splendid Link Limited	英屬處女群島 British Virgin Islands	香港 Hong Kong	1美元 US\$1	100	100	投資控股 Investment holding
同方藥業集團有限公司	中國(附註3) The PRC (Note 3)	中國 The PRC	人民幣 120,000,000元 RMB120,000,000	100	60	投資控股以及 製造及銷售處方藥 Investment holding and manufacturing and sales of prescription of drugs
華控創新(北京) 藥物研究院有限公司	中國(附註4) The PRC (Note 4)	中國 The PRC	-	100**	60**	研發醫療產品 Research and development of medical products

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55. 附屬公司資料 (續)

55. PARTICULARS OF SUBSIDIARIES (CONTINUED)

公司名稱 Name of company	註冊成立/登記地點 Place of incorporation/ registration	經營地點 Place of operations	已發行及繳足 普通股股本/ 已繳足註冊資本 Paid up issued ordinary share capital/paid up registered capital	本集團應佔之實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	
西藏林芝市醫藥有限公司	中國(附註5) The PRC (Note 5)	中國 The PRC	人民幣5,360,000元 RMB5,360,000	100 [#]	60 [#]	製造及銷售處方藥 Manufacture and sales of prescription drugs
陝西紫光辰濟藥業有限公司	中國(附註6) The PRC (Note 6)	中國 The PRC	人民幣 18,007,322.35元 RMB18,007,322.35	66.00 [#]	39.6 [#]	製造及銷售處方藥 Manufacture and sales of prescription drugs
重慶康樂製藥有限公司	中國(附註7) The PRC (Note 7)	中國 The PRC	人民幣 21,814,118元 RMB21,814,118	59.42 [#]	35.65 [#]	製造及銷售處方藥 Manufacture and sales of prescription drugs
斯貝福(北京)生物技術有限公司	中國(附註6) The PRC (Note 6)	中國 The PRC	人民幣8,400,000元 RMB8,400,000	55.43 [#]	33.26 [#]	買賣實驗室相關產品 Trading of laboratory related products
陝西辰濟大藥房有限公司	中國(附註7) The PRC (Note 7)	中國 The PRC	人民幣1,000,000元 RMB1,000,000	-	39.6 [#]	買賣處方藥 Trading of prescription drugs
重慶華控康樂藥物研究有限公司	中國(附註8) The PRC (Note 8)	中國 The PRC	- [^]	59.42 [#]	35.65 [#]	研發醫療產品 Research and development of medical products
前海興璋企業管理諮詢(深圳)有限公司	中國(附註9) The PRC (Note 9)	中國 The PRC	- [^]	100	100	投資控股及企業顧問 Investment holding and corporate advisory
前海富而嘉企業管理諮詢(深圳)有限公司	中國(附註9) The PRC (Note 9)	中國 The PRC	- [^]	100	100	投資控股及企業顧問 Investment holding and corporate advisory

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55. 附屬公司資料 (續)

55. PARTICULARS OF SUBSIDIARIES
(CONTINUED)

公司名稱 Name of company	註冊成立/登記地點 Place of incorporation/ registration	經營地點 Place of operations	已發行及繳足 普通股股本/ 已繳足註冊資本 Paid up issued ordinary share capital/paid up registered capital	本集團應佔之實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	
北京華控康泰醫療健康管理有限公司	中國(附註4) The PRC (Note 4)	中國 The PRC	人民幣 60,000,000元 RMB60,000,000	100	100	投資控股 Investment holding
清藥同創(深圳)藥物研發中心有限公司	中國(附註10) The PRC (Note 10)	中國 The PRC	人民幣 10,000,000元 RMB10,000,000	100	-	暫無營業 Inactive
上海國瑞同順節能環保技術發展有限公司	中國(附註11) The PRC (Note 11)	中國 The PRC	人民幣 6,000,000元 RMB6,000,000	70.83	85	提供合同能源管理 Provision of energy contracting
榮徽投資有限公司 Glorious Mark Investments Limited	香港 Hong Kong	香港 Hong Kong	1港元 HK\$1	100	-	投資控股 Investment holding
TFKT True Holdings	開曼群島 Cayman Islands	新加坡 Singapore	5,050,000美元 US\$5,050,000	54	-	投資控股 Investment holding
Nation Valley Investment Limited	英屬處女群島 British Virgin Islands	新加坡 Singapore	1美元 US\$1	-	54	投資控股 Investment holding
Profit Heaven Management Limited	英屬處女群島 British Virgin Islands	新加坡 Singapore	1美元 US\$1	54	54	投資控股 Investment holding
群真(廈門)健身休閒有限公司	中國(附註2) The PRC (Note 2)	中國 The PRC	人民幣4,558,774元 RMB4,558,774	54	54	經營健身中心 及提供諮詢服務 Operating of fitness centres and provision of consultation services
True Fitness Holdings (Singapore) Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	1新加坡元 SGD1	54	54	投資控股 Investment holding

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55. 附屬公司資料 (續)

55. PARTICULARS OF SUBSIDIARIES (CONTINUED)

公司名稱 Name of company	註冊成立/登記地點 Place of incorporation/ registration	經營地點 Place of operations	已發行及繳足 普通股股本/ 已繳足註冊資本 Paid up issued ordinary share capital/paid up registered capital	本集團應佔之實際股本權益 Effective equity interest attributable to the Group		主要業務 Principal activities
				二零一八年 2018 %	二零一七年 2017 %	
True Fit Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	1新加坡元 SGD1	54	54	經營健身中心 及提供諮詢服務 Operating of fitness centres and provision of consultation services
True Fitness Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	4,474,000新加坡元 SGD4,474,000	54	54	經營健身中心 及提供諮詢服務 Operating of fitness centres and provision of consultation services
True Yoga Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	100,000新加坡元 SGD100,000	54	54	經營健身中心 及提供諮詢服務 Operating of fitness centres and provision of consultation services
True Fitness (STC) Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	1,700,000新加坡元 SGD1,700,000	54	54	經營健身中心 及提供諮詢服務 Operating of fitness centres and provision of consultation services
True Yoga Holdings Pte. Ltd.	新加坡 Singapore	新加坡 Singapore	1新加坡元 SGD1	54	—	投資控股 Investment holding

於年末，附屬公司概無發行任何債務證券。

None of the subsidiaries had issued any debt securities at the end of the year.

備註：

Remarks:

該公司由本公司擁有其83.33%權益之附屬公司持有及控制。

This company is held and controlled by a 83.33%-owned subsidiary of the Company.

該等公司由同方藥業持有及控制。

These companies are held and controlled by Tongfang Pharmaceutical.

^ 該等公司由同方康泰產業集團有限公司成立且並無已繳足註冊資本。

^ These companies were set up by Tongfang Kontafarma Holdings Limited and there was no paid up registered capital.

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55. 附屬公司資料 (續)

附註：

- (1) (有限責任公司(台港澳與外國投資者合資))
- (2) (有限責任公司(外國法人獨資))
- (3) (有限責任公司(中外合資))
- (4) (有限責任公司(法人獨資))
- (5) (有限責任公司(非自然人投資或控股的法人獨資))
- (6) (其他有限責任公司)
- (7) (有限責任公司(自然人投資或控股))
- (8) (有限責任公司(自然人投資或控股的法人獨資))
- (9) (有限責任公司(台港澳法人獨資))
- (10) (有限責任公司(自然人投資或法人獨資))
- (11) (有限責任公司(外商投資企業與內資合資))

55. PARTICULARS OF SUBSIDIARIES

(CONTINUED)

Notes:

- (1) (limited liability company (joint ventures established by investors from Taiwan, Hong Kong and Macau and foreign investors))
- (2) (limited liability company (wholly foreign-owned enterprise))
- (3) (limited liability company (sino-foreign equity joint ventures))
- (4) (limited liability company (wholly owned by a legal person))
- (5) (limited liability company (sole proprietorship that is not invested or held by a natural person))
- (6) (other limited liability company)
- (7) (limited liability company (invested or held by a natural person))
- (8) (limited liability company (sole proprietorship invested or held by a natural person))
- (9) (limited liability company (solely invested by corporation in Taiwan, Hong Kong or Macau))
- (10) (limited liability company (invested by a natural person or wholly owned by a legal person))
- (11) (limited liability company (a joint venture established by wholly foreign-owned enterprise and domestic companies))

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

56. 擁有重大非控股權益之非全資附屬公司之詳情

下表顯示本公司擁有重大非控股權益之非全資附屬公司之詳情：

56. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly owned subsidiaries of the Company that have material non-controlling interests:

公司名稱 Name of company	非控股權益持有之擁有權 權益及投票權比例 Proportion of ownership interest and voting rights held by non-controlling interests		分配至 非控股權益之溢利 Profit allocated to non-controlling interests		累計非控股權益 Accumulated non-controlling interests	
	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017	二零一八年 2018	二零一七年 2017
	%	%	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
上海上聯 Shanghai SAC	50	50	18,007	8,016	392,820	403,576
同方藥業 Tongfang Pharmaceutical	-	40	616	14,876	-	110,292
同方藥業之非全資附屬公司 Non-wholly owned subsidiaries of Tongfang Pharmaceutical	37至45 37 to 45	37至45 37 to 45	11,598	7,168	63,169	58,284
TFKT True Holdings	46	46	13,681	6,454	52,532	43,641
擁有非控股權益之個別非重大附屬公司 Individually immaterial subsidiary with non-controlling interests					7,159	8,896
					515,680	624,689

有關本公司擁有重大非控股權益之附屬公司之財務資料概要載列如下。以下財務資料概要呈報集團內抵銷前之金額。

Summarised financial information in respect of the Company's subsidiary that has material non-controlling interests is set out below. The summarised financial information below presented amounts before intra-group eliminations.

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

56. 擁有重大非控股權益之非全資
附屬公司之詳情 (續)

56. DETAILS OF NON-WHOLLY OWNED
SUBSIDIARIES THAT HAVE MATERIAL
NON-CONTROLLING INTERESTS (CONTINUED)

上海聯合水泥有限公司

Shanghai Allied Cement Co., Ltd.* (上海聯合
水泥有限公司)

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
流動資產	Current assets	964,608	921,516
非流動資產	Non-current assets	147,094	157,829
流動負債	Current liabilities	(303,428)	(246,544)
非流動負債	Non-current liabilities	(22,665)	(25,681)
本公司股東應佔權益	Equity attributable to owners of the Company	392,789	403,544
非控股權益	Non-controlling interests	392,820	403,576

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

56. 擁有重大非控股權益之非全資 附屬公司之詳情 (續)

上海聯合水泥有限公司 (續)

56. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

Shanghai Allied Cement Co., Ltd.* (上海聯合
水泥有限公司) (CONTINUED)

		二零一八年 2018 千港元 HK\$'000	二零一七年 2017 千港元 HK\$'000
收入	Revenue	782,562	485,790
費用淨額	Net expenses	(746,550)	(469,758)
本年度溢利	Profit for the year	36,012	16,032
本公司股東應佔溢利	Profit attributable to owners of the Company	18,005	8,016
非控股權益應佔溢利	Profit attributable to non-controlling interests	18,007	8,016
本年度溢利	Profit for the year	36,012	16,032
本公司股東應佔 其他全面(支出)收益	Other comprehensive (expense) income attributable to owners of the Company	(22,402)	27,961
非控股權益應佔 其他全面(支出)收益	Other comprehensive (expense) income attributable to non-controlling interests	(22,399)	27,954
本年度其他全面(支出)收益	Other comprehensive (expense) income for the year	(44,801)	55,915
本公司股東應佔全面 (支出)收益總額	Total comprehensive (expense) income attributable to owners of the Company	(4,397)	35,977
非控股權益應佔全面 (支出)收益總額	Total comprehensive (expense) income attributable to non-controlling interests	(4,392)	35,970
本年度全面(支出)收益總額	Total comprehensive (expense) income for the year	(8,789)	71,947
分派予非控股權益之股息	Dividend distribution to non-controlling interests	6,364	6,664
營運業務之現金流出淨額	Net cash outflow from operating activities	(65,558)	(77,458)
投資業務之現金流入淨額	Net cash inflow from investing activities	87,940	76,907
現金流入(流出)淨額	Net cash inflow (outflow)	22,382	(551)

綜合財務報表附註

Notes to the Consolidated Financial Statements

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

56. 擁有重大非控股權益之非全資
附屬公司之詳情 (續)

56. DETAILS OF NON-WHOLLY OWNED
SUBSIDIARIES THAT HAVE MATERIAL
NON-CONTROLLING INTERESTS (CONTINUED)

同方藥業

Tongfang Pharmaceutical

二零一七年
2017
千港元
HK\$'000

流動資產	Current assets	568,310
非流動資產	Non-current assets	612,377
流動負債	Current liabilities	(775,728)
非流動負債	Non-current liabilities	(212,968)
本公司股東應佔權益	Equity attributable to owners of the Company	23,415
同方藥業非控股權益	Non-controlling interests of Tongfang Pharmaceutical	110,292
同方藥業附屬公司之 非控股權益	Non-controlling interests of Tongfang Pharmaceutical's subsidiaries	58,284
收入	Revenue	353,774
費用淨額	Net expenses	(309,427)
本年度溢利	Profit for the year	44,347
本公司股東應佔溢利	Profit attributable to owners of the Company	22,303
同方藥業非控股權益應佔溢利	Profit attributable to non-controlling interests of Tongfang Pharmaceutical	14,876
同方藥業附屬公司之 非控股權益應佔溢利	Profit attributable to non-controlling interests of Tongfang Pharmaceutical's subsidiaries	7,168
本年度溢利	Profit for the year	44,347
本公司股東應佔其他全面收益	Other comprehensive income attributable to owners of the Company	15,439
同方藥業非控股權益應佔 其他全面收益	Other comprehensive income attributable to non-controlling interests of Tongfang Pharmaceutical	4,079
同方藥業附屬公司之 非控股權益應佔其他全面收益	Other comprehensive income attributable to non-controlling interests of Tongfang Pharmaceutical's subsidiaries	3,661
本年度其他全面收益	Other comprehensive income for the year	23,179
本公司股東應佔全面收益總額	Total comprehensive income attributable to owners of the Company	37,742
非控股權益應佔全面收益總額	Total comprehensive income attributable to non-controlling interests	18,955
同方藥業附屬公司之 非控股權益應佔全面收益總額	Total comprehensive income attributable to non-controlling interests of Tongfang Pharmaceutical's subsidiaries	10,829
本年度全面收益總額	Total comprehensive income for the year	67,526
分派予非控股權益之股息	Dividend distribution to non-controlling interests	-
營運業務之現金流出淨額	Net cash outflow from operating activities	(71,016)
投資業務之現金流出淨額	Net cash outflow from investing activities	(67,676)
融資業務之現金流入淨額	Net cash inflow from financing activities	185,370
現金流入淨額	Net cash inflow	46,678

* 僅供識別

* For identification purpose only

財務概要

Financial Summary

截至十二月三十一日止財政年度 Financial year ended 31 December

		截至十二月三十一日止財政年度				
		Financial year ended 31 December				
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		2014	2015	2016	2017	2018
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
業績	Results					
收入	Revenue	733,125	465,739	633,279	1,344,336	2,093,724
除稅前溢利(虧損)	Profit (loss) before taxation	46,107	(26,985)	(20,128)	35,970	108,866
稅項	Taxation	(18,083)	(2,829)	(7,425)	(119)	(37,354)
本年度溢利(虧損)	Profit (loss) for the year	28,024	(29,814)	(27,553)	35,851	71,512
本年度溢利(虧損)應佔方：	Profit (loss) for the year attributable to:					
本公司股東	Owners of the Company	17,280	(34,237)	(37,076)	(1,806)	32,499
非控股權益	Non-controlling interests	10,744	4,423	9,523	37,657	39,013
		28,024	(29,814)	(27,553)	35,851	71,512
每股基本盈利(虧損) (港仙)	Basic earnings (loss) per share (HK cents)	0.43	(0.69)	(0.75)	(0.04)	0.60

		於十二月三十一日				
		At 31 December				
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		2014	2015	2016	2017	2018
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產及負債	Assets and liabilities					
總資產	Total assets	2,426,774	2,629,925	3,154,191	3,444,210	3,342,464
總負債	Total liabilities	713,025	1,021,320	1,511,128	1,595,498	1,433,403
非控股權益	Non-controlling interests	429,058	400,946	517,229	624,689	515,680
本公司股東應佔權益	Equity attributable to owners of the Company	1,284,691	1,207,659	1,125,834	1,224,023	1,393,381



同方康泰產業集團有限公司
Tongfang Kontafarma Holdings Limited