



Tibet Water Resources Ltd.
西藏水資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號：1115



Annual Report 2019
年 報





5100
TIBET
SPRING

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Special Mineral Water
5100

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TIBET WATER RESOURCES LTD. (the “Company”, together with its subsidiaries, the “Group”) (stock code : 1115), a company listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 30 June 2011, is a leading manufacturer of the high-end fast-consuming beverage in the Tibet Autonomous Region (“Tibet”) in the People’s Republic of China (the “PRC”). The Group’s principal businesses mainly include two segments, i.e. water and beer.

The Group’s water business segment covers Mainland China and Hong Kong markets. Located at the Nyainqentanglha Range at an altitude of 5,100 meters, the water source of the “**Tibet 5100 Glacial Spring Water**” (“**5100 Glacial Water**”) of the Group is a unique glacial spring with rich and balanced mineral content, which has not only been recognized as a quality mineral water source in China, but was also awarded as the best mineral water at a global bottled water congress. The Group has developed diversified packages and specifications for the 5100 series, ranging from the Diamond Series, the Blue Cap Series to the Family Soft Barrelled Water Series equipped with innovatively-designed vacuum water dispenser. In addition, another natural water branded “**Easy Joy • Zhuoma Spring**” produced by an associate jointly established by the Group and China Petroleum & Chemical Corporation (“Sinopec”) has also been widely available in the convenience stores of Sinopec gas stations.

The Group expanded through the acquisition of the beer business in 2013. The “**Tibet Green Barley Beer**” produced and sold by the Group is brewed using high-quality highland barley as raw materials and local pollution-free highland spring water in Tibet with patented technology. It is also a premium and healthy beverage with Tibet characteristics.

By adhering to the most stringent quality control, we provide the healthiest specialty products with the best quality globally. With our origin in Tibet, we reach out to the world and are committed to being a world-class premium beverage manufacturing enterprise.



西藏水資源有限公司(以下簡稱「本公司」, 與其子公司一併合稱「本集團」)(股份代號: 1115), 於2011年6月30日在香港聯合交易所有限公司(「聯交所」)主板上市, 是在中華人民共和國(以下簡稱「中國」)業內領先的西藏自治區(「西藏」)高端快速消費飲品製造商, 本集團主營業務主要包括水和啤酒兩大版塊。

本集團水版塊的業務區域覆蓋中國內地和香港市場。集團旗下的「西藏5100冰川礦泉水」(「5100冰川水」)水源位於海拔5,100米的西藏念青唐古拉山脈, 是礦物質含量豐富均衡的獨特冰川山泉, 不僅獲得中國優質礦泉水源地稱號, 更曾在世界瓶裝水大會上榮獲最佳礦泉水獎。本集團為5100系列研發了多元化的包裝和規格, 包括鑽石系列、藍蓋系列和配有創新設計真空飲水機的家庭軟瓶裝系列。另外, 本集團與中國石油化工股份有限公司(「中石化」)合作設立的聯營公司所生產的「易捷·卓瑪泉」天然水也已遍佈中石化各加油站便利店。

本集團於2013年擴充並購入啤酒業務, 本集團所生產和銷售的「西藏青稞啤酒」, 是以優質的高原青稞為釀造原料, 與西藏當地無污染的高原泉水以專利技術釀造而成, 亦是具有西藏特色的高端健康飲品。

我們堅持秉承最嚴格的質量品控, 向世界提供最健康、最優質的特色產品, 源自西藏、走向世界, 致力成為世界一流的高端飲品製造企業。



TIBET GLACIER MINERAL WATER CO., LTD.
西藏冰川礦泉水有限公司

5100[®]

UNIQUENESS • PURITY
獨特 • 純淨



PREMIUM GLACIAL
MINERAL WATER
高端冰川礦泉水

TIBET TIANDI GREEN BEVERAGE
DEVELOPMENT CO., LTD.
西藏天地綠色飲品發展有限公司



PREMIUM TIBET
HIGHLAND BARLEY BEER
高端西藏高原青稞啤酒

STRATEGIC COOPERATION
PRODUCT LHASA BEER
戰略合作產品拉薩啤酒

TIBET HIGHLAND NATURAL
WATER LIMITED
西藏高原天然水有限公司



“EASY JOY • ZHUOMA SPRING”
NATURAL DRINKING WATER
「易捷·卓瑪泉」
天然飲用水

THE BOARD (THE "BOARD") OF DIRECTORS (THE "DIRECTORS") OF THE COMPANY

EXECUTIVE DIRECTORS

Mr. WANG Dong (*Chief Executive Officer*)
 Mr. YUE Zhiqiang
 Mr. LIU Chen
 Mr. WONG Hak Kun
 (resigned on 24 May 2019)
 Ms. HAN Linyou
 (resigned on 11 November 2019)

NON-EXECUTIVE DIRECTORS

Ms. JIANG Xiaohong
 Mr. WEI Zhe Ming
 (appointed on 31 December 2019)
 Mr. XU Liang
 (appointed on 31 December 2019)
 Ms. GUO Kun Kun
 (appointed on 31 December 2019)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Jesper Bjoern MADSEN (*Chairman*)
 Mr. Kevin Cheng WEI
 Mr. HUNG Ka Hai Clement
 (appointed on 31 December 2019)
 Mr. TANG Zeping
 (appointed on 2 March 2020)
 Mr. LEE Conway Kong Wai
 (resigned on 29 February 2020)

COMPANY SECRETARY

Mr. CHOW Wai Kit

AUTHORISED REPRESENTATIVES

Mr. CHOW Wai Kit
 Mr. LIU Chen

INDEPENDENT EXTERNAL AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

LEGAL ADVISORS

Sit, Fung, Kwong & Shum Solicitors

本公司董事(「董事」)會(「董事會」)

執行董事

王東先生(*行政總裁*)
 岳志強先生
 劉晨先生
 王克勤先生
 (於二零一九年五月二十四日辭任)
 韓林攸女士
 (於二零一九年十一月十一日辭任)

非執行董事

姜曉虹女士
 魏哲明先生(於二零一九年
 十二月三十一日獲委任)
 徐亮先生(於二零一九年
 十二月三十一日獲委任)
 郭昆琨女士(於二零一九年
 十二月三十一日獲委任)

獨立非執行董事

麥奕鵬先生(*主席*)
 蔚成先生
 洪嘉禧先生(於二零一九年
 十二月三十一日獲委任)
 唐澤平先生
 (於二零二零年三月二日獲委任)
 李港衛先生
 (於二零二零年二月二十九日辭任)

公司秘書

周偉傑先生

授權代表

周偉傑先生
 劉晨先生

獨立外聘核數師

羅兵咸永道會計師事務所
執業會計師

法律顧問

薛馮鄭岑律師行

INVESTOR RELATIONS CONSULTANT

Kredito PR Consultancy Limited
 Suites 2602-03, Tower 1
 The Harbourfront, Hunghom, Hong Kong
 Phone: +852 2248 1188
 Fax: +852 2248 1199

REGISTERED OFFICE

Cricket Square, Hutchins Drive
 P.O. Box 2681, Grand Cayman, KY1-1111
 Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1611-12, 16th Floor, One Island South
 2 Heung Yip Road, Wong Chuk Hang
 Hong Kong

HONG KONG BRANCH SHARE REGISTRAR

Union Registrars Limited
 Suites 3301-04, 33/F.
 Two Chinachem Exchange Square
 338 King's Road
 North Point, Hong Kong
 Phone: +852 2849 3399
 Fax: +852 2849 3319

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
 Cricket Square, Hutchins Drive
 P.O. Box 2681, Grand Cayman, KY1-1111
 Cayman Islands

WEBSITES TO ACCESS COMPANY INFORMATION*

<http://www.twr1115.net>
<http://www.hkexnews.hk>

STOCK CODE ON MAIN BOARD OF THE STOCK EXCHANGE

1115

* contents of the websites do not form part of this Annual Report

投資者關係顧問

潛豐公關顧問有限公司
 香港紅磡海濱廣場一座
 2602-03室
 電話: +852 2248 1188
 傳真: +852 2248 1199

註冊辦事處

Cricket Square, Hutchins Drive
 P.O. Box 2681, Grand Cayman, KY1-1111
 Cayman Islands

總部及香港主要營業地點

香港
 黃竹坑香葉道2號
 One Island South 16樓1611-12室

香港股份登記分處

聯合證券登記有限公司
 香港北角
 英皇道338號
 華懋交易廣場2期
 33樓3301-04室
 電話: +852 2849 3399
 傳真: +852 2849 3319

主要股份登記及過戶處

Codan Trust Company (Cayman) Limited
 Cricket Square, Hutchins Drive
 P.O. Box 2681, Grand Cayman, KY1-1111
 Cayman Islands

公司資料查閱網址*

<http://www.twr1115.net>
<http://www.hkexnews.hk>

聯交所主板股份代號

1115

* 網站內容不構成本年報的一部分



TWR
麥奕鵬先生
Mr. Jesper Bjoern MADSEN

CHAIRMAN'S STATEMENT

主席報告書

ON BEHALF OF THE GROUP, I AM PLEASED TO PRESENT THE GROUP'S ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (THE "REPORTING PERIOD")

本人僅代表本集團欣然提呈截至二零一九年十二月三十一日止年度(「報告期間」)之全年業績。



BUSINESS REVIEW

During the Reporting Period, revenue of the Group was RMB721 million, representing a decrease of 18% compared with RMB881 million of the same period last year. The loss attributable to shareholders of the Company was RMB745 million (31 December 2018: profit attributable to shareholders was RMB318 million). However, excluding the one-time impairment loss on investment in Tibet Highland Natural Water Limited ("Highland Natural Water") of RMB873 million and the one-time impairment loss on financial assets of RMB76 million, profit attributable to the shareholders of the Company was RMB204 million. Cash inflows from operating activities was approximately RMB548 million (31 December 2018: approximately RMB212 million). Despite the impairment on the investment in Highland Natural Water, the Group remains confident about the long-term benefits of this investment both strategically and financially.

China's gross domestic product rose by 6.1% in 2019 compared to previous year but a continuation of previous years slowing growth with 2019 seeing the lowest growth for 29 years. This, combined with the trade war with the United States of America, continues to affect consumer sentiment adversely putting pressure on the sale of premium products like 5100 Glacial Water, the

業績回顧

於報告期間，本集團的收入為人民幣7.21億元，較去年同期人民幣8.81億元，下跌18%。本公司股東應佔虧損為人民幣7.45億元(二零一八年十二月三十一日：股東應佔利潤為人民幣3.18億元)，然而，除去一次性的對西藏高原天然水有限公司(「高原天然水」)的投資的減值損失人民幣8.73億元和一次性的金融資產減值損失人民幣7,600萬元，本公司股東應佔利潤為人民幣2.04億元。經營活動產生的現金流入淨額約人民幣5.48億元(二零一八年十二月三十一日：約人民幣2.12億元)。儘管對高原天然水的投資存在減值，本集團仍然對該項投資的長遠益處，無論是策略上還是財務上都充滿信心。

二零一九年，中國境內生產總值同比增長6.1%，但經濟增長持續放緩且二零一九年是29年來增長最低。加上中美貿易戰，持續對消費者情緒產生負面影響，對如本集團的旗艦產品，5100冰川水這樣的高端產品

Group's flagship product. Hence more aggressive pricing and promotion discount have been necessary to compete in the market affecting the Group's profit. It is however expected that despite a challenging economic environment in the years to come, the sale of bottled water in China will increase substantially and the Group is well positioned to benefit from such growth (see further below).

The Group's beer operation remains an important part of the Group's business. However, in this segment the result was not satisfactory with a decrease in volume and profit compared to 2018, largely due to the stiff competition in the Tibet market.

PROSPECT

Under the "Planning of the Development of Natural Water Industry in Tibet Autonomous Region" (2015-2025), Tibet is and will increasingly so be a very important source of natural drinking water in China strongly supported by the Tibetan government. This creates a very strong platform for the Group, as well as being the leading drinking water group in Tibet.

Apart from having developed the 5100 Glacial Water as China's leading domestic premium water brand, the Group is also involved in two major water plant projects in Tibet, one is Highland Natural Water in which the Group holds 43.981% equity interests and Sinopec holds 51% equity interests and the other is Tibet Shannan Yalaxiangbu Industrial Ltd. ("Shannan Yalaxiangbu") in which the Group holds 9% equity interests and PetroChina Company Limited ("Petro China") holds 51% equity interests. Both joint ventures sell water brands in the mainstream market through their gas stations throughout China, altogether covering more than 50,000 outlets. Both plants are fully operational and expected to deliver a very significant volume growth in the years ahead. Furthermore, the water brands of these joint ventures form part of the Groups' brand portfolio in a separate arrangement and is an important supplement to the Group's premium water brand and will enable the Group to compete more efficiently in the highly competitive water market in China with a portfolio which includes the fast growing mainstream water segment.

的銷售造成壓力。為了在市場中競爭而採取更激進的定價以及促銷折扣影響了本集團的利潤。但是，儘管預期在將到來的年份裡，經濟環境會充滿挑戰，中國的瓶裝水的銷售仍然會大大增長，而本集團也將處於有利位置，受益於該增長(見下文)。

本集團的啤酒業務仍然是本集團業務的重要組成部分，但因西藏市場的激烈競爭，此分部的銷量和利潤與二零一八年相比，都有所下降，業績並不令人滿意。

前景展望

根據《西藏自治區天然飲用水產業發展規劃》(2015-2025年)，西藏是並將成為西藏政府強烈支持的中國天然飲用水的愈來愈重要供應地。這為已經是西藏飲用水領軍集團的本集團提供了非常強大的平台。

除了已發展5100冰川水這一中國領先本土高端水品牌，本集團還參與了西藏兩個重要的水廠項目，其中一個是本集團持股43.981%，中石化持股51%的高原天然水，另一個是本集團持股9%，中國石油天然氣股份有限公司(「中石油」)持股51%的西藏山南雅拉香布實業有限公司(「山南雅拉香布」)。這兩個合資企業均通過他們遍佈中國的加油站在主流市場銷售水品牌，覆蓋超過50,000個店點。這兩家工廠都全面運作，並預計在未來年內有很大的銷量增長。並且，這些合資企業的水品牌各自獨立安排，構成了本集團品牌體系的一部分，是本集團高端水品牌的重要補充，且因包含高速增長的主流水分部，使得本集團在中國激烈競爭的水市場中更有效地參與競爭。

The Group continues to see a significant potential for its beer business in Tibet and the rest of China and projects are ongoing for strengthening the Group's position in these markets including penetrating different price segments. During 2019, the Group's sale of beer through Sinopec's and Petro China's channels grew 71% with significant potential for further growth.

During 2019, Tibet Fudi Natural Beverage Packaging Ltd ("Fudi Packaging"), in which the Group has acquired a 25% shareholding has become an important production base for packaging material for beverage products in Tibet and with its investment in this business the Group has secured the influence in a critical element of its supply chain.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Abiding by a strict quality control system, we attach great importance to water resource conservation, environment protection and advocate a "conservative, environmentally-friendly, natural and healthy" lifestyle. We provide support to the development of local education services in Tibet with our "5100 Tibet Education Development Specialty Grant". Our case of "industry targeted poverty alleviation" was recorded in a book titled "Targeted Poverty Alleviation, Chinese Solution" which was considered and referenced by the Chinese government departments responsible for lifting poverty, in recognition of our efforts in poverty alleviation. This marked another encouraging milestone for us after being featured in the United Nations Development Programme (UNDP) "2016 China National Human Development Report". We have and will always be committed to the "AidTibet" programme by means of industry-driving poverty-alleviation to improve the living standard of the Tibet people and further develop the economy and culture in the surrounding areas of Tibet.

本集團的啤酒業務繼續在西藏以及中國其他地區具有重要潛力，並且為加強本集團在這些市場的地位，一些項目，包括滲透不同的價格區域，都在進行中。於二零一九年本集團通過中石化和中石油的渠道銷售的啤酒銷量增長71%，具有進一步增長的潛力。

於二零一九年，本集團已收購了25%股權的西藏福地天然飲品包裝有限責任公司（「福地包裝」）已經成為了西藏飲料產品重要的包裝材料的生產基地，並且因對這項業務的投資，本集團鎖定了對自身供應鏈的重要元素的影響。

企業社會責任

我們一直遵循嚴格的質量控制體系，重視水資源保育和環境的保護，倡導「節約、環保、自然、健康」的生活模式。我們以「西藏5100教育發展專項基金」為依託，支持西藏當地教育服務的發展。我們的「產業精準扶貧」案例獲錄入到一本供中國負責扶貧的政府部門考慮及參閱的書中—《精準扶貧，中國方案》，作為對我們在扶貧方面的努力的認可，是繼出現在聯合國開發計劃《2016中國人類發展報告》後另一令人鼓舞的里程碑。我們已經並將一直致力支持以產業帶動扶貧的「造血式」援藏，改善西藏人民的生活水平，進一步發展周邊地區的經濟和文化。

CONCLUSION

Despite the result not being satisfactory for the Group in 2019, with both external and internal challenges there are nevertheless great opportunities for the Group in the years to come.

The Group is in an excellent position to respond to markets trends in both the water and beer segment including the demand for high quality products “from the roof of the world” in the premium segment or good value products in the mainstream segment with the Group’s products being characterized by “purity and natural”, attributes highly valued by consumers. Furthermore the Group’s business activities meets another increasingly important consumer demand by operating under the highest standards of CSR as described above.

During 2020, the Group will also seek opportunities in strengthening its organizational set-up and market activities in order to be better equipped to exploit the future significant growth potential.

However, the outbreak of the COVID-19 pandemic has had a huge impact on business globally and as of today it is still uncertain when the epidemic will get under control, where business and social activities will be moving back to normal. This has affected the Group unfavorably during in 2020 and is likely to continue to have an adverse effect for the time to come creating significant challenges to the Group in a short to medium term. However, in the longer-term, the Group remains confident to get back on a healthy growth track for reasons explained above.

ACKNOWLEDGEMENT

The Chairman of the Board would like to express his sincere appreciation for the devotion and hard work of the Board, the management team and all the staff members, as well as the support from the shareholders, business partners and loyal customers.

Jesper Bjoern MADSEN

Chairman

31 March 2020

總結

儘管二零一九年的業績對本集團來說並不令人滿意，但來自外部和內部的挑戰對於本集團來說也存在巨大機會。

本集團的產品以受到消費者高度評價的「純淨和天然」為特點，令本集團處於極好的定位以應對水和啤酒分部的市場趨勢，包括在高端市場中對於「來自於世界屋脊」的高品質產品的需求，或在主流市場中對優質產品的需求。並且，在如上所述的企業社會責任的最高標準下運營，本集團的業務活動也滿足消費者另一愈來愈重要的需求。

二零二零年，本集團將尋找機會加強組織設立和市場活動，以更好地有所準備發掘未來重大增長的潛力。

但是，新冠肺炎疫情的爆發對全球商業產生了巨大影響，並且截至今天，尚不確定疫情何時能得以控制，業務和社交活動何時能重新恢復正常。這將對本集團二零二零年產生不利影響，並可能在未來繼續造成負面影響並在短至中期內對本集團帶來巨大挑戰。但從長期來看，基於上文闡述的原因，本集團仍然對重新回到健康增長軌道充滿信心。

致謝

董事會主席對董事會、管理層及全體員工辛勤工作致以衷心謝意，並感謝股東、業務夥伴及忠實客戶對本集團的支持。

麥奕鵬

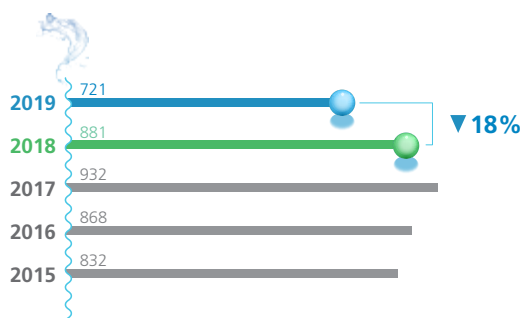
主席

二零二零年三月三十一日

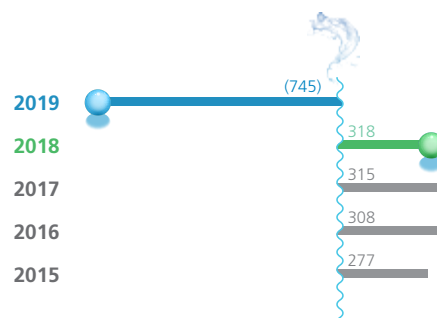
		Year ended 31 December 截至十二月三十一日止年度		
		2019 二零一九年	2018 二零一八年	Change 變動
Revenue (RMB million)	收入(人民幣百萬元)	721	881	↓ 18%
Operating profit (RMB million)	經營利潤(人民幣百萬元)	133	342	↓ 61%
Impairment losses on investment accounted for using the equity method (RMB million)	使用權益法入賬的 投資減值損失 (人民幣百萬元)	(873)	—	N/A 不適用
(Loss)/profit attributable to owners of the Company (RMB million)	本公司擁有人應佔(虧損)/利潤 (人民幣百萬元)	(745)	318	N/A 不適用
(Loss)/earnings per share – Basic and diluted (RMB cents)	每股(虧損)/盈利 – 基本及攤薄(人民幣分)	(29.77)	12.68	N/A不適用
Sales volume (in tonnes)	銷售量(噸)	109,651	125,379	↓ 13%
Gross profit margin	毛利率	56%	55%	↑ 1% point 百分點
Average selling price per tonne (RMB'000)	平均每噸售價 (人民幣千元)	6.1	6.2	↓ 2%

		As at 31 December 於十二月三十一日		
		2019 二零一九年 (RMB million) (人民幣百萬元)	2018 二零一八年 (RMB million) (人民幣百萬元)	Change 變動
Total assets	資產總額	4,262	4,912	↓ 13%
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,702	3,459	↓ 22%

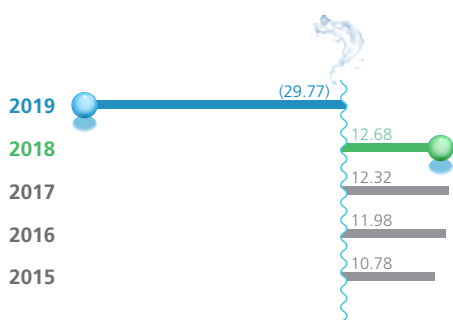
Revenue (RMB million)
收入(人民幣百萬元)



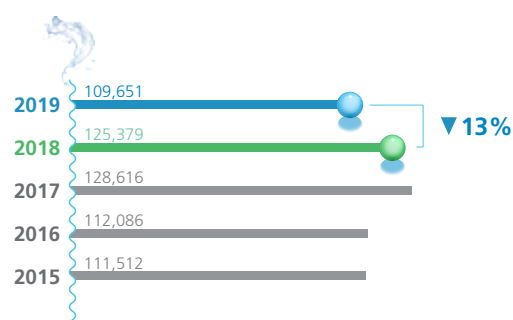
(Loss)/Profit attributable to owners of the Company (RMB million)
本公司擁有人應佔(虧損)/利潤(人民幣百萬元)



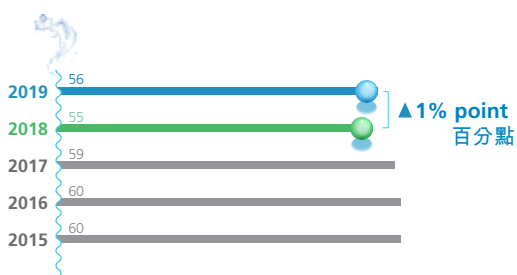
(Loss)/Earnings per share - Basic and diluted (RMB cents)
每股(虧損)/盈利 - 基本及攤薄(人民幣分)



Sales volume (in tonnes)
銷售量(噸)



Gross profit margin (%)
毛利率(%)



OUR MISSION SERVE
THE BEST QUALITY WATER TO
THE WORLD

我們的使命
向
全世界
提供最好的水

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



BUSINESS REVIEW

In 2019, we continued our endeavors in the development of the water industry in Tibet and supplying high-quality products and premium services to our customers.

In 2019, the Group basically completed its strategic layout of the water industry in Tibet. Based on this, the following advantages of the Group will be very beneficial to the long-term development of the Group:

1. Resources advantages - In August 2019, PetroChina acquired 51% equity interests in Shannan Yalaxiangbu and became the controlling shareholder of Shannan Yalaxiangbu; the Group acquired 9% of the equity interests in Shannan Yalaxiangbu in December 2018, and has been participating in the management of Shannan Yalaxiangbu. Shannan Yalaxiangbu started the production of "Gesang Spring" products in the second half of 2019, and the products have been sold in the gas station channels of PetroChina in some provinces in

業務回顧

在二零一九年，我們持續致力於西藏水產業的發展，為客戶提供高品質的產品和優質的服務。

二零一九年，本集團已基本完成了在西藏水產業的戰略佈局，以此為基礎，本集團的如下優勢將非常有利於本集團的長遠發展：

1. 資源優勢—二零一九年八月，中石油收購了山南雅拉香布51%的權益，成為山南雅拉香布的控股股東；本集團已於二零一八年十二月收購了山南雅拉香布9%的權益，同時一直參與山南雅拉香布的經營管理。山南雅拉香布已於二零一九年下半年開始生產「格桑泉」產品，並已經在中石油的部分





China. The strategic cooperation between the Group and PetroChina started in the second half of 2019. The two parties have planned that “Gesang Spring” products would gradually cover all gas station channels of PetroChina throughout China. In addition, the strategic cooperation between the Group and Sinopec continued to develop steadily in 2019. In 2019, Sinopec held 51% and the Group held 43.981% of the equity interests of Highland Natural Water, whose sales volume increased by 4,862 tonnes or 3% compared with the previous year. With Shannan Yalaxiangbu and Highland Natural Water being important production bases for the water industry in Tibet, plus the Group’s “5100 Glacial Water” high-end series products as high-quality water resources, the Group has an important share in the water industry in Tibet. Irrespective of the impairment in Highland Natural Water, the Group remains confident in the strategic and financial advantage of its investment in this company.

中國省份的加油站渠道開始銷售，本集團與中石油的戰略合作已經於二零一九年下半年開始，雙方已計劃逐步將「格桑泉」產品覆蓋至中石油遍佈中國的所有加油站渠道。除此之外，本集團與中石化的戰略合作在二零一九年持續穩步發展。二零一九年，中石化控股51%而本集團參股43.981%的高原天然水的銷量較上年增長4,862噸或3%。山南雅拉香布和高原天然水兩家公司都是西藏水產業的重要生產基地，加上本集團的「5100冰川水」高端系列產品的優質水資源，本集團已在西藏的水產業中參與了重要份額。不論高原天然水的減值如何，本集團對投資於該公司的戰略和財務優勢仍然充滿信心。

2. Advantages of sales channels - As mentioned above, Sinopec and PetroChina have fully participated in the development of the water industry in Tibet. As of the end of 2019, approximately 30,000 gas stations had been selling packaged water products from Tibet, which are relevant to the Group. With the “Gesang Spring” products covering gas station channels of PetroChina throughout China in 2020, there will be approximately 50,000 gas stations in China selling packaged water products from Tibet which are relevant to the Group. This is expected to result in business growth and considerable profit for the Group. Starting from 2018, beer products of the Group also have been sold in the gas station channels of PetroChina and Sinopec. In 2019, the revenue of beer products of the Group from PetroChina and Sinopec’s gas station channels increased by RMB12 million or 71% compared with the previous year, with significant potential for further growth.
2. 銷售渠道優勢—如上所述，中石化和中石油已充分參與西藏水產業的發展，截至二零一九年末，已有約三萬家的加油站售賣來自西藏並與本集團有關的包裝水產品，隨著「格桑泉」產品在二零二零年覆蓋至中石油遍佈中國境內的加油站渠道，中國境內將有約五萬家的加油站售賣來自西藏並與本集團有關的包裝水產品。這期望為本集團帶來業務增長及非常可觀的盈利。自二零一八年開始，本集團的啤酒產品也開始在中石油和中石化的加油站渠道銷售。二零一九年，本集團來自於中石油和中石化加油站渠道的啤酒收入較上年增加了人民幣1,200萬元或71%，具有進一步增長的巨大潛力。





3. Logistics network advantages and new retail sales model - In 2019, the Group has been constructing and laying out a new customer service network by fully utilizing and integrating the Group's service system in the petrol station channels of Sinopec and PetroChina, and combining the Group's online sales and logistics cooperation with JD.com and Alibaba, to vigorously develop new retail service model for end consumers. Such new model is expected to bring new additional growth in revenue to the Group.
3. 物流網路優勢和新的零售銷售模式—二零一九年，本集團已在建設和佈局新的客戶服務網路，即通過充分利用和整合本集團在中石化和中石油的加油站渠道的服務體系，結合本集團與京東和阿里巴巴系的線上銷售及物流合作，大力發展新的面對終端消費者的零售服務模式，此等新模式預計將為本集團帶來盈利的新增額外增長。
4. Raw material production and supply advantages - Beginning from the second quarter of 2019, Fudi Packaging, in which the Group holds 25% equity interests, began production and sales. This company is one of the important packaging material production bases in the water industry in Tibet, with a planned production capacity of supplying packaging material for volume up to 2 million tonnes of water products per year. Through the operation of this packaging material production base, the Group can realize large-scale production management such as centralized procurement of raw materials and intra-Tibet transportation, which brings significant cost advantages, and the Company will benefit from its income as a shareholder of Fudi Packaging. In 2019, the revenue and net profit of Fudi Packaging were RMB167 million and RMB5 million, respectively.
4. 原料生產和供應優勢—自二零一九年第二季度開始，本集團參股25%的福地包裝開始生產和銷售，該公司是西藏水產業規劃中重要的包裝材料生產基地之一，規劃生產能力為能提供每年200萬噸水產品的包裝材料供應。透過該包裝材料生產基地的運營，本集團可實現原材料集中採購、西藏內運輸等規模化生產管理，帶來重要的成本優勢，以及本公司作為福地包裝的股東將會受益於其收入。二零一九年，福地包裝的收入和淨利潤分別為人民幣1.67億元和人民幣500萬元。



5. “5100 Glacial Water” and high-quality beer remain important parts of the Group’s business – Retail distributors and institutional clients remained the major customer base of our water business. As at 31 December 2019, our water products have been sold throughout Mainland China and Hong Kong. In Mainland China, we have built a relationship with well-known domestic cinemas, high-end international and domestic hotels chain, e-commerce platforms represented by Jingdong and Tmall, airlines, large enterprise customers and home users; in Hong Kong, our products have covered major retailers and are widely distributed in high-end hotels, tourist and entertainment venues, as well as in Hong Kong International Airport.
5. 「5100冰川水」和優質啤酒仍然是本集團業務的重要部份－零售經銷商及機構客戶繼續成為我們水業務主要的客戶群。於二零一九年十二月三十一日，我們的水產品已經在中國內地境內和香港銷售。在中國內地境內，我們已與國內知名電影院線、國際及國內高檔連鎖酒店、以京東和天貓為代表的電商平台、航空公司、大型企業客戶以及家庭使用者建立良好關係；在香港，我們的產品已覆蓋主要零售商鋪，在高檔酒店和旅遊及娛樂場所以及香港國際機場獲廣泛行銷。

Our beer products were sold in Tibet mainly through supermarkets, convenience stores, restaurants and entertainment outlets. In 2019, the proportions of revenue of our beer products within and outside Tibet in the total revenue of our beer products were 90% and 10%, respectively.

In 2019, the revenue of the Group decreased by RMB160 million or 18%, compared with the previous year. The sales of water products of the Group in key target channels such as cinema lines, home users (barreled 12L) and e-commerce platforms maintained a steady growth. However, the sales was more severely affected by the decline in average selling prices of products due to change in product mix and high promotion discount in traditional retail channels such as supermarkets, convenience stores, restaurants and entertainment venues. Consequently, the Group's revenue from sales of water products decreased by RMB76 million or 18%. Furthermore, since the second quarter of 2019, the business of producing preforms and bottle caps in and selling them to Highland Natural Water has been transferred from a PRC subsidiary of the Company to the Group's associate, Fudi Packaging, and hence the Group's revenue from sales of raw materials declined by RMB54 million or 52% accordingly (in the future, it is expected that the Group's profit from the investment and partnership with Fudi Packaging will show a healthy growth).

The above-mentioned decrease in the revenue from both sales of water products and sales of raw materials mainly resulted in the declined revenue by RMB130 million or 24% in the water business of the Group. The beer business of the Group outside Tibet, especially gas station channels, maintained a steady growth. However, as the sales was more severely affected by the great market competition in Tibet, the sales of beer products in Tibet declined, and the corresponding revenue of the beer business also declined by approximately RMB30 million or 9%. Net profit of the Group decreased by RMB1,063 million, compared with the previous year. Please refer to the analysis in "Loss/Profit for the Year" in the following section headed "Financial Review" for the main reason.

我們的啤酒產品在西藏主要通過超市、便利店、餐飲和娛樂店點銷售。二零一九年，在西藏區內及區外的收入佔啤酒產品總收入的比重分別為90%及10%。

二零一九年，本集團的收入較上年下降人民幣1.60億元或18%。本集團水產品銷售在電影院線、家庭用戶(桶裝12升)、電子商務平台等重點目標渠道方面保持穩步增長，但因更多地受產品在商超及便利店、餐飲、娛樂場所等傳統零售渠道因為受到產品結構變化及高促銷折扣以致平均售價下降，本集團來自於水產品銷售的收入下降了人民幣7,600萬元或18%；此外，自二零一九年第二季度開始，生產瓶胚和瓶蓋向高原天然水銷售的業務由本公司在中國境內之一家附屬公司轉由本集團之聯營企業福地包裝進行，故而本集團來自於原材料銷售的收入亦相應下降了人民幣5,400萬元或52%（預計將來本集團從對福地包裝的投資和合作中獲得的利潤將會有良好的增長）。

上述水產品銷售收入和原材料銷售收入都下降是導致本集團水業務的收入下降了人民幣1.30億元或24%的主要原因。本集團啤酒業務在西藏外，尤其是加油站渠道，保持穩步增長，但因更多地受西藏內激烈的市場競爭影響，啤酒產品在西藏內的銷量下降，相應的啤酒業務的收入亦下降了約人民幣3,000萬元或9%。本集團的淨利潤較上年下降人民幣10.63億元，主要原因請參見下文「財務回顧」章節的「年度虧損／利潤」中的分析。



FINANCIAL REVIEW

REVENUE

In 2019, due to the reasons mentioned in the “Business Review” section above, the total revenue of the Group amounted to RMB721 million, representing a decrease of approximately RMB160 million or 18% in comparison with 2018.

The revenue generated from our water business segment was RMB411 million, representing a decrease of 24% in comparison with 2018. Among the water products, the revenue of our “5100 Glacial Water” products and “Gesang Spring” products decreased by 20% and 7%, respectively, in comparison with 2018. The revenue generated from our beer business segment was approximately RMB310 million, representing a decrease of 9% in comparison with 2018.

財務回顧

收入

在二零一九年，由於上述「業務回顧」章節提及的因素，本集團的總銷售額為人民幣7.21億元，相比二零一八年減少了約人民幣1.60億元或18%。

水業務分部的收入為人民幣4.11億元，相比二零一八年減少了24%。在水產品中，「5100冰川水」產品及「格桑泉」產品的收入比二零一八年下降了20%和7%。啤酒業務分部的收入約為人民幣3.10億元，較二零一八年下降了9%。

SALES VOLUME

In 2019, due to the reasons mentioned in the “Business Review” section above, the total sales volume of the Group’s products amounted to 109,651 tonnes (2018: 125,379 tonnes) which consisted of 65,442 tonnes (2018: 73,412 tonnes) of our water products and 44,209 tonnes (2018: 51,967 tonnes) of our beer products. The overall sales volume of our water products decreased by 11% in comparison with that of 2018. The sales volume of our “5100 Glacial Water” and our “Gesang Spring” products decreased by 12% and 7%, respectively, in comparison with 2018. The sales volume of our beer products decreased by 15% in comparison with that of 2018.

AVERAGE SELLING PRICE

In 2019, the average selling price of our water products was RMB5,397 per tonne, which decreased by 8% compared with the same period of last year (2018: RMB5,852 per tonne), partly due to the change in our customers mix, and partly due to the decline in average selling price of water products of the Group in traditional retail channels such as supermarkets, convenience stores, restaurants and entertainment venues due to promotion discount. In 2019, the average selling price of our beer products

銷量

在二零一九年，由於上述「業務回顧」章節提及的因素，本集團的產品總銷量為109,651噸(二零一八年：125,379噸)，包括65,442噸(二零一八年：73,412噸)水產品銷量和44,209噸(二零一八年：51,967噸)啤酒產品銷量。我們水產品的總銷量比二零一八年減少了11%，我們「5100冰川水」產品和我們「格桑泉」產品的銷售量比二零一八年減少了12%和7%；啤酒產品銷量較二零一八年下降了15%。

平均售價

在二零一九年，我們水產品的平均售價為每噸人民幣5,397元，較去年同期減少了8%（二零一八年：每噸人民幣5,852元），部份由於客戶結構變化所致，部份是由於本集團水產品在商超、便利店、餐飲、娛樂場所等傳統零售渠道的平均售價因為促銷折扣而下降。在二零一九年，我們啤酒產品的平均



was RMB7,024 per tonne which increased by 7% compared with the same period of last year (2018: RMB6,565 per tonne), mainly due to the increase in the share of revenue of draft beer products, of which the average selling price was higher.

GROSS PROFIT MARGIN

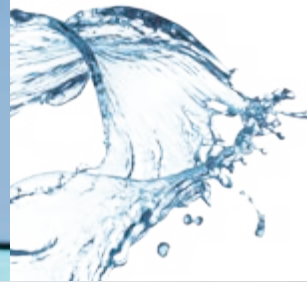
In 2019, the gross profit margin of the Group maintained a satisfactory level as in 2018. The overall gross profit margin of the Group was 56%, which increased by 1 percentage point when compared to 2018. The gross profit margin of the water business segment was 63%, which increased by 5 percentage points when compared to 2018, mainly due to the decrease in the share of revenue of the sales of raw materials and consumables, of which the gross profit margin was lower. Mainly due to the increase in the average unit cost arising from the increase in the purchase cost of packaging raw materials and the decrease of production volume, the gross profit margin of the beer business segment decreased by 3 percentage points to 46% in 2019.

售價為每噸人民幣7,024元，較去年同期上升了7%（二零一八年：每噸人民幣6,565元），主要是因為平均售價較高的純生類啤酒產品佔總收入比重增加。

毛利率

在二零一九年，本集團的毛利率與二零一八年相比仍然處於令人滿意的水平，本集團的整體毛利率為56%，與二零一八年相比上升了1個百分點。水業務分部的毛利率為63%，與二零一八年相比上升了5個百分點，主要因為毛利率較低的原材料及耗材銷售佔比下降。而主要因為包裝原材料的採購成本上升和產量下降導致平均單位成本上升，故而啤酒業務分部的毛利率在二零一九年則下降了3個百分點至46%。





SELLING AND DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

In 2019, the selling and distribution costs decreased by approximately 3% to RMB113 million from RMB116 million in 2018, mainly due to the decrease in transportation costs. The administrative expenses increased by 2% from RMB90 million in 2018 to RMB92 million in 2019, mainly due to the increase in traveling expenses when comparing with 2018.

NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Net impairment losses on financial assets mainly included impairment loss on trade receivables and impairment loss on other financial assets at amortised cost. Impairment loss on trade receivables increased from RMB2 million in 2018 to RMB78 million in 2019, mainly because there were difficulties in the operation of certain customers of the Group in 2019, and the Group classified them as high credit risk customers and made impairment loss accordingly. Impairment loss on other financial assets at amortised cost increased from nil in 2018 to RMB5 million in 2019.

銷售及分銷費用和行政費用

在二零一九年，銷售及分銷費用從二零一八年人民幣1.16億元減少了約3%至人民幣1.13億元，主要是由於運輸成本的減少。行政費用從二零一八年的人民幣9,000萬元增加了2%至二零一九年的人民幣9,200萬元，主要是由於差旅費相比二零一八年增加所致。

金融資產減值損失淨額

金融資產減值損失淨額主要包括應收貿易款減值損失及以攤餘成本計量的其他金融資產減值損失。應收貿易款減值損失由二零一八年的人民幣200萬元增加至二零一九年的人民幣7,800萬元，主要由於二零一九年，本集團的某些客戶的經營出現困難，本集團將其歸為高信用風險客戶，並相應計提了減值損失所致。以攤餘成本計量的其他金融資產減值損失由二零一八年為零增加至二零一九年人民幣500萬元。



OTHER NET GAINS

Other net gains decreased from RMB69 million in 2018 to RMB17 million in 2019, which was attributable to (i) the decrease in gain on disposal of financial assets at fair value through profit or loss (“FVPL”) by RMB8 million; (ii) the decrease in gain on fair value changes on FVPL by RMB8 million; (iii) the decrease of RMB14 million in government grants; (iv) the loss on FVPL of RMB4 million was recognised due to the expiry of the options formed during previous acquisition; and (v) impairment loss of inventory, amounting to RMB18 million, for a specific customer who is in financial difficulties.

其他淨利得

其他淨利得由二零一八年的人民幣6,900萬元下降至二零一九年的人民幣1,700萬元，這歸因於(i)處置以公允價值計量且其變動計入損益的金融資產(「以公允價值計量且其變動計入損益的金融資產」)的收益減少了人民幣800萬元；(ii)以公允價值計量且其變動計入損益的金融資產的公允價值變動總額減少了人民幣800萬元；(iii)政府補助減少了人民幣1,400萬元；(iv)由於以前收購時產生的購股權到期，確認以公允價值計量且其變動計入損益的金融資產損失人民幣400萬元；及(v)與處於財務困難的特定客戶有關的存貨減值人民幣1,800萬元。

SHARE OF NET PROFIT OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

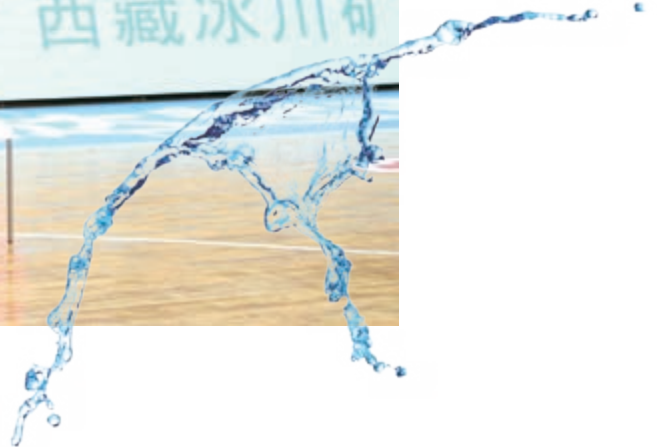
The share of net profit of investments accounted for using the equity method was mainly the share of net profit of Highland Natural Water whose ultimate controlling shareholder is Sinopec. In 2019, the Group's 43.981% equity interests in Highland Natural Water generated share of Highland Natural Water's net profit of RMB16 million, representing a decrease of 24% in comparison with 2018, mainly due to the decreased profit of Highland Natural Water.

The sales volume of Highland Natural Water was 194,071 tonnes, representing an increase of 3% compared with 2018; revenue was RMB452 million, decreased by 2% in comparison with the same period of last year.

應佔使用權益法入賬的投資利潤淨額

應佔使用權益法入賬的投資利潤淨額主要為應佔高原天然水(最終控股股東為中石化)的利潤淨額。在二零一九年，本集團對高原天然水43.981%的權益產生了人民幣1,600萬元的應佔高原天然水利潤淨額，較二零一八年減少24%，主要因為高原天然水的利潤減少。

高原天然水的銷量為194,071噸，較二零一八年上升了3%；收入為人民幣4.52億元，較去年同期減少了2%。





IMPAIRMENT LOSS ON INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

The impairment loss on investment accounted for using the equity method related to the Group's investment in Highland Natural Water. The impairment loss is based on the results of the impairment test in accordance with IAS36. The management of the Group has currently reviewed the key parameters relevant to the impairment test of the investment and will make amendments to those parameters of Highland Natural Water if necessary, in order to reflect the best estimation for the development of the market and Highland Natural Water in the future. Recently, the management has noticed that the economic growth of the world and the PRC slowed down and the competition in the overall fast consumer goods industry was intensifying. As a result, compared with the operation forecast made at the time when the Group acquired Highland Natural Water, the expected growth trend of Highland Natural Water showed fluctuations in varying degrees. Besides, the recent outbreak of the COVID-19 in China had a significant adverse impact on the production and sales of Highland Natural Water from the end of January 2020 to February 2020. Given the unclear development in the future and the existence of various uncertainties, the management of the Group made amendments to the key parameters in the impairment analysis of the investment in a

使用權益法入賬的投資減值損失

使用權益法入賬的投資減值損失與本集團於高原天然水的投資相關。減值損失是根據國際會計準則第36號進行減值測試的結果作出的。本集團的管理層目前已審閱與投資的減值測試相關的重要參數，在必要的時候對這些高原天然水的參數進行更新修訂，以反映對市場及高原天然水未來發展的最佳預期。近來，管理層關注到，全球及中國經濟整體增速減緩，快速消費品行業整體發展也呈現激烈競爭的趨勢，導致與本集團於收購高原天然水的時點所作出的經營預測相比，高原天然水預期增長趨勢亦呈現不同程度的波動。此外，由於最近在中國爆發的COVID-19疫情，導致高原天然水二零二零年一月底至二零二零年二月的生產和銷售均受到較大負面影響。在未來發展趨勢不明朗，存在較大不確定性的情況下，管理層根據國際會計準則第36號的要求，謹慎的對該投資的減值分析中的重要參數進行了修訂，

prudent manner in accordance with IAS36, hence an impairment loss on the investment of RMB873 million was recognised accordingly. It is a one-off non-cash item and has no impact on the Group's daily operation and cash flow.

FINANCE NET INCOME

In 2019, the Group incurred finance costs of RMB54 million and gained finance income of RMB64 million. Finance costs increased by RMB12 million compared with 2018 mainly due to (i) the increase of RMB16 million in interest costs on borrowings from banks; (ii) the increase of RMB10 million in interest costs on borrowings from third parties, which were offset by (iii) the decrease of RMB13 million in interest costs on the convertible bonds issued by the Company; and (iv) the decrease of RMB1 million in exchange losses. Finance income increased by RMB32 million mainly due to the increase of RMB35 million in interest income from interest-bearing loans to third parties and related parties, which was offset by the decrease of RMB3 million in bank interest income.

由此產生了對該投資的減值損失人民幣8.73億元。該項目為一次性非現金項目，對本集團的日常運營及現金流量沒有影響。

財務收益淨額

在二零一九年，本集團支出了人民幣5,400萬元財務費用及獲得了人民幣6,400萬元財務收益。與二零一八年相比，財務費用增加了人民幣1,200萬元，主要由於(i)銀行借款的利息費用增加了人民幣1,600萬元；(ii)第三方借款的利息費用增加了人民幣1,000萬元；與(iii)本公司發行的可換股債券的利息費用減少了人民幣1,300萬元；和(iv)匯兌損失減少了人民幣100萬元相抵。財務收益增加了人民幣3,200萬元，主要由於借予第三方和關聯方有息款項的利息收入增加了人民幣3,500萬元，與銀行利息收入減少的人民幣300萬元相抵。





INCOME TAX EXPENSE

In 2019, the income tax expense was RMB29 million which has decreased by RMB6 million when compared to RMB35 million in 2018. It was mainly due to (i) the decrease in profit before income tax; and (ii) distribution of profit from a PRC subsidiary of the Group, resulting in an increase of RMB9 million in income tax expenses.

LOSS/PROFIT FOR THE YEAR

The profit for the year decreased by RMB1,063 million from RMB318 million for 2018 to net loss of RMB745 million for 2019, mainly due to (i) the decrease in gross profit of the Group by RMB76 million; (ii) the increase in net impairment losses on financial assets by RMB81 million; and (iii) the decrease in other net gains of RMB52 million; and (iv) the recognition of impairment loss on investment accounted for using the equity method of RMB873 million, which were offset by (v) the increase in finance net income by RMB20 million. However, excluding one-off impairment loss on investment accounted for using the equity method of RMB873 million and one-off impairment losses on financial assets of RMB76 million, the actual profit for the year was RMB204 million.

所得稅費用

在二零一九年，所得稅費用為人民幣2,900萬元，與二零一八年的人民幣3,500萬元相比減少了人民幣600萬元，這主要是因為(i)除所得稅前利潤減少；(ii)本集團在中國境內一家附屬公司計提因分紅產生的所得稅費用增加了人民幣900萬元。

年度虧損／利潤

年度利潤自二零一八年的人民幣3.18億元減少了人民幣10.63億元至二零一九年的淨虧損人民幣7.45億元，主要因為(i)本集團的毛利下降了人民幣7,600萬元；(ii)金融資產減價損失淨額增加了人民幣8,100萬元；(iii)其他淨利得減少了人民幣5,200萬元；(iv)對以權益法入賬的投資確認減值損失人民幣8.73億元；一併與(v)財務收益淨額增加了人民幣2,000萬元相抵。然而，撇除一次性的以權益法入賬的投資確認減值損失人民幣8.73億元和一次性的金融資產減價損失人民幣7,600萬元，本年度實際利潤為人民幣2.04億元。

LOSS/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profit attributable to owners of the Company decreased by RMB1,063 million from RMB318 million for 2018 to net loss of RMB745 million for 2019, which was in line with the decrease in profit for the year during the relevant reporting period.

FINANCIAL POSITION

As at 31 December 2019, investment properties of the Group amounted to RMB5 million compared to nil as at 31 December 2018. As mentioned before, starting from the second quarter of 2019, the production and sales of the Group's preforms and bottle caps were transferred from the Company's PRC subsidiary to the Group's associate, Fudi Packaging, and the Company's subsidiaries leased their preforms and bottle caps manufacturing equipment and building to Fudi Packaging. From 1 April 2019, the Group transferred the relevant building with a net value of RMB5 million to investment properties based on cost method.

In 2019, the Group recognised the impairment loss on investment in Highland Natural Water of RMB873 million, resulting in a corresponding reduction in the carrying amount of investments accounted for using the equity method of the Group. Please refer to the analysis in "Impairment loss on investment accounted for using the equity method" in this section.

As at 31 December 2019, deferred tax assets of the Group amounted to RMB10 million, compared to RMB3 million as at 31 December 2018. The increase was mainly due to the increase in temporary differences caused by impairment of trade receivables and other financial assets at amortised cost.

As at 31 December 2019, net trade receivables of the Group amounted to RMB259 million compared to RMB290 million as at 31 December 2018. The decrease was mainly attributable to the increase of RMB45 million in trade receivables from certain institutional clients and distributors, who continuously kept long-term business relationship with the Group, on the one hand, and the addition of provision for impairment of trade receivables of RMB76 million on the other hand.

本公司擁有人應佔虧損／利潤

本公司擁有人應佔利潤自二零一八年的人民幣3.18億元減少了人民幣10.63億元至二零一九年淨虧損人民幣7.45億元，與相關報告期內年度利潤的減幅相符。

財務狀況

於二零一九年十二月三十一日，本集團的投資性房地產為人民幣500萬元，於二零一八年十二月三十一日為零。如前所述，自二零一九年第二季度開始，本集團的瓶坯和瓶蓋的生產和銷售統一由本公司在中國境內之附屬公司轉由本集團之聯營企業福地包裝進行，本公司境內之附屬公司將其生產瓶坯和瓶蓋的設備和建築物租賃給福地包裝，於二零一九年四月一日起，本集團將淨值為人民幣500萬元的有關建築物按成本法轉入投資性房地產計量。

在二零一九年，本集團確認了對高原天然水的投資的減值損失人民幣8.73億元，導致本集團的使用權益法入賬的投資的賬面價值相應減少。請參見本章節中的「使用權益法入賬的投資減值損失」中的分析。

於二零一九年十二月三十一日，本集團的遞延稅項資產為人民幣1,000萬元，於二零一八年十二月三十一日為人民幣300萬元。該增加主要是由於應收貿易款及以攤餘成本計量的其他金融資產減值導致暫時性差異增加所致。

於二零一九年十二月三十一日，本集團應收貿易款淨額為人民幣2.59億元，於二零一八年十二月三十一日為人民幣2.90億元。其下降主要歸因於，一方面，來自某些與本集團一直保持長期業務關係的機構客戶和經銷商的應收貿易款增加人民幣4,500萬元；另一方面，應收貿易款計提減值撥備增加人民幣7,600萬元。



The Group maintained regular contact with our major debtors through meetings and telephone conversations and paid regular attention to public information about our major debtors to understand the status of their operations, their continuing business needs and the ways in which the Group can improve its services. In 2019, through public information and regular communication between the Group and our major debtors, the Group was informed of the operating difficulties of certain customers. The Group classified them as high credit risk customers resulting in provision for impairment loss of trade receivables balances of RMB78 million in 2019 (2018: RMB1.80 million).

As at 31 December 2019, prepayments of the Group amounted to RMB122 million, which was RMB180 million as at 31 December 2018. The decrease was due to the decrease of RMB32 million in prepayment for purchasing equipment and the decrease of RMB26 million in prepayment for raw materials and services.

As at 31 December 2019, prepaid enterprise income tax of the Group amounted to RMB3 million, which was RMB6 million as at 31 December 2018. The decrease was mainly because of the decrease in prepaid enterprise income tax in the fourth quarter of 2019.

本集團透過會議及電話對話與我們的主要債務人定期聯絡，以及定期關注涉及我們的主要債務人的公開信息，以瞭解彼等的經營狀況、持續業務需要及本集團能改善服務的方式。在二零一九年，透過公開信息以及本集團與我們的主要債務人的定期溝通，本集團獲悉我們的某些客戶的經營出現困難，本集團將其歸為高信用風險客戶，導致二零一九年減值損失撥備餘額為人民幣7,800萬元（二零一八年：人民幣180萬元）。

於二零一九年十二月三十一日，本集團的預付款項為人民幣1.22億元，而於二零一八年十二月三十一日則為人民幣1.80億元。該減少主要是因為購買設備的預付款項減少了人民幣3,200萬元和購買原材料和服務的預付款項減少了人民幣2,600萬元。

於二零一九年十二月三十一日，本集團的預付企業所得稅款為人民幣300萬元，而於二零一八年十二月三十一日則為人民幣600萬元。其下降主要是因為於二零一九年第四季度的預付企業所得稅款減少。

As at 31 December 2019, net other financial assets at amortised cost of the Group amounted to RMB832 million, which was RMB641 million as at 31 December 2018. As at 31 December 2019, other financial assets at amortised cost mainly included the amounts due from third parties amounting to RMB613 million (of which (i) an amount due from a third-party amounting to RMB227 million was secured by the pledge of 11.5% of Shannan Yalaxiangbu's equity interests and secured by Fudi Packaging's machinery; (ii) an amount due from a third-party amounting to approximately RMB343 million was secured by the pledge of 26% of Shannan Yalaxiangbu's equity interests; and (iii) an amount due from a third-party amounting to RMB32 million was secured by the pledge of 2.5% of Shannan Yalaxiangbu's equity interests), amount due from associates amounting to RMB190 million, government grants amounting to RMB24 million, and other receivables amounting to RMB7 million. As at 31 December 2019, as mentioned before, the Group continued to be committed to the development of Tibet's water industry and allocated resources to the strategic layout of Tibet's water industry, and the amount due from third parties increased by RMB37 million, and the amount due from associates increased by RMB167 million. In 2019, the Group recognised an provision for impairment loss for other financial assets at amortised cost of RMB2 million (2018: nil).

As at 31 December 2019, inventories of the Group amounted to RMB53 million compared to RMB99 million as at 31 December 2018. The decrease was mainly because the production of preforms and bottle caps has been transferred from the Company's PRC subsidiary to the Group's associate, Fudi Packaging, since the second quarter of 2019.

As at 31 December 2019, cash and cash equivalents of the Group increased by RMB238 million from RMB277 million as at 31 December 2018 to approximately RMB515 million as at 31 December 2019, which was mainly attributable to the cash inflows from operating activities of RMB548 million, and offset by the cash outflows from investing activities of RMB307 million and cash outflows for financing activities of RMB3 million. The cash outflows from investing activities of RMB307 million in 2019 mainly included (i) the net cash outflows for funds transfers with third parties and related parties of RMB243 million; (ii) the net cash outflows from loans to and repayments received from third parties and related parties

於二零一九年十二月三十一日，本集團以攤餘成本計量的其他金融資產淨額為人民幣8.32億元，而於二零一八年十二月三十一日則為人民幣6.41億元。於二零一九年十二月三十一日，以攤餘成本計量的其他金融資產主要包括應收第三方款項人民幣6.13億元(其中(i)一筆人民幣2.27億元的應收第三方款項以山南雅拉香布11.5%的權益作質押和以福地包裝的機器作抵押；(ii)一筆約人民幣3.43億元的應收第三方公司款項以山南雅拉香布26%的權益作質押；及(iii)一筆約人民幣3,200萬元的應收一間第三方款項以山南雅拉香布2.5%的權益作質押)，應收聯營公司款項人民幣1.90億元、政府補助人民幣2,400萬元，和其他應收款項人民幣700萬元。於二零一九年十二月三十一日，由於如前所述，本集團持續致力於西藏水產業的發展，將資源分配於西藏水產業的戰略佈局，本集團應收第三方款項增加人民幣3,700萬元，應收聯營公司款項增加人民幣1.67億元。在二零一九年，本集團就以攤餘成本計量的其他金融資產減值損失撥備人民幣200萬元(二零一八年：無)。

於二零一九年十二月三十一日，本集團的存貨為人民幣5,300萬元，而於二零一八年十二月三十一日為人民幣9,900萬元，減少的原因主要是瓶坯和瓶蓋的生產自二零一九年第二季度起，由本公司在中國境內之附屬公司轉由本集團之聯營公司福地包裝進行。

於二零一九年十二月三十一日，本集團的現金及現金等價物由二零一八年十二月三十一日的人民幣2.77億元增加了人民幣2.38億元至二零一九年十二月三十一日的約人民幣5.15億元，主要是由於經營活動產生的現金流入人民幣5.48億元，與投資活動產生的現金流出人民幣3.07億元和籌資活動產生的現金流出人民幣300萬元相抵。在二零一九年，投資活動產生的現金流出人民幣3.07億元主要包括(i)與第三方及關聯方資金往來產



of RMB58 million; (iii) the payment for investment in associates of RMB5 million; and (iv) the purchases of property, plant and equipment (“PP&E”) of approximately RMB1 million. The cash outflows for financing activities of RMB3 million in 2019 mainly included (i) net cash outflows from bank borrowings and interests of RMB16 million; and (ii) payment of principal and interest relating to convertible bond of RMB283 million, which were offset by (iii) loans obtained from third parties of RMB296 million.

生的淨現金流出人民幣2.43億元；(ii)向第三方及關聯方借款及收回借款產生的淨現金流出人民幣5,800萬元；(iii)支付投資於聯營公司的款項人民幣500萬元；和(iv)購買物業、廠房及設備(「物業、廠房及設備」)約人民幣100萬元。在二零一九年，籌資活動產生的現金流出人民幣300萬元主要包括(i)銀行借款及利息產生淨現金流出人民幣1,600萬元及(ii)償還可換股債券的本金及利息人民幣2.83億元；一併與(iii)取得第三方借款人民幣2.96億元相抵。

As at 31 December 2019, deferred revenue (non-current) of the Group amounted to RMB19 million, which was RMB21 million as at 31 December 2018. The decrease was due to regular amortisation of asset-related government grant.

As at 31 December 2019, deferred income tax liabilities of the Group amounted to RMB10 million, which was RMB15 million as at 31 December 2018. The decrease was due to, on one hand, the reversal of RMB2 million deferred income tax liabilities arising from calculating revaluation of assets of a subsidiary, and on the other hand, the transfer of corresponding accrued income tax of RMB3 million from deferred income tax liabilities to enterprise income tax payable, which was incurred from the distribution of profit from a PRC subsidiary to its overseas holding company.

As at 31 December 2019, trade and notes payables of the Group amounted to RMB324 million, which was RMB79 million as at 31 December 2018. The increase was mainly due to the fact that for some of the suppliers of the Group, the procurement was mainly settled in the form of notes payables in 2019, which increased the turnover days of settlement.

As at 31 December 2019, contract liabilities of the Group amounted to RMB29 million, which were RMB21 million as at 31 December 2018. The increase was mainly due to the increase in advances received from customer of the sales of water and beer products of RMB22 million, offset by the decrease in the sales of water cards amounting to RMB14 million.

As at 31 December 2019, enterprise income tax payable of the Group amounted to RMB34 million, which was RMB26 million as at 31 December 2018. The increase was mainly due to the increase in enterprise income tax payable of RMB12 million incurred from distributing profit from a PRC subsidiary to the overseas holding company, offset by the decrease in profit before income tax leads to decrease in enterprise income tax payable of RMB4 million.

於二零一九年十二月三十一日，本集團的遞延收入(非流動)款為人民幣1,900萬元，而於二零一八年十二月三十一日則為人民幣2,100萬元。其減少主要由於與資產相關的政府補助定期攤銷所致。

於二零一九年十二月三十一日，本集團的遞延所得稅負債為人民幣1,000萬元，而於二零一八年十二月三十一日則為人民幣1,500萬元。其減少一方面由於在計算附屬公司評估資產增值產生的遞延所得稅負債時轉回了人民幣200萬元；另一方面，由於中國境內一家附屬公司向境外母公司分配利潤，故將相應的預提所得稅人民幣300萬元自遞延所得稅負債轉入應交企業所得稅。

於二零一九年十二月三十一日，本集團的應付貿易款及應付票據為人民幣3.24億元，而於二零一八年十二月三十一日為人民幣7,900萬元，其上升主要歸因於二零一九年本集團對部分供應商採購主要以應付票據形式進行結算，增加了款項結轉的周轉天數。

於二零一九年十二月三十一日，本集團的合同負債為人民幣2,900萬元，而於二零一八年十二月三十一日則為人民幣2,100萬元。其增加主要由於銷售水產品及啤酒產品的預收客戶款增加了人民幣2,200萬元，與銷售水卡減少人民幣1,400萬元相抵。

於二零一九年十二月三十一日，本集團的應付企業所得稅款為人民幣3,400萬元，而於二零一八年十二月三十一日則為人民幣2,600萬元。其增加主要原因來自於境內一家附屬公司向境外母公司分配利潤所產生的應付所得稅項增加了人民幣1,200萬元，與除所得稅前利潤減少以致應付企業所得稅款減少人民幣400萬元相抵。

As at 31 December 2019, accruals and other payables of the Group increased by RMB296 million, which was mainly attributable to (i) the increase in shareholder loans payable by the Group of RMB290 million due to funds raising from the shareholder(s) of the Group for repaying the convertible bonds which expired in June 2019, (ii) the increase in payables for the equity investment in associates of RMB7 million; (iii) the increase in payables for staff welfare of RMB5 million; and (iv) the increase in payables for value-added tax and other taxes of RMB3 million, which were offset by (v) the decrease in accrued operating expenses of RMB9 million.

As at 31 December 2019, the bank borrowings of the Group increased by RMB15 million, which was mainly because the proceeds from bank borrowings amounting to RMB456 million in 2019 was offset by repayment of principal of bank borrowings amounting to RMB441 million in 2019.

As at 31 December 2019, the convertible bond – liability component was nil when compared to RMB458 million as at 31 December 2018.

於二零一九年十二月三十一日，本集團的預提費用及其他應付款增加了人民幣2.96億元，主要是由於(i)因向本集團的股東籌措資金用於歸還於二零一九年六月到期的可換股債券，本集團應付股東借款增加了人民幣2.90億元；(ii)應付聯營公司權益投資的款項增加了人民幣700萬元；(iii)應付職工福利款項增加了人民幣500萬元；和(iv)應付增值稅及其他稅項增加了人民幣300萬元；一併與(v)應付營運開支減少人民幣900萬元相抵。

於二零一九年十二月三十一日，本集團的銀行借款增加了人民幣1,500萬元，主要是由於二零一九年借入銀行借款人民幣4.56億元，與歸還銀行借款本金人民幣4.41億元相抵。

於二零一九年十二月三十一日，本集團的可換股債券－負債部分為零，對比於二零一八年十二月三十一日為人民幣4.58億元。



The Group's convertible bonds with par value of HKD525 million matured on 24 June 2019. None of the bond holders exercised the conversion option of the convertible bonds and thus the Group was required to repay the bond holders in cash upon maturity. By 16 July 2019 (the contractual repayment deadline), the Group had repaid the balance in full, amounting to approximately RMB486 million (equivalent to HKD546 million), representing principal of approximately RMB468 million (equivalent to HKD525 million) and interest of approximately RMB18 million (equivalent to HKD21 million).

The source of the fund used for the repayment of convertible bonds was loans from two entities. One entity is ultimately held by Mr. Wang Peter Jian (the substantial shareholder of the Company), and the other entity is ultimately held by Mr. Wang Peter Jian's spouse. These loans bore an annual interest at 7%, are unsecured, and are repayable by June 2020.

In the view of the Directors, pursuant to Rule 14A.90 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the loans as mentioned above were fully exempted connected transactions as they were conducted on better commercial terms and were not secured by the assets of the Group.

EMPLOYEES

As at 31 December 2019, the total number of employees of the Group was 417 compared to 458 as at 31 December 2018. The decrease in the number of employees was mainly due to the fact that, since the second quarter of 2019, the production of preforms and bottle caps has been transferred from the Company's PRC subsidiary to the Group's associate, Fudi Packaging, and the corresponding production and management staff were also transferred to Fudi Packaging. Relevant staff cost of the Group was RMB83 million per year in 2019 and 2018.

The Group's remuneration policies are formulated according to the duty, experience, ability and performance of individual employees and are reviewed annually. In addition to basic salary, employees are entitled to other benefits including social insurance contribution, employee provident fund schemes and discretionary incentive. Other fringe benefits, training, and share options, if applicable, are also considered by the Group to solicit/retain loyal employees with the aim to form a professional and united staff and management team that can bring the Group to higher levels of achievements.

本集團面值為5.25億港元的可換股債券於二零一九年六月二十四日到期。概無債券持有人行使可換股債券的轉換權。因此，本集團需於到期時以現金償還債券持有人。於二零一九年七月十六日(合約還款截止日期)，本集團已悉數償還餘額約人民幣4.86億元(相等於5.46億港元)，本金約為人民幣4.68億元(相等於5.25億港元)及利息約人民幣1,800萬元(相等於2,100萬港元)。

償還可換股債券所用資金來自於兩間實體公司之借款。一間實體公司最終持有人為王堅先生(本公司的主要股東)，另一間實體公司由王堅先生的配偶最終持有。該等借款年利率為7%，無抵押，及須於二零二零年六月前償還。

董事認為，根據聯交所證券上市規則(「上市規則」)第14A.90條，上述獲得的借款為全面豁免的關聯交易，因為其是按更佳商業條款進行以及並無本集團的資產作抵押。

員工

於二零一九年十二月三十一日，本集團員工總數為417人，於二零一八年十二月三十一日為458人，人員減少主要由於自二零一九年第二季度開始，本集團的瓶坯和瓶蓋生產由本公司之中國境內附屬公司轉由本集團之聯營企業福地包裝進行，相應生產和管理人員亦轉入福地包裝。在二零一九年及二零一八年，本集團有關僱員成本為每年人民幣8,300萬元。

本集團的薪酬政策是根據每位員工的崗位、經驗、能力和表現而制定的，並進行年度審核。除支付基本薪金外，員工也享受其他福利，包括社會保險供款、僱員公積金和酌情獎勵。本集團亦考慮其他額外福利、培訓及購股權(如適用)招攬/挽留忠誠僱員，以建設專業及團結的員工及管理層隊伍，促進本集團取得更高成就。

The Group provided diversified on-the-job training in the production plants based on the needs of the respective positions and talents of the employees on a timely basis. The Group also encouraged the management staff to participate in continuous professional development trainings which are relevant to their professions. Apart from induction training, the Company provides updates to the Directors and senior management on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure their compliance with and to enhance their awareness of good corporate governance practices. These include attending in-house training, seminars, reading handouts, newspapers, journals, the Group's news, industry news, etc.

The Group adopted a share award scheme in 2017. Up to 31 December 2019, no share has been granted by the Group to any parties under the share award scheme.

GEARING RATIO

The gearing ratio is calculated as borrowings (including bank borrowings, convertible bonds and borrowings from third parties) divided by total capital. The total capital is calculated as "equity" as shown in the consolidated balance sheet plus borrowings (including bank borrowings, convertible bonds and borrowings from third parties). As at 31 December 2019 and 31 December 2018, the gearing ratios of the Group were 27.14% and 25.09%, respectively.

MERGER AND ACQUISITION

In May 2019, Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership) ("Zhuhai Guangyuan"), a subsidiary of the Company, acquired 20% of the equity interests of Shanghai Maikaite Network Technology Co., Ltd. ("Shanghai MKT"). Shanghai MKT is a company specialising in programme development and intelligence property agency. As at 31 December 2019, total investment in Shanghai MKT is RMB5 million, which is accounted as FVPL by the Group.

本集團根據僱員的職位需要及專長於生產廠房適時提供多元化的在職培訓。我們亦鼓勵管理人員參加與彼等專業相關的持續專業發展培訓。除入職培訓外，本公司不時向董事及高級管理層提供有關上市規則及其他適用監管要求的最新發展情況，以確保彼等遵守並提高彼等對良好企業管治常規的認識。這些包括參加內部培訓、研討會、閱讀講義、報紙、期刊、本集團新聞、行業新聞等。

本集團於二零一七年採納了一份股份獎勵計劃。截至二零一九年十二月三十一日，在股份獎勵計劃下，本集團未向任何方授予股份

負債比率

負債比率是按借款(包括銀行借款、可換股債券和第三方借款)除以資本總額計算。資本總額按綜合資產負債表所示「權益」加借款(包括銀行借款、可換股債券和第三方借款)計算。於二零一九年十二月三十一日及於二零一八年十二月三十一日，本集團的負債比率分別為27.14%及25.09%。

兼併與收購

在二零一九年五月，本公司附屬公司珠海光遠匯金股權投資基金(有限合夥)(「珠海光遠」)收購上海麥鎧特網絡科技有限公司(「上海麥鎧特」)的20%權益。上海麥鎧特是一家專門從事程式開發及知識產權代理的公司。於二零一九年十二月三十一日，對上海麥鎧特的總投資為人民幣500萬元，本集團將其作為以公允價值計量且其變動計入損益的金融資產入賬。

SIGNIFICANT INVESTMENTS

In May 2019, Center Faithful Limited, a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish Great Wall 5100 Technology Co., Ltd (“**Great Wall 5100**”). Great Wall 5100 is a strategic investment cooperation of the Group with Dr. Peng Telecom & Media Group Co., Ltd. (“**Dr. Peng**”), an A-share listed company (stock code: 600804), and specialises in the distribution of water products. Based on the articles of association of Great Wall 5100, the Group owns 40% of its equity interests and has right to participate in operational decision-making process of Great Wall 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Great Wall 5100 is RMB20 million, including cash payment of RMB4 million and other payables amounting to RMB16 million. Great Wall 5100 began its operation in the second half year of 2019, and made losses amounting to RMB7 million for the year ended 31 December 2019. Through the strategic investment cooperation with Dr. Peng in Great Wall 5100, the Group aims to promote the high quality water products to Dr. Peng’s telecom users, in order to penetrate more office and family customers.

重大投資

在二零一九年五月，本公司全資附屬公司中誠信企業有限公司與第三方簽訂協議，成立長城五一零零科技有限公司（「**長城五一零零**」）。長城五一零零是本集團與鵬博士電信傳媒集團股份有限公司（「**鵬博士**」，一家A股上市公司（股票代碼：600804））進行戰略投資合作成立的專門從事水產品分銷的公司。根據長城五一零零的公司章程，本集團擁有長城五一零零40%的權益，並有權參與長城五一零零的經營決策過程。因此，本集團將該投資視為使用權益法入賬的投資。於二零一九年十二月三十一日，對長城五一零零作出的權益出資總額為人民幣2,000萬元，其中包括現金款項人民幣400萬元及其他應付款人民幣1,600萬元。長城五一零零於二零一九年下半年開始經營，並於二零一九年十二月三十一日止年度虧損人民幣700萬元。通過與鵬博士在長城五一零零的戰略投資合作，本集團目標向鵬博士的電信用戶推廣高品質的水產品，從而滲透更多的辦公室及家庭客戶。

On 6 September 2019, Tibet Glacier Mineral Water Co., Ltd. (“Tibet Glacier Mineral Water”), a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish a company named Guangzhou Mingzhu 5100 Drinking Water Co., Ltd (“Mingzhu 5100”). Mingzhu 5100 is a strategic investment cooperation of the Group with Guangdong Southern Airlines Mingzhu Service Co., Ltd. and specialises in the distribution of water products. Based on the articles of association of Mingzhu 5100, the Group owns 34% of its equity interests and has right to participate in operational decision-making process of Mingzhu 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Mingzhu 5100 is RMB1.02 million. Mingzhu 5100 has not begun its operation in the year ended 31 December 2019. Through Mingzhu 5100, the Group aims to promote the high quality water products in Southern Airlines’s channels, including its airlines, hotels, etc.

於二零一九年九月六日，本公司之全資附屬公司西藏冰川礦泉水有限公司（「西藏冰川礦泉水」）與第三方訂立協議，成立名為廣州市明珠五一零零飲用水有限公司（「明珠五一零零」）。明珠五一零零是本集團與廣東南航明珠航空服務有限公司進行戰略投資合作成立的專門從事水產品分銷的公司。根據明珠五一零零的公司章程，本集團擁有明珠五一零零34%權益，並有權參與經營決策過程。因此，本集團視該投資為使用權益法入賬的投資。於二零一九年十二月三十一日，對明珠五一零零作出的權益出資總額為人民幣102萬元。明珠五一零零於二零一九年十二月三十一日止年度尚未經營。透過明珠五一零零，本集團目標在南方航空的渠道，包括其航線和酒店等，推廣高品質的水產品。



In 2019, the Group acquired PP&E of approximately RMB5 million (for 2018: approximately RMB29 million). Regarding the future development and outlook of the Group, please refer to the section headed “Outlook” in the “Management Discussion and Analysis” section.

CAPITAL COMMITMENTS

As at 31 December 2019, the Group has committed to purchasing PP&E of approximately RMB37 million (31 December 2018: RMB73 million), and equity investment of RMB197 million (31 December 2018: RMB198 million). The funding sources related to these commitments are expected to be disbursed from the Group’s own capital.

CHARGES (OR PLEDGES)

As at 31 December 2019, (i) a bank loan with the principal amount of RMB290 million (31 December 2018: RMB290 million) of the Group was secured by the pledge of 35% of Tibet Tiandi Green Beverage Development Co., Ltd.’s (“Tiandi Green”) equity interests, (ii) a bank loan with principal amount of RMB100 million (31 December 2018: nil) of the Group was secured by the Group’s factory plant with net book value of RMB66 million (31 December 2018: nil) and land use rights with net book value of RMB27 million (31 December 2018: nil), (iii) a bank loan with the principal amount of RMB100 million (31 December 2018: RMB100 million) of the Group was secured by the pledge of 15% of Highland Natural Water equity interests, (iv) a bank loan with the principal amount of RMB66 million (31 December 2018: RMB66 million) of the Group was secured by the Group’s factory plant with net book value of RMB29 million (31 December 2018: RMB31 million) and land use rights with net book value of RMB1 million (31 December 2018: RMB1 million); and (v) a bank loan with the principal amount of RMB60 million (31 December 2018: nil) of the Group was secured by the pledge of 15% of Highland Natural Water’s equity interests.

在二零一九年，本集團購買物業、廠房及設備約為人民幣500萬元(二零一八年：約人民幣2,900萬元)。關於本集團未來的發展和展望，詳情請參閱本「管理層討論與分析」內標題為「展望」的章節。

資本性承諾

於二零一九年十二月三十一日，本集團已承諾購買物業、廠房及設備約為人民幣3,700萬元(二零一八年十二月三十一日：人民幣7,300萬元)，以及承諾股權投資人民幣1.97億元(二零一八年十二月三十一日：人民幣1.98億元)。這些承諾事項相關的資金來源預計將自本集團自有資金中撥付。

抵(質)押

於二零一九年十二月三十一日，(i)本集團的一筆本金為人民幣2.90億元的銀行借款(二零一八年十二月三十一日：人民幣2.90億元)以西藏天地綠色飲品發展有限公司(「天地綠色」)35%的權益作質押；(ii)本集團的一筆本金為人民幣1億元的銀行借款(二零一八年十二月三十一日：無)以賬面淨值為人民幣6,600萬元的工廠廠房(二零一八年十二月三十一日：無)，以及賬面淨值為人民幣2,700萬元的土地使用權(二零一八年十二月三十一日：無)作抵押；(iii)本集團的一筆本金為人民幣1億元的銀行借款(二零一八年十二月三十一日：人民幣1億元)以高原天然水15%的權益作質押；(iv)本集團的一筆本金為人民幣6,600萬元的銀行借款(二零一八年十二月三十一日：人民幣6,600萬元)以賬面淨值為人民幣2,900萬元的工廠廠房(二零一八年十二月三十一日：人民幣3,100萬元)以及賬面淨值為人民幣100萬元的土地使用權(二零一八年十二月三十一日：人民幣100萬元)作抵押；以及(v)本集團的一筆本金為人民幣6,000萬元的銀行借款(二零一八年十二月三十一日：無)以高原天然水15%的權益作質押。

Bank acceptance notes amounting to RMB189 million were guaranteed by the Company and a subsidiary of the Company. Bank acceptance notes amounting to RMB71 million were guaranteed by the Company and a third party company, and were pledged by 7% of Highland Natural Water's equity interests.

CONTINGENT LIABILITIES

The Group provided financial guarantee amounting to RMB200 million to an associate as at 31 December 2019 (2018: nil). The guarantee was provided for bank borrowings obtained by the associate with the remaining amounts of RMB200 million as at 31 December 2019 (2018: nil). The period of guarantee for RMB100 million is from 5 July 2019 to 4 July 2023 whereas the period of guarantee for the remaining RMB100 million is from 29 November 2019 to 25 November 2023.

FOREIGN EXCHANGE RISK

The Group adopts a conservative approach to cash management and risk control. The Group mainly operates in the PRC with most of its business transactions denominated in RMB. However, the Group is exposed to foreign exchange risk arising from its cash exchange transactions, which are primarily denominated in HKD. To mitigate the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. During 2019, management of the Group did not consider it necessary to enter into any hedging transactions in order to reduce the exposure to foreign exchange risk, because the exposure, after netting off the assets and liabilities subject to foreign exchange risk, was not significant.

人民幣1.89億元的銀行承兌匯票由本公司及本公司一間附屬公司提供保證。人民幣7,100萬元的銀行承兌匯票由本公司及一間第三方公司提供保證，以高原天然水7%權益作質押。

或然負債

於二零一九年十二月三十一日，本集團向一家聯營公司提供的財務擔保為人民幣2億元（二零一八年：無）。該擔保向聯營公司於二零一九年十二月三十一日餘額為人民幣2億元的銀行借款提供擔保（二零一八年：無），人民幣1億元的擔保期限為二零一九年七月五日至二零二三年七月四日，其餘人民幣1億元的擔保期限為自二零一九年十一月二十九日至二零二三年十一月二十五日。

外匯風險

本集團採用審慎方針管理現金及控制風險。本集團主要在中國營運，大部分的商業交易皆以人民幣為計算單位。惟本集團的現金匯兌交易主要以港幣計值，故本集團面對外匯風險。為減輕匯率波動的影響，本集團持續評估及監控其外匯風險。在二零一九年期間，本集團管理層認為沒有必要訂立任何對沖交易以減輕外匯風險，因為將承受外匯風險的資產及負債相抵後風險不大。

VALUATION OF PROPERTIES

For the purpose of the listing of the Company's shares on the Main Board of the Stock Exchange on 30 June 2011, a valuation was conducted on the property interests held by the Group. However, those property interests were still carried at historical costs less accumulated depreciation and impairment, if any, on the Group's consolidated financial statements.

With reference to the property valuation set out in Note 4 of Appendix II-A to the Company's prospectus dated 20 June 2011, a revaluation surplus of approximately RMB3,947,000 was identified in respect of the property interests of the Group as at 31 March 2011. If the properties of the Group were accounted for at that valuation, the depreciation charge per annum would increase by approximately RMB130,000.

PRODUCTION CAPACITY

In 2019, the annual water production capacity and annual beer production capacity for the year were approximately 300,000 tonnes and 200,000 tonnes, same as in 2018. The Group will assess its production capacity periodically and consider increasing production capacity to meet the demands of future development.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group has adopted internal control measures to monitor the continuous compliance with relevant laws and regulations such as the Companies Law of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the SFO, the Listing Rules and other rules and regulations implemented in relevant jurisdictions. Also, as the Group's major subsidiaries are located in the PRC, relevant regulatory requirements on the Group include PRC government policies and regulations towards the mineral water industry, PRC laws and regulations on environmental protection, PRC laws on regulation of manufacture and sales of general food products, PRC taxes, regulation of foreign currency exchange and dividend distribution, and other relevant PRC laws and regulations. During the financial year ended 31 December 2019, as far as the Board is aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

物業估值

為本公司股份於二零一一年六月三十日在聯交所主板上市的目的，已對本集團持有的物業權益進行了估值。然而，該等物業權益仍於本集團綜合財務報表中按歷史成本減累計折舊及減值(如有)列賬。

根據本公司於二零一一年六月二十日刊發的招股章程附錄二A附註四所載物業估值，本集團於二零一一年三月三十一日的物業權益重估盈餘約人民幣3,947,000元。倘若本集團物業按該估值列賬，每年折舊開支將會增加約人民幣130,000元。

產能

二零一九年，年度水產能和年度啤酒產能分別約為300,000噸和200,000噸，與二零一八年一致。本集團將定期評估產能並考慮增加產能以滿足未來發展的需要。

遵守相關法律及規例

本集團已採納內部監控措施監督持續遵守相關法律及法規，例如開曼群島公司法、公司條例(香港法例第622章)、證券及期貨條例、上市規則以及於相關司法管轄區內執行之其他規則及規例。此外，由於本集團主要附屬公司均位於中國，本集團面臨的相關監管規定包括中國政府有關礦泉水行業的政策及規例、中國有關環境保護的法律及法規、中國有關規管一般食品生產及銷售的法律、中國稅項、外幣匯兌及股息分派規例以及其他相關中國法律及規例。於截止二零一九年十二月三十一日止財政年度，據董事會知悉，本集團已於所有重大方面遵守對本集團之業務及營運產生重大影響的相關法律及規例。

The Group continues its commitment to comply with the relevant laws and regulations.

ENVIRONMENTAL PROTECTION

In order to maintain the quality and safety of our products, we have established a “water protection zone” of 60 square kilometers around our water source. No human activities are allowed in the most restricted zone and the spring source has been secured in a fully enclosed facility to prevent any potential contamination.

Our production facility generates and/or discharges wastes including waste water, plastics, papers or air pollutants during the production activities. We consider the protection of the environment to be of utmost importance and have implemented procedures for waste storage, handling and/or disposal. The Group aims to minimise the impact of our activities on the environment and requires our staff to follow the same principle. We adhere to the principles of low carbon emission, waste and emission reduction, energy and cost saving and an overall environmentally friendly approach in the way we operate.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Board believes in being people-oriented. The employees of the Group are one of the most important assets of the Group and their contribution and support are highly valued. The Group ensures staff are reasonably remunerated with regular reviews on compensations and benefits policies in accordance with the industry benchmark as well as the individual performance of the employees. Other fringe benefits, training, employee provident fund and share options, if applicable, are provided by the Group to solicit/retain loyal employees with the aim of forming a professional and united staff and management team that can bring the Group to higher levels of achievements.

本集團繼續致力遵守相關法律及規例。

環境保護

為維持產品質素及安全，我們已於水源方圓60平方公里內建立「水源保護區」。最嚴禁區內禁止一切人類活動，並已對泉水源頭建立嚴密的封閉設施，防止任何潛在污染。

我們的生產設施於生產活動中所產生及／或排放的廢物主要包括廢水、塑料、紙張或氣體污染物。我們認為環境保護至關重要，並已實施各項措施儲存、處理及／或處置廢物。本集團致力減少我們的業務對環境造成的影響，並將要求員工遵守該原則。我們於業務營運過程中遵循低碳減排、節能節本及整體環保方針。

與僱員、客戶及供應商之關係

董事會相信應以人為本。本集團僱員為本集團最重要的資產之一，他們的貢獻及支持受到高度重視。本集團確保員工合理受償，並根據行業基準以及僱員個人表現定期檢討薪酬及福利政策。本集團提供其他額外福利、培訓、僱員公積金及購股權(如適用)以招攬／挽留忠誠僱員，以建設專業及團結的員工及管理層隊伍，促進本集團取得更高成就。

The Group seeks to maintain good relationship with its customers. The Group maintains an after-sales call center to serve the end customers of our products, and the sales personnel make regular visits and/or phone calls to the regular distributors and sales outlets in the market. If there is any complaint from customers, it will be reported to the management and immediate remedial action will be taken. Thereafter, the cause of such complaint will be studied, analysed and evaluated, and recommendations will be made for future improvement.

The Group also seeks to maintain good relationship with its suppliers. During the year, there was no dispute in debts or unsettled debts. In addition, whenever the Group places orders, our suppliers are willing to accept our orders.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board is aware that the Group is exposed to various risks, including some which are specific to the Group or the industry in which the Group operates as well as others that are common to most businesses. The Board has established a procedure to ensure that significant risks which may adversely affect the Group's performance and ability to deliver on its strategies, as well as those which may present positive opportunities, are identified, reported, monitored and managed on a continuous basis.

1. Risks relating to our industry

The Group could be affected by change in consumer preferences, perception and spending patterns relating to bottled water and beer, particularly premium bottled water and premium beer. The growth in demand for bottled water products and beer products in the PRC has been driven in part by the overall growth in the PRC economy and disposable income of consumers. Any macroeconomic changes in the PRC that adversely impact consumer consumption for the beverage products could have a material adverse effect on our business and a decline in the market share of our products.

本集團尋求與其客戶維持良好關係。本集團設有售後服務中心，服務我們的產品終端客戶。銷售人員定期拜訪及／或致電市場常規經銷商及銷售網點。倘接獲客戶投訴，則會匯報至管理層並即時採取補救行動。此後，本集團將研究、分析及評估有關投訴的原因，並提出改善建議。

本集團亦尋求與供應商維持良好關係。年內，概無債務爭議或未結債務。此外，當本集團下訂單時，我們的供應商均樂意接納訂單。

主要風險及不明朗因素

董事會知悉，本集團面臨各種風險，包括若干本集團或本集團所經營行業的特有風險以及其他大多數業務常見的業務風險。董事會已制定程序，確保持續識別、報告、監察及管理對本集團表現及執行策略的能力可能造成不利影響或可能帶來良好機遇的重大風險。

1. 有關我們所處行業的風險

本集團可能受客戶對瓶裝水及啤酒尤其是高端瓶裝水及高端啤酒的偏好、認知及消費模式的變動所影響。中國瓶裝水產品及啤酒產品的需求增長部分程度上一直受中國經濟及消費者可支配收入整體增長所推動。中國任何宏觀經濟變動均可能對消費者的飲品消費水平產生不利影響，進而對我們的業務產生重大不利影響及導致我們產品的市場份額下滑。

The Group faces increasing competition from domestic and foreign companies, which may affect our market share and profit margin. The bottled water and beer industry in China is highly competitive, and we expect competition to intensify. Our ability to compete is, to a significant extent, dependent on our ability to distinguish our product from those of our competitors by providing higher quality products and services at reasonable prices that appeal to consumers' tastes and preferences. Some of our competitors may have longer operating histories, may have substantially greater financial and other resources and may be better established in certain markets.

2. Risks relating to our Business

Our reliance on limited water source represents a risk to our business if the mineral content and quality of the spring water from that source are adversely affected due to changes in the surrounding geological environment or contamination of the water source. In order to maintain the quality and safety of our products, we have established a "water protection zone" of 60 square kilometers around our water source and also adhere to a strict quality control system over all our operations.

As a premium products provider, we rely heavily on the product's brand names and our reputation to generate sales. Any event that generates negative publicity for us could have an adverse effect on the product's brand names and our reputation, which in turn would affect our ability to market and sell our products.

本集團面臨來自國內外公司的競爭日益激烈，可能影響我們的市場份額及利潤率。中國瓶裝水及啤酒行業競爭激烈，且我們預期競爭將會加劇。我們的競爭能力主要取決於我們以合理的價格提供迎合消費者口味及喜好的優質產品及服務，使我們的產品從其他競爭對手產品當中脫穎而出的能力。我們的若干競爭對手可能營運歷史較長，財務實力及其他資源優勢顯著，及可能在若干市場更加成熟。

2. 有關我們業務的風險

我們對有限水源的倚賴使我們業務面臨風險，倘周邊地質環境變動或水源受污染，來自該水源的泉水的礦物質含量及水質將遭到不利影響。為維持我們的產品的質素及安全，我們已於水源方圓60平方公里內設立「水源保護區」，同時亦於我們的整個營運過程遵循嚴格的質量監控系統。

作為高端產品供應商，我們高度倚賴產品的品牌名稱及我們的聲譽推動銷量。任何導致我們形象受損的事件均可能對產品的品牌名稱及我們的聲譽造成不利影響，進而影響我們進行市場推廣及產品銷售的能力。

Our water products are bottled at water sources in Tibet, and our beer products are also manufactured in Tibet. Our business may be interrupted or otherwise affected if relevant transportation is affected, and thus resulting in negative impact on our ability to transport adequate raw materials to our production facilities and the transportation of our products from Tibet.

3. Financial risks

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Details are set out in Note 3 to the consolidated financial statements.

我們的水產品於西藏水源取水裝瓶，而我們的啤酒產品亦於西藏進行生產。倘相關交通運輸受到影響，我們的業務可能被中斷或受其他影響，因此對我們運輸足夠原材料至生產廠房以及從西藏輸出產品的能力造成負面影響。

3. 財務風險

本集團經營活動面臨各種財務風險：市場風險（包括貨幣風險、現金流量及公允價值利率風險）、信貸風險及流動性風險。本集團的整體風險管理計劃集中於金融市場的不可預測性，並尋求將對本集團的財務表現潛在不利影響降至最低。詳情載於綜合財務報表附註3。

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The shares of the Company were listed on the Main Board of the Stock Exchange on 30 June 2011 with net proceeds from the global offering of approximately HKD1,472 million (including proceeds from the exercise of over-allotment option and after deducting underwriting commissions and related expenses). On 10 April 2013, the Company resolved to change the usage of the net proceeds from the global offering. Please refer to the Company's announcement dated 10 April 2013 for details. The revised usage of the net proceeds has been allocated in the following manner:

來自全球發售的所得款項淨額用途

本公司股份於二零一一年六月三十日在聯交所主板上市，來自全球發售的所得款項淨額約為14.72億港元(包括行使超額配股權的所得款項及經扣除包銷佣金和相關費用)。於二零一三年四月十日，本公司已決議更改全球發售所得款項淨額用途，詳情請參閱本公司於二零一三年四月十日之公告。已更改的所得款項淨額用途已分配如下：

		As at 31 December 2018 Utilized Revised usage of net proceeds 更改後的 所得款項 淨額用途 HKD'Million 百萬港元	As at 31 December 2018 Utilized 於二零一八年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	In 2019 Utilized net proceeds 於二零一九年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	As at 31 December 2019 Utilized net proceeds 於二零一九年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	As at 31 December 2019 Unutilized net proceeds 於二零一九年 十二月三十一日 未運用的 所得款項淨額 HKD'Million 百萬港元
Expand our production capacity by constructing additional facilities and purchasing additional production equipment	用作建設新增廠房及購買額外生產設備以擴大生產能力	133	133	—	133	—
Expand our distribution network and toward promotional activities	用作擴大經銷網絡及宣傳推廣活動	206	33	1	34	172
Mergers and acquisitions that complement our existing business	用作能補充我們現有業務的合併與收購	1,092	1,092	—	1,092	—
Working capital and other general corporate purpose	用作營運資金及其他一般企業用途	41	41	—	41	—
		1,472	1,299	1	1,300	172

As at 31 December 2019, the Group has utilized net proceeds amounting to HKD133 million, HKD34 million, HKD1,092 million and HKD41 million (i) for expanding our production capacity, (ii) for expanding our distribution network and toward promotional activities, (iii) for mergers and acquisitions that complement our existing business, and (iv) as working capital and for other general corporate purposes, respectively. The remaining net proceeds were deposited in reputable financial institutions and are intended to be applied towards expanding distribution network and towards promotional activities in the coming financial years. The net proceeds were applied and are to be applied according to the intentions disclosed in the Company's announcement dated 10 April 2013.

FINAL DIVIDEND

No dividend has been declared by the Company in respect of 2019 (2018: nil).

OUTLOOK

The Group will continue to make full use of its existing advantages in resources, marketing channels and logistics network to strengthen and solidify its strategic position in Tibet's water industry.

The Group will continue investing in significant resources, strengthen its strategic cooperation with Sinopec and PetroChina, fully utilize the water resources and production bases advantages of Highland Natural Water and Shannan Yalaxiangbu and promote additional new strategic cooperation to make the high-quality water from Tibet available to numerous households.

The Group will continue to maintain and develop the advantages of the "5100 Glacial Water" as a premium brand, combine with the resources of the existing key target channels including cinemas, hotels, airlines, e-commerce, office and family users, with marketing and promotional campaigns to continuously improve the brand image and influence.

於二零一九年十二月三十一日，本集團已運用了1.33億港元、3,400萬港元、10.92億港元及4,100萬港元的所得款項淨額分別(i)用作擴大生產能力；(ii)用作擴大經銷網絡及宣傳推廣活動；(iii)用作能補充我們現有業務的合併與收購；及(iv)作為營運資金及用作其他一般企業用途。餘下的所得款項淨額已存入信譽良好的金融機構，並打算在未來的財政年度用作擴大經銷網絡及宣傳推廣活動。所得款項淨額都是根據本公司日期為二零一三年四月十日的公告所披露的意向獲運用和將予運用。

末期股息

本公司並無宣告派發二零一九年股息(二零一八年：無)。

展望

本集團將繼續充分利用本集團已有的資源優勢、銷售渠道優勢和物流網路優勢，加強和穩固在西藏水產業的戰略地位。

本集團將繼續投入重要資源，加強與中石化和中石油的戰略合作，充分利用高原天然水和山南雅拉香布兩家公司的水資源和生產基地優勢，開展更多更新的戰略合作，使得西藏好水進入千家萬戶。

本集團將保持和發展「5100冰川水」的高端品牌優勢，結合現有的電影院線、酒店、航空、電子商務、辦公及家庭使用者等重要目標渠道資源和市場宣傳，不斷提升品牌形象和影響力。

The Group will intensify its cooperation with various key platforms, including Jingdong and Tmall, in respect of sales and logistics to boost the development of the Group's products in the e-commerce sales channels. Coupled with its service system in the nationwide gas stations channels, the Group will build its service networks which cover more consumers and retail ends to diversify its sales models and make its products available to more users.

EVENTS AFTER THE BALANCE SHEET DATE

At the end of 2019, news about the COVID-19 (Coronavirus) first emerged in China. The situation at year end was that the number of cases of this unknown virus which had been reported to the World Health Organisation was limited. In the first few months of 2020, the virus spread globally. The Group considers this outbreak to be a non-adjusting post balance sheet date event.

本集團將加強與京東和天貓等重點平台的銷售和物流合作，以加快本集團產品在電子商務銷售渠道的發展，並結合本集團於全國加油站渠道的服務體系，建設覆蓋更多消費者和零售終端的服務網路，使得本集團的銷售模式更多元化，本集團的產品觸達更多的使用者。

資產負債表日期後事項

二零一九年底，中國首次出現有關 COVID-19(冠狀病毒)的消息。在年底的情況是，向世界衛生組織報告這未知病毒病例的數字是有限的。該病毒在二零二零年的首幾個月中於全球傳播。本集團認為這爆發是資產負債表日後的非調整事件。





There were temporary serious adverse effects on the Group's water business during late January and February 2020, due to the administrative suspension of public transportation and business activities. However, the cargo train service and other public transportation were gradually resuming since March 2020. Therefore, our water business resumes gradually as well.

The Group is currently unable to assess the full impact of COVID-19 on its future financial position and the result of its operations. However, depending on future developments, it may have a negative impact on the Group.

由於公共交通和商業活動的行政暫停，在二零二零年一月下旬和二零二零年二月期間本集團的水業務產生了暫時的嚴重不利影響，但是，自二零二零年三月以來，貨運列車服務和其他公共交通正在逐步恢復。因此，我們的水業務也在逐步恢復。

本集團目前無法評估COVID-19對未來財務狀況和經營成果的全面影響，但是，根據其未來的發展情況，該病毒可能會對集團產生負面影響。



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷



PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. WANG Dong, aged 54, was appointed as executive Director on 29 May 2017 and further appointed as the chief executive officer of the Company on 18 August 2017. He is a member of the remuneration committee and nomination committee of the Company. Mr. Wang graduated with a bachelor of laws degree at Xinjiang University. He obtained a master degree in engineering at Wuhan University and an EMBA degree at the South China University of Technology.

Mr. Wang is qualified as a lawyer of the PRC since 1989, a senior economist of the Industrial and Commercial Bank of China since 2001 and a practitioner of the Asset Management Association of China since 2016. He also received the "Qualification as an independent director of listed companies" from the Shenzhen Stock Exchange in 2016.

From 1987 to 2012, Mr. Wang worked in the provincial branch office as well as the case management department of the headquarters and the regional branch office of Industrial and Commercial Bank of China Limited. During the aforesaid period, he served as the department head of the case management department of the headquarters, general manager of the legal affairs department of the provincial branch office, general manager of the risk management department of the provincial branch office, general manager of the regional branch office, as well as the president of the regional urban finance society and regional banking industry association. In August 2012, Mr. Wang served as the head of the legal compliance department at the headquarters of Guangdong Nanyue Bank and a member of the law committee of the Banking Association of Guangdong. From September 2016 to August 2018, Mr. Wang was the director and chief executive officer of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd..

董事及高級管理層履歷

執行董事

王東先生，54歲，於二零一七年五月二十九日獲委任為執行董事，並於二零一七年八月十八日獲委任為本公司行政總裁。彼為本公司薪酬委員會及提名委員會成員。王先生畢業於新疆大學，取得法學士學位，並於武漢大學取得工程碩士學位及於華南理工大學取得高級管理人員工商管理碩士學位。

王先生於一九八九年取得中國律師資格，自二零零一年起擔任中國工商銀行高級經濟師及於二零一六年獲得中國證券投資基金業協會從業人員資格。彼亦於二零一六年自深圳證券交易所取得「上市公司獨立董事資格」。

於一九八七年至二零一二年，王先生先後在中國工商銀行股份有限公司省分行，以及總行案件管理處及地區基層行工作。期間彼擔任總行案件管理處處長、省分行法律事務部總經理、風險管理部總經理、地區分行行長，兼地區城市金融學會會長、地區銀行業協會會長。於二零一二年八月，王先生任職廣東南粵銀行股份有限公司總行法律合規部主要負責人、廣東銀行業公會法律委員會常委。於二零一六年九月至二零一八年八月，王先生任職新疆天山產業投資基金管理有限公司董事兼總經理。

Mr. YUE Zhiqiang, aged 55, is an executive Director and was appointed to the Board on 1 March 2011. Mr. Yue has over 30 years of experience in mechanical engineering and manufacturing plant operation, and is the chairman of our major subsidiary company, Tibet Glacier Mineral Water. Mr. Yue studied at Shandong University of Technology (山東工業大學) (now combined into Shandong University (山東大學)) in Machinery Production and obtained a bachelor degree. Mr. Yue was appointed as the director of Tiandi Green on 25 December 2012.

Mr. LIU Chen, aged 36, is an executive Director and authorised representative of the Company and was appointed to the Board on 1 March 2011. He is a member of the risk management committee of the Company. Prior to joining the Group, Mr. Liu gained experience in the areas of law and accounting. Mr. Liu graduated from York University, Canada, with a bachelor of arts degree. Mr. Liu also studied full-time at McMaster University, Canada, and obtained a master degree in Business Administration. Mr. Liu also serves as a director of certain subsidiary companies of the Group.

Non-Executive Director

Ms. JIANG Xiaohong, aged 62, is a non-executive Director and was appointed to the Board on 1 March 2011. Ms. Jiang is also the legal representative of our major subsidiary company, Tibet Glacier Mineral Water Co. Ltd., and is responsible for the operation, quality control, equipment and production site management. She has over 31 years of experience in operational management. She graduated from Xinjiang Vocational University (新疆職工大學) with a diploma in Economic Management, then from Jiangnan University (江南大學) (formerly known as Wuxi University of Light Industry (無錫輕工大學) with a diploma of Brewery Engineering, and from Xinjiang University (新疆大學) with a diploma of Analytical Chemistry.

岳志強先生，55歲，執行董事，於二零一一年三月一日進入董事會。岳先生在機械工程及製造工廠運營方面擁有逾30年經驗，並為本公司之主要子公司西藏冰川礦泉水的董事長。岳先生於山東工業大學(現已併入山東大學)修讀機械製造專業，並取得學士學位。岳先生在二零一二年十二月二十五日被委任為天地綠色之董事。

劉晨先生，36歲，執行董事兼本公司授權代表，於二零一一年三月一日加入董事會。彼為本公司風險管理委員會成員。於加入本集團前，劉先生累積了法律及會計經驗。劉先生畢業於加拿大約克大學(York University)，取得文學學士學位，其後劉先生亦全職在加拿大麥克馬斯特大學(McMaster University)攻讀，取得工商管理碩士學位。劉先生現亦擔任本集團若干附屬公司的董事。

非執行董事

姜曉虹女士，62歲，非執行董事，於二零一一年三月一日加入董事會。姜女士亦為本公司之主要附屬公司西藏冰川礦泉水有限公司的法定代表人，負責營運、質量控制、設備及生產場所管理。彼擁有超過31年營運管理經驗。彼畢業於新疆職工大學，獲授經濟管理文憑，然後於江南大學(前稱無錫輕工大學)，獲授釀造工程文憑；於新疆大學，獲授分析化學文憑。

Mr. WEI Zhe Ming, aged 37, joined the Group and was appointed as a non-executive Director on 31 December 2019. He graduated with a bachelor degree in law at Xin Jiang University (新疆大學) in 2005. He obtained a master degree in business administration at Xinjiang University of Finance & Economics (新疆財經大學) in 2013. Mr. Wei is qualified as a secretary of board of directors since May 2009, a fund practitioner since October 2018 and an independent director since October 2017 in the PRC. He has passed the National BAR Examination in 2009 in the PRC.

Mr. Wei was the deputy general manager and the secretary of the board of directors of Xinjiang Tianshan Wool Textile Co., Ltd.* (新疆天山毛紡織股份有限公司) (now known as De Zhan Da Jian Kang Co., Ltd.* (德展大健康股份有限公司) (stock code: 000813.SZ)). Currently, Mr. Wei is the investment director of Xinjiang Kaidi Investment Co., Ltd.* (新疆凱迪投資有限責任公司), a director of each of De Zhan Da Jian Kang Co., Ltd.* (德展大健康股份有限公司) (stock code: 000813.SZ), Xinjiang Investment and Construction Group Co., Ltd.* (新疆交易市場投資建設集團股份有限公司), Xinjiang Zhilian Qushi Information Technology Co., Ltd.* (新疆智聯趨勢信息科技有限公司) and Huarong Trust Co., Ltd.* (華融國際信託有限責任公司) and a director and the chairman of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* (新疆天山產業投資基金管理有限公司), a substantial shareholder of the Company.

Mr. XU Liang, aged 44, joined the Group and was appointed as a non-executive Director on 31 December 2019. He obtained a doctor of philosophy degree in law at Wuhan University (武漢大學) in 2005, and obtained the degree of Executive Master of Business Administration from Cheung Kong Graduate School of Business in 2015. He is a qualified senior economist since 2012 and is qualified as a lawyer since 2006 in the PRC.

* for identification purpose only

魏哲明先生，37歲，於二零一九年十二月三十一日加入董事會並獲委任為非執行董事。彼於二零零五年畢業於新疆大學，取得法學學士學位。彼於二零一三年於新疆財經大學取得工商管理碩士學位。魏先生在中國於二零零九年五月取得董事會秘書資格，於二零一八年十月取得基金從業人員資格及於二零一七年十月取得獨立董事資格。彼於二零零九年通過中國國家司法考試。

魏先生曾擔任新疆天山毛紡織股份有限公司(現稱為德展大健康股份有限公司(股份代號：000813.SZ))的副總經理兼董事會秘書。目前，魏先生為新疆凱迪投資有限責任公司的投資總監、德展大健康股份有限公司(股份代號：000813.SZ)、新疆交易市場投資建設集團股份有限公司、新疆智聯趨勢信息科技有限公司及華融國際信託有限責任公司的董事及本公司主要股東新疆天山產業投資基金管理有限公司的董事及董事長。

徐亮先生，44歲，於二零一九年十二月三十一日加入董事會並獲委任為非執行董事。彼於二零零五年畢業於武漢大學，取得法學博士學位，並於2015年畢業於長江商學院，取得高級管理人員工商管理碩士(EMBA)學位。彼於二零一二年取得高級經濟師資格，及於二零零六年在中國取得法律職業資格。

Mr. Xu worked as a postdoctoral researcher of Shenzhen Stock Exchange. He also successively served as the deputy general manager of the risk management headquarters, the deputy general manager of the legal compliance headquarters (discharging the duties on behalf of the general manager), the director of the supervisory office, the director of the supervisory board office, the director of the disciplinary committee office, the director of the board of directors office, the director of investment banking internal review committee and the securities affairs representative of Hong Yuan Securities Co., Ltd.. Mr. Xu is currently the corporate director, the general manager of the board of directors office and the general manager of the legal affairs and risk management department of Shenwan Hongyuan Group Co., Ltd. (stock code: 6806, 000166.SZ).

Ms. GUO Kun Kun, aged 39, joined the Group and was appointed as a non-executive Director on 31 December 2019. She graduated from Zhongshan University in 2003 with a bachelor of Arts degree. Ms. Guo is a qualified practitioner in fund in the PRC.

Ms. Guo has worked for PricewaterhouseCoopers Shenzhen Branch in relation to taxation for over 10 years. From October 2015 to August 2016, Ms. Guo became the Financial Controller of Tye Capital Group (HK) Limited. Ms. Guo joined Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* (新疆天山產業投資基金管理有限公司), a substantial shareholder of the Company since September 2016 and is currently a director and vice chief executive officer of Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* (新疆天山產業投資基金管理有限公司).

徐先生曾在深圳證券交易所工作，擔任博士後研究人員，亦曾擔任宏源證券股份有限公司風險管理總部副總經理、法律合規總部副總經理(主持工作)、監察室主任、監事會辦公室主任、紀委辦公室主任、董事會辦公室主任、投資銀行內核委員會主任及證券事務代表。徐先生現時擔任申萬宏源集團股份有限公司(股份代號：6806、000166.SZ)公司總監、董事會辦公室主任兼法務風控部總經理。

郭昆琨女士，39歲，於二零一九年十二月三十一日加入董事會並獲委任為非執行董事。彼於二零零三年畢業於中山大學，取得文學士學位。郭女士在中國取得基金從業人員資格。

郭女士曾於普華永道諮詢(深圳)有限公司處理稅務工作超過十年。於二零一五年十月至二零一六年八月，郭女士成為天易資本集團(香港)有限公司財務總監。郭女士於二零一六年九月加入本公司主要股東新疆天山產業投資基金管理有限公司，現時擔任新疆天山產業投資基金管理有限公司的董事兼副總裁。

Independent Non-Executive Directors

Mr. Jesper Bjoern MADSEN, aged 66, joined the Group and was appointed as an independent non-executive Director on 1 March 2011. He is the chairman of the nomination committee and also a member of the audit committee and remuneration committee of the Company. Mr. Madsen was appointed as chairman of the Board on 7 July 2015.

Mr. Madsen worked with the Carlsberg A/S Group for over 22 years. He held the positions as the vice president responsible for overseas investments and markets, general manager and managing director of Carlsberg Brewery Hong Kong Ltd and Chief Operating Officer of Carlsberg Asia Pte Ltd. Mr. Madsen was the senior vice president of Carlsberg Breweries A/S with responsibility for Asia, among other markets. Mr. Madsen was during his tenure as the said senior president also a non-executive chairman, non-executive vice chairman or non-executive director in a number of Carlsberg's subsidiaries in Asia. Mr. Madsen obtained a master degree in Law from Copenhagen University, Denmark and later studied Scottish/English Law at the University of Edinburgh, Scotland.

Mr. Madsen currently also serves as an independent non-executive director of D&O Green Technologies Berhad (stock code: 7204) and Mega First Corporation Berhad (stock code: 3069), both are companies listed on the Main Board of Bursa Malaysia.

Mr. Kevin Cheng WEI, aged 52, joined the Group and was appointed as an independent non-executive Director on 1 March 2011. He is the chairman of the audit committee and also a member of the remuneration committee, nomination committee and risk management committee of the Company.

Mr. Wei is currently a managing partner of a corporate finance advisory firm. Mr. Wei served as the chief financial officer from December 2007 to September 2013 of IFM Investments Limited which is a real estate services company headquartered in Beijing. From 2006 to 2007, Mr. Wei served as the chief financial officer of a Chinese solar company listed on Nasdaq. From 1999 to 2005, Mr. Wei worked in the internal audit and risk management functions with the Asia Pacific regional or global coverage for multinational companies including LG Philips Displays International Ltd. (2003 to 2005) headquartered in Hong Kong. From 1991 to 1999, Mr. Wei worked with KPMG LLP and Deloitte Touche LLP in various audit and

獨立非執行董事

麥奕鵬先生，66歲，於二零一一年三月一日加入本集團並獲委任為獨立非執行董事。彼為本公司提名委員會主席，亦為審核委員會以及薪酬委員會成員。麥先生於二零一五年七月七日獲委任為董事會主席。

麥奕鵬先生曾於嘉士伯集團(Carlsberg A/S Group)任職超過22年，麥奕鵬先生曾任嘉士伯啤酒廠香港有限公司副總裁(負責海外投資及市場)、總經理及董事總經理，以及嘉士伯亞洲私人有限公司(Carlsberg Asia Pte Ltd.)的營運總裁。麥奕鵬先生也曾為嘉士伯啤酒廠有限公司(Carlsberg Breweries A/S)高級副總裁，負責亞洲及其他市場。於其任職期間，麥奕鵬先生亦在嘉士伯於亞洲的多間子公司擔任非執行主席、非執行副主席或非執行董事。麥奕鵬先生獲授丹麥哥本哈根大學的法學碩士學位，其後於蘇格蘭愛丁堡大學修讀蘇格蘭／英國法律。

麥先生現時亦擔任D&O Green Technologies Berhad(股份代號：7204)和Mega First Corporation Berhad(股份代號：3069)(均於馬來西亞交易所主板上市)的獨立非執行董事。

蔚成先生，52歲，於二零一一年三月一日加入本集團並獲委任為獨立非執行董事。彼為本公司審核委員會主席，亦為薪酬委員會，提名委員會及風險管理委員會成員。

蔚先生現為一個財務諮詢顧問公司的董事合夥人。蔚先生亦自二零零七年十二月起至二零一三年九月擔任一間總部設於北京的房地產服務公司IFM Investments Limited的財務總監。於二零零六年至二零零七年間，蔚先生曾擔任一間於納斯達克上市的中資太陽能公司的財務總監。於一九九九年至二零零五年間，蔚先生曾工作於亞太地區或覆蓋全球的國際公司，負責內部核數及風險管理，包括總部設於香港的樂金•飛利浦顯示件國際

consulting roles between the United States of America and China. Mr. Wei graduated from Central Washington University in 1991, where he received his bachelor's degree (cum laude) with a double major in accounting and business administration. He is also a member of the American Institute of Certified Public Accountant.

Mr. WEI currently also holds directorship of the following companies:

- As an independent non-executive director, the chairman of the audit committee of the board of Nexteer Automotive Group Limited (stock code: 1316), a company listed on the Main Board of the Stock Exchange;
- As an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee of the board of Alphamab Oncology (stock code: 9966), a company listed on the Main Board of the Stock Exchange, since 12 December 2019; and
- As an independent director of Alpha Peak Leisure Inc., a company listed on the TSX Venture Exchange (TSX-V: AAP) in Canada.

Mr. WEI's prior directorship include:

- As an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee of the board of Wisdom Sports Group (stock code: 1661), a company listed on the Stock Exchange from June 2013 to February 2018; and
- As an independent director and the chairman of the audit committee of the board of Hunter Maritime Acquisition Corp., a company which was listed on NASDAQ (ticker symbol: HUNT) and delisted from NASDAQ in 2019 from April 2019 to July 2019.

有限公司(LG Philips Displays International Ltd.)(二零零三年至二零零五年間)。於一九九一年至一九九九年間，蔚先生於美國及中國為KPMG LLP及Deloitte Touche LLP處理不同的審計及顧問工作。蔚先生於一九九一年畢業於美國中央華盛頓大學，以優等成績取得學士學位雙主修會計及工商管理。彼亦為美國註冊會計師協會會員。

蔚先生目前還擔任以下公司的董事職務：

- 耐世特汽車系統集團有限公司(股票代號：1316)的獨立非執行董事及審計委員會主席，該公司是在聯交所主板上市；
- 自2019年12月12日起擔任Alphamab Oncology公司(股票代號：9966)為獨立非執行董事，審計委員會主席和薪酬委員會成員，該公司是在聯交所主板上市；及
- Alpha Peak Leisure Inc. (TSX-V：AAP)的獨立董事，該公司是在加拿大多倫多證券交易所創業板上市。

蔚先生過往曾擔任的董事職務包括：

- 於2013年6月至2018年2月為智美體育集團(於香港聯交所主板上市，股份代號：1661)的獨立非執行董事、審計委員會主席和薪酬委員會成員；及
- 於2019年4月至2019年7月為Hunter Maritime Acquisition Corp.(股票代碼：HUNT)的獨立董事兼審計委員會主席，該公司在納斯達克上市並於2019年從納斯達克退市。

Mr. HUNG Ka Hai Clement, aged 64, joined the Group and was appointed as an independent non-executive Director on 31 December 2019. He is the chairman of the risk management committee and also a member of the audit committee, remuneration committee and nomination committee of the Company.

He obtained a bachelor of arts degree from the University of Huddersfield, United Kingdom in 1980. Mr. Hung had served Deloitte China for 31 years where he had assumed various leadership roles before he took up the chairman role of Deloitte China from 2014 to 2016. He retired from Deloitte China with effect from June 2016. When Mr. Hung was working with Deloitte China, he had assumed various leadership roles, including the managing partner of Deloitte Shenzhen office and Guangzhou office. He was also a member of the China management team of Deloitte China. Mr. Hung had also assumed the role of the southern audit leader and the deputy managing partner of the southern region of China (including Hong Kong, Macau, Shenzhen, Guangzhou, Xiamen and Changsha). He was also a board member of Deloitte Global.

Mr. Hung served as the Guangzhou Institute of Certified Public Accountants consultant from 2004 to 2014. During the period between 2006 to 2011, he also served as a member of the Political Consultative Committee of Luohu District, Shenzhen. After his retirement as the chairman of Deloitte China, he was appointed as an expert consultant of The Ministry of Finance in the PRC. Mr. Hung is a life member of The Institute of Chartered Accountants in England and Wales.

Mr. Hung has, in the past three years, served or is serving as a director of each of the following listed companies whose shares are listed on the Stock Exchange:

- an independent non-executive director of Gome Finance Technology Company Limited (formerly known as Sino Credit Holdings Limited) (stock code: 628) since 31 October 2016;
- an independent non-executive director of Sheng Ye Capital Limited (stock code: 6069, the listing of the shares of which has been transferred to the Main Board from the GEM of the Stock Exchange (GEM stock code: 8469) from 24 October 2019) since 19 June 2017;

洪嘉禧先生，64歲，於二零一九年十二月三十一日加入本集團並獲委任為獨立非執行董事。彼為本公司風險管理委員會主席，亦為審核委員會、薪酬委員會及提名委員會成員。

彼於1980年在英國赫德斯菲爾德大學取得文學學士學位。洪先生曾經服務德勤中國31年，彼於2014年至2016年擔任德勤中國主席一職前曾擔任不同的領導職位。彼於2016年6月於德勤中國退任。洪先生於德勤中國所擔任不同的領導職位，包括德勤深圳辦公室及廣州辦公室之辦公室主管合夥人。彼亦曾經為德勤中國之中國管理團隊成員。洪先生曾出任華南區審計主管兼華南區副主管合夥人(地區包括：香港、澳門、深圳、廣州、廈門及長沙)。彼亦曾任德勤國際的董事會成員。

洪先生於2004年至2014年擔任廣州註冊會計師協會顧問。於2006年至2011年期間，彼亦曾出任深圳市羅湖區政治協商委員會委員。彼於退任德勤中國之主席職務後，獲中國財政部委任為諮詢專家。洪先生為英格蘭及威爾斯特許會計師公會之終身會員。

洪先生目前／過往三年曾擔任下列上市公司(其股份均於聯交所上市)的董事：

- 自二零一六年十月三十一日起擔任國美金融科技有限公司(前稱華銀控股有限公司，股份代號：628)的獨立非執行董事；
- 自二零一七年六月十九日起擔任盛業資本有限公司(股份代號：6069，該公司股份於二零一九年十月二十四日由聯交所GEM上市(GEM股份代號：8469)轉為主板上市)的獨立非執行董事；

- a non-executive director of High Fashion International Limited (stock code: 608) since 1 December 2017;
- an independent non-executive director of Zhongchang International Holdings Group Limited (formerly known as Henry Group Holdings Limited) (stock code: 859) since 12 January 2018;
- an independent non-executive director of Aoyuan Healthy Life Group Company Limited (stock code: 3662) since 22 February 2019;
- an independent non-executive director of China East Education Holdings Limited (stock code: 667) since 12 June 2019;
- an independent non-executive director of Huarong International Financial Holdings Limited (stock code: 993) since 13 December 2019;
- an independent non-executive director of Skyworth Group Limited (stock code: 751) since 18 March 2020;
- an independent non-executive director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited) (stock code: 112) from 24 February 2017 to 3 March 2017 and a non-executive director of the said company from 3 March 2017 to 30 June 2017. He was re-designated as an independent non-executive director of the said company on 30 June 2017 and subsequently resigned with effect from 30 September 2018; and
- 自二零一七年十二月一日起擔任達利國際集團有限公司(股份代號：608)的非執行董事；
- 自二零一八年一月十二日起擔任中昌國際控股集團有限公司(前稱為鎮科集團控股有限公司，股份代號：859)的獨立非執行董事；
- 自二零一九年二月二十二日起擔任奧園健康生活集團有限公司(股份代號：3662)的獨立非執行董事；
- 自二零一九年六月十二日起擔任中國東方教育控股有限公司(股份代號：667)的獨立非執行董事；
- 自二零一九年十二月十三日起擔任華融國際金融控股有限公司(股份代號：993)的獨立非執行董事；
- 自二零二零年三月十八日起擔任創維集團有限公司(股份代號：751)的獨立非執行董事；
- 於二零一七年二月二十四日至二零一七年三月三日擔任勒泰集團有限公司(前稱勒泰商業地產有限公司)(股份代號：112)的獨立非執行董事，於二零一七年三月三日至二零一七年六月三十日擔任該公司的非執行董事，並自二零一七年六月三十日獲重新委任為該公司獨立非執行董事，隨後於二零一八年九月三十日辭任；及

- an independent non-executive director of SMI Holdings Group Limited (stock code: 198) from 16 January 2017 to 15 March 2017 and re-designated as a non-executive director of the said company on 15 March 2017. He subsequently resigned with effect from 28 February 2019.

Mr. TANG Zeping, aged 62, joined the Group and was appointed as an independent non-executive Director on 2 March 2020. He is the chairman of the remuneration committee and also a member of the audit committee and nomination committee of the Company.

He obtained a bachelor degree in engineering from XiZang Agriculture and Animal Husbandry College* (西藏農牧學院) in 1983. He completed the Advanced Training Course for Modern Entrepreneurs* (現代企業家高級培訓班) at the Graduate School of Chinese Academy of Social Sciences (中國社會科學院研究生院) through distance learning in 1992 and the Advanced Studies Course for New Era Bankers* (“新時代的銀行家”高級研修班) at Tsinghua University in 2017. Mr. Tang was qualified as an assistant mechanical engineer in the PRC in 1986 and a mechanical engineer in 1988 in Qamdo, Tibet Autonomous Region, the PRC. He was qualified as a certified assets manager in the PRC in 2010 and an affiliate member of the Association of International Accountants in 2012. In addition, Mr. Tang had previously served as an arbitrator at the Lhasa Arbitration Commission* (拉薩仲裁委員會) and was selected by the SME Administration of the Economic Commission for the Tibet Autonomous Region* (西藏自治區經委中小企業局) in 2008 as an expert for the SME Development Project Expert Database* (中小企業發展項目評審專家庫).

- 於二零一七年一月十六日至二零一七年三月十五日擔任星美控股集團有限公司(股份代號：198)的獨立非執行董事及於二零一七年三月十五日調任為該公司的非執行董事，隨後於二零一九年二月二十八日辭任。

唐澤平先生，62歲，於二零二零年三月二日加入本集團並獲委任為獨立非執行董事。彼為本公司薪酬委員會主席，亦為審核委員會及提名委員會成員。

彼於一九八三年畢業於西藏農牧學院，取得工學學士學位。彼於一九九二年透過遙距學習修畢中國社會科學院研究生院現代企業家高級培訓班，並於二零一七年於清華大學修完「新時代的銀行家」高級研修班。唐先生於一九八六年在中國取得機械助理工程師資格，並於一九八八年在中國西藏自治區昌都取得機械工程師資格。彼於二零一零年取得中國註冊資產管理師資格，並於二零一二年取得國際會計師公會會員資格。此外，唐先生曾擔任拉薩仲裁委員會仲裁員，並於二零零八年獲西藏自治區經委中小企業局選為中小企業發展項目評審專家庫專家。

Mr. Tang was (i) the chairman of the board of directors of Tibet Autonomous Region State-owned Asset Management Company* (西藏自治區國有資產經營公司), (ii) the chairman of the board of supervisors of Tibet Pearl Star Co., Ltd.* (西藏明珠股份有限公司) (currently known as Meihua Holdings Group Co., Ltd.* (梅花生物科技集團股份有限公司)), a company listed on the Shanghai Stock Exchange (stock code: 600873.SH), from April 2000 to 2004, (iii) a director of Sichuan Youli Investment Holding Co., Ltd.* (四川友利投資控股股份有限公司) (currently known as Jiangsu Hagong Intelligent Robot Co., Ltd.* (江蘇哈工智能機器人股份有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 000584.SZ), from June 2002 to June 2014, (iv) a director of Tibet Urban Development and Investment Co., Ltd.* (西藏城市發展投資股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600773.SH), from July 2009 to July 2012, (v) the vice chairman of the board of supervisors of Bank of Tibet Co., Ltd.* (西藏銀行股份有限公司), from May 2012 to December 2017, and (vi) a director of Tibet Tourism Co., Ltd.* (西藏旅遊股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600749.SH), from June 2013 to May 2018.

Currently, Mr. Tang is the chairman of the supervisory board of Tianfu Mercantile Exchange Co., Ltd.* (天府商品交易所有限公司), the chairman of the board of supervisors of Tibet Treasure of Plateau Yak Dairy Co., Ltd.* (西藏高原之寶犛牛乳業股份有限公司) and a director of each of Lianzhong Peer Health Technology Co., Ltd.* (聯眾同行健康科技股份有限公司) and Shenzhen Soft Magnetic Technology Co., Ltd.* (深圳市柔性磁電技術有限公司).

So far as the Company is aware, none of the Directors has any relationship (including financial, business, family or other material/relevant relationship) with each other.

唐先生曾(i)擔任西藏自治區國有資產經營公司董事長；(ii)於二零零零年四月至二零零四年擔任西藏明珠股份有限公司(現稱梅花生物科技集團股份有限公司，一間於上海證券交易所上市的公司(股份代號：600873.SH))監事長；(iii)於二零零二年六月至二零一四年六月擔任四川友利投資控股股份有限公司(現稱江蘇哈工智能機器人股份有限公司，一間於深圳證券交易所上市的公司(股份代號：000584.SZ))董事；(iv)於二零零九年七月至二零一二年七月擔任西藏城市發展投資股份有限公司(一間於上海證券交易所上市的公司(股份代號：600773.SH))董事；(v)於二零一二年五月至二零一七年十二月擔任西藏銀行股份有限公司副監事長；及(vi)於二零一三年六月至二零一八年五月擔任西藏旅遊股份有限公司(一間於上海證券交易所上市的公司(股份代號：600749.SH))董事。

唐先生目前擔任天府商品交易所有限公司監事會主席、西藏高原之寶犛牛乳業股份有限公司監事長，以及聯眾同行健康科技股份有限公司及深圳市柔性磁電技術有限公司各自的董事。

據公司所知，董事會成員之間概無存在任何關係，包括財務、業務、家屬或其他重大／相關的關係。



CORPORATE GOVERNANCE 企業管治



The Board now presents this Corporate Governance Report in the Group's annual report for the year under review.

CORPORATE GOVERNANCE PRACTICES

The Board is firmly committed to achieving and maintaining high standards of corporate governance practices to enhance shareholders' value and safeguard shareholders' interests. Accordingly, the Board has considered carefully the requirements of the Corporate Governance Code (the "CG Code") set out in Appendix 14 of the Listing Rules and as described below, has taken actions to further enhance corporate transparency and accountability.

The Board believes good corporate governance is one of the critical factors for achieving sustainable long-term success. The corporate governance principles of the Company emphasize on the importance of a quality Board and its accountability to the shareholders of the Company (the "Shareholders"). The Board regularly reviews the corporate governance practices to ensure compliance with the principles and code provisions as set out from time to time in the CG Code and strive to maintain the long-term healthy development of the Company.

According to code provision A.6.7 of the CG Code contained in Appendix 14 to the Listing Rules, independent non-executive directors and other non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders. However, Ms. JIANG Xiaohong (being a non-executive Director) was unable to attend the annual general meeting held on 30 May 2019 as she was obliged to be away for the Group's other matters. Save for the above deviation, the Company had complied with the code provisions of the CG Code in the Listing Rules throughout the year ended 31 December 2019.

董事會謹此提呈載於本集團回顧年度年報內的企業管治報告。

企業管治常規

董事會堅定承諾達致及維持高水平之企業管治常規，藉此維持股東價值及保障股東權益。因此，董事會仔細考慮上市規則附錄14所載企業管治守則（「企業管治守則」），並已採取了下文所述的各項措施，進一步提升企業透明度和問責性。

董事會相信良好的企業管治同樣是達致可長遠持續成功的關鍵因素之一。本公司的企業管治原則著重高質素的董事會和對本公司股東（「股東」）的問責性。董事會不時檢討企業管治常規，以確保遵守企業管治守則內不時所載之原則及守則條文及維持本公司長遠的健康發展。

根據聯交所上市規則附錄十四所載企業管治守則的守則條文第A.6.7條，獨立非執行董事及其他非執行董事亦應出席股東大會，並對股東的意見有一個平衡的理解。然而，姜曉虹女士（非執行董事）未能出席於二零一九年五月三十日舉行的股東周年大會，因為她需要處理本集團的其他事項。除上述偏離外，本公司於截至二零一九年十二月三十一日止年度一直遵守上市規則中企業管治守則的守則條文。

BOARD OF DIRECTORS

Responsibilities

The Board leads and supervises the overall direction and development of the Group's business and affairs, with the objective of enhancing Shareholders' value including making and approving the Company's strategic implementation, considering substantial investments, reviewing the Group's financial performance and developing and reviewing the Group's policies and practices on corporate governance. The Directors are responsible for, and has also delegated to the chief executive officer the authority and responsibility to oversee the day-to-day management and operation of the Group. In addition, the Board has established four Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of references.

Board Composition and Diversity

The Board currently comprises of eleven Directors, comprising three executive Directors, four non-executive Directors and four independent non-executive Directors. The Board is collectively responsible for promoting the success of the Company by directing and supervising the Group's affairs. The Board has a balance of appropriate skill, experience and diversity of perspectives to meet the requirements of the Group's business.

Executive Directors

Mr. WANG Dong (*Chief Executive Officer*)

Mr. YUE Zhiqiang

Mr. LIU Chen

Non-executive Directors

Ms. JIANG Xiaohong

Mr. WEI Zhe Ming (appointed on 31 December 2019)

Mr. XU Liang (appointed on 31 December 2019)

Ms. GUO Kun Kun (appointed on 31 December 2019)

Independent Non-executive Directors

Mr. Jesper Bjoern MADSEN (*Chairman*)

Mr. Kevin Cheng WEI

Mr. HUNG Ka Hai Clement (appointed on 31 December 2019)

Mr. TANG Zeping (appointed on 2 March 2020)

董事會

職責

董事會帶領和專責監督本公司業務的整體發展及方向，務求提升股東價值，包括制定及審批本公司策略的實施、考慮重大投資、檢討本集團的財務表現，以及制定及檢討本集團的企業管治政策與常規。董事有責任並已授權行政總裁專責監督本集團的日常管理及業務運作。此外，董事會亦已成立四個董事委員會，並向該等董事委員會轉授多項職責，有關職責載於各董事委員會的職權範圍內。

董事會組成和多元化

董事會現由十一名成員組成，包括三名執行董事、四名非執行董事及四名獨立非執行董事。通過指示並監督本集團之事務，董事會共同負責推動本公司之成功發展。董事會擁有本集團業務所需之各種合適技能及經驗和多元化的觀點。

執行董事

王東先生 (*行政總裁*)

岳志強先生

劉晨先生

非執行董事

姜曉虹女士

魏哲明先生

(於二零一九年十二月三十一日獲委任)

徐亮先生

(於二零一九年十二月三十一日獲委任)

郭昆琨女士

(於二零一九年十二月三十一日獲委任)

獨立非執行董事

麥奕鵬先生 (*主席*)

蔚成先生

洪嘉禧先生

(於二零一九年十二月三十一日獲委任)

唐澤平先生 (於二零二零年三月二日獲委任)

There are four Board committees in the Company. The table below provides the current constituents of each of the committees.

本公司董事會設立四個委員會。下表提供各董事會成員現時在這些委員會中所擔任的職位。

		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Risk Management Committee 風險管理委員會
Mr. WANG Dong (executive Director)	王東先生 (執行董事)	—	Member 會員	Member 會員	—
Mr. LIU Chen (executive Director)	劉晨先生 (執行董事)	—	—	—	Member 會員
Mr. Jesper Bjoern MADSEN (independent non-executive Director)	麥奕鵬先生 (獨立非執行董事)	Member 會員	Member 會員	Chairman 主席	—
Mr. Kevin Cheng WEI (independent non-executive Director)	蔚成先生 (獨立非執行董事)	Chairman 主席	Member 會員	Member 會員	Member 會員
Mr. HUNG Ka Hai Clement (independent non-executive Director)	洪嘉禧先生 (獨立非執行董事)	Member 會員	Member 會員	Member 會員	Chairman 主席
Mr. TANG Zeping (independent non-executive Director)	唐澤平先生 (獨立非執行董事)	Member 會員	Chairman 主席	Member 會員	—

The list of Directors and their role and function is available at the Company's and the Stock Exchange's websites. Their profiles are set out in the section headed "Profile of Directors and Senior Management" which is on pages 55 to 65 of this Annual Report.

董事名單及彼等的職務及職能可於本公司及聯交所網站查詢。彼等的履歷載於本年報第55至65頁「董事及高級管理層履歷」一節。

The Company has eleven Directors, of which four are independent non-executive Directors, in compliance with the requirements under Rule 3.10A of the Listing Rules.

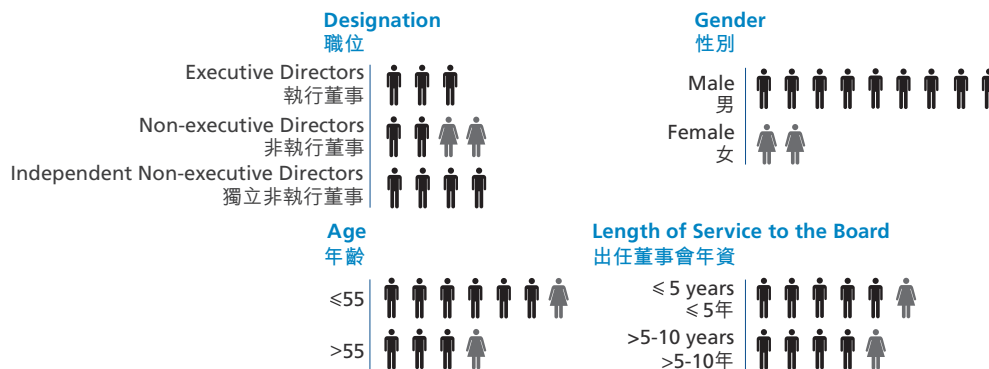
董事會有十一名董事，其中四名為獨立非執行董事，並已符合上市規則第3.10A條的規定。

The Board adopted a Board Diversity Policy in 2013 which sets out the approach to diversify the Board. Under the said Policy, the Nomination Committee of the Company reviews and assesses Board composition on behalf of the Board and recommends the appointment of a new Director when necessary. In suggesting the Board's composition, the Nomination Committee of the Company considers a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee of the Company will also consider factors based on the Group's business model and specific needs from time to time in determining the optimum composition of the Board.

董事會於二零一三年採納《董事會多元化政策》，當中涵蓋實現董事會多元化的方針。根據該政策，本公司提名委員會代表董事會審查和評估董事會的組成，並在有需要時建議新董事的委任。在建議董事會組成方面，本公司提名委員會考慮多方面因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識和服務任期。本公司提名委員會亦會根據本集團本身的業務範疇和特定需求，不時評估董事會的最佳組合。

The profile of our Board members are as follows:

我們的董事會成員簡介：



Chairman and Chief Executive

Under the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. The roles of the Chairman and the Chief Executive of the Company are separate and are assumed by Mr. Jesper Bjoern Madsen and Mr. Wang Dong, respectively. The Chairman's primary responsibilities include deciding on the meeting schedule and agenda, formulating Board policies, ensuring Board effectiveness, promoting the Company and upholding the Company's corporate governance standards. The Chief Executive has delegated authority from the Board and is responsible for managing the Group's business, including the implementation of the strategies and initiatives adopted by the Board.

主席及行政總裁

在企業管治守則第A.2.1守則條文下，主席及行政總裁的角色應該完全分開和不是由同一個人履行。本公司的主席及行政總裁分別由麥奕鵬先生及王東先生出任。主席主要的職責包括決定會議時間表及議程、制定董事會的政策、確保董事會的成效、推廣本公司及秉承本公司的企業管治方針。行政總裁獲董事會授權負責管理集團業務，包括執行董事會採納的戰略及措施。

Operation of the Board

All the executive Directors are responsible for dealing with the business of the Group in accordance with all applicable rules and regulations, including, but not limited to, the Listing Rules. All Directors (including non-executive Directors and independent non-executive Directors) have been consulted on major and material matters of the Group.

董事會的運作

全體執行董事負責根據所有適用的規則及規例(包括但不限於上市規則)處理本集團業務。全體董事(包括非執行董事及獨立非執行董事)已就本集團主要及重大事項進行徵詢。

The Board supervises the management of the business and affairs of the Group, including convening Shareholders' meetings, reporting their work in the Shareholders' meeting, implementing the Shareholders' resolutions, determining the Group's business plans and strategies, formulating the Group's annual budget and final accounts, formulating proposals for dividend and bonus distribution, and determining duties as conferred to it by the Articles of Association of the Company. In discharging its responsibilities, the Board meets and communicates regularly and acts in good faith, with due diligence and care.

The Board meets regularly to review financial statements, material investments in new projects, dividend policy, major financings, treasury policies and changes in accounting policies. All Directors have access to Board papers and related materials which are provided in a timely manner. Directors have access to the advice and services provided by the company secretary of the Company (the "Company Secretary") with a view to ensuring that the procedures applicable to Board meetings, and all applicable rules and regulations, are followed. Draft and final versions of the minutes of Board meetings and Board committee meetings, drafted in sufficient detail by the secretary of the meetings, would be circulated to the Directors for their comments and record. Originals of such minutes, being kept by the Company Secretary, are open for inspection at any time upon a reasonable notice period given by any Director.

If a Director has a conflict of interest in a matter to be considered by the Board which the Board determines to be material, the relevant Director will abstain from voting on the relevant Board resolution in which he/she or any of his/her associates have a material interest and that he/she shall not be counted in the quorum present at the Board meeting.

董事會監督本集團業務及事務的管理，包括召開股東會議、在股東會議上報告彼等的工作、執行股東會議的決議案、釐定本集團的業務計劃及策略、編製本集團的年度預算及落實賬目、制定派息及分紅的方案、釐定本公司組織章程細則所賦予的職責。為履行其職責，董事會定期舉行會議，並以真誠、盡責、審慎的方式行事。

董事會定期召開會議，以檢討財務報表、新項目的重大投資、股息政策、重要融資、庫存政策和會計政策的改變。董事會文件及有關文件乃依時提供予所有董事審閱。董事可獲取本公司公司秘書（「公司秘書」）的意見及服務，以確保董事會程序及所有適用規則及規例均獲得遵守。由會議秘書詳細起草的董事會會議及董事委員會會議的會議記錄的初稿及最終版本會向董事傳送，以供彼等審閱及記錄。有關會議紀錄的正本由公司秘書保存，可供任何董事於發出合理通知後在任何時間查閱。

若董事在董事會將予考慮的事項中存有董事會認為屬重大的利益衝突，該董事將就彼或其任何聯繫人擁有重大權益的相關董事會決議案放棄投票，且不會計入出席該董事會會議的法定人數內。

Under the respective appointment letters, the current non-executive Directors and independent non-executive Directors are appointed for a period of three years unless terminated in accordance with the terms of the appointment letters. Their appointment may be terminated either by the Company or by the Director by giving three months' written notice to the other party. All the current non-executive Directors and independent non-executive Directors are subject to retirement by rotation and re-election at the coming annual general meetings of the Company in accordance with the Articles of Association of the Company. The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of its independent non-executive Directors independent.

At each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

The Board believes that the balance between executive and non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of the Shareholders and the Group. The non-executive Directors provide the Group with diversified knowledge, expertise and experience. Their views and participation in Board and committee meetings bring independent judgement and advice on issues relating to the Group's strategies, performance, conflicts of interest and management process, and ensure that the interests of all Shareholders are taken into account. More than one of the independent non-executive Directors possess the appropriate professional accounting qualifications or related financial management expertise, which exceeds the requirements under the Listing Rules. The opinions raised by the independent non-executive Directors in Board meetings facilitate the maintenance of good corporate governance practices.

根據各現任非執行董事及獨立非執行董事的委任書，彼等的委任期均為期三年，惟按照委任書的條款終止的情況除外。彼等的委任均可由本公司或由有關董事向對方發出三個月書面通知而終止。各現任非執行董事及獨立非執行董事均須按本公司組織章程細則於未來的股東周年大會上輪席退任，並重選連任。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書。本公司認為所有獨立非執行董事均為獨立人士。

在每屆股東周年大會上，當時三分一的董事（若其人數並非三的倍數，則以最接近但不少於三分一的人數）將輪流退任，惟每位董事必須最少每三年於股東周年大會上輪席退任一次。

董事會相信執行董事及非執行董事組合之比例合理及適當，並充分發揮制衡作用，以保障股東及本集團之利益。非執行董事為本集團帶來多元化的學問、專業知識及經驗。彼等提出的意見及透過參與董事會及委員會會議，在策略、表現、利益衝突及管理程序等事宜上為本集團帶來獨立之判斷及意見，從而確保所有股東之利益均獲得考慮。其中超過一名獨立非執行董事具備適當專業會計資格或相關財務管理專業知識，這是超越了上市規則所規定的要求。獨立非執行董事在董事會會議上提出意見有助維持良好的企業管治常規。

Directors' Induction and Continuous Professional Development

On appointment to the Board, each newly appointed Director will receive a comprehensive induction package and training provided by the Company's external legal advisor, covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements.

The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices. The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company and the Company Secretary have been encouraging the Directors and other management to enroll in a wide range of professional development courses and seminars relating to the Listing Rules, Companies Ordinance/laws and corporate governance practices organized by professional bodies, independent auditor and/or chambers in Hong Kong so that they can continuously update and further improve their relevant knowledge and skills.

From time to time, Directors are provided with written materials to develop and refresh their professional skills. The Company Secretary also coordinates, organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties. During the year, seminar materials, articles and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements have been provided to Directors. An in-house seminar has been conducted by our investor relations consultant, Messrs. Kredito PR Consultancy Limited, covering the topic of "Media Response and Information Disclosure Training".

In addition, all Directors are provided with monthly updates on the Group's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

董事之入職及持續專業發展

每位新獲委任之董事加入董事會時會收到一份全面之入職資料及由本公司外聘法律顧問提供的培訓，範圍涵蓋本公司之業務營運、政策及程序以及作為董事之一般、法定及監管責任，以確保董事足夠了解其於上市規則及其他相關監管規定下之責任。

本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的認知。董事定期均會獲簡報相關法例、規則及規例之修訂或最新版本。此外，本公司和公司秘書一直鼓勵董事及其他管理人員報讀由香港專業團體、獨立核數師及／或商會舉辦的有關上市規則、公司條例／法例及企業管治常規之廣泛專業發展課程及講座，使彼等可持續更新及進一步提高其相關知識及技能。

董事將不時獲提供旨在發展及更新其專業技能之書面材料；公司秘書亦會為董事協調、舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。在年度內，有關上市規則及其他適用監管規定最新發展的研討會閱讀材料、文章與更新資料已發派各董事。本公司曾邀請本公司的投資者關係顧問「潛豐公關顧問有限公司」，開辦一次內部研討會，討論議題為「傳媒應對及訊息披露培訓」。

此外，全體董事亦獲提供本集團表現、狀況及前景的每月更新資料，以便董事會整體及各董事履行其職務。

According to the information provided by Directors and records maintained by the Company, the Directors have each received training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the requirement of the CG Code on continuous professional development during the year:

根據董事提供的資料和本公司存置之記錄，為符合企業管治守則關於持續專業發展之規定，董事於年內接受重點在於上市公司董事之角色、職能及職責之培訓：

Types of training

培訓類別

Executive Directors	執行董事	
Mr. WANG Dong	王東先生	A, B
Mr. YUE Zhiqiang	岳志強先生	A, B
Mr. LIU Chen	劉晨先生	A, B
Mr. WONG Hak Kun (resigned on 24 May 2019)	王克勤先生 (於二零一九年五月二十四日辭任)	B
Ms. HAN Linyou (resigned on 11 November 2019)	韓林攸女士 (於二零一九年十一月十一日辭任)	A, B
Non-executive Directors	非執行董事	
Ms. JIANG Xiaohong	姜曉虹女士	A, B
Mr. WEI Zhe Ming (appointed on 31 December 2019)	魏哲明先生 (於二零一九年十二月三十一日獲委任)	C
Mr. XU Liang (appointed on 31 December 2019)	徐亮先生 (於二零一九年十二月三十一日獲委任)	C
Ms. GUO Kun Kun (appointed on 31 December 2019)	郭昆琨女士 (於二零一九年十二月三十一日獲委任)	C
Independent Non-executive Directors	獨立非執行董事	
Mr. Jesper Bjoern MADSEN	麥奕鵬先生	A, B
Mr. LEE Conway Kong Wai (resigned on 29 February 2020)	李港衛先生 (於二零二零年二月二十九日辭任)	A, B
Mr. Kevin Cheng WEI	蔚成先生	A, B
Mr. HUNG Kai Hai Clement (appointed on 31 December 2019)	洪嘉禧先生 (於二零一九年十二月三十一日獲委任)	C
Mr. TANG Zeping (appointed on 2 March 2020)	唐澤平先生 (於二零二零年三月二日獲委任)	C

A: attending in-house training and/or seminars and/or conferences and/or forums

A: 出席內部培訓及／或講座及／或會議及／或論壇

B: reading seminar handouts, newspapers, journals, the Group's news, industry news and updates relating to the ongoing compliance obligations, corporate governance and other related topics, etc

B: 閱讀研討會刊物、報章、期刊、本集團的資訊、行業資訊及有關持續合規責任、企業管治及其他相關課題的最新消息等

C: a comprehensive induction package and training provided by the Company's external legal advisor

C: 收到一份全面之入職資料及由本公司外聘法律顧問提供的培訓

Delegation by the Board

The Board delegates day-to-day operations of the Group to the management of the Company. The Board and the management have their clearly defined authorities and responsibilities under various internal control and check and balance mechanisms. The Board delegates matters to the Board committee(s), executive Directors or management to the extent that the ability of the Board as a whole to perform its functions would not be significantly hindered or reduced.

There is a formal schedule of matters specifically reserved to the Board for its consideration and delegation. The Board has given clear directions to management as to matters that must be approved by the Board before decisions can be made on behalf of the Company.

To assist the Board in the execution of its duties and to facilitate effective management, certain functions of the Board have been delegated by the Board to the Audit Committee (the “**Audit Committee**”), Nomination Committee (the “**Nomination Committee**”) and Remuneration Committee (the “**Remuneration Committee**”) of the Company which were established with written terms of references in compliance with the Listing Rules. The adopted terms of references comply with the code provisions as set out from time to time in Appendix 14 to the Listing Rules. Furthermore, the Board have also set up a Risk Management Committee (the “**Risk Management Committee**”) for the main purpose of formulating policies and making recommendations to improve the Company’s internal control and risk management systems.

Each board committee is required to report to the Board on its decisions and recommendations, where appropriate. Each board committee is also provided with sufficient resources to discharge its duties and has access to independent professional advice at the Company’s expense according to the Company’s policy, if necessary.

Audit Committee

The Audit Committee meets at least twice per annum, according to its terms of reference. Its key responsibilities include:

- a) to make a recommendation to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and where applicable, to handle any questions relating to the resignation or dismissal of the external auditor;

董事會委派

董事會將本集團的日常運作授予本公司的管理層。董事會及管理層在各項內部監控及制衡機制下，清楚區分各自的權力及責任。董事會將處理事宜的權力授予董事委員會、執行董事或管理層，惟以不嚴重妨礙或削弱董事會整體履行其職權的能力為限。

本公司已設有一個正式程序事項表，列載特別要董事會作出決定及董事會已授權的事項。董事會亦明確指示管理層在代表本公司作出決定前，哪些事項須由董事會批准。

為協助董事會履行其職責及促進有效管理，董事會若干功能已由董事會委派予本公司審核委員會（「**審核委員會**」）、提名委員會（「**提名委員會**」）及薪酬委員會（「**薪酬委員會**」）。本公司根據上市規則的規定成立審核委員會、薪酬委員會及提名委員會，並制定書面職權範圍。獲採納職權範圍亦符合不時在上市規則附錄 14 所載守則條文。此外，董事會亦成立風險管理委員會（「**風險管理委員會**」），其主要目標為制定政策及為改善內部監控及風險管理系統作出建議。

各董事委員會須就其決策及建議（按適用情況而定）向董事會彙報。根據本公司政策（如有需要），各董事委員會亦獲得充足資源以履行其職務，並取得獨立專業意見，費用概由本公司承擔。

審核委員會

根據其職權範圍，審核委員會每年至少舉行兩次會議。其主要職責包括：

- a) 就委任、續聘及罷免外聘核數師、批准外聘核數師的薪酬及聘用條款以及（如適用）有關外聘核數師辭任或撤任的問題向董事會提出建議；

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| <p>b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;</p> <p>c) to monitor the integrity of financial statements of the Company and the Company's annual report, interim report and related financial results (if prepared for publication), and to review significant financial reporting judgments contained in them; and</p> <p>d) to review the Company's financial control, internal control and risk management system.</p> | <p>b) 根據適用準則檢討並監察外聘核數師的獨立性和客觀性，以及審計過程的效用；</p> <p>c) 監察本公司財務報表以及本公司年度報告、半年度報告及相關財務業績(倘若為公佈而編製)的真確性，並審閱該等報告所載就財務申報作出的重大判斷；及</p> <p>d) 檢討本公司的財務控制、內部控制及風險管理制度。</p> |
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All the four Audit Committee members (including the Chairman) are independent non-executive Directors. The Chairman of the Audit Committee possesses the relevant financial management expertise and experience. The committee members, together with our external auditor, met three times during 2019 and discharged their principal responsibilities by:

所有四名審核委員會成員(包括主席)均為獨立非執行董事。審核委員會主席擁有相關財務管理知識及經驗。委員會成員連同外聘核數師於二零一九年內舉行三次會議並透過以下方式履行彼等主要職責：

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| <p>a) reviewing the interim results and final results of the Group and the relevant financial statements and reports and significant financial reporting judgments contained in them prior to the approval by the Board and reviewing the external auditor's report and findings relating to the work that has been performed;</p> <p>b) reviewing the external auditor's audit plan and terms of engagement for the work performed;</p> <p>c) reviewing the independence and objectivity of the external auditor, and the service fee payable to the external auditor; and</p> <p>d) reviewing the effectiveness of the internal control systems of the Group including financial control, operational control, compliance control and risk management.</p> | <p>a) 於董事會批准前審閱本集團的中期業績和全年業績、有關的財務報表及報告及審閱該等報表所載有關財務申報的重大判斷，以及審閱外聘核數師就已完成的工作所作出的報告及結果；</p> <p>b) 檢討外聘核數師的審核方案及已完成工作的委聘條款；</p> <p>c) 檢討外聘核數師的獨立性及客觀性，以及應付予外聘核數師的服務費；及</p> <p>d) 檢討本集團的內部控制系統是否有效，包括財務控制、運作控制、合規控制及風險管理。</p> |
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Nomination Committee

Its key responsibilities include:

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| <p>a) to review the structure, size, composition and diversity of the Board on a regular basis and make recommendations to the Board on any proposed changes;</p> | <p>提名委員會</p> <p>其主要職責包括：</p> <p>a) 定期檢討董事會的架構、規模、組成及多元化並就任何建議變動向董事會提供意見；</p> |
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- b) to recommend to the Board on matters relating to the selection, appointment or reappointment of Directors and succession planning for Directors;
- c) to ensure sufficient biographical details of the nominated candidates are provided to the Board and Shareholders (when necessary) for them to make decisions regarding the selection of Board members; and
- d) to assess the independence of the independent non-executive Directors.

All Board appointment will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of the diversity of the Board. The Board has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Accordingly, selection of candidates to the Board will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience and qualifications, skills, knowledge and length of service, having due regard to the Company's own business model and specific needs from time to time. Taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, the Nomination Committee is comfortable with the existing structure, size, composition and diversity of the Board.

The Nomination Committee will ask proposed candidates to submit the necessary personal information in a prescribed form. The Nomination Committee may request candidates to provide additional information and documents, if considered necessary. The appointment of any proposed candidate to the Board or re-appointment of any existing members of the Board shall be made in accordance with the Articles of Association of the Company and other applicable rules and regulations.

Two meetings have been held by the Nomination Committee during 2019 and the following work has been satisfactorily concluded:

- a) reviewing the structure, size, composition and diversity of the Board;
- b) assessing the independence of the independent non-executive Directors;
- c) ensuring sufficient biographical details of the nominated candidates are provided to the Board for them to make decisions regarding the selection of Board members; and
- d) recommending the Board on matters relating to the selection, appointment or reappointment of Directors.

- b) 就與董事的選擇、委任或連任以及董事繼任計劃向董事會提出建議；
- c) 確保已向董事會及(如需要時)向股東充份提供獲提名人士的履歷，使彼等可根據該些資料就甄選董事會成員作出決定；及
- d) 對獨立非執行董事的獨立性進行評估。

所有董事會成員之委任均以用人唯才為原則，在考慮人選時以客觀條件為基準及考慮對董事會成員多元化之好處。董事會已採納了董事會成員多元化政策，為求達致成員多元化而作出的方針。據此，甄選董事會人選將按一系列多元化範疇並考慮公司不時之商業模式和特別需要為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗及資格、技能、知識及服務任期。考慮到本公司的企業策略以及人員技能、知識、經驗及未來多元化的需要，提名委員會對董事會的現行架構、規模、組成及多元化感到滿意。

提名委員會將要求候選人按指定的形式提交必要的個人資料。倘提名委員會認為屬必要，其可要求候選人提供補充資料及文件。無論是委任任何董事會候選人或重新委任董事會任何現有成員，均須根據本公司的組織章程細則及其他適用規則和規例進行。

提名委員會於二零一九年年內舉行二次會議，所進行並取得滿意結果的工作包括：

- (a) 檢討董事會的架構、規模、組成及多元化；
- (b) 對獨立非執行董事的獨立性進行評估；
- (c) 已向董事會充份提供獲提名人士的履歷，使彼等可根據該些資料就甄選董事會成員作出決定；及
- (d) 就與董事的選擇、委任或連任以及董事繼任計劃向董事會提出建議。

Remuneration Committee

Its key responsibilities include:

- a) to make recommendations to the Board on the Company's overall policy and structure on the remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing such remuneration policy;
- b) to review and approve compensation payable to executive Directors and senior management for any loss of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive; and
- c) to review and approve performance-based remuneration by reference to the corporate goals and objectives resolved by the Board from time to time.

During 2019, the Remuneration Committee has met twice and considered, reviewed and made recommendations to the Board on the remuneration package of all the Directors (including the nominated candidates) and senior management.

Risk Management Committee

Its key responsibilities include:

- a) to review and assess the effectiveness of the Company's risk management systems, and propose changes thereto, to identify, measure, manage and/or control risks;
- b) to discuss the risk management system with management to ensure that management has performed its duty to maintain an effective risk management system;
- c) to consider major investigation findings on risk management matters as delegated by the Board or on its own initiative and management's response to these findings; and
- d) to formulate policies and make recommendations to improve the Company's internal control and risk management systems.

During 2019, the Risk Management Committee has met twice to consider and review the existing internal control system. Management's recommendations on financial management and production function were discussed, considered and adopted to improve the effectiveness of the internal control and risk management systems.

薪酬委員會

其主要職責包括：

- a) 就本公司董事及高級管理層的整體薪酬政策及架構，並就制訂該等薪酬政策而設立正規及具透明度的程序，向董事會提出建議；
- b) 檢討及批准向執行董事及高級管理人員為任何離職或中止職務或委任而支付的賠償，以確保該等賠償與合約條款一致；若未能與有關合約條款一致，賠償亦須公平合理，不致過多；及
- c) 透過參照董事會不時議決通過的公司方針及目標，審閱及批准按表現而釐定的薪酬。

在二零一九年內，薪酬委員會舉行二次會議並已考慮、檢討和就全體董事(包括獲提名人士)及高級管理層的薪酬待遇向董事會提出建議。

風險管理委員會

其主要職責包括：

- a) 檢討及評核本公司風險管理系統的效用以及對該系統的建議變動，以辨識、計量、管理及／或控制風險；
- b) 與管理層討論風險管理系統，以確保管理層維持有效的風險管理系統；
- c) 應董事會委派或主動就有關風險管理事宜的重要調查結果及管理層對該等結果的回應進行研究；及
- d) 制訂政策及為改善本公司內部監控及風險管理系統作出建議。

在二零一九年內，風險管理委員會已舉行二次會議，以考慮及檢討現行的內部監控系統。管理層在財務管理和生產運作方面的建議，已被討論、考慮及採納，從而加強內部監控及風險管理系統的有效性。

The composition of the Board and the Board members' respective attendance in Board meetings, general meeting, the Audit Committee meetings, the Nomination Committee meetings, the Remuneration Committee meetings and the Risk Management Committee meetings during the year ended 31 December 2019 were as follows:

截至二零一九年十二月三十一日止年度，董事會的組成及彼等各自於董事會會議、股東大會、審核委員會會議、提名委員會會議、薪酬委員會會議及風險管理委員會會議的出席率如下：

		No. of meetings attended/held 已出席/舉行會議數目					
		Board 董事會	General Meeting 股東大會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Risk Management Committee 風險管理 委員會
Executive Directors	執行董事						
Mr. WANG Dong	王東先生	8/9	1/1	—	2/2	2/2	—
Mr. YUE Zhiqiang	岳志強先生	6/9	0/1	—	—	—	1/1
Mr. LIU Chen	劉晨先生	9/9	1/1	—	—	—	2/2
Mr. WONG Hak Kun (resigned on 24 May 2019)	王克勤先生(於二零一九年 五月二十四日辭任)	2/2	—	—	—	—	—
Ms. HAN Linyou (resigned on 11 November 2019)	韓林攸女士(於二零一九年 十一月十一日辭任)	6/6	1/1	—	—	—	1/1
Non-executive Directors	非執行董事						
Ms. JIANG Xiaohong	姜曉虹女士	8/9	0/1	—	—	—	—
Mr. WEI Zhe Ming (appointed on 31 December 2019)	魏哲明先生(於二零一九年 十二月三十一日獲委任)	—	—	—	—	—	—
Mr. XU Liang (appointed on 31 December 2019)	徐亮先生(於二零一九年 十二月三十一日獲委任)	—	—	—	—	—	—
Ms. GUO Kun Kun (appointed on 31 December 2019)	郭琨琨女士(於二零一九年 十二月三十一日獲委任)	—	—	—	—	—	—
Independent Non-executive Directors	獨立非執行董事						
Mr. Jesper Bjoern MADSEN	麥奕鵬先生	7/9	1/1	3/3	2/2	2/2	—
Mr. LEE Conway Kong Wai (resigned on 29 February 2020)	李港衛先生(於二零二零年 二月二十九日辭任)	6/9	1/1	3/3	2/2	2/2	—
Mr. Kevin Cheng WEI	蔚成先生	6/9	1/1	3/3	2/2	2/2	2/2
Mr. HUNG Ka Hai Clement (appointed on 31 December 2019)	洪嘉禧先生(於二零一九年 十二月三十一日獲委任)	—	—	—	—	—	—
Average attendance rate	平均出席率	81.7%	75.0%	100%	100%	100%	100%

During the year under review, the Chairman of the Company has held a meeting with independent non-executive Directors without the presence of other Directors. Mr. Yue Zhiqiang and Ms. Jiang Xiaohong were absent from the general meeting as they were obliged to be away for the Group's other matters.

CORPORATE GOVERNANCE FUNCTION

The Board has undertaken and adopted the responsibility for performing the corporate governance duties pursuant to the CG Code and is committed to ensuring that an effective governance structure is in place to continuously review, monitor and improve the corporate governance practices within the Group with regard to the prevailing legal and regulatory requirements.

During the year, the Board has reviewed the policies and practices on the Group's corporate governance, developed a code of conduct applicable to the Directors and employees, monitored the Company's legal and regulatory compliance, organised training and continuing professional development for Directors and management and reviewed the Company's compliance with the CG Code and the disclosures in this Annual Report.

This corporate governance report has been reviewed by the Board in discharge of its corporate governance function.

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. Our internal control system includes a well-defined management structure with limits of authority which is designed for the achievement of business objectives, safeguarding assets against unauthorized use or disposition, ensuring proper maintenance of books and records for the provision of reliable and timely financial information for internal use or publication, and ensuring compliance with relevant laws and regulations. In addition, the Group has established risk management procedures to identify and prioritise risks for the business to be addressed by management. During the year ended 31 December 2019, the Board has supervised a review of the effectiveness of the internal control system and is satisfied with the scope of review and the effectiveness of the system.

於回顧年度，本公司主席曾分別與獨立非執行董事舉行一次沒有其他董事出席的會議。岳志強先生及姜曉虹女士缺席股東大會，因為他們需要處理本集團的其他事項。

企業管治職能

董事會負責根據企業管治守則履行企業管治職責，並致力確保實行有效的管治架構，以因應現行法律及監管要求，持續檢討、監察及改善本集團內的企業管治常規。

年內，董事會已審閱本集團之企業管治政策及常規、完善董事及僱員適用之行為守則、監察本公司之法律和監管合規情況、為董事及管理層安排培訓和持續專業發展，以及審閱本公司遵守企業管治守則情況及本年報內之披露情況。

為履行企業管治職責，董事會已審閱本企業管治報告。

內部監控

董事會的整體責任為維持本集團的穩健和有效的內部監控系統。本集團的內部監控系統包括清晰明確且權限分明的管理架構，以助達致業務目標、保障資產以防止未經授權的使用或出售，確保妥善保存賬目及記錄以提供可靠及時的財務資料供內部使用或作公佈用途，以及確保符合相關法律及法規。此外，本集團已建立風險管理程序以確定和區分須提請管理層注意的業務風險。截至二零一九年十二月三十一日止年度，董事會已監督檢討內部監控系統的效用並對檢討的涵蓋範圍和系統的效用感到滿意。

The systems of internal control are designed to manage, rather than eliminate, business risk; to help safeguard the Group's assets against fraud and other irregularities; and to give reasonable, but not absolute, assurance against material financial misstatement or loss. In addition, it should provide a basis for the maintenance of proper and fair accounting records and assist in the compliance with relevant rules and regulations.

The Group shall review the effectiveness of the internal control system at least once every year to ensure the effectiveness and adequacy of the system. During the year, the Board worked with the Audit Committee, the Risk Management Committee, the independent external auditor and the internal audit staff to review all material internal controls, including financial, operational and compliance control and risk management function in respect of the effectiveness of the Group's internal control system, adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and is satisfied that they were effective and in compliance with our policies.

During the year, no incident of serious fraud or misconduct was reported from employees that had a material effect on the Company's financial position and overall operations.

MANAGEMENT FUNCTION

The management team of the Company meets regularly to review and discuss with the executive Directors on day-to-day operational matters, financial and operating performance as well as to monitor and ensure that the management is properly carrying out the directions and strategies pre-determined by the Board.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

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 own code of conduct regarding Directors' securities transactions.

Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirements set out in the Model Code for the year ended 31 December 2019. Specific employees who are likely to be in possession of unpublished inside information relating to the Group have been requested to comply with the provisions of the Model Code. No incident of non-compliance of specific employees has been noted by the Company.

內部監控系統旨在管理(而不是消除)經營風險,以幫助保護集團資產免受欺詐等違規,並對避免重大財務錯報或損失給予合理的(但不是絕對的)保證。此外,其應為備存妥善之會計記錄提供準則,有助遵守有關規則及法規。

本集團將每年檢討至少一次內部監控系統的有效性,以確保系統之效率及足夠程度。年內,董事會已與審核委員會、風險管理委員會、獨立外聘核數師及內部審計人員審閱所有重要的內部監控措施(包括財政、運營及合規控制措施)及就有關本集團內部監控系統之成效、本公司於會計及財務申報職能方面之資源充足度、員工資格及經驗之風險管理職能,亦信納彼等有效並已遵從本集團之政策。

年內,僱員概無舉報嚴重欺詐或失職事件而對本集團之財務狀況及整體營運造成重大影響之事件。

管理職能

本公司管理隊伍定期舉行會議以與執行董事一起審閱及商討日常營運事宜、財務及經營表現,以及監督和確保管理層妥善推行董事會事先決定的指示和策略。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的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的操守準則。

經向全體董事作出特定查詢後,全體董事確認彼等在二零一九年十二月三十一日止年度遵守標準守則所載的規定。特定僱員若可能擁有關於本集團的尚未公開內幕資料,已被要求遵守標準守則的規定。本公司並無發現有任何特定僱員不遵守有關規定的情況。

FINANCIAL REPORTING

The Directors acknowledge their responsibilities for keeping proper accounting books and records and overseeing the preparation of accounts for each financial year/period which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year/period and the profit and loss for the year/period. The Directors have adopted applicable International Financial Reporting Standards in all material respects, selected appropriate accounting policies and then applied them consistently, and have made judgments and estimates that they believe to be fair and reasonable. The Directors use a going concern basis in preparing the accounts unless it is not applicable.

The Board acknowledges that a clear, balanced and timely presentation of financial information is crucial in maintaining the confidence of Shareholders in the Company. Reasonable disclosure of the Company's financial position and prospects are provided in the reports. Annual and interim results are published within three and two months after the end of the relevant financial year/period, respectively.

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" on pages 103 to 110 of this Annual Report.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY PROVISION

The Company has arranged appropriate Directors' and Officers' Liability Insurance for its Directors and officers covering the costs, losses, expenses and liabilities arising from the performance of their duties. The insurance policy is reviewed on an annual basis ensuring adequate covers on potential legal action against its Directors and officers arising from the performance of their duties and to comply with the requirement of the CG Code. During the year, no claim was made against the Directors and officers of the Company.

財務報告

董事確認其保存適當會計賬簿及記錄及監督編製各財務年度／期間賬目的責任，以真實公平地反映本公司和本集團於財政年度／期間結束時候的財務狀況及該年度／期間的損益。董事已於各重要範疇採納適用國際財務報告準則、選定適當的會計政策且一致地應用、作出彼等認為公平合理的判斷和估計。除非並不適合，否則董事運用持續經營基準來編製賬目。

董事會確認清晰、持平且準時地呈列財務資料對維持各股東對本公司的信心十分關鍵，本公司會在報告內對本公司的財務狀況和前景提供合理披露。於相關財政年度／期間結束後，會分別於三個月及兩個月內刊發年度和中期業績。

本公司外聘核數師就其對本集團財務報表的報告責任作出的聲明載於本年報第 103 至 110 頁的「獨立核數師報告」一節。

董事及主管人員之責任保險及彌償條文

本公司已為其董事及主管人員購買合適的董事及主管人員責任保險，涵蓋他們就履行職務所產生之成本、損失、開支及責任。有關保單乃每年檢討，確保充份地涵蓋董事及主管人員就履行職務而可能會面對的法律行動並符合企業管治守則的規定。於本年度內，本公司董事及主管人員概無遭受索償。

Article 164(1) of the Company's Articles of Association provides that the Directors or other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they 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 provided that the indemnity shall not be extended to any matter in respect of any fraud or dishonesty which may be attached to the relevant Director or officer of the Company.

SHAREHOLDER RELATIONS

The general meetings of the Company provide a forum for effective communication with Shareholders. The Chairman of the Board and the Board Committees, or in his absence, fellow Directors and other management members will be made available to answer questions at the general meetings.

Extensive information about the Group's activities is provided in this Annual Report, the interim report and circulars which are sent to Shareholders in a timely manner and are made available on the Company's website (www.twr1115.net). Our website serves as a communication platform where company information including corporate profile, corporate governance materials, announcements, circulars, business news and financial reports are made available to the public. All Shareholders are encouraged to attend the annual general meeting of the Company to understand the business of the Group from the Directors and senior management in the general meeting.

The forthcoming annual general meeting ("2020 AGM") would be convened in a later time as of the outbreak of COVID-19 pandemic in Hong Kong. The Board would monitor how the current situation develops in order to better suggest how to manage the potential health risks of a physical meeting and also to decide the appropriate time schedule to convene the 2020 AGM. Once the situation allows, the notice of the 2020 AGM will then be dispatched to all Shareholders not less than twenty clear business days beforehand. At the 2020 AGM, the Chairman of the Board will demand for a poll and the Company's Hong Kong branch share registrar will be appointed as the scrutineer for the vote-taking.

本公司組織章程細則第164(1)條列明本公司董事或其他高級人員可從本公司的資產及利潤獲得彌償，該等人士或任何該等人士就執行其職責時因其作為、同時發生的行為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害，惟彌償保證不延伸至任何與有關本公司董事或高級人員欺詐或不誠實有關的事宜。

股東關係

本公司的股東大會為股東提供一個有效溝通的平台。董事會及各董事委員會主席(倘其未能出席，則相關董事及其他管理人員)將會於股東大會上回應提問。

本年報、中期報告及通函均提供大量有關本集團業務的資料，均適時送予股東及可於本公司網站(www.twr1115.net)上查詢。本公司網站提供一個交流平台，公眾可查詢公司概况、企業管治材料、公告、通函、業務新聞及財務報告等公司資料。本集團鼓勵所有股東出席本公司的股東周年大會，以便於股東大會上向董事及高級管理層理解本集團業務。

來屆股東周年大會(「2020股東周年大會」)將因新冠肺炎疫情在香港爆發而於稍後時間舉行。董事會將監視當前形勢的發展，以便更好地建議如何管理一次現場會議的潛在健康風險，並確定召開2020股東周年大會的適當時間表。一旦情況允許，二零二零年股東周年大會通告將於不少於二十個整營業日前寄發予全體股東。在二零二零年股東周年大會上，董事會主席將進行投票表決及本公司香港股份登記分處將被委任為投票的監票人。

SHAREHOLDERS' RIGHTS

Pursuant to the Company's Articles of Association, an extraordinary general meeting shall be convened on the written requisition of any one or more members of the Company deposited at the registered office specifying the objects of the meeting and signed by such Shareholders, provided that such Shareholders held at the date of deposit of the written requisition not less than one-tenth of the paid-up capital of the Company as at the date of deposit which carries the right of voting at general meetings of the Company. If the Directors do not within twenty-one days from the date of deposit of the requisition duly proceed to convene the meeting, the Shareholders themselves may convene the general meeting in the same manner, as nearly as possible, as those meetings which may be convened by the Directors, and all reasonable expenses incurred by the Shareholders as a result of the failure of the Directors in convening the said meeting shall be reimbursed to them by the Company.

There is no provision allowing Shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association of the Company. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph. As regards the nomination of a person as a Director, please refer to the procedures available on the website of the Company.

Shareholders may at any time send their enquiries and concerns to the Board by mail in writing to the Company's principal place of business in Hong Kong at Unit 1611-12, 16th Floor, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong.

DIVIDEND POLICY

In recommending or declaring dividends, the Company shall consider a number of conditions and factors and maintain adequate cash reserves for meeting its working capital requirements and future business development.

CONSTITUTIONAL DOCUMENTS

During the year, there had been no change to the Company's constitutional documents.

股東權利

根據本公司之公司組織章程細則，本公司任何一名或多名股東可向註冊辦事處遞交召開股東特別大會之書面請求，當中列明會議目的並由相關股東簽署，惟該等股東於遞交書面請求當日所持股份不得少於附有本公司股東大會投票權之已繳足股本十分之一。倘董事並未於遞交請求日期起計二十一日內正式召開大會，則股東盡可能按接近董事召開大會之相同形式自行召開股東大會，而本公司須向股東賠償因董事未能召開大會導致股東產生之一切合理開支。

開曼群島公司法或本公司之公司組織章程細則並無列明股東可在股東大會上提呈任何新決議案。有意提呈決議案之股東可按上段所載程序要求本公司召開股東大會。關於提名董事候選人之事宜，請參閱本公司網站所載之程序。

股東可隨時致函本公司之香港主要營業地點，地址為香港黃竹坑香葉道2號One Island South 16樓1611-12室，向董事會提出查詢及表達意見。

股息政策

在建議或宣派股息時，本公司會考慮多項條件及因素，並須維持足夠現金儲備，以滿足其營運資金的需求及將來的業務發展。

憲法文件

年內，本公司之憲法文件並沒有任何變動。

COMPANY SECRETARY

Mr. Chow Wai Kit is a fellow member of the Hong Kong Institute of Chartered Secretaries and was appointed on a full-time basis as the Company Secretary. During the year ended 31 December 2019, Mr. Chow has taken not less than 15 hours of appropriate professional training to update his skills and knowledge as required under Rule 3.29 of the Listing Rules. Mr. Chow reports to the Group Chairman on Board governance matters and is responsible for ensuring that Board policies and procedures are followed. All Board members have access to his advice and services. He arranges the comprehensive and tailored induction program for new Directors prior to their appointment and provides timely updates to the Directors on relevant new legislation or regulatory requirements. Director training has been organized on a regular basis by the Company Secretary to assist Directors' continuous professional development.

EXTERNAL AUDITOR

The Audit Committee is mandated to review and monitor the independence of the external auditor to ensure objectivity and the effectiveness of the audit process of the financial statements in accordance with applicable standards. Members of the Audit Committee were of the view that the Company's external auditor, PricewaterhouseCoopers, is independent and recommended to the Board to re-appoint it as the Company's external auditor at the 2020 AGM. For the year, the fees paid/payable to the Company's external auditor in respect of audit and non-audit services provided to the Group are set out below:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Audit services	審核服務	7,136	6,586
Non-audit services	非審核服務	—	—
		7,136	6,586

公司秘書

周偉傑先生是香港特許秘書公會的資深會員，並獲委任為全職公司秘書。截至二零一九年十二月三十一日為止年度，周先生已參加不少於15小時更新其技能及知識的專業培訓，並符合上市規則第3.29條的規定。周先生就董事會管治事宜向集團主席彙報，並負責確保董事會政策及程序得以遵守。所有董事會成員均可獲得公司秘書的意見和服務。此外，公司秘書會在新董事被委任前，為其安排全面及特設的就職輔導計劃；並適時為董事更新相關的新頒布法規及監管規定的知識。公司秘書已為董事安排定期的培訓，以協助董事之持續專業發展。

外聘核數師

審核委員會獲授權根據適用標準審閱及監督核數師的獨立性，以確保審計過程中財務報表的客觀性及有效性。審核委員會成員認為，本公司外聘核數師羅兵咸永道會計師事務所屬獨立人士，並向董事會作出建議，於二零二零年股東周年大會上續聘彼為本公司外聘核數師。年內，本公司就外聘核數師向本集團提供之審核及非審核服務的已付／應付之費用載列如下：

INVESTOR RELATIONS

To ensure investors have a better understanding of the Group, our management is pro-active in its investor relations initiatives. Our executive Directors, our Chief Financial Officer and the investor relations officers communicate with research analysts and institutional investors on an on-going basis and meet with research analysts/investors after our results announcements, attend major investors' conferences and participate in non-deal roadshows to communicate the Company's financial performance and business strategy.

During the year, our executive Directors, our Chief Financial Officer and the investor relations officers have met with a number of research analysts and investors, attended conferences as well as non-deal roadshows as follows:

投資者關係

為確保投資者對本集團有更深入之了解，管理層採取積極參與投資者關係的策略。本公司執行董事、首席財務官與投資者關係主管與研究分析員及機構投資者進行持續溝通，並於本公司業績公佈刊發後與研究分析員／投資者會面，出席主要投資者研討會及參加非交易簡報會，以傳達本公司之財務表現及業務策略。

於本年度內，本公司執行董事、首席財務官與投資者關係主管已與眾多研究分析員及投資者會面，並出席了以下研討會以及非交易簡報會：

Month 月份	Event 事項	Organizer 舉辦方
March/April 2019 二零一九年三／四月	Attended 4 post results non-deal roadshows/Investors conference calls 出席發佈業績非交易簡報會／投資者研討電話會議共4場	Investor relations consultant 投資者關係顧問
August/September 2019 二零一九年八／九月	Attended 3 post results non-deal roadshows/Investors conference calls 出席發佈業績非交易簡報會／投資者研討電話會議共3場	Investor relations consultant 投資者關係顧問
Other period of the year 2019 二零一九年其他期間	Attended over 10 analysts or investors meetings and conferences/Conference calls 出席超過10場分析師或投資者會議／研討會／研討電話會議	Investor relations consultant 投資者關係顧問

Disclaimer

The contents of this section headed "Shareholders' Rights" are for reference and disclosure compliance purposes only. The information does not represent and should not be regarded as legal or other professional advice from the Company to the Shareholders. Shareholders should seek their own independent legal or other professional advice as to their rights as Shareholders. The Company disclaims all liabilities and losses incurred by its Shareholders in reliance on any contents of this section headed "Shareholders' Rights".

免責聲明

「股東權利」一節的內容僅供參考及遵守披露規定之用，並不代表且不應被視為本公司向股東提供的法律或其他專業意見。關於作為股東的權利，股東應就此自行尋求獨立法律或其他專業意見。本公司概不會就股東因依賴「股東權利」一節所載任何內容而招致的一切責任及損失承擔任何責任。





DIRECTORS' REPORT &
FINANCIAL INFORMATION
董事會報告及
財務資料

The Directors are delighted to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 1 to the consolidated financial statements on page 119 of this Annual Report. There were no significant changes in the nature of the Group's principal activities during the financial year.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2019 is set out in the sections headed "Chairman's Statement" and "Management Discussion & Analysis" on pages 9 to 13 and pages 17 to 53 of this Annual Report respectively. Description of the principal risks and uncertainties faced by the Company are set out in the "Management Discussion & Analysis" section and note 3 to the consolidated financial statements on page 47 to 49 and pages 149 to 167 of this Annual Report, respectively.

In addition, discussions on the Group's environmental policies and performance, compliance with relevant laws and regulations which have a significant impact on the Group and an account of the Group's key relationships with its employees, customers and suppliers are set out in the "Management Discussion & Analysis" section on pages 45 to 47 of this Annual Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 114 to 115 of this Annual Report.

The Directors do not recommend the payment of a final dividend for the year 2019.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 252 of this Annual Report.

董事欣然提呈本集團截至二零一九年十二月三十一日止年度的報告以及經審核綜合財務報表。

主要業務

本公司為投資控股公司。主要附屬公司的業務載於本年報第119頁綜合財務報表附註1。於財政年度內，本集團主要業務的性質並無重大改變。

業務回顧

本集團截至二零一九年十二月三十一日止年度之業務回顧分別載於本年報第9至13頁及第17至53頁之「主席報告書」及「管理層討論及分析」章節內。本集團面對的主要風險及不明朗因素之描述分別載於本年報第47至49頁及第149至167頁之「管理層討論及分析」中及綜合財務報表附註3內。

此外，有關本集團環境政策及表現、遵守對本集團有重大影響之相關法律及規例，以及本集團與僱員、客戶及供應商之關係說明載於本年報第45至47頁「管理層討論及分析」章節內。

業績及盈利分配

本集團截至二零一九年十二月三十一日止年度的業績載於本年報第114至115頁的綜合損益表及綜合全面收益表。

董事不建議於二零一九年年度派發末期股息。

五年財務概要

本集團過去五個財政年度之業績及資產與負債概要載於本年報第252頁。

FIXED ASSETS

Details of the movements during the year in the land use rights and PP&E of the Group are set out in notes 7 and 8 to the consolidated financial statements respectively on pages 180 to 183 of this Annual Report.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 21 to the consolidated financial statements on page 206 of this Annual Report.

BANK BORROWINGS

Details of bank borrowings as at 31 December 2019 are set out in note 29 to the consolidated financial statements on pages 222 to 227 of this Annual Report.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Share Option Scheme") on 7 September 2012. The purpose of the Share Option Scheme is to enable the Board, at its discretion, to grant options to selected eligible participants to motivate them and to optimise their performance and efficiency for the benefit of the Group.

The Board may, at its discretion, grant options pursuant to the Share Option Scheme to Directors (including the independent non-executive Directors), the Company's subsidiaries, employees of the Group and other persons the Board considers have contributed or will contribute to the Group. In general, the maximum number of shares in respect of which options may be granted under the Share Option Scheme must not in aggregate exceed 10% of the issued share capital of the Company, unless otherwise approved by the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules. The maximum number of shares available in respect of which options may be granted under the Share Option Scheme reduced to 231,689,300 shares after the Company's grant of 25,200,000 share options on 16 December 2015. The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share. The Share Option Scheme shall remain effective within a period of 10 years from that date.

固定資產

本集團的土地使用權及物業、廠房及設備於年內的變動詳情分別載於本年報第180至183頁的綜合財務報表附註7及8。

股本

本公司股本詳情載於本年報第206頁的綜合財務報表附註21。

銀行借款

本公司於二零一九年十二月三十一日之銀行借款詳情載於本年報第222至227頁的綜合財務報表附註29。

購股權計劃

本公司於二零一二年九月七日採納購股權計劃(「購股權計劃」)。購股權計劃旨在讓董事會可酌情向選定之合資格參與者授出購股權，以激勵參與者及提升彼等之表現及效率，藉以提高本集團之利益。

董事會根據購股權計劃可酌情決定向董事(包括獨立非執行董事)、本公司的附屬公司、本集團僱員及董事會認為對本集團已作出或將作出貢獻的其他人士授出購股權。一般而言，根據購股權計劃可能授出的購股權所涉及的股份數目上限合共不得超過本公司已發行股本的10%，惟股東在股東大會上另行批准及／或上市規則有其他規定者除外。隨本公司在二零一五年十二月十六日授出25,200,000份購股權，最大可能授出的購股權所涉及的股份數目已下降至231,689,300股股份。某一特定購股權所涉及股份的認購價不得低於以下三者的最高者：(a) 股份於聯交所每日報價表所報的官方收市價；(b) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的官方收市價平均數；及(c) 股份面值。購股權計劃自該日期起計10年期間仍屬有效。

The Company granted 25,200,000 share options for the subscription of 25,200,000 shares of the Company to a distributor of the Group on 16 December 2015, representing 0.98% of the total number of shares of the Company in issue as at the date of this Annual Report. The exercise price of the options granted is HKD3.00 and the exercise period is ten years from the date of the offer for the grant. However, as such a distributor had not achieved the prescribed sale and performance targets within three years from 1 January 2016, the granted 25,200,000 share options had lapsed on 31 December 2018.

The maximum number of shares issued and to be issued in respect of which options may be granted under the Share Option Scheme to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue at the date of grant, unless with the prior approval from the Shareholders and with such participants and his associates abstaining from voting. Options granted to any Director or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors. Where any option granted to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the shares issued and to be issued upon exercise of all options already granted and to be granted to such person in the 12 month period, (i) representing in aggregate over 0.1% of the shares in issue at the date of such grant; and (ii) having an aggregate value, based on the closing price of the shares, in excess of HKD5 million, such grant of options shall be subject to prior approval of the Shareholders in general meeting by way of poll.

本公司於二零一五年十二月十六日向本集團的一個經銷商授出本公司25,200,000份購股權，可認購本公司25,200,000股股份，相當於本公司於本年報日期已發行股份總數的0.98%。該購股權行使價為3.00港元，行使期為自要約授出日期起計十年。然而，該經銷商並沒有在二零一六年一月一日起的三年期內完成指定銷售及績效目標等條件，所以該授出的25,200,000份購股權已於二零一八年十二月三十一日失效。

於截至授出日期止前任何十二個月期間，根據購股權計劃向各合資格參與者可能授出的購股權所涉及的已發行及將予發行的股份數目上限不得超過授出日期已發行股份的1%，惟除非獲股東事先批准且有關參與者及其聯繫人放棄投票。向任何董事或本公司主要股東或任何彼等各自的聯繫人授出購股權須獲獨立非執行董事事先批准。倘向主要股東或獨立非執行董事或任何彼等各自的聯繫人授出購股權將導致於十二個月期間因行使已授予或將授予有關人士的全部購股權而已發行及將予發行的股份：(i)合共超過於有關授出日期已發行股份的0.1%；及(ii)按股份收市價計算的總值超過5百萬港元，則授出有關購股權須經股東於股東大會以投票方式事先批准。

An offer of a grant of an option under the Share Option Scheme shall remain open for acceptance for 30 days from the date of grant. Upon acceptance of the option, the grantee shall pay HKD1 to the Company by way of consideration for the grant. Options may be exercised in accordance with the terms of the Share Option Scheme at any time from the date of grant until the expiry of ten years from such date. The subscription price shall be determined by the Board in its absolute discretion, and in any event shall be at least the highest of (i) the closing price of the shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, (ii) the average closing price of the shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant, and (iii) the nominal value of a share. An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme (i.e. 7 September 2012). Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the date of adoption.

There was no share option granted or outstanding under the Share Option Scheme during the year.

SHARE AWARD SCHEME

The Group adopted a share award scheme in 2017. Up to 31 December 2019, no share has been granted by the Group to any parties under the share award scheme.

根據購股權計劃授出購股權的要約自授出日期起計30日內可供接納。於接納有關購股權時，承授人須向本公司支付1港元作為授出代價。購股權可根據購股權計劃條款自授出日期起隨時行使，直至自該日起計十年屆滿。認購價將由董事會全權酌情釐定，且於任何情況下不得低於以下三者的最高者：(i) 股份於授出日期在聯交所每日報價表所報的收市價；(ii) 緊接授出日期前五個營業日在聯交所每日報價表所報的股份收市價平均數；及(iii) 股份面值。購股權可根據購股權計劃的條款於購股權視作已授出並獲接納當日後及自該日起計十年屆滿前期間隨時行使。購股權可行使的期間由董事會全權酌情釐定，惟不得超過授出購股權當日起計十年。於購股權計劃獲批准當日起(即二零一二年九月七日)十年後不得授出購股權。除非本公司於股東大會或經由董事會提前終止，否則購股權計劃自採納日期起十年內有效及具效力。

年內並無已授出或尚未行使之購股權。

股份獎勵計劃

本集團於二零一七年採納了一項股份獎勵計劃。截至二零一九年十二月三十一日，在該權份獎勵計劃下，本集團未向任何方授予股份。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the Companies Law, Cap. 22 (law 3 of 1961, as consolidated and revised) of the Cayman Islands, the Company's place of incorporation.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2019, the accumulated deficits of the Company amounted to RMB123 million (31 December 2018: RMB85 million). As at 31 December 2019, the share premium of the Company, amounted to RMB1,225 million (31 December 2018: RMB1,207 million), is distributable to Shareholders subject to the solvency test and the sanction of an ordinary resolution.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2019, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

DIRECTORS

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

Executive Directors

Mr. WANG Dong (*Chief Executive Officer*)

Mr. YUE Zhiqiang

Mr. LIU Chen

Mr. WONG Hak Kun (resigned on 24 May 2019)

Ms. HAN Linyou (resigned on 11 November 2019)

Non-executive Directors

Ms. JIANG Xiaohong

Mr. WEI Zhe Ming (appointed on 31 December 2019)

Mr. XU Liang (appointed on 31 December 2019)

Ms. GUO Kun Kun (appointed on 31 December 2019)

優先購買權

本公司的組織章程細則或開曼群島(本公司註冊成立地點)第22章公司法(一九六一年第3號法例,經綜合及修訂)並無有關優先購買權的條文。

本公司可供分配的儲備

於二零一九年十二月三十一日,本公司累計虧損為人民幣1.23億元(二零一八年十二月三十一日:人民幣8,500萬元)。於二零一九年十二月三十一日,如具償還能力並經一般決議批准,本公司金額為人民幣12.25億元(二零一八年十二月三十一日:人民幣12.07億元)的股本溢價可用於向股東進行分配。

購買、出售或贖回股份

在二零一九年十二月三十一日止年內,本公司及其任何附屬公司概無購買,出售或贖回本公司任何股份。

董事

於年內及截至本報告日期,本公司董事為:

執行董事

王東先生 (*行政總裁*)

岳志強先生

劉晨先生

王克勤先生

(於二零一九年五月二十四日辭任)

韓林攸女士

(於二零一九年十一月十一日辭任)

非執行董事

姜曉虹女士

魏哲明先生

(於二零一九年十二月三十一日獲委任)

徐亮先生

(於二零一九年十二月三十一日獲委任)

郭昆琨女士

(於二零一九年十二月三十一日獲委任)

Independent Non-executive Directors

Mr. Jesper Bjoern MADSEN (*Chairman*)

Mr. LEE Conway Kong Wai

(resigned on 29 February 2020)

Mr. Kevin Cheng WEI

Mr. HUNG Ka Hai Clement

(appointed on 31 December 2019)

Mr. TANG Zeping

(appointed on 2 March 2020)

In accordance with Article 84(1) of the Articles of Association of the Company, Mr. WANG Dong, Mr. LIU Chen and Mr. Jesper Bjoern MADSEN shall retire by rotation, and being eligible, have offered themselves for re-election at the 2020 AGM.

In accordance with Article 83(3) of the Articles of Association of the Company, Mr. WEI Zhe Ming, Mr. XU Liang, Ms. GUO Kun Kun, Mr. HUNG Ka Hai Clement and Mr. TANG Zeping shall retire, and being eligible, have offered themselves for re-election at the 2020 AGM.

Details of the retiring Directors to be re-elected at the 2020 AGM will be set out in the circular to the Shareholders to be dispatched before the 2020 AGM.

DIRECTORS' PROFILES

The profiles of the Directors are set out on pages 55 to 65 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming 2020 AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 December 2019, none of the Directors had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

獨立非執行董事

麥奕鵬先生 (主席)

李港衛先生

(於二零二零年二月二十九日辭任)

蔚成先生

洪嘉禧先生

(於二零一九年十二月三十一日獲委任)

唐澤平先生

(於二零二零年三月二日獲委任)

根據本公司組織章程細則第84(1)條，王東先生、劉晨先生及麥奕鵬先生將輪席告退，惟符合資格願意於二零二零年股東周年大會上膺選連任。

根據本公司組織章程細則第83(3)條，魏哲明先生、徐亮先生、郭昆琨女士、洪嘉禧先生及唐澤平先生將退任，惟符合資格願意於二零二零年股東周年大會上膺選連任。

有關將於二零二零年股東周年大會上膺選連任的退任董事的詳情將載於二零二零年股東周年大會前發出的致股東通函內。

董事履歷

董事履歷載於本年報第55至65頁。

董事的服務合約

擬於應屆二零二零年股東周年大會上重選的董事概無訂有本集團在一年內不可在不予賠償(法定賠償除外)的情況下終止的服務合約。

董事及主要行政人員於股份中的權益

於二零一九年十二月三十一日，概無董事於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有或視作擁有須記入本公司根據證券及期貨條例第352條須備存的登記冊，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

DISCLOSEABLE INTERESTS OF SHAREHOLDERS UNDER THE SECURITIES AND FUTURES ORDINANCE

As at 31 December 2019, the following persons had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

根據證券及期貨條例股東的須予披露權益

於二零一九年十二月三十一日，下列人士於根據證券及期貨條例第336條規定須由本公司存置的登記冊記錄的本公司股份或相關股份中擁有權益或淡倉：

Name 姓名	Long/short position 好倉/淡倉	Capacity/Nature of interest 身份/權益性質	Number of shares/ underlying shares 股份/相關股份的數目	Approximate percentage of shareholding 股權概約百分比
Tianshan Industry Investment Limited (Note 1)	Long position	Beneficial owner	462,400,740 shares	18.00%
Tianshan Industry Investment Limited (附註1)	好倉	實益擁有人	462,400,740 股股份	18.00%
Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership (Note 2)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
霍爾果斯天山一號產業投資基金有限合夥 企業(附註2)	好倉	受控法團的權益	462,400,740 股股份	18.00%
新疆金融投資有限公司 (Note 2)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
新疆金融投資有限公司(附註2)	好倉	受控法團的權益	462,400,740 股股份	18.00%
新疆維吾爾自治區人民政府國有資產監督 管理委員會 (Note 2)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
新疆維吾爾自治區人民政府國有資產監督 管理委員會(附註2)	好倉	受控法團的權益	462,400,740 股股份	18.00%
新疆天山產業投資基金管理有限公司 (Notes 2 & 3)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
新疆天山產業投資基金管理有限公司 (附註2 & 3)	好倉	受控法團的權益	462,400,740 股股份	18.00%
申萬宏源產業投資管理有限責任公司 (Note 4)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
申萬宏源產業投資管理有限責任公司(附註4)	好倉	受控法團的權益	462,400,740 股股份	18.00%
申萬宏源集團股份有限公司 (Note 5)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
申萬宏源集團股份有限公司(附註5)	好倉	受控法團的權益	462,400,740 股股份	18.00%

Name 姓名	Long/short position 好倉/淡倉	Capacity/Nature of interest 身份/權益性質	Number of shares/ underlying shares 股份/相關股份的數目	Approximate percentage of shareholding 股權概約百分比
中央匯金投資有限責任公司 (Note 3, 4 & 5)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
中央匯金投資有限責任公司(附註3、4 & 5)	好倉	受控法團的權益	462,400,740 股股份	18.00%
Tibet Water Resources Limited (Note 6)	Long position	Beneficial owner	437,410,960 shares	17.02%
西藏水資源有限公司(附註6)	好倉	實益擁有人	437,410,960 股股份	17.02%
Maple Essence Investments Limited (Note 7)	Long position	Interest of controlled corporation	437,410,960 shares	17.02%
楓華投資有限公司(附註7)	好倉	受控法團的權益	437,410,960 股股份	17.02%
True Asset Holdings Limited (Note 8)	Long position	Interest of controlled corporation	437,410,960 shares	17.02%
True Asset Holdings Limited (附註8)	好倉	受控法團的權益	437,410,960 股股份	17.02%
Mr. WANG Peter Jian (also known as Mr. WANG Jian Peter) (Notes 8 & 9)	Long position	Interest of controlled corporation	437,410,960 shares	17.02%
王堅先生(附註8 & 9)	好倉	受控法團的權益	437,410,960 股股份	17.02%

Notes:

- (1) Tianshan Industry Investment Limited is 100% held by Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership, which is in turn held as to 46.36% by 新疆金融投資有限公司, which is in turn 100% held by 新疆維吾爾自治區人民政府國有資產監督管理委員會. Tianshan Industry Investment Limited holds 462,400,740 shares in the Company.

附註:

- (1) Tianshan Industry Investment Limited 由霍爾果斯天山一號產業投資基金有限合夥企業持有 100%。霍爾果斯天山一號產業投資基金有限合夥企業由新疆金融投資有限公司持有 46.36%，新疆金融投資有限公司由新疆維吾爾自治區人民政府國有資產監督管理委員會持有 100%。Tianshan Industry Investment Limited 持有本公司 462,400,740 股股份。

- (2) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership holds 100% equity interest in Tianshan Industry Investment Limited and is therefore deemed to be interested in the 462,400,740 shares in the Company in which Tianshan Industry Investment Limited is interested in. Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is owned by 新疆金融投資有限公司 as to 46.36%. Therefore, 新疆金融投資有限公司 is deemed to be interested in 462,400,740 shares in the Company. 新疆維吾爾自治區人民政府國有資產監督管理委員會 holds 46.36% equity interest in Tianshan Industry Investment Limited through 新疆金融投資有限公司 and Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. Therefore, 新疆維吾爾自治區人民政府國有資產監督管理委員會 is deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (2) 霍爾果斯天山一號產業投資基金有限合夥企業持有Tianshan Industry Investment Limited 100%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。新疆金融投資有限公司擁有霍爾果斯天山一號產業投資基金有限合夥企業46.36%，因此被視為於本公司462,400,740股股份中擁有權益。新疆維吾爾自治區人民政府國有資產監督管理委員會透過新疆金融投資有限公司及霍爾果斯天山一號產業投資基金有限合夥企業持有Tianshan Industry Investment Limited 46.36%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。
- (3) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is held as to 0.66% by and is accustomed to act in accordance with the directions of 新疆天山產業投資基金管理有限公司, which is therefore deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited. 新疆天山產業投資基金管理有限公司 is owned by 新疆金融投資有限公司 as to 30%.
- (3) 霍爾果斯天山一號產業投資基金有限合夥企業由新疆天山產業投資基金管理有限公司持有0.66%及慣於根據後者的指令行事，因此新疆天山產業投資基金管理有限公司被視作為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中持有權益。新疆金融投資有限公司擁有新疆天山產業投資基金管理有限公司30%。
- (4) 申萬宏源產業投資管理有限責任公司 holds 30% equity interest in 新疆天山產業投資基金管理有限公司. Therefore, 申萬宏源產業投資管理有限責任公司 is deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited. 申萬宏源產業投資管理有限責任公司 is held as to 20.05% by and is accustomed to act in accordance with the directions of 中央匯金投資有限責任公司, which is therefore deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited
- (4) 申萬宏源產業投資管理有限責任公司擁有新疆天山產業投資基金管理有限公司30%，因此被視作為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中持有權益。申萬宏源產業投資管理有限責任公司由中央匯金投資有限責任公司持有20.05%及慣於根據後者的指令行事，因此中央匯金投資有限責任公司被視作為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中持有權益。
- (5) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is owned by 申萬宏源集團股份有限公司 as to 33.11%. Therefore, 申萬宏源集團股份有限公司 is deemed to be interested in 462,400,740 shares in the Company. 中央匯金投資有限責任公司 holds 61.67% equity interest in 申萬宏源集團股份有限公司. 中央匯金投資有限責任公司 holds 33.11% equity interest in Khorgos Tianshan No. 1 Industrial Investment Fund Limited Partnership through the control of 申萬宏源集團股份有限公司. Therefore, 中央匯金投資有限責任公司 is deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (5) 申萬宏源集團股份有限公司擁有霍爾果斯天山一號產業投資基金有限合夥企業33.11%，因此被視為於本公司462,400,740股股份中擁有權益。中央匯金投資有限責任公司持有申萬宏源集團股份有限公司61.67%股權。中央匯金投資有限責任公司透過控制申萬宏源集團股份有限公司持有霍爾果斯天山一號產業投資基金有限合夥企業33.11%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。

- (6) Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is in turn wholly-owned by True Asset Holdings Limited. Tibet Water Resources Limited holds 437,410,960 shares in the Company.
- (7) Maple Essence Investments Limited holds 100% equity interest in Tibet Water Resources Limited and is therefore deemed to be interested in the 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested in. Maple Essence Investments Limited is wholly-owned by True Asset Holdings Limited.
- (8) True Asset Holdings Limited holds 100% equity interest in Maple Essence Investments Limited, which in turn wholly-owns Tibet Water Resources Limited. Therefore, True Asset Holdings Limited is deemed to be interested in 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested in.
- (9) True Asset Holdings Limited is wholly-owned by Mr. WANG Peter Jian. Therefore, Mr. WANG Peter Jian is deemed to be interested in 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested. For the purpose of the SFO, the spouse of Mr. WANG Peter Jian is taken to have a duty of disclosure in relation to the said 437,410,960 shares in the Company. The interest disclosed by the spouse of Mr. WANG Peter Jian is that of Mr. WANG Peter Jian which is deemed to be attributed to her pursuant to the SFO for disclosure purposes. Nevertheless, she has no interest, legal or beneficial, in those shares in the Company.
- (6) 西藏水資源有限公司由楓華投資有限公司持有100%，楓華投資有限公司由True Asset Holdings Limited全資擁有。西藏水資源有限公司持有本公司437,410,960股股份。
- (7) 楓華投資有限公司持有西藏水資源有限公司100%股權，因此被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。楓華投資有限公司由True Asset Holdings Limited全資擁有。
- (8) True Asset Holdings Limited透過楓華投資有限公司持有西藏水資源有限公司100%股權。因此，True Asset Holdings Limited被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。
- (9) True Asset Holdings Limited由王堅先生全資擁有。因此，王堅先生被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。為了證券及期貨條例的目的，王堅先生的配偶有責任對該本公司437,410,960股股份作出披露。王堅先生的配偶所披露的權益是由王堅先生所擁有的；而為了披露的目的，根據證券及期貨條例，該等權益也被視為歸於王堅先生的配偶。然而，她並沒有對該等本公司股份擁有任何法定或實益權益。

Save as disclosed above, as at 31 December 2019, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party, and in which a Director or an entity 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.

除上文所披露者外，於二零一九年十二月三十一日，董事及本公司主要行政人員概不知悉任何其他人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或視作擁有根據證券及期貨條例第XV部第2及第3分部規定須向本公司及聯交所披露或根據證券及期貨條例第336條須由本公司存置的登記冊所記錄或以其他方式須知會本公司及聯交所的權益或淡倉。

重大交易、安排或合約

本公司或其任何附屬公司概無訂立於年末或年內的任何時間仍然有效且董事或與該董事有關連的實體於當中擁有重大權益（無論直接或間接）的重大交易、安排或合約。

No contracts of significance between the Company, or any of its subsidiaries, and a controlling shareholder of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

No contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the financial year or at the end of the financial year has the Company, its holding company, or any of its subsidiaries or fellow subsidiaries been a party to any arrangement whose objects are, or one of whose objects is, 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.

RETIREMENT BENEFITS SCHEMES

Other than operating a Hong Kong Mandatory Provident Fund Scheme and participating in the state managed retirement benefit scheme in the PRC, the Group has not operated any other retirement benefits schemes for the Group's employees.

Details of the defined contribution pension scheme are set out in Note 33 of the consolidated financial statements on page 232 of this Annual Report.

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up by the Board on the basis of their merit, qualification and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the financial year and up to the date of this report, no Director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, as defined in the Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company existed during the year.

在年末或年內的任何時間概無存續本公司或其任何一家附屬公司或本公司控股股東或其任何一家附屬公司之間所訂的重要合約。

在年末或年內的任何時間概無存續本公司控股股東或其任何一家附屬公司向本公司或其任何一家附屬公司提供服務的重要合約。

董事購買股份或債券的權利

本公司、其控股公司或其任何附屬公司或同系附屬公司不曾在本財政年度內或本財政年度末是任何其目標或其中一項目標為致使董事可以通過收購本公司或任何其他法人團體的股份或債券而獲益的安排的一方。

退休福利計劃

除設有香港強制性公積金計劃及參與中國的國家管理的退休福利計劃外，本集團並無為本集團的僱員設立任何其他退休福利計劃。

有關退休金計劃詳情載於本年報第232頁綜合財務報表附註33。

薪酬政策

本集團僱員的薪酬政策乃由董事會根據其貢獻、資歷及能力制訂。

董事的薪酬乃由薪酬委員會參考本集團的經營業績、個人表現及可比較市場統計數據釐定。

董事於競爭業務的權益

於財政年度內及截至本報告日期，概無董事被視為於與本集團的業務直接或間接競爭或可能競爭的業務中擁有權益(定義見上市規則)。

管理合同

於本年度，概無有關本公司全部或任何重大部分業務的管理及行政的合約。

MAJOR CUSTOMERS AND SUPPLIERS

During the financial year, sales to the Group's five largest customers and purchases from the five largest suppliers accounted for approximately 33.73% and 27.71% of the total sales and total purchases for the year, respectively. The Group's largest customer and supplier accounted for approximately 8.25% and 15.11% of the total sales and total purchases for the financial year, respectively.

During the financial year, none of (i) the Directors or any of their close associates, or (ii) any Shareholders (who, to the best knowledge of the Directors, owned more than 5% of the Company's issued share capital), had any interest in the Group's five largest customers and suppliers.

PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to, the Shares, they are advised to consult their professional advisors.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors are independent of the Company pursuant to the Listing Rules.

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The utilisation status of the net proceeds from the Company's initial public offering is set out on pages 50 to 51 of this Annual Report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the reasonable knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of its shares in the hands of the public in accordance with the Listing Rules as at the latest practicable date of the issue of this Annual Report (i.e. 23 April 2020).

主要客戶及供應商

於財政年度內，售予本集團的五大客戶的銷售額及向五大供應商的採購額分別約佔年內總銷售額及總採購額的33.73%及27.71%。本集團的最大客戶及供應商分別約佔財政年度內總銷售額及總採購額的8.25%及15.11%。

於財政年度內，概無(i)董事或其任何緊密聯繫人或(ii)就董事最佳所知，擁有本公司已發行股本逾5%的股東於本集團五大客戶及供應商擁有任何權益。

專業稅務意見建議

倘股東對購買、持有、處置及買賣股份或行使其任何有關權利的稅務影響有任何疑問，建議諮詢彼等之專業顧問。

獨立非執行董事

各獨立非執行董事已根據上市規則第3.13條向本公司提交確認其獨立性的年度確認書。本公司認為本公司的全體獨立非執行董事根據上市規則皆屬獨立人士。

本公司首次公開發售的所得款項用途

本公司首次公開發售的所得款項淨額使用情況載於本年報第50至51頁。

足夠公眾持股量

根據本公司所得的公開資料及董事合理所知，本公司於刊發本年報之最後實際可行日期(即二零二零年四月二十三日)已根據上市規則維持足夠之不少於25%股份的公眾持股量。

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to approximately RMB0.09 million (2018: RMB1.4 million).

AUDIT COMMITTEE

The Audit Committee had reviewed the Group's annual results for the year ended 31 December 2019 and provided advice and comments thereon.

EXTERNAL AUDITOR

The consolidated financial statements for the year ended 31 December 2019 were audited by PricewaterhouseCoopers, who will retire at the conclusion of the forthcoming 2020 AGM and, being eligible, will offer itself for re-appointment as external auditor of the Company. The Company has not changed its auditor in any of the preceding three years.

CONNECTED TRANSACTIONS

The related party transactions summarized in note 40 to the consolidated financial statements for the year ended 31 December 2019 did not constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

ANNUAL GENERAL MEETING

The 2020 AGM would be convened in a later time because of the outbreak of COVID-19 pandemic in Hong Kong. The Board would monitor how the current situation develops in order to better suggest how to manage the potential health risks of a physical meeting and also to decide the appropriate time schedule to convene the 2020 AGM. Further information will be advised in due course.

On behalf of the Board

Jesper Bjoern MADSEN
Chairman

31 March 2020

慈善捐款

於年內，本集團的慈善捐款約達人民幣9萬元(二零一八：人民幣140萬元)。

審核委員會

審核委員會已審閱本集團截至二零一九年十二月三十一日止年度的年度業績並就其提供意見及建議。

外聘核數師

截至二零一九年十二月三十一日止年度的綜合財務報表由羅兵咸永道會計師事務所審核，該會計師事務所將於應屆二零二零年股東周年大會結束時退任，惟合資格並願意重選為本公司的外聘核數師。本公司過往三年並無更換核數師。

關連交易

載於綜合財務報表附註40內的二零一九年度關聯方交易並不構成上市規則第十四A章定義的關連交易或持續關連交易。

股東周年大會

2020年股東周年大會因新冠肺炎疫情在香港爆發而於稍後時間舉行。董事會將關注當前形勢的發展，以便更好地建議如何管理一次現場會議的潛在健康風險，並確定召開2020年股東周年大會的適當時間表。詳情將在適當時候通知。

代表董事會

麥奕鵬
主席

二零二零年三月三十一日



羅兵咸永道

To the shareholders of Tibet Water Resources Ltd.
(Incorporated in Cayman Islands with limited liability)

致西藏水資源有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of Tibet Water Resources Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 111 to 251, which comprise:

- the consolidated balance sheet as at 31 December 2019;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

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 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們已審計的內容

列載於第111至251頁西藏水資源有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)的綜合財務報表，當中包括：

- 於二零一九年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等合併財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而中肯地反映貴集團於二零一九年十二月三十一日的綜合財務狀況及彼等截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Impairment of goodwill and investment in an associate

意見的基礎

我們已根據國際審計準則(「國際審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表須承擔的責任部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會的職業會計師道德守則(以下簡稱「IESBA 守則」)，我們獨立於貴集團，並已履行 IESBA 守則中的其他專業道德責任。

關鍵審計事項

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

在我們審計中識別的關鍵審計事項概述如下：

- 商譽減值及於聯營公司的投資

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Impairment of goodwill and investment in an associate Refer to Note 4, Note 10 and Note 12 to the consolidated financial statements</p>	<p>We discussed and evaluated the model used by management in determining the recoverable amount for the impairment analysis and verified the mathematical accuracy of the cash flow model used to estimate value-in-use.</p>
<p>As at 31 December 2019, goodwill recognised in relation to the acquisition of Tibet Tiandi Green Beverage Development Co., Ltd. (“Tiandi Green”), a subsidiary of the Group, amounted to RMB721 million. No impairment loss was provided for goodwill of Tiandi Green based on management’s impairment analysis.</p>	<p>We evaluated management’s future cash flow forecasts for Tiandi Green and Highland Natural Water, including the reasonableness of the forecasts in the context of historical results of the businesses and production capacity, and comparing the parameters used with independently obtained market data. We also assessed the appropriateness of the discount rates and long-term growth rates used and considered that they fell within our range of independently obtained market data.</p>
<p>As at 31 December 2019, the investment in an associate that arose from the acquisition of Tibet Highland Natural Water Limited (“Highland Natural Water”) amounted to RMB1,365 million (with goodwill relating to this associate amounting to RMB1,153 million) before any impairment loss. An impairment loss of RMB873 million was recognised for the above investment in Highland Natural Water based on management’s impairment analysis.</p>	<p>We obtained and evaluated management’s sensitivity analysis to ascertain the impact of reasonably possible changes and we performed re-calculation independently for the downside changes in management’s sensitivity analysis model, focusing on the most sensitive assumptions, including annual revenue growth rate, long-term revenue growth rate, gross margin and discount rate.</p>
<p>We focused on the impairment of these areas due to the followings:</p>	<p>We satisfied ourselves that management’s impairment analysis was supported by evidence obtained.</p>
<ul style="list-style-type: none">– the size of the goodwill/investment in an associate balances;– the management adopted “value-in-use” of related cash generating units to determine the recoverable amount of goodwill/investment in associate. Such “value-in-use” determination involved significant judgements made by management about the future results of the business and the discount rates applied to future cash flow forecasts. As the assessment involved consideration of future events and uncertainty, there was a risk that the judgement was inappropriate.	

關鍵審計事項

商譽減值及於聯營公司的投資

請參閱綜合財務報表附註4、附註10及附註12

於二零一九年十二月三十一日，有關收購本集團附屬公司西藏天地綠色飲品發展有限公司(「天地綠色」)確認的商譽為人民幣7.21億元。基於管理層的減值分析，未對天地綠色的商譽計提減值損失撥備。

於二零一九年十二月三十一日，收購西藏高原天然水有限公司(「高原天然水」)產生於聯營公司的投資為人民幣13.65億元(有關此聯營公司的商譽為人民幣11.53億元)(扣除任何減值損失前)。就於高原天然水的上述投資確認減值損失人民幣8.73億元乃基於管理層的減值分析。

由於下列各項因素，我們專注於該等事項的減值：

- 商譽／於聯營公司投資結餘的規模；
- 管理層採用有關現金產生單位的「使用價值」釐定商譽／於聯營公司投資的可收回金額。該「使用價值」釐定涉及管理層對未來業務業績及未來現金流量預測所應用的貼現率作出的重大判斷。由於評估涉及考慮未來事件及不確定性，故存在判斷不當的風險。

我們的審計如何處理關鍵審計事項

我們已討論及評估管理層就減值分析於釐定可回收金額時所用的模式，並核查用於估計使用價值的現金流量模式的數學準確性。

根據過往業務業績、產能，並比較所用參數與獨立取得的市場數據，我們已評估管理層對天地綠色及高原天然水的未來現金流量預測，包括預測的合理性。我們亦評估了所用的貼現率及長期增長率的適當性，認為彼等處於我們獨立取得的市場數據範圍內。

我們已取得並評估管理層的敏感度分析以確定合理可能變動的影響，就管理層敏感度分析模型中下調變動，我們已重新進行獨立計算，集中於最敏感的假設，包括年度收入增長率、長期收入增長率、毛利率及貼現率。

我們信納管理層進行的減值分析是有所取得的證據支持的。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than 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 THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他信息

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

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

在我們審計綜合財務報表時，我們的責任是閱讀其他資料，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸，或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，倘我們認為此其他資料有重大錯誤陳述，我們須報告該事實。就此我們沒有任何報告。

董事和審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會負責監督貴集團財務報告過程。

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

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對整體綜合財務報表是否存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按國際審計準則進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則使用者依綜合財務報表有關的錯誤陳述可被視作重大。

在根據國際審計準則進行審計的過程中，我們運用了職業判斷，保持了職業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，確定是否存在與事項或情況有關的重大不確定性，構成而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Hon Chong Heng.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 31 March 2020

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

本獨立核數師報告的審計項目合夥人是 HON CHONG HENG。

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年三月三十一日

		As at 31 December 於十二月三十一日		
		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	7	28,521	29,245
Property, plant and equipment ("PP&E")	物業、廠房及設備(「物業、 廠房及設備」)	8	521,083	578,997
Investment properties	投資性房地產		4,679	—
Intangible assets	無形資產	9	66,403	88,521
Goodwill	商譽	10	721,139	721,139
Investments accounted for using the equity method	使用權益法入賬的投資	12	698,283	1,574,938
Deferred tax assets	遞延稅項資產	24	9,511	2,838
Prepayments	預付款項	15	6,518	38,613
Financial assets at fair value through other comprehensive income ("FVOCI")	以公允價值計量且其變動計入其他 全面收益的金融資產(「以公允 價值計量且其變動計入其他全面 收益的金融資產」)	19	231,881	231,881
Financial assets at fair value through profit or loss ("FVPL")	以公允價值計量且其變動計入 損益的金融資產(「以公允價值 計量且其變動計入損益的 金融資產」)	18	16,517	11,517
Total non-current assets	非流動資產總額		2,304,535	3,277,689

		As at 31 December 於十二月三十一日		
		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產			
Trade receivables	應收貿易款	13	258,991	289,885
Prepayments	預付款項	15	115,428	141,552
Prepaid enterprise income tax	預付企業所得稅		2,860	6,358
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產	16	831,736	641,117
Inventories	存貨	17	52,716	99,160
Financial assets at fair value through profit or loss ("FVPL")	以公允價值計量且其變動計入損益的金融資產(「以公允價值計量且其變動計入損益的金融資產」)	18	180,630	179,278
Cash and cash equivalents	現金及現金等價物	20	515,510	277,152
Total current assets	流動資產總額		1,957,871	1,634,502
Total assets	總資產		4,262,406	4,912,191
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	21	21,363	21,363
Share premium	股份溢價	21	1,225,214	1,206,829
Shares held for share award scheme	為股份獎勵計劃持有的股份	22	(173,037)	(173,037)
Other reserves	其他儲備	23	147,304	177,924
Retained earnings	留存收益		1,481,099	2,226,217
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		2,701,943	3,459,296
Non-controlling interests	非控股權益		96	40
Total equity	權益總額		2,702,039	3,459,336

		As at 31 December 於十二月三十一日		
		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Bank borrowings	銀行借款	29	140,000	240,000
Other payables	其他應付款	28	16,000	—
Deferred revenue	遞延收入	26	18,517	20,942
Deferred tax liabilities	遞延稅項負債	24	9,695	15,255
Total non-current liabilities	非流動負債總額		184,212	276,197
Current liabilities	流動負債			
Trade and notes payables	應付貿易款及應付票據	27	323,881	78,721
Deferred revenue	遞延收入	26	2,373	2,373
Contract liabilities	合同負債	25	29,409	21,225
Enterprise income tax payable	應付企業所得稅		34,355	25,974
Accruals and other payables	預提費用及其他應付款	28	410,137	129,692
Bank borrowings	銀行借款	29	576,000	461,000
Convertible bond - liability component	可換股債券－負債部分	30	—	457,673
Total current liabilities	流動負債總額		1,376,155	1,176,658
Total liabilities	負債總額		1,560,367	1,452,855
Total equity and liabilities	權益及負債總額		4,262,406	4,912,191

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The financial statements on pages 111 to 251 were approved by the Board of Directors on 31 March 2020 and were signed on its behalf.

上述綜合資產負債表應與隨附附註一併閱讀。

董事會已於二零二零年三月三十一日批准載於第111至251頁的財務報表並代其簽字。

WANG Dong 王東
DIRECTOR 董事

LIU Chen 劉晨
DIRECTOR 董事

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

		Year ended 31 December 截至十二月三十一日止年度		
		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合同收入	6	721,455	880,657
Cost of sales	銷售成本	32	(317,140)	(400,528)
Gross profit	毛利		404,315	480,129
Selling and distribution costs	銷售及分銷費用	32	(112,829)	(115,664)
Administrative expenses	行政費用	32	(92,465)	(89,631)
Net impairment losses on financial assets	金融資產減值損失淨額	32	(83,164)	(1,795)
Other gains, net	其他利得，淨額	31	16,811	69,009
Operating profit	經營利潤		132,668	342,048
Finance income	財務收入		63,819	31,855
Finance income/(costs), net	財務收入／(費用)，淨額	34	9,561	(10,250)
Impairment losses on investments accounted for using the equity method	使用權益法入賬的投資減值損失	12	(873,151)	—
Share of net profit of investments accounted for using the equity method	應佔使用權益法入賬的投資利潤淨額	12	14,319	20,436
(Loss)/Profit before income tax	除所得稅前(虧損)/利潤		(716,603)	352,234
Income tax expense	所得稅費用	35	(28,515)	(34,702)
(Loss)/Profit for the year	年度(虧損)/利潤		(745,118)	317,532
(Loss)/Profit attributable to:	應佔(虧損)/利潤：			
– Owners of the Company	– 本公司擁有人		(745,118)	317,532
– Non-controlling interests	– 非控股權益		—	—
			(745,118)	317,532
(Loss)/Earnings per share for (loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/利潤每股(虧損)/盈利			
– (Loss)/Earnings per share (basic and diluted)	– 每股(虧損)/盈利(基本及攤薄)			
(RMB cents per share)	(每股人民幣分)	36	(29.77)	12.68

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

上述綜合損益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	Note 附註		
(Loss)/Profit for the year	年度(虧損)/利潤	(745,118)	317,532
Other comprehensive loss:	其他全面虧損：		
<i>Item that will not be reclassified subsequently to profit or loss</i>	<i>將不可於期後被重新分類至 損益的項目</i>		
Currency translation differences	外幣折算差額	23 (12,235)	(18,455)
Other comprehensive loss for the year, net of tax	年度其他全面虧損，扣除稅項	(12,235)	(18,455)
Total comprehensive (loss)/income for the year	年度總全面(虧損)/收益	(757,353)	299,077
Attributable to:	歸屬於：		
– Owners of the Company	– 本公司擁有人	(757,353)	299,077
– Non-controlling interests	– 非控股權益	—	—
Total comprehensive (loss)/income for the year	年度總全面(虧損)/收益	(757,353)	299,077

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Shares held for share award scheme 為股份獎勵計劃持有的股份 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 留存收益 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日的結餘	21,363	1,206,829	(173,037)	177,924	2,226,217	3,459,296	40	3,459,336
Loss for the year	年度虧損	—	—	—	—	(745,118)	(745,118)	—	(745,118)
Currency translation differences	外幣折算差額	—	—	—	(12,235)	—	(12,235)	—	(12,235)
Total comprehensive loss for the year	年度總全面虧損	—	—	—	(12,235)	(745,118)	(757,353)	—	(757,353)
Convertible bond-equity component (Note 23)	可換股債券—權益部分(附註23)	—	18,385	—	(18,385)	—	—	—	—
Capital injections from non-controlling interests	非控股權益注資	—	—	—	—	—	—	56	56
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	21,363	1,225,214	(173,037)	147,304	1,481,099	2,701,943	96	2,702,039
Balance at 31 December 2017 as originally presented	於二零一七年十二月三十一日的結餘，按原先呈列	21,363	1,206,829	(158,868)	191,921	1,913,143	3,174,388	—	3,174,388
Change in accounting policy	會計政策變動	—	—	—	(5,884)	5,884	—	—	—
Restated total equity as at 31 December 2017	於二零一七年十二月三十一日經重述的權益總額	21,363	1,206,829	(158,868)	186,037	1,919,027	3,174,388	—	3,174,388
Balance at 1 January 2018	於二零一八年一月一日的結餘	21,363	1,206,829	(158,868)	186,037	1,919,027	3,174,388	—	3,174,388
Profit for the year	年度利潤	—	—	—	—	317,532	317,532	—	317,532
Currency translation differences	外幣折算差額	—	—	—	(18,455)	—	(18,455)	—	(18,455)
Total comprehensive income for the year	年度總全面收益	—	—	—	(18,455)	317,532	299,077	—	299,077
Appropriations to statutory surplus reserve (Note 23)	提取法定盈餘公積金(附註23)	—	—	—	10,342	(10,342)	—	—	—
Non-controlling interests on acquisition of subsidiary	收購附屬公司產生的非控股權益	—	—	—	—	—	—	40	40
Acquisition of shares under share award scheme	根據股份獎勵計劃購買股份	—	—	(14,169)	—	—	(14,169)	—	(14,169)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	21,363	1,206,829	(173,037)	177,924	2,226,217	3,459,296	40	3,459,336

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一併閱讀。

		Year ended 31 December 截至十二月三十一日止年度	
	Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動現金流		
Cash generated from operations	經營活動產生的現金	38	576,978
Interest received	已收利息		492
Interest paid	已付利息		(375)
Income taxes paid	已付所得稅		(28,869)
Net cash flows from operating activities	經營活動產生的現金流量淨額		548,226
Cash flows from investing activities	投資活動現金流		
Purchases of PP&E	購買物業、廠房及設備		(1,583)
Government grants received relating to fixed assets	已收與固定資產有關的政府補助		—
Purchases of FVOCI	購買以公允價值計量且其變動計入其他全面收益的金融資產		—
Purchases of FVPL	購買以公允價值計量且其變動計入損益的金融資產		(525,000)
Proceeds from disposal of FVPL	處置以公允價值計量且其變動計入損益的金融資產所得款項		525,157
Loans granted to third parties	借予第三方款項		(1,138,642)
Repayments received from loans to third parties	已收第三方還款		1,354,389
Amounts advanced to third parties	已付第三方墊款		(349,699)
Payments received from third parties	已收第三方款項		162,481
Loans granted to related parties	借予關聯方款項		(288,200)
Repayments received from loans to a related party	已收關聯方還款		14,363
Amounts paid to related parties	已付關聯方款項		(55,623)
Amounts received from related parties	已收關聯方款項		—
Cash acquired from acquisition of a subsidiary	收購一家附屬公司獲得的現金		—
Payments for investment in associates	投資於聯營公司的付款		(5,020)
Dividends received from an associate	自聯營公司已收股息		—
Net cash flows used in investing activities	投資活動所用的現金流量淨額		(307,377)

		Year ended 31 December 截至十二月三十一日止年度		
		Note 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash flows from financing activities	融資活動現金流			
Proceeds from bank borrowings	銀行借款所得款項		456,000	706,000
Repayments of bank borrowings and interests	償還銀行借款及利息		(471,540)	(450,108)
Loans from third parties	取得第三方借款	38	295,697	—
Payments for shares bought back	股份購回付款		—	(14,169)
Payments relating to convertible bond	有關可換股債券的付款	38	(282,789)	(26,882)
Transaction with non-controlling interests	與非控股權益之交易		—	(239,044)
Capital injections from non-controlling interests	非控股權益注資		56	40
Net cash flows used in financing activities	融資活動所用的現金流量淨額		(2,576)	(24,163)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物的增加/(減少)淨額		238,273	(555,822)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		277,152	830,773
Exchange gains	匯兌收益		85	2,201
Cash and cash equivalents at end of year	年末現金及現金等價物	20	515,510	277,152

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 8 November 2010. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Group is engaged in production and sales of water products and beer products in the PRC. The Group also provides lending services to third parties in the Hong Kong Special Administrative Region of the PRC with relevant license.

The Company's shares have been listed on The Stock Exchange since 30 June 2011.

These financial statements are presented in Renminbi ("RMB"), unless otherwise stated. These financial statements have been approved for issue by the Board on 31 March 2020.

Key events

The Group's convertible bonds with par value of HKD525,000,000 were matured on 24 June 2019. None of the bond holders exercised the conversion option of the convertible bonds and thus the Group was required to repay the bond holders in cash upon maturity. By 16 July 2019 (the contractual repayment deadline based on the terms of the bonds), the Group had repaid the bonds in full, amounting to RMB486,363,000 (equivalent to HKD545,599,000), representing principal of RMB468,517,000 (equivalent to HKD525,000,000) and interest of RMB17,846,000 (equivalent to HKD20,599,000).

1 一般資料

本公司於二零一零年十一月八日根據公司法於開曼群島註冊成立為獲豁免有限公司。註冊辦事處的地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司為一間投資控股公司。本集團在中國從事生產及銷售水產品及啤酒產品。本集團亦於中國香港特別行政區擁有向第三方提供借款服務的相關牌照。

本公司的股份自二零一一年六月三十日起在聯交所上市。

除非另有所指，否則該等財務報表以人民幣（「人民幣」）呈列。董事會已於二零二零年三月三十一日批准刊發該等財務報表。

重要事項

本集團面值為525,000,000港元的可換股債券於二零一九年六月二十四日到期。概無債券持有人行使可換股債券的轉換權，因此，本集團須於到期時以現金償還債券持有人。於二零一九年七月十六日（根據債券條款為合約還款最後期限），本集團已悉數償還債券人民幣486,363,000元（等值545,599,000港元），即本金人民幣468,517,000元（等值525,000,000港元）及利息人民幣17,846,000元（等值20,599,000港元）。

1 GENERAL INFORMATION (CONTINUED)**Key events (continued)**

Management performed impairment analysis for the investment in an associate - Highland Natural Water. The recoverable amount of the investment is determined based on value-in-use calculations, which is assessed to be higher than the fair value less disposal costs. Based on the results of management's impairment analysis, an impairment loss of RMB873,151,000 was recognised for the year ended 31 December 2019. See Note 12 for further details.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable IFRSs and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of FVPL and FVOCI, which are carried at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

1 一般資料(續)**重要事項(續)**

管理層對於一間聯營公司－高原天然水的投資進行減值分析。投資的可收回金額乃基於使用價值的計算(經評估高於公允價值減處置成本)釐定。根據管理層的減值分析結果，截至二零一九年十二月三十一日止年度的已確認減值損失為人民幣873,151,000元。進一步詳情，請參閱附註12。

2 主要會計政策概要

編製該等綜合財務報表時應用的主要會計政策載列如下。除另有所指外，該等政策已一致地應用於所呈列的全部年度。

2.1 編製基準

本公司綜合財務報表乃根據所有適用國際財務報告準則及香港公司條例(第622章)的規定編製，除對按公允價值列賬的以公允價值計量且其變動計入損益的金融資產及以公允價值計量且其變動計入其他全面收益的金融資產重估作出修訂以外，綜合財務報表乃按歷史成本編製。

按照國際財務報告準則編製財務報表需要使用若干重大會計估計，亦要求管理層在應用本集團的會計政策時作出判斷。涉及較高判斷或複雜程度的範疇或假設及估計對綜合財務報表屬重大的範疇在附註4披露。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policy and disclosures

2.2.1 New standard adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019:

- IFRS 16 Leases
- Prepayment Features with Negative Compensation – Amendments to IFRS 9
- Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28
- Annual Improvements to IFRS Standards 2015 – 2017 Cycle
- Plan Amendment, Curtailment or Settlement – Amendments to IAS 19
- Interpretation 23 Uncertainty over Income Tax Treatments.

The impact of the adoption of IFRS 16 is disclosed in Note 2.3 and the new accounting policy is disclosed in Note 2.28. The other amendments, annual improvements and interpretations did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

2.2.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策概要(續)

2.2 會計政策變動及披露

2.2.1 本集團採納的新準則

本集團已於二零一九年一月一日開始的年度報告期間首次採納下列準則及修訂：

- 國際財務報告準則第16號租賃
- 具有反向賠償的提前還款特徵—對國際財務報告準則第9號的修訂
- 聯營和合營的長期權益—對國際會計準則第28號的修訂
- 國際財務報告準則年度改進2015-2017年週期
- 計畫的修訂、縮減或結算—對國際會計準則第19號的修訂
- 解釋公告第23號所得稅會計處理的不確定性

採納國際財務報告準則第16號的影響披露於附註2.3及新會計政策披露於附註2.28。其他修訂、年度改進及詮釋對本集團的會計政策並無任何影響及無須作出追溯調整。

2.2.2 尚未採納的新訂準則及詮釋

於二零一九年十二月三十一日的報告期間，若干新會計準則及詮釋已頒佈但並非強制採納，而本集團亦未提前採納。此等準則預期不會對實體本期或未來報告期間及可見未來交易產生重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.2 Changes in accounting policy and disclosures (continued)****2.3 Impact on the financial statements**

This note explains the impact of the adoption of IFRS 16 Leases on the Group's financial statements and the new accounting policy about leases is disclosed in Note 2.28.

The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. As at 1 January 2019 and through the year ended 31 December 2019, except for the land lease arrangements with the PRC government, all the Group's lease contracts' remaining lease terms are within 12 months, thus the Group treats the leases as short-term leases according to the practical expedients permitted by the standard. The Group elected to recognise the lease payments as an expense on a straight-line basis over the lease term. Thus, there is no significant impact on the Group's financial statements from application of IFRS 16 as at 1 January 2019 and during the year ended 31 December 2019. For treatment on the land lease arrangements with the PRC government, see Note 2.28 for further details.

2.4 Principles of consolidation and equity accounting**2.4.1 Subsidiaries**

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.5).

2 主要會計政策概要(續)**2.2 會計政策變動及披露(續)****2.3 對財務報表的影響**

本附註解釋採納國際財務報告準則第16號租賃對本集團財務報表的影響及有關租賃的新會計政策披露於附註2.28。

本集團有意採用簡化的過渡方法，且不會就首次採納前的年度重述比較數字。於二零一九年一月一日及截至二零一九年十二月三十一日止年度，除了與中國政府的土地租賃安排外，本集團所有租賃合約剩餘租賃期限於12個月以內，故根據該準則所允許的實務簡易處理方法，本集團將該等租賃視為短期租賃，本集團選擇在租賃期限內以直線法將租賃付款確認為開支。因此，於二零一九年一月一日及截至二零一九年十二月三十一日止年度，應用國際財務報告準則第16號對本集團財務報表並無重大影響。有關與中國政府的土地租賃安排的會計處理的進一步詳情，請參閱附註2.28。

2.4 合併原則及權益會計處理**2.4.1 附屬公司**

附屬公司指本集團擁有控制權的實體（包括結構實體）。倘本集團就參與實體的業務所得可變回報承擔風險或享有權利，及能夠運用對該實體的權力影響該等回報，則本集團對該實體擁有控制權。附屬公司自其控制權轉移至本集團當日起合併入賬，並於控制權終止當日起取消合併入賬。

本集團使用收購會計法為業務合併列賬（參閱附註2.5）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Principles of consolidation and equity accounting (continued)

2.4.1 Subsidiaries (continued)

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4.2 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2 主要會計政策概要(續)

2.4 合併原則及權益會計處理(續)

2.4.1 附屬公司(續)

公司內部交易、結餘及集團公司間的交易未變現收益，均予以對銷。未變現虧損亦予以對銷，惟該交易有證據顯示已轉讓資產出現減值則除外。附屬公司的會計政策已在有需要時作出調整，以確保與本集團所採納有關政策一致。

2.4.2 聯營公司

聯營公司為本集團對其有重大影響但並無控制權的實體，通常附帶介乎20%至50%投票權的股權。於聯營公司的投資使用權益會計法入賬。根據權益法，有關投資初步按成本確認，並於收購日期後增加或減少賬面值以確認投資者應佔被投資方的溢利或虧損。本集團於聯營公司的投資包括收購時確定的商譽。收購於一家聯營公司的擁有權權益後，聯營公司的成本與本集團應佔該聯營公司的可識別資產及負債公允價值淨額之間的任何差額入賬計作商譽。

倘於聯營公司的所有權權益減少但仍保留重大影響力，則過往於其他全面收益確認的金額按比例重新分類至損益(如適用)。

本集團收購後應佔的溢利或虧損於損益表內確認，而收購後應佔其他全面收益變動於其他全面收益確認，並就投資賬面值作相應調整。倘本集團應佔聯營公司的虧損等於或超逾所持聯營公司的權益(包括任何其他無抵押應收款項)，除非本集團承擔法定或推定責任或已代聯營公司付款，否則不會確認進一步虧損。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.4 Principles of consolidation and equity accounting (continued)****2.4.2 Associates (continued)**

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to “share of profit/(loss) of an associate” in the statement of profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group’s financial statements only to the extent of unrelated investor’s interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the statement of profit or loss.

2.5 Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Acquisition-related cost are expensed as incurred.

2 主要會計政策概要(續)**2.4 合併原則及權益會計處理(續)****2.4.2 聯營公司(續)**

本集團於各報告日期釐定是否有客觀證據顯示於聯營公司的投資已減值。倘已減值，則本集團按聯營公司的可收回金額與其賬面值的差額計算減值，並於損益表的「應佔聯營公司溢利／(虧損)」內確認有關金額。

本集團與其聯營公司之間的上下游交易所產生的溢利及虧損於本集團財務報表內確認，惟僅以非相關投資者所持聯營公司的權益為限。除非交易能證明所轉讓資產已減值，否則未變現虧損將予以抵銷。聯營公司的會計政策已於必要時作出變動，以確保與本集團所採用的會計政策一致。

於聯營公司的投資產生的攤薄收益及虧損於損益表內確認。

2.5 業務合併

本集團應用收購法為業務合併列賬。收購附屬公司所轉讓的代價包括所轉讓資產、被收購方的前擁有人所產生負債及本集團所發行股權的公允價值。所轉讓代價包括任何或然代價安排所產生的資產或負債的公允價值。於業務合併時所收購的可識別資產及所承擔的負債及或然負債，初步按收購日期的公允價值計量。本集團根據逐項收購基準按公允價值或非控股權益按比例應佔被收購方可識別資產淨值已確認金額確認被收購方的任何非控股權益。

收購相關成本於產生時支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Business combinations (continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2 主要會計政策概要(續)

2.5 業務合併(續)

倘業務合併分階段進行，收購方先前持有的被收購方股權於收購日期的賬面值應按收購日期的公允價值重新計量；有關重新計量產生的任何收益或虧損在損益中確認。

本集團按收購日期的公允價值確認將予轉讓的任何或然代價。根據國際會計準則第39號，視作資產或負債的或然代價的公允價值其後變動乃於損益或其他全面收益中確認。分類為權益的或然代價毋須重新計量，而其後結算於權益入賬。

所轉讓代價、被收購方的任何非控股權益金額及任何先前於被收購方持有股權於收購日期的公允價值超逾所收購可識別資產淨值的公允價值的差額入賬列作商譽。倘所轉讓代價、已確認非控股權益及所計量先前持有股權的總額低於以議價購買方式收購的附屬公司的可識別資產淨值公允價值，則有關差額會直接於損益表確認。

集團內部交易、結餘及集團公司間的交易或未變現收益，均予以對銷。未變現虧損亦予以對銷。如有需要，附屬公司所呈報的金額已經調整，以符合本集團的會計政策。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.6 Separate financial statements**

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.7 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions for the Group.

2.8 Foreign currency translation**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RMB, which is the Group's presentation currency. The functional currency of the operational entities located in the PRC is RMB, and the Company's functional currency is Hong Kong dollar ("HKD").

2 主要會計政策概要(續)**2.6 單獨財務報表**

於附屬公司的投資按成本減減值列賬。成本亦包括直接應佔投資成本。附屬公司的業績由本公司基於股息及應收款項列賬。

倘股息超過於宣派股息期間附屬公司的全面收益總額或倘單獨財務報表的投資賬面值超過被投資者綜合財務報表上的淨資產(包括商譽)賬面值，於收取該等投資的股息時須對附屬公司的投資進行減值測試。

2.7 分部報告

經營分部按與向首席經營決策者提交的內部報告一致的方式呈報。為本集團作出戰略決定的本公司執行董事被視為負責分配資源及評估經營分部表現的首席經營決策者。

2.8 外幣折算**(a) 功能及列報貨幣**

本集團各實體的財務報表所列項目均以該實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以人民幣列報，人民幣為本集團的列報貨幣。位於中國的運營實體的功能貨幣為人民幣，而本公司的功能貨幣為港元(「港元」)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings, payables and cash and cash equivalents are presented in the consolidated statement of profit or loss within “finance income, net”.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

2 主要會計政策概要(續)

2.8 外幣折算(續)

(b) 交易及結餘

外幣折算採用交易日或項目重新計量時的估值日期的現行匯率換算為功能貨幣。結算此等交易產生的匯兌收益和損失，以及以外幣計值的貨幣資產和負債由年終匯率折算產生的匯兌收益和損失，在綜合損益表內確認。

與借款、應付賬款與現金及現金等價物相關的匯兌收益和損失在綜合損益表內的「財務收入，淨額」中呈列。

(c) 集團公司

功能貨幣與列報貨幣不同的所有集團實體(並無擁有惡性通脹經濟體的貨幣的實體)的業績及財務狀況，按以下方式折算為列報貨幣：

- (i) 每份列報的資產負債表內的資產及負債按該資產負債表日的收市匯率折算；
- (ii) 每份損益表內的收入和費用按平均匯率折算(除非此平均值並非交易日期匯率的累計影響的合理約數；在此情況下，收入及費用按交易日期的匯率折算)；及
- (iii) 所有由此而產生的匯兌差額於其他全面收益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.9 Property, plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation is calculated using the straight-line method to allocate their cost less accumulated impairment losses of each asset to their residual values over their estimated useful lives, as follows:

	Useful lives
Buildings	12 to 40 years
Machinery	5 to 15 years
Vehicles	3 to 8 years
Furniture and equipment	3 to 5 years
Others	10 to 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.13).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other gains, net" in the consolidated statement of profit or loss.

2 主要會計政策概要(續)**2.9 物業、廠房及設備**

物業、廠房及設備按歷史成本減累計折舊及減值損失列賬。歷史成本包括收購該等項目直接應佔的開支。

後續成本僅在很可能為本集團帶來與該項目有關的未來經濟利益而該項目成本能可靠計量時，方會計入資產的賬面值或確認為一項單獨資產(如適用)。已置換部分的賬面值終止確認。所有其他維修及維護費用在其產生的財務期間於綜合損益表中支銷。

折舊以直線法計算，將各項資產的成本減累計減值損失按下列估計使用年期分配至其剩餘價值：

	使用壽命
樓宇	12至40年
機器	5至15年
車輛	3至8年
傢俱及設備	3至5年
其他	10至20年

資產的剩餘價值及使用年期於各呈報期末檢討，並在適當情況下作出調整。

倘資產賬面值高於估計可收回金額時，該項資產的賬面值即時撇減至可收回金額(附註2.13)。

處置的收益及損失按所得款項與賬面值的差額釐定，並在綜合損益表內「其他利得，淨額」中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Property, plant and equipment (continued)

Construction-in-progress (“CIP”) represents buildings, plant and machinery under construction or pending installation and is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction and acquisition and capitalised borrowing costs. No provision for depreciation is made on CIP until such time as the relevant assets are completed and ready for intended use. When the assets concerned are available for use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated above.

2.10 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 values using the straight-line method.

Investment property is transferred to owner-occupied property when there is a change in use as evidenced by the commencement of owner occupation. Owner-occupied property is transferred to investment property when there is a change in use as evidenced by end of owner-occupation.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

2 主要會計政策概要(續)

2.9 物業、廠房及設備(續)

在建工程(「在建工程」)指興建中或待裝置的樓宇、廠房及機器，按成本減累計減值損失(如有)入賬。成本包括建造及收購成本以及資本化借貸成本。有關資產落成及可作擬定用途之前，在建工程不作折舊撥備。當有關資產被認定達可投入使用狀態時，成本即轉入物業、廠房及設備並按上述政策折舊。

2.10 投資性房地產

投資性房地產乃持作賺取租金及／或資本增值的物業。

投資性房地產初始按成本(包括任何直接應佔開支)計量。於初始確認後，投資性房地產按成本減其後累計折舊及任何累計減值損失列賬。折舊乃按投資性房地產的估計可使用年期並考慮其估計剩餘價值後以直線法撇銷其成本確認。

當有證據顯示投資性房地產的用途變為開始自用，投資性房地產轉撥至自用房地產。當有證據顯示自用房地產的用途變為自用終止，自用房地產轉撥至投資性房地產。

當投資性房地產被處置，或永久退出使用或預期沒有來自處置的未來經濟利益時，應終止確認投資性房地產。終止確認資產時產生的任何利得或損失(按處置所得款項淨額與資產的賬面值的差額計量)於項目終止確認的期間計入損益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.11 Intangible assets****2.11.1 Goodwill**

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.11.2 Trade name

Trade name acquired in a business combination is recognised at fair value at the acquisition date. Trade name has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trade name over their estimated useful lives of 18.2 years.

2 主要會計政策概要(續)**2.11 無形資產****2.11.1 商譽**

商譽於收購附屬公司時產生，指所轉讓代價超出本集團於被收購方可識別淨資產、負債及或然負債淨公允價值的權益及被收購方非控股權益公允價值。

為進行減值測試，於業務合併中獲得的商譽會分配至各預期受惠於合併的現金產生單位(「現金產生單位」)或現金產生單位組別。獲分配商譽的各單位或單位組別指就內部管理監察實體商譽的最低層面。商譽於經營分部層面監察。

商譽每年進行減值審閱，或當有事件或情況改變顯示有潛在減值跡象時，作出更頻密的審閱。商譽的賬面值與可收回金額作比較，可收回金額為使用價值與公允價值減出售成本的較高者。任何減值即時確認為開支，其後不會撥回。

2.11.2 品牌名稱

於業務合併收購的品牌名稱按於收購日期的公允價值確認。品牌名稱有確定的使用壽命，並按成本減累計攤銷列賬。攤銷按直線法計算，以按品牌名稱的18.2年估計使用壽命分配品牌名稱的成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.11 Intangible assets (continued)****2.11.3 Distribution network**

Distribution network acquired in a business combination is recognised at fair value at the acquisition date. The distribution network has a finite useful life of 8 years and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the distribution network.

2.12 Land use rights

All land in the PRC is state-owned and no individual land ownership right exists. The Group acquired the rights to use certain land and the premiums paid for such rights are recorded as land use rights. Before 1 January 2019, land use rights are stated at cost and amortised over the use terms of 50 years using the straight-line method. From 1 January 2019, land use rights are recognised as right-of-use assets. See Note 2.28 for further details.

2.13 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("CGUs"). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 主要會計政策概要(續)**2.11 無形資產(續)****2.11.3 分銷網絡**

於業務合併收購的分銷網絡按於收購日期的公允價值確認。分銷網絡有確定的8年使用壽命，並按成本減累計攤銷列賬。攤銷按直線法計算，以按分銷網絡估計壽命分配分銷網絡的成本。

2.12 土地使用權

中國所有土地均屬國有，不存在個人土地所有權。本集團購買使用若干土地的權利，而就該等權利支付的出讓金記錄為土地使用權。於二零一九年一月一日前，土地使用權按成本列賬並於50年使用年內按直線法攤銷。自二零一九年一月一日起，土地使用權確認為使用權資產。有關進一步詳情，請參閱附註2.28。

2.13 非金融資產的減值

使用年期不確定的資產不作攤銷，但每年須進行減值測試。須予攤銷的資產在有事件發生或情況改變顯示賬面值可能無法收回時進行減值檢討。減值損失按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允價值扣除銷售成本及使用價值兩者的較高者為準。評估減值時，資產按可分開辨認現金流量的最低層次組合為現金產生單位。除商譽外，已蒙受減值的非金融資產在各報告日期均檢討減值是否可以轉回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 Financial assets***(i) Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income ("OCI"). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2 主要會計政策概要(續)**2.14 金融資產***(i) 分類*

本集團按以下計量類別對金融資產進行分類：

- 後續以公允價值計量(且其變動計入其他全面收益或損益)的金融資產，及
- 以攤余成本計量的金融資產。

該分類取決於主體管理金融資產的業務模式以及該資產的合同現金流量特徵。

對於以公允價值計量的資產，其利得和損失計入損益或其他全面收益(「其他全面收益」)。對於非交易性的權益工具投資，其利得和損失的計量將取決於本集團在初始確認時是否作出不可撤銷的選擇而將其指定為以公允價值計量且其變動計入其他全面收益的權益投資。

僅當管理該等資產的業務模式發生變化時，本集團才對債權投資進行重新分類。

(ii) 確認和終止確認

常規方式購買及出售的金融資產於交易日確認。交易日是指本集團承諾購買或出售資產的日期。當收取金融資產現金流量的權利已到期或已轉讓，且本集團已經轉移了金融資產所有權上幾乎所有的風險和報酬，金融資產即終止確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets (continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing assets and the cash flow characteristics of assets. The Group applies the measurement shown below to classify its debt instruments.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

2 主要會計政策概要(續)

2.14 金融資產(續)

(iii) 計量

對於不被分類為以公允價值計量且其變動計入損益的金融資產，本集團以其公允價值加上可直接歸屬於獲得該項金融資產的交易費用進行初始確認。與以公允價值計量且其變動計入損益的金融資產相關的交易費用計入損益。

對於包含嵌入式衍生工具的金融資產，本集團對整體金融資產考慮其現金流量是否僅代表對本金和利息的支付。

債務工具

債務工具的後續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。本集團按照以下計量方式分類債務工具：

以攤余成本計量：對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤余成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的利得或損失直接計入損益，並與匯兌利得和損失一同列示在其他利得/(損失)中。減值損失作為單獨的科目在損益表中列報。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 Financial assets (continued)****(iii) Measurement (continued)****Debt instruments (continued)**

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

2 主要會計政策概要(續)**2.14 金融資產(續)****(iii) 計量(續)****債務工具(續)**

以公允價值計量且其變動計入其他全面收益：對於業務模式為持有以收取合同現金流量及出售的金融資產，如果該資產的現金流量僅代表對本金和利息的支付，則該資產被分類為以公允價值計量且其變動計入其他全面收益。除減值利得或損失、利息收入以及匯兌利得和損失計入損益外，賬面價值的變動計入其他全面收益。該等金融資產終止確認時，之前計入其他全面收益的累計利得或損失從權益重新分類至損益中，並計入其他利得／(損失)。該等金融資產的利息收入用實際利率法計算，計入財務收入。匯兌利得和損失在其他利得／(損失)中列示，減值費用作為單獨的科目在損益表中列報。

以公允價值計量且其變動計入損益：不符合以攤余成本計量或以公允價值計量且其變動計入其他全面收益標準的資產，被分類為以公允價值計量且其變動計入損益。對於後續以公允價值計量且其變動計入損益的債務投資，其利得或損失計入損益，並於產生期間以淨值在其他利得／(損失)中列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial assets (continued)

(iii) Measurement (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

For the trade receivables arising from sales of water and beer products, the Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance. For the trade receivables arising from loans to third parties and other financial assets at amortised cost, the Group uses three categories which reflect their credit risk and how the loss provision is determined for each of those categories. See Note 3.1 (b) for further details.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2 主要會計政策概要(續)

2.14 金融資產(續)

(iii) 計量(續)

權益工具

本集團以公允價值對所有權益投資進行後續計量。如果本集團管理層選擇將權益投資的公允價值利得和損失計入其他全面收益，則當終止確認該項投資時，不會將公允價值利得和損失重新分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收益而計入損益。

對於以公允價值計量且其變動計入損益的金融資產，其公允價值變動列示於損益表的其他利得／(損失)(如適用)。對於以公允價值計量且其變動計入其他全面收益的權益投資，其減值損失(以及減值損失轉回)不與其他公允價值變動單獨列示。

(iv) 減值

本集團應用國際財務報告準則第9號之簡化方法即均使用存續期內預期損失撥備計量水和啤酒產品銷售產生的應收貿易款的預期信貸損失。對於向第三方貸款產生的應收貿易款及以攤餘成本計量的其他金融資產，本集團使用三個類別反映其信用風險以及如何確定這三個類別的貸款損失準備。有關進一步詳情，請參閱附註3.1(b)。

2.15 存貨

存貨按成本及可變現淨值中的較低者列賬。成本乃使用加權平均法釐定。成品的成本包括原材料、直接勞動力、其他直接費用及相關生產雜項開支(基於正常運營能力)。可變現淨值為日常業務中的估計售價減作出必要銷售的估計費用。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.16 Trade and other receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. See Note 2.14 and 3.1-(b) for further information about Group's accounting for trade receivables and other receivables and for a description of the Group's impairment policies.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.17 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.18 Share capital and shares held for share award scheme

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company's shares are acquired from the market by the Bank of Communications Trust Limited for share option scheme, the total consideration of shares acquired from the market (including directly attributable incremental costs) is presented as shares held for share award scheme.

2 主要會計政策概要(續)**2.16 應收貿易款及其他應收款**

應收貿易款是於日常業務過程中向客戶銷售商品或提供服務而應收的款項。倘應收貿易款及其他應收款預期將在一年或以內收回(如仍在正常經營週期中,則可較長時間),則分類為流動資產。否則,呈列為非流動資產。有關本集團應收貿易款及其他應收款會計處理方法的進一步詳情及本集團減值政策的描述,請參閱附註2.14及3.1-(b)。

應收貿易款及其他應收款以公允價值為初始確認,其後則以實際利率法按攤銷成本扣除減值撥備計算。

2.17 現金及現金等價物

於綜合現金流量表中,現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以內的其他短期高流動性投資。

2.18 股本及為股份獎勵計劃持有的股份

普通股分類為權益。直接歸屬於發行新普通股或期權的新增成本於權益呈列為所得款項減少(經扣減稅項)。

倘交通銀行信託有限公司就購股權計劃自市場購買本公司股份,則自市場購買的股份的總代價(包括直接歸屬新增成本)呈列為就股份獎勵計劃持有的股份。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Trade and notes payables

Trade and notes payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and notes payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and notes payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.20 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2 主要會計政策概要(續)

2.19 應付貿易款及應付票據

應付貿易款及應付票據為在日常經營活動中向供應商購買商品或服務而應支付的債務。如應付貿易款及應付票據的支付日期在一年或以內(如仍在正常經營週期中,則可較長時間),則分類為流動負債。否則,呈列為非流動負債。

應付貿易款及應付票據以公允價值為初始確認,其後則以實際利率法按攤銷成本計量。

2.20 借款

借款初步按公允價值扣除所產生交易成本確認。借款其後按攤銷成本列賬;所得款項(扣除交易成本)及贖回價值的任何差額使用實際利率法於借款期間在損益表中確認。

在很有可能部份或全部提取貸款融資的情況下,設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下,有關費用將遞延至提取貸款融資發生時。在並無證據顯示很有可能部份或全部提取貸款融資的情況下,有關費用撥充資本作為流動資金服務的預付款項,並於其相關融資期間內予以攤銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.20 Borrowings (continued)**

Convertible bond (the "Bonds") issued by the Company that contain both a liability and equity components are classified separately into these respective items on initial recognition. The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the Bonds. The remainder of the proceeds is allocated to the conversion option. The conversion option is classified as equity since the Group has no contractual obligation to deliver cash or another financial asset nor to deliver a variable number of shares to settle the option. It is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2 主要會計政策概要(續)**2.20 借款(續)**

本公司發行的可換股債券(「債券」)包括負債部分和權益部分，其在初始確認時已進行分別劃分。可換股債券負債部分的公允價值乃按等同不可換股債券的市場利率釐定。該金額乃按攤銷成本基準列賬為負債，直至債券轉換或於到期時被註銷為止。所得款項餘下部分分配至轉換權，因本集團無交付現金，或其他金融資產，或可變數量的股東來結算該轉換權的合同義務，故將該轉換權計分為權益。扣除所得稅影響後，於股東權益確認及計入。

當合約中規定的責任解除、取消或屆滿時，借款自資產負債表中剔除。已消除或轉移給另一方的財務負債的賬面值與已支付代價(包括已轉移的任何非現金資產或承擔的負債)之間的差額，在損益確認為其他收益或財務費用。

倘重新協商財務負債的條款而實體發行股本工具予債權人以消除全部或部分負債(債務股權互換)，於損益確認收益或虧損，按財務負債的賬面值與已發行股本工具的公允價值之間的差額計量。

除非本集團有權無條件將債務結算日期遞延至報告期末起計至少十二個月後，否則借款將被分類為流動負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要(續)

2.21 借貸成本

直接歸屬於收購、建設或生產合資格資產(即需要經過相當長時間才能達到擬定用途或銷售狀態的資產)的一般及特定借貸成本,計入該等資產的成本內,直至該等資產基本達到擬定用途或銷售狀態。

特定借款臨時投資賺取的投資收入在其用作合資格資產的支出前應自合資格資本化的借貸成本中扣除。

所有其他借貸成本於其產生期間於損益中確認。

2.22 當期及遞延所得稅

本期間的稅項支出包括當期及遞延稅項。稅項在綜合損益表確認,惟與其他全面收益中或直接在權益中確認的項目有關者則除外。在此情況下,稅項亦分別在其他全面收益或直接在權益中確認。

當期所得稅支出根據本公司及其附屬公司經營業務及產生應課稅收益的國家於結算日已頒佈或實質上已頒佈的稅法計算。管理層就適用稅務法例須作出解釋的情況定期評估報稅表的狀況,並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.22 Current and deferred income tax (continued)**

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要(續)**2.22 當期及遞延所得稅(續)**

遞延所得稅使用負債法按資產和負債的稅基與資產和負債在綜合財務報表的賬面值的暫時性差額確認。然而，若遞延稅項負債來自初步確認商譽，則不予確認，若遞延所得稅來自在交易(不包括業務合併)中資產或負債的初始確認，而在交易時不影響會計處理或應課稅利潤或損失，則不入賬。遞延所得稅採用在結算日已頒布或實質上已頒布，並在有關遞延稅項資產變現或遞延稅項負債結算時預期將適用的稅率(及法例)釐定。

遞延稅項資產僅就可能未來應課稅利潤而就此可使用暫時性差額而確認。

就於附屬公司投資產生的應課稅暫時性差額計提遞延稅項負債，但假若本集團可控制暫時性差額的轉回時間，且暫時性差額在可見將來很可能不會轉回則除外。在一般情況下，本集團無法控制聯營公司暫時性差額的撥回。僅在存在協議賦予本集團能力時，方可控制未確認暫時性差額的撥回。

當有法定可執行權利將當期稅項資產與當期稅項負債抵銷，且遞延稅項資產與負債涉及由同一稅務機關對有意以淨額基準結算所得稅結餘的同一應課稅實體或不同應課稅實體徵收的所得稅時，則遞延稅項資產與負債可互相抵銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Employee benefits

The employee benefit expenses mainly include salary, bonus, allowances and other expenditures incurred in exchange for the employee services. All employee benefit obligations are recognised during the period when the services are provided, and charged to the consolidated statement of profit or loss or included in the cost of the related assets.

(a) Pension obligations - defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceilings. The Group's liability in respect of these funds is limited to the contributions payable in each period.

2 主要會計政策概要(續)

2.23 僱員福利

僱員福利費用主要包括換取僱員服務產生的薪金、花紅、津貼及其他開支。所有僱員福利債務於服務獲提供時確認，並自綜合利潤表扣除或計入相關資產成本。

(a) 退休金債務－界定供款計劃

界定供款計劃是本集團向獨立實體支付固定供款的退休金計劃。倘有關基金並無足夠資產向所有僱員支付即期或過往期間的僱員服務福利，本集團亦無法定或推定責任支付任何進一步供款。

本集團以向由公共或私人機構管理的退休金保險計劃支付強制、合約或自願性供款。本集團在支付供款後即無進一步付款責任。供款於到期時確認為僱員福利開支。倘若有現金退款或未來供款額出現下調，預付供款可確認為資產。

(b) 住房公積金、醫療保險及其他社會保險

本集團的中國僱員有權參與多項政府監管的住房公積金、醫療保險及其他僱員社會保險計劃。本集團每月按僱員薪酬的若干百分比就該等公積金供款(受限於若干供款上限)。本集團有關該等公積金的負債僅限於各期間應付供款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.24 Provisions**

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.25 Revenue recognition**(a) Sales of goods – wholesale**

The Group manufactures and sells a range of water products and beer products in the wholesale market. The Group also sells raw materials and consumables to associates and third parties. Sales are recognised when control of the products has transferred, being when the products are delivered to the customers, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specified location; the risks of obsolescence and loss have been transferred to the customers.

2 主要會計政策概要(續)**2.24 撥備**

在出現以下情況時，就法律索償作出撥備：本集團因已發生的事件而產生現有的法律或推定債務；很可能需要資源流出以結算債務；及金額已可靠估計。不就未來經營損失確認撥備。

如有多項類似債務，其需要在結算中流出資源的可能性，則可根據債務的類別整體考慮後決定。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期須結算有關債務的支出的現值計量，該利率反映當時市場對金錢時間值和有關債務固有風險的評估。隨著時間過去而增加的撥備確認為利息費用。

2.25 收入確認**(a) 商品銷售 – 批發**

本集團製造及於批發市場銷售一系列水產品及啤酒產品。本集團亦向聯營公司及第三方銷售原材料及耗材。當產品的控制權被轉移(即產品交付予客戶)時，客戶對出售產品的渠道及價格有完全決定權，且並無未履行責任從而影響客戶收取這些產品時，銷售方予以確認。在產品運至特定地點且客戶已收取、陳舊過時及損失風險已轉移至客戶時，方為交付。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Revenue recognition (continued)

(b) Sales of goods – water cards

Sales of water products to certain distributors or end customers are made in form of water cards (“Water Cards Sales Arrangement”). Under the Water Cards Sales Arrangement with the distributors, the distributors sell the water cards to the end customers and use the logistics network, which is designed by the Group with the Group’s long-term cooperative logistics suppliers, to deliver water products to the designated locations at the request of the end customers when the water cards are redeemed before the expiry dates; and relevant logistics expenses are charged to the Group. Sales of goods under the Water Cards Sales Arrangement are deferred as the Group has ultimate obligations towards the card holders. Sales of goods under the Water Cards Sales Arrangement are recognised when the water cards are redeemed by the end customers and the water products are delivered, or when the water cards are expired, whichever is earlier.

(c) Interest income

The Group provides lending services to third parties in Hong Kong with relevant license and earns interest as revenue. Related interest income is recognised in a time proportion basis using effective interest method.

(d) Rental income

Rental income from leasing of production lines and a plant is recognised in the statement of profit or loss on a straight-line basis over the term of the lease. See Note 2.28 for further details.

2 主要會計政策概要(續)

2.25 收入確認(續)

(b) 商品銷售－水卡

向部分經銷商或終端客戶的水產品銷售以水卡形式作出(「水卡銷售安排」)。在與經銷商水卡銷售安排下，經銷商向終端客戶銷售水卡，並使用本集團與本集團長期物流合作供應商設計的物流網絡在水卡到期日前，按照兌現水卡的終端客戶要求向其指定地點運送水產品。相關的物流費用由本集團承擔。因本集團對持卡人具有最終義務，該水卡銷售安排下的商品銷售收入予以遞延確認。該水卡銷售安排下的商品銷售收入在終端客戶兌現水卡、水產品已交付或者水卡到期時(以較早為準)予以確認。

(c) 利息收入

本集團於香港擁有向第三方提供借款服務的相關牌照並賺取利息作為收入。有關利息收入採用實際利率法按時間比例基準確認。

(d) 租金收入

生產線及一間廠房出租產生的租金收入於租賃期限內以直線法於損益表中確認。進一步詳情，請參閱附註2.28。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.26 Interest income recorded as finance income**

Interest income arising from group entities that are not in the business of providing lending services to third parties and associates is presented as finance income. Such interest income is arising from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

2 主要會計政策概要(續)**2.26 利息收入入賬列為財務收入**

呈列為財務收入的利息收入並非從事向第三方及聯營公司提供借款服務業務的集團實體產生。有關利息收入乃產生自持作現金管理用途的金融資產。利息收入按將實際利率應用於金融資產(其後出現信貸減值的金融資產除外)賬面值總額的方式計算。就出現信貸減值的金融資產而言，實際利率乃應用於金融資產的賬面值淨額(經扣除減值撥備)。

2.27 政府補助

倘能夠合理保證政府補助可以收取且本集團將會符合所有附帶條件，補助將按其公允價值確認。

與成本有關的政府補助按擬補償的成本配合所需期間於綜合損益表確認。

與物業、廠房及設備有關的政府補助計入非流動負債中遞延收入項下，並於相關資產的預期壽命內按直線法貸記至綜合損益表內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.28 Leases

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

2 主要會計政策概要(續)

2.28 租賃

所有權的重大部分風險及報酬並無轉移至本集團(作為承租人)的租賃分類為經營租賃。經營租賃項下作出的付款(扣除來自出租人的任何激勵措施後)於租賃期限內以直線法於損益支銷。

自二零一九年一月一日起，在本集團預期可使用租賃資產之日，租賃應確認為一項使用權資產和相應負債。租賃產生的資產和負債在現值基礎上進行初始計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款額(包括實質固定付款額)，扣除任何應收的租賃激勵
- 取決於指數或比率的可變租賃付款，初始計量時使用開始日期的指數或比率
- 本集團根據餘值擔保預計應付的金額
- 購買選擇權的行權價，前提是本集團合理確定將行使該選擇權，以及
- 終止租賃的罰款金額，前提是租賃期反映出本集團將行使終止租賃選擇權。

根據合理確定延續選擇權支付的租賃付款亦計入負債計量內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.28 Leases (continued)**

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2 主要會計政策概要(續)**2.28 租賃(續)**

租賃付款按照租賃內含利率折現。如果無法確定該利率(為本集團租賃的一般情況),則應採用承租人的增量借款利率,即個別承租人為在類似經濟環境下獲得與使用權資產具有類似價值的資產,以類似條款、抵押和條件借入資金而必須支付的利率。

租賃付款於本金及財務費用之間做出分配。財務費用在租賃期限內於損益支銷,藉以令各期間的負債餘額的期間利率一致。

使用權資產按照成本計量,其中成本包括以下項目:

- 租賃負債初始計量金額
- 在租賃期限開始日或之前支付的任何租賃付款,扣除收到的任何租賃激勵
- 任何初始直接費用,以及
- 復原成本。

使用權資產一般於資產可使用年期及租賃期限(以較短者為準)以直線法計算折舊。倘本集團合理確定行使購買選擇權,則使用權資產於相關資產的可使用年期內予以折舊。本集團在對物業、廠房及設備內呈列的土地及樓宇重新估值時,已選擇不就本集團所持有的使用權樓宇行使有關權利。

與短期租賃和低價值資產租賃相關的付款按照直線法在損益中確認為開支。短期租賃是指租賃期限為12個月或不足12個月的租賃。低價值資產包括IT設備和小型辦公傢俬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.28 Leases (continued)

As at 1 January 2019 and during the year ended 31 December 2019, the recognised right-of-use assets relate to land use rights.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.29 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.30 Share-based payments

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services as consideration for equity instruments (options) of the Group. For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of the services received in exchange for the grant of the options is charged to the statement of profit or loss when the services are received.

2 主要會計政策概要(續)

2.28 租賃(續)

於二零一九年一月一日及截至二零一九年十二月三十一日止年度，已確認使用權資產與土地使用權有關。

本集團作為出租人的經營租賃的租賃收入按直線法於租賃期限內確認為收入。獲取經營租賃產生的初始直接費用計入相關資產的賬面值，並於租賃期限內以確認租賃收入的相同基準確認為開支。個別租賃資產按其性質計入資產負債表。採納新租賃準則後，本集團無需對作為出租人所持有資產的會計處理作任何調整。

2.29 股息分配

本集團就報告期末或之前已宣派(即適當獲授權且不再受實體支配)，惟於報告期末尚未分派的任何股息金額計提撥備。

2.30 股份基礎給付

以權益結算的股份基礎給付交易

本集團設有一項以權益結算的股份基礎薪酬計劃，據此，實體收取服務作為本集團權益工具(購股權)的代價。對於以權益結算的股份基礎給付交易，本集團直接按所收取貨品或服務的公允價值計量所收取的貨品或服務以及權益的相應增幅，除非該公允價值無法可靠估計。倘本集團無法可靠估計所收取貨品或服務的公允價值，則本集團須參考所授出股本工具的公允價值直接計量其價值及權益的相應增幅。就所收取的服務而授出購股權的公允價值於服務收取時自損益表中扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.30 Share-based payments (continued)***Equity-settled share-based payment transactions (continued)*

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

2.31 Earnings per share*(i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 主要會計政策概要(續)**2.30 股份基礎給付(續)***以權益結算的股份基礎給付交易(續)*

於各報告期末，本集團根據非市場表現及服務條件修訂對預期歸屬的購股權數目所作估計，並在損益表確認原來估計修訂產生的影響(如有)，並對權益作出相應調整。本公司於購股權獲行使時發行新股份。所收款項(扣除任何直接應計交易成本)會撥入股本(及股份溢價)。

2.31 每股盈利*(i) 每股基本盈利*

每股基本盈利乃經以下各項計算：

- 本公司擁有人應佔利潤(扣除普通股以外的任何權益費用)，除以
- 該財政年度已發行普通股加權平均數計算，並根據年內已發行普通股的花紅調整且不計及庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整用於釐定每股基本盈利的數字，以計及：

- 利息的除所得稅後影響及與潛在攤薄普通股有關的其他融資成本，及
- 假設轉換所有潛在攤薄普通股，將會有額外加權平均數的普通股。

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

The functional currency of a majority of the entities within the Group is RMB and most of the transactions are settled in RMB. However, the Group is exposed to foreign exchange risk arising from its cash exchange transactions, which are primarily denominated in HKD.

To mitigate the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. During the year ended 31 December 2019, management did not consider it necessary to enter into any hedging transactions in order to reduce the exposure to foreign exchange risk, because the exposure, after netting off the assets and liabilities subject to foreign exchange risk, is not significant.

As at 31 December 2019, if RMB had weakened/strengthened by 5% against HKD with all other variables held constant, the total net assets of the Group would have been approximately RMB10,857,000 (2018: RMB57,140,000) lower/higher respectively, mainly as a result of foreign exchange translation of the financial statements for the Company and its Hong Kong subsidiary whose functional currency is HKD; the post-tax profit for the year would have been RMB2,801,000 (2018: RMB3,065,000) lower/higher.

3 財務風險管理

本集團經營活動面臨各種財務風險：市場風險(包括貨幣風險、現金流量及公允價值利率風險)、信貸風險及流動性風險。本集團的整體風險管理計劃集中於金融市場的不可預測性，並尋求將對本集團的財務表現潛在不利影響降至最低。

本附註闡述本集團面臨的財務風險及該等風險對本集團未來財務表現的影響。倘與增加額外內容有關，則計入本年度損益資料。

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

本集團的大部分實體的功能貨幣為人民幣，大部分交易以人民幣結算。然而，本集團的現金匯兌交易主要以港元計值，故本集團面對外匯風險。

為減輕匯率波動的影響，本集團持續評估及監控外匯風險。於截至二零一九年十二月三十一日止年度，管理層認為沒有必要訂立任何對沖交易以減輕外匯風險，因為將承受外匯風險的資產及負債相抵後風險不大。

於二零一九年十二月三十一日，假定人民幣兌港元貶值／升值5%，而所有其他可變因素保持不變，本集團淨資產總額將分別減少／增加約人民幣10,857,000元(二零一八年：人民幣57,140,000元)，主要歸因於本公司及其功能貨幣為港元的香港附屬公司的財務報表的外匯折算；年內稅後利潤減少／增加人民幣2,801,000元(二零一八年：人民幣3,065,000元)。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(a) Market risk (continued)****(ii) Cash flow and fair value interest rate risk**

The Group's borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. During 2019 and 2018, the Group's borrowings at variable rates were mainly denominated in RMB. At 31 December 2019, if interest rates on RMB-denominated floating-rate borrowings had been 5% higher/lower with all other variables held constant, post-tax profit for the year would have been RMB916,000 (2018: RMB386,000) lower/higher, mainly as a result of higher/lower interest expense on floating-rate borrowings.

At 31 December 2019, the Group has bank borrowings amounting to RMB276,000,000 (2018: RMB296,000,000) and borrowings from third parties amounting to RMB290,309,000 (2018: nil) at fixed interest rates and these expose the Group to fair value interest rate risk. As at 31 December 2019, the carrying amounts of bank borrowings and borrowings from third parties with fixed interest rates approximated their fair value due to their short tenures and the influence of fair value interest rate risk is marginal.

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, trade receivables and other financial assets at amortised cost. The carrying amounts of cash and cash equivalents, trade receivables and other financial assets at amortised cost, represent the Group's maximum exposure to credit risk in relation to those financial assets.

Substantially all of the Group's cash and cash equivalents are held in major financial institutions located in the PRC including the Hong Kong Special Administrative Region, which management believes are of high credit quality. There was no recent history of default of cash and cash equivalents from such financial institutions/authorities.

3 財務風險管理(續)**3.1 財務風險因素(續)****(a) 市場風險(續)****(ii) 現金流量及公允價值利率風險**

本集團按浮息獲得的借款令本集團面臨現金流利率風險，惟部分被按浮息所持的現金所抵銷。於二零一九年及二零一八年，本集團的浮息借款均以人民幣計值。於二零一九年十二月三十一日，倘人民幣浮息借款的利率上升／下降5%，而其他所有可變因素保持不變，年內的稅後利潤減少／增加人民幣916,000元(二零一八年：人民幣386,000元)，主要是由於浮息借款的利息開支增加／減少。

於二零一九年十二月三十一日，本集團擁有按固定利率計息的銀行借款人民幣276,000,000元(二零一八年：人民幣296,000,000元)及第三方借款人民幣290,309,000元(二零一八年：零)，其令本集團面臨公允價值利率風險。於二零一九年十二月三十一日，按固定利率計息的銀行借款及第三方借款的賬面值與其公允價值相若，乃由於其短期性質及公允價值利率風險的影響甚微。

(b) 信貸風險

信貸風險按照組合方式管理。信貸風險來自現金及現金等價物、應收貿易款及以攤餘成本計量的其他金融資產。現金及現金等價物、應收貿易款及以攤餘成本計量的其他金融資產的賬面值為本集團就這些金融資產面對的信貸風險上限。

本集團幾乎所有的現金及現金等價物存於管理層認為具有高信貸質素的中國(包括香港特別行政區)大型金融機構。這些金融機構／機關的現金及現金等價物近來並無拖欠記錄。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables

The Group has trade receivables arising from sales of water and beer products and trade receivables arising from loans to third parties. For the trade receivables arising from sales of water and beer products, the Group applies the IFRS 9 simplified approach to measure the expected credit losses which uses a lifetime expected loss allowance. And the Group uses two categories which reflect their credit risk, and how the receivables loss provision is determined for each of those categories. For customers suffered financial difficulties, the Group recognised as Category 1, and for the other customers, the Group recognised as Category 2. For the trade receivables arising from loans to third parties, the Group uses three categories which reflect their credit risk and how the loan loss provision is determined for each of those categories.

The summary of the assumptions underpinning the Group's expected credit loss model for loans receivables from third parties is the same as the expected credit loss model used for other receivables, please refer to Note 3.1 (b)-(ii) for more details.

For trade receivables arising from sales of water and beer products, the expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 應收貿易款

本集團擁有水和啤酒產品銷售產生的應收貿易款及向第三方貸款產生的應收貿易款。本集團應用國際財務報告準則第9號之簡化方法即均使用存續期內預期損失撥備計量水和啤酒產品銷售產生的應收貿易款的預期信貸損失。本集團使用兩個類別反映其信用風險以及如何釐定這兩個類別的應收款項損失撥備。本集團將遭遇財務困難的客戶確認為第一類，而將其他客戶確認為第二類。對於向第三方貸款產生的應收貿易款，本集團使用三個類別反映其信用風險以及如何確定這三個類別的貸款損失準備。

支持本集團應收第三方借款的預期信貸損失模型的假設概要與其他應收款所用的預期信貸損失模型相同，更多詳情請參閱附註3.1(b)-(ii)。

就水和啤酒產品銷售產生的應收貿易款而言，預期損失率基於二零一九年十二月三十一日前36個月期間的銷售支付概況以及此期間相應的歷史信貸損失。對歷史損失率進行調整，以反映影響客戶結算應收款項能力的宏觀經濟因素的當前和前瞻性資訊。本集團識別國內生產總值及失業率為最相關因素。因此，本集團根據該等因素的預期變動調整歷史損失率。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

On that basis, the loss allowance for trade receivables due from third parties as at 31 December 2019 and 31 December 2018 was determined as follows:

		Category 2 第二類					Total 總計
		Category 1 第一類	Current 即期	Within	1-2 years	More than	
31 December 2019	二零一九年十二月三十一日			RMB'000 人民幣千元	RMB'000 人民幣千元	1 year past due 逾期一年內	past due 逾期一至兩年
Expected loss rate	預期損失率	100%	0.02%	0.08%	4.91%	72.73%	
Gross carrying amount	賬面值總額	76,446	160,299	74,109	137	1,661	312,652
Loss allowance	損失撥備	76,446	26	63	7	1,207	77,749

		Category 2 第二類					Total 總計
		Category 1 第一類	Current 即期	Within	1-2 years	More than	
31 December 2018	二零一八年十二月三十一日			RMB'000 人民幣千元	RMB'000 人民幣千元	1 year past due 逾期一年內	past due 逾期一至兩年
Expected loss rate	預期損失率	100%	0.01%	0.07%	2.40%	55.55%	
Gross carrying amount	賬面值總額	—	180,205	79,994	7,349	2,849	270,397
Loss allowance	損失撥備	—	18	56	176	1,583	1,833

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 應收貿易款(續)

在此基礎上，於二零一九年十二月三十一日及二零一八年十二月三十一日，應收第三方的應收貿易款的損失撥備釐定如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

For loan receivables due from a third party amounting to RMB24,088,000 (2018: RMB21,321,000), the expected loss rate was 0% (2018: 0%) and the loss allowance was nil (2018: nil) as the loan was secured by a property with value sufficient to cover the loan balance as at 31 December 2019.

During the year, there were major customers of the Group suffered financial difficulties and thus the expected credit loss from the trade receivables increased significantly.

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

		Trade receivables 2019 應收貿易款 二零一九年 RMB'000 人民幣千元
Opening loss allowance at 1 January	於一月一日的年初損失撥備	1,833
Increase in loss allowance recognised in profit or loss during the year	年內於損益確認的損失撥備增加	77,749
Receivables written off during the year as uncollectible	因無法收回而於年內撇銷的應收款項	(1,833)
Closing loss allowance at 31 December	於十二月三十一日的年末損失撥備	77,749

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 應收貿易款(續)

於二零一九年十二月三十一日，由於有關貸款以價值足以支付貸款餘額的一項物業作抵押，應收第三方借款為人民幣24,088,000元(二零一八年：人民幣21,321,000元)，預期損失率為0%(二零一八年：0%)及損失撥備為零(二零一八年：零)。

年內，本集團的主要客戶遭遇財務困難，因此，應收貿易款的預期信貸損失顯著增加。

應收貿易款於十二月三十一日的損失撥備與年初損失撥備對賬如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(b) Credit risk (continued)****(i) Trade receivables (continued)**

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(ii) Other financial assets at amortised cost

As at 31 December 2019, the Group has other financial assets at amortised cost of RMB831,736,000 (2018: RMB641,117,000) which are mainly loans to several independent third parties amounting to RMB612,710,000 (2018: RMB576,421,000) and a loan to an associate amounting to RMB189,800,000 (2018: RMB22,877,000), amounting to RMB602,198,000 was pledged by 40% of Shannan Yalaxiangbu's equity interests and secured by Fudi Packaging's machinery.

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 信貸風險(續)****(i) 應收貿易款(續)**

當應收貿易款合理預期無法收回時會予以撇銷。合理預期無法收回的指標包括(其中包括)債務人未能履行向本集團的還款計劃,且於逾期超過180日的期間未能作出合約付款。

應收貿易款的減值損失於經營溢利內呈列為減值損失淨額。先前撇銷而其後收回金額計入相同項目內。

(ii) 以攤餘成本計量的其他金融資產
於二零一九年十二月三十一日,本集團擁有以攤餘成本計量的其他金融資產為人民幣831,736,000元(二零一八年:人民幣641,117,000元),其主要為借給若干獨立第三方的貸款人民幣612,710,000元(二零一八年:人民幣576,421,000元)及給予一家聯營公司的貸款人民幣189,800,000元(二零一八年:人民幣22,877,000元),金額人民幣602,198,000元乃以山南雅拉香布40%股權質押及福地包裝的機器作抵押。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Other financial assets at amortised cost (continued)

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Other financial assets at amortised cost are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments more than 180 days past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 以攤餘成本計量的其他金融資產(續)

本集團在對資產進行初始確認時考慮違約可能性，並於各報告期間持續評估信貸風險是否顯著增加。在評估信貸風險是否顯著增加時，本集團將報告日期資產出現違約的風險與初始確認日期出現違約的風險進行比較。其考慮獲得的合理及支持性前瞻性資料，尤其考量下列各項指標：

- 導致借款人履行責任的能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動
- 借款人經營業績的實際或預期重大變動
- 借款人預期表現及行為的重大變動，包括借款人於本集團的付款狀況的變動及借款人的經營業績變動。

當以攤餘成本計量的其他金融資產合理預期無法收回，如債務人未能履行與本集團的還款計劃，則予以撇銷。當債務人未能於逾期超過180日作出合約付款，本集團將貸款或應收款項分類為撇銷。當貸款或應收款項被撇銷，本集團繼續進行強制執行活動，以嘗試收回逾期應收款項。當收回應收款項時，其於損益內確認。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(b) Credit risk (continued)****(ii) Other financial assets at amortised cost (continued)**

The Group uses three categories for those receivables which reflect their credit risk and how the loss provision is determined for each of those categories. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category 類別	Company definition of category 類別的本公司界定	Basis for recognition of expected credit loss provision 確認預期信貸損失撥備的基準
Performing 正常	Receivables whose credit risk is in line with original expectations 信貸風險與原預期一致的應收款項	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1). 12個月預期損失。對於預期存續期在12個月內的資產，預期損失按其預期存續期(第1階段)計量。
Underperforming 關注	Receivables for which a significant increase has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due 與原預期相比信貸風險顯著增加的應收款項；倘利息及／或本金還款逾期30日，則推定信貸風險顯著增加	Lifetime expected losses (stage 2). 存續期預期損失(第2階段)。
Non-performing (credit impaired) 不良(信貸減值)	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy 利息及／或本金還款逾期90日或客戶有可能進入破產程序	Lifetime expected losses (stage 3). 存續期預期損失(第3階段)。
Write-off 撇銷	Interest and/or principal repayments are 180 days past due and there is no reasonable expectation of recovery. 利息及／或本金還款逾期180日，且合理預期無法收回。	Asset is written off 撇銷資產

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 信貸風險(續)****(ii) 以攤餘成本計量的其他金融資產(續)**

本集團就該等應收款項使用三個類別反映其信用風險以及如何確定這三個類別的損失準備。支持本集團預期信貸損失模型的假設概述如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Other financial assets at amortised cost (continued)

Over the term of the other financial assets at amortised cost, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers. No significant changes to estimation techniques or assumptions were made during the reporting period.

As at 31 December 2019, all the other financial assets at amortised cost were within their contractual credit period. The loss allowance for other financial assets at amortised cost as at 31 December 2019 was determined as follows:

31 December 2019	二零一九年十二月三十一日	Performing 正常 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Expected loss rate	預期損失率	0.26%	
Gross carrying amount	賬面值總額	833,904	833,904
Loss allowance	損失撥備	2,168	2,168

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 以攤餘成本計量的其他金融資產(續)

在以攤餘成本計量的其他金融資產的期限內，本集團透過及時就預期信貸損失作出適當撥備將其信貸風險入賬。在計算預期信貸損失率時，本集團會考慮各類別客戶的歷史損失率。於報告期間的估值技術或作出的假設並無重大變動。

於二零一九年十二月三十一日，所有以攤餘成本計量的其他金融資產均處於其合約信貸期內。於二零一九年十二月三十一日，以攤餘成本計量的其他金融資產的損失撥備釐定如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(b) Credit risk (continued)****(ii) Other financial assets at amortised cost (continued)**

Other financial assets at amortised cost with a contractual amount of RMB3,247,000 written off during the period are still subject to enforcement activity. The gross carrying amount of other financial assets at amortised cost, and thus the maximum exposure to loss, is as follows:

		31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Performing	正常	833,904
Written off	撇銷	3,247
Total gross other financial assets at amortised cost	以攤餘成本計量的其他金融資產總額	837,151
Less: Loss allowance	減：損失撥備	(2,168)
Less: Write-off	減：撇銷	(3,247)
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產	831,736

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 信貸風險(續)****(ii) 以攤餘成本計量的其他金融資產(續)**

期內撇銷的以攤餘成本計量的其他金融資產的合約金額人民幣3,247,000元仍受強制執行行動所規限。以攤餘成本計量的其他金融資產的賬面值總額及有關損失的最大風險承擔如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Net impairment losses on financial assets recognised in profit or loss

During the year, the following losses were recognised in profit or loss in relation to impaired financial assets:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Impairment losses	減值損失		
movement in loss allowance			
for trade receivables	應收貿易款損失撥備變動	77,749	1,795
Impairment losses on other financial assets	其他金融資產減值損失	5,415	—
Net impairment losses on financial assets	金融資產減值損失淨額	83,164	1,795

There was no other financial asset carrying a significant exposure to credit risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 於損益確認的金融資產減值損失淨額

年內，於損益內確認有關已減值金融資產的以下損失：

其他金融資產並無面臨重大信貸風險承擔。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(c) Liquidity risk**

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's treasury function allows flexibility in funding by maintaining adequate cash and cash equivalents.

Management monitors rolling forecasts of the Group's liquidity position based on the expected cash flows.

(i) Financing arrangements

The Group has the following undrawn bank borrowing facilities:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Fixed rate:	固定利率：		
– expiring within one year	– 於一年內屆滿	40,000	—

3 財務風險管理(續)**3.1 財務風險因素(續)****(c) 流動性風險**

審慎的流動性風險管理包括維持充足的現金及能有足夠的備用信貸融資以維持可供動用資金，及於市場平倉的能力。由於本集團相關業務的動態性，本集團的庫務功能通過維持充足的現金及現金等價物以提供資金的靈活性。

管理層根據預期現金流量監控本集團流動資金狀況的滾動預測。

(i) 融資安排

本集團擁有以下尚未提取的銀行借款額度：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities in relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 一年以內 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-3 years 兩至三年 RMB'000 人民幣千元	More than 3 years 三年以上 RMB'000 人民幣千元
Group	本集團				
At 31 December 2019	於二零一九年 十二月三十一日				
Bank borrowings	銀行借款	551,740	190,920	—	—
Trade and notes payables (Note 27)	應付貿易款及應付票據 (附註27)	323,881	—	—	—
Other financial liabilities	其他金融負債	392,443	—	—	16,000
At 31 December 2018	於二零一八年 十二月三十一日				
Bank borrowings	銀行借款	473,300	108,810	158,820	—
Convertible bond	可換股債券	473,345	—	—	—
Trade and notes payables (Note 27)	應付貿易款及應付票據 (附註27)	78,721	—	—	—
Other financial liabilities	其他金融負債	111,198	—	—	—

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險(續)

(ii) 金融負債到期日

下表分析按結算日至合約到期日剩餘期間劃分成相關到期日組別的本集團的金融負債。表中所披露的數額均為合約約定的未折現金流量。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(c) Liquidity risk (continued)****(ii) Maturities of financial liabilities (continued)**

The Group provided a financial guarantee amounting to RMB200,000,000 to an associate company for obtaining bank borrowings as at 31 December 2019 (31 December 2018: nil). Given the financial position and earning ability of the associate company, management believe that the risk of default for the associate company for the loan repayment is very low and thus management believes that there is no material liquidity risk arising from the financial guarantee provided by the Group.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital is mainly from equity funding and borrowings for the year ended 31 December 2019.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as borrowings divided by total capital. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus borrowings.

3 財務風險管理(續)**3.1 財務風險因素(續)****(c) 流動性風險(續)****(ii) 金融負債到期日(續)**

本集團於二零一九年十二月三十一日就一間聯營公司取得銀行借款提供財務擔保人民幣200,000,000元(二零一八年十二月三十一日：零)。鑒於聯營公司的財務狀況及盈利能力，管理層認為聯營公司償還借款的違約風險極小，因此，管理層認為，本集團提供的財務擔保並無產生重大流動性風險。

3.2 資本風險管理

本集團管理資本的目標為保障本集團持續經營的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持最佳資本架構以減低資金成本。

為維持或調整資本架構，本集團可調整將支付予股東的股息、向股東退還資本、發行新股或出售資產以減債。

截至二零一九年十二月三十一日止年度，本集團的資本主要來自股本資金及借款。

與業內其他公司一致，本集團以資產負債比率基準監控資本。該項比率按借款除以資本總額計算。資本總額按綜合資產負債表所示「權益」加借款計算。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management (continued)

The gearing ratios as at 31 December 2019 and 2018 are as follows:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank borrowings (Note 29)	銀行借款(附註29)	716,000	701,000
Borrowings from third parties (Note 28)	第三方借款(附註28)	290,309	—
Convertible bond-liability component (Note 30)	可換股債券－負債部份(附註30)	—	457,673
Total equity	權益總額	2,702,039	3,459,336
Total capital	資本總額	3,708,348	4,618,009
Gearing ratio	資產負債比率	27.14%	25.09%

3.3 Fair value estimation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

3 財務風險管理(續)

3.2 資本風險管理(續)

於二零一九年及二零一八年十二月三十一日的資產負債比率如下：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank borrowings (Note 29)	銀行借款(附註29)	716,000	701,000
Borrowings from third parties (Note 28)	第三方借款(附註28)	290,309	—
Convertible bond-liability component (Note 30)	可換股債券－負債部份(附註30)	—	457,673
Total equity	權益總額	2,702,039	3,459,336
Total capital	資本總額	3,708,348	4,618,009
Gearing ratio	資產負債比率	27.14%	25.09%

3.3 公允價值估計

本節闡述釐定按公允價值於財務報表內確認及計量的金融工具的公允價值時所作的判斷及估計。

(a) 公允價值層級

為得出釐定公允價值所用輸入數據的可信程度指標，本集團根據會計準則規定將其金融工具分為三層。各層級之闡釋列表如下。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

(a) Fair value hierarchy (continued)

The following table presents the Group's financial assets measured and recognised at fair value at 31 December 2019 and 2018 on a recurring basis:

Recurring fair value measurements	經常性公允價值計量	Note 附註	Level 3 第3層 RMB'000 人民幣千元
At 31 December 2019	於二零一九年十二月三十一日		
Financial Assets	金融資產		
FVPL	以公允價值計量且其變動計入 損益的金融資產		
– Investments in structured financial products	– 投資於結構性理財產品	18	180,630
– Investment in GT Express (Beijing) Information Technology Co., Ltd. (“GT Express”)	– 投資於貫通雲網(北京)信息技術有限公司(「貫通雲網」)	18	11,517
– Investment in Shanghai MKT	– 投資於上海麥鎧特	18	5,000
			197,147
FVOCI	以公允價值計量且其變動計入 其他全面收益的金融資產		
– Investment in China Railway Express Co., Ltd. (“CRE”)	– 投資於中鐵快運股份有限公司(「中鐵快運」)	19	58,000
– Investments in Shannan Yalaxiangbu	– 投資於山南雅拉香布	19	173,881
			231,881
Total financial assets	總金融資產		429,028

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) 公允價值層級(續)

下表呈列本集團於二零一九年及二零一八年十二月三十一日按經常基準以公允價值計量及確認的金融資產：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

(a) Fair value hierarchy (continued)

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) 公允價值層級(續)

		Note	Level 3 第3層 RMB'000 人民幣千元
Recurring fair value measurements	經常性公允價值計量	附註	
At 31 December 2018	於二零一八年十二月三十一日		
Financial Assets	金融資產		
FVPL	以公允價值計量且其變動計入 損益的金融資產		
– Investments in structured financial products	– 投資於結構性理財產品	18	174,959
– Investment in GT Express	– 投資於貫通雲網	18	11,517
– Embedded derivative asset	– 嵌入式衍生資產	18	4,319
			190,795
FVOCI	以公允價值計量且其變動計入 其他全面收益的金融資產		
– Investment in CRE	– 投資於中鐵快運	19	58,000
– Investments in Shannan Yalaxiangbu	– 投資於山南雅拉香布	19	173,881
			231,881
Total financial assets	總金融資產		422,676

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.3 Fair value estimation (continued)****(a) Fair value hierarchy (continued)**

The table above analyses the Group's financial instruments carried at fair value as at 31 December 2019 and 2018 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

3 財務風險管理(續)**3.3 公允價值估計(續)****(a) 公允價值層級(續)**

上表按計量公允價值之估值技術所用輸入數據的層級，分析本集團於二零一九年及二零一八年十二月三十一日按公允價值列賬之金融工具。有關輸入數據乃按下文所述而分類歸入公允價值架構內的三個層級：

第1層：於活躍市場買賣的金融工具（如公開買賣之衍生工具及權益證券）的公允價值按報告期末所報市價釐定。本集團所持金融資產所用之市場報價為當時買入價。該等工具會列入第1層。

第2層：並非於活躍市場買賣的金融工具（例如場外衍生工具）的公允價值乃採用儘量利用可觀察市場數據及儘量少依賴實體的特定估計的估值技術釐定。倘計算一項工具的公允價值所需的所有重大輸入數據為可觀察數據，則該工具列入第2層。

第3層：倘一項或多項重大輸入數據並非根據可觀察市場數據而定，則該工具列入第3層。非上市權益證券即屬此情況。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

(b) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the year ended 31 December 2019 and 2018:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Opening balance	年初結餘	422,676	241,181
Additions	添置	525,000	858,200
Disposals	出售	(525,157)	(703,475)
Expiration of embedded derivative asset	嵌入式衍生資產到期	(4,319)	—
Net gains recognised upon disposal (Note 18 & 31)	出售時確認的收益淨額 (附註 18 及 31)	10,198	17,591
Fair value changes recorded in other gains (Note 18 & 31)	計入其他利得的公允價值變動 (附註 18 及 31)	630	9,179
Closing balance	年末結餘	429,028	422,676

(c) Group's valuation processes

The Group's finance department performs the valuation of the financial assets during the financial reporting process, including level 3 fair value. Management engages external valuation experts to facilitate the fair value evaluation as and when necessary. During the valuation, management considers the business performance of the investee in comparison with competitors in the same industry, as well as the external valuation report if any. Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk ratings determined by the Group's internal credit risk management group. Discussion of valuation process and results are held between chief financial officer and the finance team member that is responsible for the valuation.

3 財務風險管理(續)

3.3 公允價值估計(續)

(b) 使用重大非可觀察輸入數據之公允價值計量(第3層)

下表呈列截至二零一九及二零一八年十二月三十一日止年度第3層工具的變動：

(c) 本集團之估值程序

本集團財務部門就財務申報程序對金融資產進行估值(包括第3層公允價值)。管理層於有需要時會聘請外部估值專家進行公允價值評估。管理層於估值中考慮到與同行業競爭對手比較之被投資方業務表現以及外部估值報告(如有)。交易對手的特定風險調整(包括有關信用違約率的假設)乃由本集團內部信用風險管理小組釐定的信用風險等級得出。首席財務總監與負責估值的財務團隊成員會對估值程序及結果進行討論。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Depreciation and amortisation

The Group's management determines the residual value, useful lives and related depreciation charges for its property, plant and equipment and investment properties. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment as well as investment properties of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where residual value or useful lives are less than previous estimates, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The current estimated useful lives are stated in Note 2.9 and Note 2.10.

4 關鍵會計估計及判斷

編製財務報表須使用會計估計，該等會計估計正如其定義很少會與有關實際結果相符。管理層亦須於應用本集團的會計政策時作出判斷。

估計及判斷會持續進行評估，並根據過往經驗及其他因素（包括在有關情況下對未來事件的合理預期）。

本集團對未來作出若干估計及假設。所得的會計估計如其定義，極少與相關的實際結果相同。有很大機會引致下一個財政年度內對資產及負債賬面值作出重大調整風險的估計及假設討論如下。

(a) 折舊及攤銷

本集團管理層釐定其物業、廠房及設備以及投資性房地產的剩餘價值、使用年期及相關折舊費用。所作估計以類似性質及功能的物業、廠房及設備以及投資性房地產的實際剩餘價值及使用年期的過往經驗為準。由於技術革新及競爭者就嚴峻的行業週期採取的行動，該估計可能會大幅變動。當剩餘價值或使用年期少於先前估計，管理層將提高折舊費用，或撇銷或撇減技術上過時或已棄用或出售的非戰略性資產。目前預計可使用年期載於附註2.9及附註2.10。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Where the expectation is different from the original estimate, such differences will impact on the recognition of deferred tax assets and taxation in the periods in which such estimates are changed.

Dividends derived from the Company's subsidiaries in the PRC earned after 1 January 2008 are subject to withholding tax at the rate of 5%-10%. The Group reassessed its needs to make distributions out of its subsidiaries in the PRC. As a result, withholding income tax has been provided for the undistributed profits to the extent they are expected to be distributed in future.

Deferred tax assets relating to certain temporary differences are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4 關鍵會計估計及判斷(續)

(b) 所得稅

本集團須於多個司法權區繳納所得稅。在釐定所得稅撥備時須作出重大判斷。有多項交易及計算的最終稅款尚未釐定。本集團根據估計會否有額外應付稅項來確認預期稅項審核事項的負債。當這些事項的最終稅務結果有別於初始記入的金額時，差額將影響作出決定期間的當期及遞延稅項資產及負債。

當預期與原來估計不同時，差額將影響對這些估計出現變動期間的遞延稅項資產及稅項的確認。

於二零零八年一月一日後，自本公司中國附屬公司取得的股息須按5%-10%繳納所得稅。本集團重新評估了其自中國附屬公司作出分派的需求。因此，倘預期待日後將分派有關溢利，則就未分派溢利作出預扣所得稅撥備。

管理層認為未來可能存在可用於抵銷若干暫時性差額應課稅利潤時，會確認與若干暫時性差額相關的遞延稅項資產。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review

(i) Goodwill arising from acquisition of a subsidiary – Tiandi Green (Note 10)

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.11.1. The recoverable amounts of CGU have been determined based on value-in-use calculations. These calculations require the use of estimates.

The table below summarised the key assumptions used in the goodwill impairment review and the impacts on the value-in-use calculations upon unfavourable movements of the key assumptions:

Items	Assumptions used	Movement of key assumptions	Decrease in value-in-use/ impairment loss (RMB'000) 使用價值減少/ 減值損失 (人民幣千元)
項目	所用假設	主要假設變動	
Compound annual revenue growth rate 複合年收入增長率	-4.8%~11.7%	Decrease by 1% 下降1%	41,206/10,635
Long-term growth rate 長期增長率	2.5%	Decrease to 1.5% 下降至1.5%	47,529/16,958
Gross margin 毛利率	46.6%~46.7%	Decrease by 5% 下降5%	139,749/109,178
Pre-tax discount rate 稅前貼現率	15.5%	Increase to 16.5% 增加至16.5%	65,561/34,990

Based on management's analysis, negative movements of the above key assumptions are unlikely to happen given prudent assumptions had been used in the goodwill impairment analysis. As such, no impairment loss had been recognised for the goodwill arising from acquisition of Tiandi Green for the year ended 31 December 2019.

4 關鍵會計估計及判斷(續)

(c) 減值審閱

(i) 收購附屬公司—天地綠色產生的商譽(附註10)

本集團根據附註2.11.1所載會計政策每年測試商譽是否出現任何減值。現金產生單位的可收回金額按照使用價值計算方法釐定。有關計算須運用估計。

下表概述商譽減值審閱所用的主要假設及主要假設出現不利變動時對使用價值計算的影響：

基於管理層的分析，鑒於商譽減值分析已運用審慎假設，上述主要假設不太可能發生負向變動。因此，截至二零一九年十二月三十一日止年度，概無就收購天地綠色產生的商譽確認減值損失。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS
(CONTINUED)

(c) Impairment review (continued)

(ii) Investment in an associate – Highland Natural Water

The Group performs impairment analysis for investment in Highland Natural Water when there is any indicator for impairment noted in accordance with the accounting policy stated in Note 2.6 and Note 2.13. The recoverable amounts of CGU have been determined based on value-in-use calculations, which was higher than fair value less costs of disposal. These calculations require the use of estimates.

The table below summarised the key assumptions used in the impairment review for investment in Highland Natural Water and the impacts on the value-in-use calculations upon unfavourable changes of the key assumptions:

4 關鍵會計估計及判斷(續)

(c) 減值審閱(續)

(ii) 於聯營公司－高原天然水的投資

根據附註2.6及附註2.13所載會計政策，當本集團發現減值跡象時，會對高原天然水的投資進行減值分析。現金產生單位的可收回金額按照使用價值計算方法釐定，該金額高於公允價值減處置成本。有關計算須運用估計。

下表概述就於高原天然水的投資進行減值審閱所用的主要假設及主要假設出現不利變動時對使用價值計算的影響：

Items	Assumptions used	Movement of key assumptions	Decrease in value-in-use/ additional impairment loss (RMB'000) 使用價值減少/ 額外減值損失 (人民幣千元)
項目	所用假設	主要假設變動	
Compound annual revenue growth rate 複合年收入增長率	8.0%~9.1%	Decrease by 1% 下降1%	105,780
Long-term growth rate 長期增長率	2.5%	Decrease to 1.5% 下降至1.5%	26,622
Gross margin 毛利率	55.7%~55.8%	Decrease by 5% 下降5%	155,550
Pre-tax discount rate 稅前貼現率	12.4%	Increase to 13.4% 增加至13.4%	53,956

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)(c) Impairment review *(continued)*(ii) *Investment in an associate – Highland Natural Water (continued)*

As at 31 December 2019, management recorded impairment loss of RMB873,151,000 in relation to the investment in Highland Natural Water based on the impairment assessment performed (Note 12). Based on management's analysis, negative movement of the above key assumptions are unlikely to happen given prudent assumptions had been used in the impairment analysis for investment in Highland Natural Water. As such, no further impairment loss had been recognised for the investment for the year ended 31 December 2019.

(iii) *Trade receivables and other financial assets at amortised cost*

The loss allowances for trade receivables and other financial assets at amortised cost are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in Note 3.1 (b).

4 關鍵會計估計及判斷(續)

(c) 減值審閱(續)

(ii) 於聯營公司－高原天然水的投資(續)

於二零一九年十二月三十一日，管理層基於其所進行的減值評估，錄得有關於高原天然水的投資的減值損失人民幣873,151,000元(附註12)。根據管理層分析，鑒於對高原天然水的投資的減值分析採用審慎假設，上述主要假設不太可能發生負向變動。因此，截至二零一九年十二月三十一日止年度並未就投資確認進一步減值損失。

(iii) 應收貿易款及以攤餘成本計量的其他金融資產

應收貿易款及以攤餘成本計量的其他金融資產的損失撥備乃基於違約風險假設及預期損失率。根據本集團的過往歷史、現有市況及於各報告期末的前瞻性估計，本集團於作出該等假設及選擇減值計算的輸入數據時使用判斷。主要假設及輸入數據詳情披露於附註3.1(b)之表格。

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company that are used to make strategic decisions.

(a) Description of segments and principal activities

(i) *Water segment*

The principal activities of the Group are manufacturing and selling a range of water products through wholesales in the PRC, selling raw materials and consumables to associates and third parties, leasing production lines and a plant to associates and providing lending services to third parties in Hong Kong with relevant license.

(ii) *Beer segment*

The Group manufactures and sells a range of beer products mainly in the PRC through wholesales.

The executive directors of the Company assess the performance of the operating segments based on review of their revenue, cost of sales and gross profit.

(b) Segment information disclosures

Sales between segments are based on the agreed terms between both segments. The revenue from external parties reported to the executive directors of the Company is measured in a manner consistent with that in the statement of profit or loss.

The amounts provided to the executive directors of the Company with respect of total assets and total liabilities are measured in a manner consistent with that of the financial statements.

5 分部資料

管理層根據本公司執行董事用於作出戰略決策而審閱的報告釐定了經營分部。

(a) 分部描述及主要業務

(i) 水分部

本集團的主要業務為於中國製造及銷售水產品(透過批發)、向聯營公司及第三方銷售原材料及耗材、向聯營公司出租生產線及一間廠房以及憑藉相關牌照向香港第三方提供借款服務。

(ii) 啤酒分部

本集團主要於中國製造及銷售啤酒產品(透過批發)。

本公司執行董事基於其對收入、銷售成本及毛利的審閱對經營分部的表現進行評估。

(b) 分部資料披露

分部間銷售乃基於兩個分部協定的條款進行。呈報予本公司執行董事的有關外部客戶的收入按與於損益表呈列者一致的方式計量。

本公司執行董事獲提供的有關總資產及總負債的金額按與於財務報表呈列者一致的方式計量。

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the executive directors of the Company for the reportable segments for the year ended 31 December 2019 is as follows:

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Inter- segment elimination 分部間撇銷 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total segment revenue	分部收入總額	410,953	311,855	(1,353)	721,455
Cost of sales	銷售成本	(151,064)	(167,429)	1,353	(317,140)
Gross profit for the year	年度毛利	259,889	144,426	—	404,315
Impairment losses on investments accounted for using the equity method	使用權益法入賬的投資減值損失	(873,151)	—	—	(873,151)
Share of profit from associates	應佔聯營公司利潤	14,319	—	—	14,319
Net impairment losses on financial assets	金融資產減值損失淨額	(78,718)	(4,446)	—	(83,164)
Adjusted EBITDA*	經調整的息稅折舊及攤銷前利潤*	(813,661)	168,873	—	(644,788)
Finance income	財務收入	36,493	27,326	—	63,819
Finance costs	財務費用	(45,162)	(9,096)	—	(54,258)
Depreciation and amortisation	折舊及攤銷	(27,400)	(53,976)	—	(81,376)
(Loss)/Profit before tax	除所得稅前(虧損)/利潤	(849,730)	133,127	—	(716,603)
Income tax expenses	所得稅費用	(6,943)	(21,572)	—	(28,515)
(Loss)/Profit for the year	年度(虧損)/利潤	(856,673)	111,555	—	(745,118)

* Earnings before interest, taxes, depreciation and amortisation

5 分部資料(續)

(b) 分部資料披露(續)

截至二零一九年十二月三十一日止年度，本公司執行董事獲提供的有關可呈報分部的分部資料如下：

* 利息、稅收、折舊和攤銷前的收益

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

5 分部資料(續)

(b) 分部資料披露(續)

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment total assets	分部總資產	2,650,909	2,375,042	5,025,951
Investments accounted for using the equity method	使用權益法入賬的投資	698,283	—	698,283
Unallocated	未分配			
FVPL	以公允價值計量且其變動 計入損益的金融資產			197,147
FVOCI	以公允價值計量且其變動計入 其他全面收益的金融資產			231,881
Deferred tax assets	遞延稅項資產			9,511
Corporate assets	企業資產			26,359
Inter-segment elimination	分部間撤銷			(1,228,443)
Total assets	總資產			4,262,406
Segment total liabilities	分部總負債	1,525,605	526,668	2,052,273
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			9,695
Corporate liabilities	企業負債			315,241
Inter-segment elimination	分部間撤銷			(816,842)
Total liabilities	總負債			1,560,367

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the executive directors of the Company for the reportable segments for the year ended 31 December 2018 is as follows:

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Inter- segment elimination 分部間撇銷 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total segment revenue	分部收入總額	539,501	348,518	(7,362)	880,657
Cost of sales	銷售成本	(226,361)	(181,529)	7,362	(400,528)
Gross profit for the year	年度毛利	313,140	166,989	—	480,129
Share of profit from associates	應佔聯營公司利潤	20,436	—	—	20,436
Net impairment losses on financial assets	金融資產減值損失淨額	—	(1,795)	—	(1,795)
Adjusted EBITDA	經調整的息稅折舊 及攤銷前利潤	252,197	189,599	—	441,796
Finance income	財務收入	12,071	19,784	—	31,855
Finance costs	財務費用	(35,154)	(6,951)	—	(42,105)
Depreciation and amortisation	折舊及攤銷	(25,694)	(53,618)	—	(79,312)
Profit before tax	除所得稅前利潤	203,420	148,814	—	352,234
Income tax expenses	所得稅費用	(22,973)	(11,729)	—	(34,702)
Profit for the year	年度利潤	180,447	137,085	—	317,532

5 分部資料(續)

(b) 分部資料披露(續)

截至二零一八年十二月三十一日止年度，本公司執行董事獲提供的有關可呈報分部的分部資料如下：

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

5 分部資料(續)

(b) 分部資料披露(續)

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment total assets	分部總資產	3,389,461	2,308,455	5,697,916
Investments accounted for using the equity method	使用權益法入賬的投資	1,574,938	—	1,574,938
Unallocated	未分配			
FVPL	以公允價值計量且其變動 計入損益的金融資產			190,795
FVOCI	以公允價值計量且其變動計入 其他全面收益的金融資產			231,881
Deferred tax assets	遞延稅項資產			2,838
Corporate assets	企業資產			30,614
Inter-segment elimination	分部間撇銷			(1,241,853)
Total assets	總資產			4,912,191
Segment total liabilities	分部總負債	1,458,808	218,992	1,677,800
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			15,255
Corporate liabilities	企業負債			465,355
Inter-segment elimination	分部間撇銷			(705,555)
Total liabilities	總負債			1,452,855

5 SEGMENT INFORMATION (CONTINUED)**(b) Segment information disclosures (continued)***Entity-Wide information*

Breakdown of total revenue by category is shown in Note 6.

Revenue from external customers of the Group were derived in the PRC for the years ended 31 December 2019 and 2018.

Non-current assets other than financial instruments and deferred tax assets are all located in the PRC as at 31 December 2019 and 2018.

During the year 2019, sales of approximately RMB59,124,000 (2018: RMB104,516,000) are derived from associates in the water segment, shown in Note 40 (a). Sales of approximately RMB59,531,000 (2018: RMB89,757,000) are derived from one single external customer in the water segment.

5 分部資料(續)**(b) 分部資料披露(續)***實體範圍資料*

按類別劃分的總收入明細載於附註6。

截至二零一九年及二零一八年十二月三十一日止年度，本集團外部客戶的收入來自中國。

於二零一九年及二零一八年十二月三十一日，非流動資產(金融工具及遞延稅項資產除外)均位於中國。

於二零一九年，水分部銷售約人民幣59,124,000元(二零一八年：人民幣104,516,000元)來自於聯營公司(如附註40(a)所示)。水分部銷售約人民幣59,531,000元(二零一八年：人民幣89,757,000元)來自於一名單一外部客戶。

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from external customers are mainly derived from the sales of water products and beer products and interest income from lending services provided. The Group also sells raw materials and consumables to associates and third parties and leases production lines and a plant to associates. Breakdown of the revenue is as follows:

6 客戶合同收入

外部客戶的收入主要來自於銷售水產品及啤酒產品和提供借款服務產生的利息收入。本集團亦銷售予聯營公司及第三方原材料及耗材以及出租予聯營公司生產線及一間廠房。收入明細如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of water products	水產品銷售	353,185	429,633
Sales of beer products	啤酒產品銷售	310,502	341,156
Sales of raw materials and consumables	原材料及耗材銷售	49,293	103,201
Rental income (Note 40)	租金收入(附註40)	6,220	2,063
Interest income from lending services provided	提供借款服務產生的利息收入	2,255	4,604
		721,455	880,657

Revenue from external customers of the Group were derived in the PRC for the years ended 31 December 2019 and 2018.

截至二零一九年及二零一八年十二月三十一日止年度，本集團外部客戶的收入來自中國。

7 LAND USE RIGHTS

7 土地使用權

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At beginning of year	年初	29,245	29,969
Amortisation charge (Note 32 & 38)	攤銷費用(附註32及38)	(724)	(724)
At end of year	年末	28,521	29,245

All of the Group's land use rights are located in the PRC and each has a lease period of 50 years.

As at 31 December 2019, land use rights with net book value of RMB28,447,000 were secured for bank borrowings with carrying amounts of RMB66,000,000 and RMB100,000,000 (Note 29) (As at 31 December 2018, land use rights with net book value of RMB992,000 were secured for bank borrowings with carrying amounts of RMB66,000,000).

As at 1 January 2019, land use rights are recognised as right-of-use assets. See Note 2.28 for further details.

本集團所有土地使用權均位於中國，租賃期限均為50年。

於二零一九年十二月三十一日，賬面淨值為人民幣28,447,000元的土地使用權已被抵押予賬面值為人民幣66,000,000元及人民幣100,000,000元的銀行借款(附註29)(於二零一八年十二月三十一日，賬面淨值為人民幣992,000元的土地使用權已被抵押予賬面值為人民幣66,000,000元的銀行借款)。

於二零一九年一月一日，土地使用權確認為使用權資產。進一步詳情請參閱附註2.28。

8 PROPERTY, PLANT AND EQUIPMENT

8 物業、廠房及設備

		Construction					Total 總計
		Buildings 樓宇	Machinery 機器	Vehicles 車輛	Others 其他	in progress 在建工程	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日						
Cost	成本	190,303	727,197	3,555	24,237	74,728	1,020,020
Accumulated depreciation	累計折舊	(48,154)	(344,336)	(2,328)	(16,168)	—	(410,986)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	142,149	380,550	1,227	8,069	74,728	606,723
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	142,149	380,550	1,227	8,069	74,728	606,723
Additions	添置	—	5,274	782	1,218	21,470	28,744
Transfer upon completion	完成時結轉	—	12,981	—	—	(12,981)	—
Depreciation charges (Note 32 & 38)	折舊費用(附註32及38)	(6,354)	(48,402)	(439)	(1,275)	—	(56,470)
Closing net book amount	年末賬面淨值	135,795	350,403	1,570	8,012	83,217	578,997
At 31 December 2018	於二零一八年十二月三十一日						
Cost	成本	190,303	745,452	4,337	25,455	83,217	1,048,764
Accumulated depreciation	累計折舊	(54,508)	(392,738)	(2,767)	(17,443)	—	(467,456)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	135,795	350,403	1,570	8,012	83,217	578,997
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	135,795	350,403	1,570	8,012	83,217	578,997
Additions	添置	—	305	181	505	4,308	5,299
Transfer upon completion	完成時結轉	11,067	34,603	—	—	(45,670)	—
Transfers to investment properties	轉撥至投資性房地產	(6,438)	—	—	—	—	(6,438)
Depreciation charges (Note 32 & 38)	折舊費用(附註32及38)	(6,200)	(50,666)	(370)	(1,123)	—	(58,359)
Accumulated depreciation charges-transfers to investment properties	累計折舊費用-轉撥至投資性房地產	1,584	—	—	—	—	1,584
Closing net book amount	年末賬面淨值	135,808	334,645	1,381	7,394	41,855	521,083
At 31 December 2019	於二零一九年十二月三十一日						
Cost	成本	194,932	780,360	4,518	25,960	41,855	1,047,625
Accumulated depreciation	累計折舊	(59,124)	(443,404)	(3,137)	(18,566)	—	(524,231)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	135,808	334,645	1,381	7,394	41,855	521,083

8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Certain idle machineries with the cost amounting to RMB2,978,000 (2018: RMB2,978,000) were considered obsolete before 2012, and an impairment provision of RMB2,311,000 (2018: RMB2,311,000) had been made accordingly based on the assets' fair value less costs to sell.

Depreciation of property, plant and equipment has been charged to the consolidated statement of profit or loss as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cost of sales	銷售成本	54,272	52,130
Selling and distribution expenses	銷售及分銷費用	62	35
Administrative expenses	行政費用	4,025	4,305
		58,359	56,470

As at 31 December 2019, the Group was in the process of applying for registration of the ownership certificates for certain of its building with an aggregate net book value of approximately RMB303,000 (2018: RMB322,000). The executive directors of the Company are of the opinion that the Group is entitled to lawfully and validly occupy or use the property.

Interest of RMB4,070,000 has been capitalised in assets under construction for the year ended 31 December 2019 (2018: RMB3,559,000). Interest was capitalised at the weighted average rate of its general bank borrowings of 4.19% per annum (2018: 3.40% per annum) (Note 34).

8 物業、廠房及設備(續)

- (a) 於二零一二年前，成本為人民幣2,978,000元(二零一八年：人民幣2,978,000元)的若干閒置機器被視作廢舊，並根據資產的公允價值減銷售成本相應作出人民幣2,311,000元(二零一八年：人民幣2,311,000元)的減值撥備。

物業、廠房及設備折舊已於綜合損益表扣除，詳情如下：

於二零一九年十二月三十一日，本集團正就總賬面淨值約人民幣303,000元(二零一八年：人民幣322,000元)的若干樓宇申請辦理所有權證登記。本公司執行董事認為本集團有權合法有效佔用或使用該物業。

截至二零一九年十二月三十一日止年度，在建工程資產資本化利息為人民幣4,070,000元(二零一八年：人民幣3,559,000元)。利息按一般銀行借款加權平均年利率4.19%(二零一八年：年利率3.40%)資本化(附註34)。

8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) (continued)

As at 31 December 2019, factory plants with net book value of RMB95,381,000 were secured for bank borrowings with carrying amounts of RMB66,000,000 and RMB100,000,000 (Note 29) (As at 31 December 2018, factory plants with net book value of RMB31,352,000 were secured for bank borrowings with carrying amounts of RMB66,000,000).

The category of machinery includes production lines leased by the Group to two related parties (2018: one) under operating leases with the following net carrying amounts:

8 物業、廠房及設備(續)

(a) (續)

於二零一九年十二月三十一日，賬面淨值為人民幣95,381,000元的廠房已被抵押予賬面值為人民幣66,000,000元及人民幣100,000,000元的銀行借款(附註29)(於二零一八年十二月三十一日，賬面淨值為人民幣31,352,000元的廠房已被抵押予賬面值為人民幣66,000,000元的銀行借款)。

機器的分類包括本集團根據經營租賃向兩名關聯方(二零一八年：一名)出租的生產線，賬面淨值如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cost	成本	97,559	37,145
Accumulated depreciation at 1 January	於一月一日累計折舊	(54,336)	(20,417)
Depreciation charge for the year	年度折舊費用	(6,303)	(2,402)
Net book amount	賬面淨值	36,920	14,326

9 INTANGIBLE ASSETS

9 無形資產

		Trade Name 商標 RMB'000 人民幣千元	Distribution Network 分銷網絡 RMB'000 人民幣千元	Information System 信息系統 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2018	截至二零一八年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	43,867	66,599	—	110,466
Acquisition of a subsidiary	收購一家附屬公司	—	—	173	173
Amortisation charge (Note 32 & 38)	攤銷費用(附註32及38)	(3,198)	(18,888)	(32)	(22,118)
Closing net book amount	年末賬面淨值	40,669	47,711	141	88,521
Year ended 31 December 2019	截至二零一九年十二月 三十一日止年度				
Opening net book amount	年初賬面淨值	40,669	47,711	141	88,521
Amortisation charge (Note 32 & 38)	攤銷費用(附註32及38)	(3,198)	(18,888)	(32)	(22,118)
Closing net book amount	年末賬面淨值	37,471	28,823	109	66,403

Amortisation of approximately RMB3,230,000 (2018: RMB3,230,000) is included in the "Administrative expenses" and RMB18,888,000 (2018: RMB18,888,000) is included in "Selling and distribution costs" in the statement of profit or loss.

約人民幣3,230,000元的攤銷(二零一八年：人民幣3,230,000元)計入損益表的「行政費用」，而人民幣18,888,000元的攤銷(二零一八年：人民幣18,888,000元)計入損益表的「銷售及分銷費用」。

10 GOODWILL

10 商譽

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Goodwill	商譽	721,139	721,139

10 GOODWILL (CONTINUED)

The goodwill of RMB721,139,000 was generated from acquisition of a controlling stake in Tiandi Green in 2014. Tiandi Green was viewed as one CGU within the beer segment. The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a four-year period when optimum market share is expected to be reached. Cash flows beyond the four-year period are extrapolated using the estimated growth rates.

The key assumptions used for value-in-use calculations in 2019 and 2018 are as follows:

		2019 二零一九年	2018 二零一八年
Compound annual revenue growth rate	複合年收入增長率	-4.8%~11.7%	4.7%~10.4%
Long-term growth rate	長期增長率	2.5%	4.0%
Gross margin	毛利率	46.6%~46.7%	46.1%~47.0%
Pre-tax discount rate	稅前貼現率	15.5%	15.2%

Revenue growth rate and gross margin are based on past performance and management's expectations on market development. The long term growth rates used is in line with the long term inflation rate forecast in China. The discount rate used is pre-tax and reflects specific risks relating to the business.

The Directors are of the view that there was no impairment of goodwill as at 31 December 2019 and 2018.

10 商譽(續)

人民幣721,139,000元的商譽產生於二零一四年收購了天地綠色的控股權。天地綠色被視為在啤酒分部內的一項現金產生單位。現金產生單位的可收回金額乃基於使用價值的計算釐定。該等計算使用了基於管理層批准的，覆蓋了其時為有望達到最佳市場份額的四年期間的財務預算的稅前現金流量預測。超過四年期間的現金流量乃使用估計增長率推測。

二零一九年及二零一八年使用價值的計算所使用的主要假設如下：

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率與中國長期通脹率預測一致。所用的貼現率為稅前貼現率，反映與業務有關的特定風險。

董事認為於二零一九年及二零一八年十二月三十一日商譽並無出現減值。

11 SUBSIDIARIES

The following is a list of significant principal subsidiaries of the Group as at 31 December 2019:

11 附屬公司

於二零一九年十二月三十一日，本集團重大主要附屬公司的名單如下：

Company name 公司名稱	Place of incorporation and business/date of incorporation/ type of legal entities 註冊成立及營業地點/ 註冊成立日期/法律實體類型	Issued/paid-in capital 已發行/實繳股本		Effective interest held 實際所持權益		Principal activities 主要活動
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
<i>Indirectly held:</i> 間接持有：						
Tibet Zhongji Jiahua Industry Co., Ltd. 西藏中稷佳華實業發展有限公司	PRC/1 January 2004/ Limited liability company 中國/二零零四年一月一日 /有限公司	USD16,000,000 16,000,000 美元	USD16,000,000 16,000,000 美元	100%	100%	Investment holding 投資控股
Tibet Glacier Mineral Water Co., Ltd. ("Tibet Glacier Mineral Water") 西藏冰川礦泉水有限公司 〔西藏冰川礦泉水〕	PRC/31 October 2005 /Limited liability company 中國/二零零五年十月三十一日 /有限公司	RMB118,000,000 人民幣 118,000,000 元	RMB118,000,000 人民幣 118,000,000 元	100%	100%	Water products manufacturing and sales 製造及銷售水產品
Beijing 5100 Management Consulting Co., Ltd. (formerly known as Beijing 5100 Enterprise Planning Club Co., Ltd.) 北京五一零零管理諮詢有限公司 (前稱「北京五一零零企業策劃俱樂部有限公司」)	PRC/13 July 2007/ Limited liability company 中國/二零零七年七月十三日/ 有限公司	RMB1,000,000 人民幣 1,000,000 元	RMB1,000,000 人民幣 1,000,000 元	100%	100%	Water products market operation and management 水產品市場營運及管理
Tibet Glacier Mineral Water Marketing Co., Ltd. 西藏冰川礦泉水營銷有限公司	PRC/21 April 2010 /Limited liability company 中國/二零一零年四月二十一日 /有限公司	RMB3,000,000 人民幣 3,000,000 元	RMB3,000,000 人民幣 3,000,000 元	100%	100%	Water products marketing, promotion, distribution and retailing 營銷、推廣、分銷 及零售水產品
Tibet Tiandi Green Beverage Development Co., Ltd. 西藏天地綠色飲品發展有限公司	PRC/28 April 2009/ Limited liability company 中國/二零零九年四月二十八日 /有限公司	RMB200,000,000 人民幣 200,000,000 元	RMB200,000,000 人民幣 200,000,000 元	100%	100%	Beer manufacturing and sales 啤酒生產及銷售

11 SUBSIDIARIES (CONTINUED)

11 附屬公司(續)

Company name 公司名稱	Place of incorporation and business/date of incorporation/ type of legal entities 註冊成立及營業地點/ 註冊成立日期/法律實體類型	Issued/paid-in capital 已發行/實繳股本		Effective interest held 實際所持權益		Principal activities 主要活動
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
<i>Indirectly held:</i> 間接持有:						
Wealth Keeper Ltd.	Hong Kong/30 October 2012/ Limited liability company	HKD1	HKD1	100%	100%	Investment holding
Wealth Keeper Ltd.	香港/二零一二年十月三十日 /有限公司	1 港元	1 港元	100%	100%	投資控股
Tibet 5100 Water Resources (HK) Ltd.	Hong Kong/6 September 2013/ Limited liability company	HKD100	HKD100	100%	100%	Investment holding
西藏5100水資源(香港)有限公司	香港/二零一三年九月六日 /有限公司	100 港元	100 港元	100%	100%	投資控股
Hong Kong Fairly Well Capital Limited	Hong Kong/23 May 2016/ Limited liability company	HKD1	HKD1	100%	100%	Lending service
香港中實資本有限公司	香港/二零一六年五月二十三日 /有限公司	1 港元	1 港元	100%	100%	放貸服務
Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership)	PRC/12 January 2018/ Limited partnership	RMB182,000,000	RMB182,000,000	98.9%	98.9%	Investment in culture, entertainment, consumer product, retail business and related industries
珠海光遠匯金股權投資基金 (有限合夥)	中國/二零一八年一月十二日 /有限合夥	人民幣 182,000,000 元	人民幣 182,000,000 元	98.9%	98.9%	文化、娛樂、消費品、 零售業務及相關行業投資
Center Faithful Limited	Hong Kong/2 January 2019/ Limited liability company	HKD1	—	100%	—	Investment holding
中誠信企業有限公司	香港/二零一九年一月二日 /有限公司	1 港元	—	100%	—	投資控股

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

12 使用權益法入賬的投資

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Opening net book amount	年初賬面淨值	1,574,938	1,326,300
Additions (a)	添置(a)	21,020	306,930
Share of profits (Note 38)	應佔利潤(附註38)	14,319	20,436
Transfer to a subsidiary	轉撥至一間附屬公司	—	(46,364)
Declaration of dividend (b)	宣派股息(b)	(38,843)	(32,364)
Impairment loss recognised (c)	確認減值損失(c)	(873,151)	—
Closing net book amount	年末賬面淨值	698,283	1,574,938

(a) In May 2019, Center Faithful Limited, a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish a company named Great Wall 5100. Great Wall 5100 is a company specialising in the distribution of water products. Based on the articles of association of Great Wall 5100, the Group owns 40% of its equity interests and has right to participate in operational decision-making process of Great Wall 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Great Wall 5100 is RMB20,000,000, including cash payment of RMB4,000,000 and other payables of RMB16,000,000.

(a) 於二零一九年五月，本公司全資附屬公司中誠信企業有限公司與第三方訂立協議成立長城五一零零。長城五一零零為一家專門分銷水產品的公司。根據長城五一零零的公司章程，本集團擁有長城五一零零40%的權益及有權參與其經營決策過程。因此，本集團視該投資為使用權益法入賬的投資。於二零一九年十二月三十一日，對長城五一零零作出的權益出資總額為人民幣20,000,000元，包括現金款項人民幣4,000,000元及其他應付款人民幣16,000,000元。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

(a) (continued)

On 6 September 2019, Tibet Glacier Mineral Water, a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish a company named Mingzhu 5100. Mingzhu 5100 is a company specialising in the distribution of water products. Based on the articles of association of Mingzhu 5100, the Group owns 34% of its equity interests and has right to participate in operational decision-making process of Mingzhu 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Mingzhu 5100 is RMB1,020,000.

- (b) In 2019, Highland Natural Water, an associate, declared cash dividends. The Group recognised RMB38,843,000 cash dividends according to the percentage of the equity interests held by the Group.
- (c) Management performed impairment analysis for the investment in Highland Natural Water. The recoverable amount of the investment is determined based on value-in-use calculations, which is higher than fair value less disposal costs. Management assessed the recoverable amount and recognised an impairment loss of RMB873,151,000 (2018: nil). The main factors that led to the impairment is the continuous weakness of market performance.

These calculations use pre-tax cash flow projections based on financial budgets approved by management covering an eight-year period when optimum market share is expected to be reached. Cash flows beyond the eight-year period are extrapolated using the estimated growth rate.

12 使用權益法入賬的投資(續)

(a) (續)

於二零一九年九月六日，本公司之全資附屬公司西藏冰川礦泉水與第三方訂立協議，成立一間名為明珠五一零零的公司。明珠五一零零為一間專門從事水產品分銷的公司。根據明珠五一零零的公司章程，本集團擁有明珠五一零零34%權益，並有權參與其經營決策過程。因此，本集團視該投資為使用權益法入賬的投資。於二零一九年十二月三十一日，對明珠五一零零作出的權益出資總額為人民幣1,020,000元。

- (b) 於二零一九年，聯營公司高原天然水派現金股息。本集團根據本集團所持股權百分比確認現金股息人民幣38,843,000元。
- (c) 管理層對於高原天然水的投資進行減值分析。投資的可收回金額乃基於使用價值的計算(高於公允價值減處置成本)釐定。管理層評估可回收金額並確認減值損失為人民幣873,151,000元(二零一八年：無)。導致減值的主要因素為市場表現持續疲軟。

該等計算使用了基於由管理層批准覆蓋了其時為有望達到最佳市場份額的八年期間的財務預算之稅前現金流量預測。超過八年期間的現金流量乃使用估計增長率推測。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

The key assumptions used for value-in-use calculations in 2019 and 2018 are as follows:

		2019 二零一九年	2018 二零一八年
Compound annual revenue growth rate	複合年收入增長率	8.0%~9.1%	24.0%~28.1% from 2019 to 2021; 7.3%~24.6% from 2022 to 2026 二零一九年至二零二一年為 24.0%~28.1% ; 二零二二年至二零二六年為 7.3%~24.6%
Long-term growth rate	長期增長率	2.5%	3.0%
Gross margin	毛利率	55.7% ~55.8%	55.4%~58.5%
Pre-tax discount rate	稅前貼現率	12.4%	12.5%

Revenue growth rate and gross margin are based on past performance and management's expectations on market development. The long term growth rates used is in line with the long term inflation rate forecast in China. The discount rate used is pre-tax and reflects specific risks relating to the business.

12 使用權益法入賬的投資(續)

二零一九年及二零一八年使用價值的計算所使用的主要假設如下：

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率與中國的長期通脹率預測一致。所用的貼現率為稅前貼現率，反映與業務有關的特定風險。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

Set out below are the associates of the Group as at 31 December 2019.

12 使用權益法入賬的投資(續)

下文載列於二零一九年十二月三十一日日本集團之聯營公司。

Name of entity	Place of business/country of incorporation	% of ownership interest	Principal activities	Measurement method
實體名稱	營業地點／註冊成立國家	佔所有權權益百分比	主要業務	計量方法
Tibet Highland Natural Water Limited	The PRC	43.981	Manufacturing and distribution of water products	Equity
西藏高原天然水有限公司	中國	43.981	製造及分銷水產品	權益
Tibet Fudi Natural Beverage Packaging Ltd.	The PRC	25	Manufacturing and distribution of bottle preforms, caps and other raw materials and consumables	Equity
西藏福地天然飲品包裝有限責任公司	中國	25	製造及分銷瓶坯瓶蓋等其他原材料及耗材	權益
Great Wall 5100 Technology Co., Ltd.	The PRC	40	Distribution of water products	Equity
長城五一零零科技有限公司	中國	40	分銷水產品	權益
Guangzhou Mingzhu 5100 Drinking Water Co., Ltd.	The PRC	34	Distribution of water products	Equity
廣州市明珠五一零零飲用水有限公司	中國	34	分銷水產品	權益

There is no contingent liability relating to the Group's interest in above associates, and the proportion of ownership interest is the same as the proportion of voting rights held.

並無與本集團於以上的聯營公司的權益有關的或然負債，且所有權權益比例與所持投票權比例相同。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a material associate – Highland Natural Water

Based on the opinion of the Directors, the Group has one associate - Highland Natural Water that is considered as material. The tables below provide the summarised financial information of the Highland Natural Water.

Summarised balance sheet

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current	流動		
Cash and cash equivalents	現金及現金等價物	157,936	91,767
Other current assets	其他流動資產	462,239	446,388
Total current assets	流動資產總額	620,175	538,155
Borrowings	借款	(444,850)	(572,460)
Other current liabilities	其他流動負債	(282,866)	(57,315)
Total current liabilities	流動負債總額	(727,716)	(629,775)
Total current net liabilities	流動淨負債總額	(107,541)	(91,620)
Non-current	非流動		
Assets	資產	637,971	680,573
Other liabilities	其他負債	(23,435)	(25,948)
Total non-current net assets	非流動淨資產總額	614,536	654,625
Net assets	淨資產	506,995	563,005

12 使用權益法入賬的投資(續)

重大聯營公司財務資料概要 – 高原天然水

根據董事的意見，本集團擁有一間重大的聯營公司 – 高原天然水。下表載列高原天然水之財務資料概要。

資產負債表概要

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

12 使用權益法入賬的投資(續)

Summarised statement of comprehensive income

全面收益表概要

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收入	451,554	460,726
Pre-tax profit from continuing operations	持續經營業務的除稅前利潤	36,052	50,629
Income tax expense	所得稅費用	(3,746)	(4,244)
Post-tax profit for the year	年內除稅後利潤	32,305	46,385
Total comprehensive income	全面收益總額	32,305	46,385

The information above reflects the amounts presented in the financial statements of Highland Natural Water adjusted for differences in accounting policies between the Group and Highland Natural Water.

以上資料反映出在高原天然水財務報表中所呈列的款項，已就本集團與高原天然水之間會計政策的差異作出調整。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in Highland Natural Water:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Opening net assets 1 January	於一月一日的年初淨資產	563,005	588,862
Profit for the year	年內利潤	32,305	46,385
Declared of dividends	宣派股息	(88,315)	(78,939)
Deferred tax liabilities adjustments	遞延稅項負債調整	—	6,697
Closing net assets	年末淨資產	506,995	563,005
Elimination of unrealised profit from inter-company sales	未實現內部銷售利潤抵銷額	(562)	(315)
Adjusted total net assets	調整後的總淨資產	506,433	562,690
Interest in the associate	於聯營公司的權益	211,347	234,030
Goodwill	商譽	280,256	1,153,407
Carrying value	賬面值	491,603	1,387,437

12 使用權益法入賬的投資(續)

財務資料概要的對賬

經呈列財務資料概要與本集團於高原天然水權益的賬面值的對賬：

13 TRADE RECEIVABLES

13 應收貿易款

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables due from third parties	應收第三方貿易款	312,652	270,397
Loan receivables due from a third party (a)	應收第三方借款(a)	24,088	21,321
		336,740	291,718
Less: loss allowance (Note 3.1-b)	減：損失撥備(附註3.1-b)	(77,749)	(1,833)
		258,991	289,885

Trade receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. For the year 2019, impairment provision amounting to RMB77,749,000 were recognised.

(a) This balance includes a loan to a third party amounting to HKD26,890,000 (equivalent to RMB24,088,000, 2018: RMB21,321,000), which represents lending principal of HKD17,000,000 (equivalent to RMB15,229,000, 2018: RMB14,895,000) and accrued interest of HKD9,890,000 (equivalent to RMB8,859,000, 2018: RMB6,426,000). The lending is at a fixed interest rate at 15% per annum after 23 April 2018. This loan is secured by the borrower's property located in Beijing.

如預期不能收回額外現金，則已確認減值撥備的應收貿易款會予撥備撇銷。於二零一九年，確認減值撥備人民幣77,749,000元。

(a) 該結餘包括一項授予第三方借款26,890,000港元(相當於人民幣24,088,000元，二零一八年：人民幣21,321,000元)，其中借款本金17,000,000港元(相當於人民幣15,229,000元，二零一八年：人民幣14,895,000元)及應計利息9,890,000港元(相當於人民幣8,859,000元，二零一八年：人民幣6,426,000元)。於二零一八年四月二十三日後，借款的固定年利率為15%。該借款以借款人的北京物業作抵押。

13 TRADE RECEIVABLES (CONTINUED)

As at 31 December 2019 and 2018, the Group's trade receivables due from third parties were all denominated in RMB and the Group's loan receivables due from a third party were all denominated in HKD. The aging analysis of trade receivables based on invoice dates is as follows:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 6 months	6個月內	161,775	180,205
Over 6 months but within 1 year	超過6個月但不超過1年	75,426	46,220
Over 1 year but within 2 years	超過1年但不超過2年	67,027	61,532
Over 2 years	超過2年	32,512	3,761
		336,740	291,718

For the trade receivables arising from sales of water and beer products, the Group applies the IFRS 9 simplified approach to measure the expected credit losses which uses a lifetime expected loss allowance. For the trade receivables arising from loans to third parties, the Group uses three categories which reflect their credit risk and how the loan loss provision is determined for each of those categories. This resulted in the recognition of loss allowance for trade receivables amounting to RMB77,749,000 for the year ended 31 December 2019. Note 3.1 (b) provides for details about the calculation of the allowance.

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in Note 3.1 (b).

As at 31 December 2019 and 2018, the carrying amounts of the above trade receivables approximated their fair values.

13 應收貿易款(續)

於二零一九年及二零一八年十二月三十一日，本集團應收第三方貿易款均以人民幣計值而本集團應收第三方借款均以港元計值。根據發票日期劃分之應收貿易款的賬齡分析如下：

本集團應用國際財務報告準則第9號之簡化方法即均使用存續期內預期損失撥備計量水和啤酒產品銷售產生的應收貿易款的預期信貸損失。對於向第三方貸款產生的應收貿易款，本集團使用三個類別反映其信用風險以及如何確定這三個類別的貸款損失準備。截至二零一九年十二月三十一日止年度，因其確認的應收貿易款的損失撥備為人民幣77,749,000元。撥備計算詳情載於附註3.1(b)。

有關應收貿易款減值及本集團信貸風險承擔的資料載於附註3.1(b)。

於二零一九年及二零一八年十二月三十一日，上述應收貿易款的賬面值與其公允價值相若。

14 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

14 按類別劃分的金融工具

本集團持有下列金融工具：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	Note 附註		
Financial assets	金融資產		
Financial assets at amortised cost	以攤餘成本計量的金融資產		
– Trade receivables	– 應收貿易款	13	258,991
– Other financial assets at amortised cost	– 以攤餘成本計量的其他金融資產	16	831,736
– Cash and cash equivalents	– 現金及現金等價物	20	515,510
FVOCI	以公允價值計量且其變動計入其他全面收益的金融資產	19	231,881
FVPL	以公允價值計量且其變動計入損益的金融資產	18	197,147
			2,035,265
Financial liabilities	金融負債		
Financial liabilities at amortised cost	以攤餘成本計量的金融負債		
– Trade and notes payables	– 應付貿易款及應付票據	27	323,881
– Other financial liabilities	– 其他金融負債		398,562
– Bank borrowings	– 銀行借款	29	716,000
– Convertible bond - liability component	– 可換股債券 - 負債部分	30	—
			1,438,443
			1,630,830
			1,348,592

15 PREPAYMENTS

15 預付款項

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Prepayments made for purchase of raw materials, services, and equipment	購買原材料、服務及設備的預付款項	121,946	180,165
Less:	減：		
Non-current portion - prepayments made for purchase of equipment (a)	非流動部分－購置設備的預付款項(a)	(6,518)	(38,613)
Current portion	流動部分	115,428	141,552

(a) These balances represent prepayments made for the purchase of equipment, the ownership of which has not been obtained at year end.

(a) 該等結餘指因購置設備(其所有權於年末尚未獲得)而預付的款項。

The carrying amounts of current and non-current prepayments are denominated in the following currencies:

流動及非流動預付款項的賬面值以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
- RMB	- 人民幣	119,420	176,771
- HKD	- 港元	496	1,197
- USD	- 美元	—	72
- EUR	- 歐元	2,030	2,125
		121,946	180,165

16 OTHER FINANCIAL ASSETS AT AMORTISED COST

16 以攤餘成本計量的其他金融資產

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Amounts due from third parties (a)	應收第三方款項(a)	612,710	576,421
Amounts due from associates (b) (Note 40)	應收聯營公司款項(b)(附註40)	189,800	22,877
Government grant receivable	政府補助應收款	24,320	37,800
Deposits	押金	213	335
Others	其他	6,861	3,684
		833,904	641,117
Less: loss allowance (Note 3.1-b)	減：損失撥備(附註3.1-b)	(2,168)	—
		831,736	641,117

(a) The balances mainly include the following items:

- The loan to a third party company with outstanding principal amounting to RMB223,000,000 (2018: RMB213,083,000) and accrued interest of RMB3,631,000 (2018: RMB1,427,000), which bore an annual interest rate of 10%. The repayment terms of the loan are based on the following schedule: repayments of RMB42,000,000, RMB3,000,000 and RMB178,000,000 on 30 October 2020, 18 December 2020 and 30 December 2020 respectively. Amounting to RMB226,631,000 was pledged by 11.5% of Shannan Yalaxiangbu's equity interests and secured by Fudi Packaging's machinery.

(a) 結餘主要包括以下項目：

- 提供予一間第三方公司未償還本金金額為人民幣223,000,000元(二零一八年：人民幣213,083,000元)之貸款及應計利息人民幣3,631,000元(二零一八年：人民幣1,427,000元)，年利率為10%。該貸款按下列計劃償還：於二零二零年十月三十日、二零二零年十二月十八日及二零二零年十二月三十日分別償還人民幣42,000,000元、人民幣3,000,000元及人民幣178,000,000元。金額人民幣226,631,000元由山南雅拉香布11.5%股權質押及由福地包裝之機器作抵押。

16 OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

(a) (continued)

- The loan to a third party company with outstanding principal amounting to RMB324,286,000 (2018: RMB175,880,000) and accrued interest of RMB19,281,000 (2018: RMB1,764,000), which bore an annual interest rate of 10%. Based on the contractual terms, the loan will be repaid before 31 December 2020. Amounting to RMB343,567,000 was pledged by 26% of Shannan Yalaxiangbu's equity interests.
- The loan to a third party company with outstanding principal amounting to RMB32,000,000 (2018: nil), which bore an annual interest rate of 10%. Based on the contractual terms, the loan will be repaid before 31 December 2020. Amounting to RMB32,000,000 was pledged by 2.5% of Shannan Yalaxiangbu's equity interests.
- Amount due from a third party company of RMB5,836,000 (2018: nil) was mainly the prepayment made for purchase of equipment, which was transferred to other financial assets at amortised cost due to the rescission of contracts.

16 以攤餘成本計量的其他金融資產
(續)

(a) (續)

- 提供予一間第三方公司未償還本金金額為人民幣324,286,000元(二零一八年：人民幣175,880,000元)之貸款及應計利息人民幣19,281,000元(二零一八年：人民幣1,764,000元)，年利率為10%。根據合約條款，該貸款將於二零二零年十二月三十一日前償還。金額人民幣343,567,000元由山南雅拉香布26%股權質押。
- 提供予一間第三方公司未償還本金金額為人民幣32,000,000元(二零一八年：零)之貸款，年利率為10%。根據合約條款，該貸款將於二零二零年十二月三十一日前償還。金額人民幣32,000,000元由山南雅拉香布2.5%股權質押。
- 應收一間第三方公司的款項人民幣5,836,000元(二零一八年：零)主要為因購置設備而預付的款項，該款項因合約解除已轉撥至以攤餘成本計量的其他金融資產。

16 OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

- (b) As at 31 December 2019, the balance represents a loan to Highland Natural Water, with principal amount of RMB189,800,000 (2018: nil), which bore an annual interest rate of 10% and was unsecured. Based on the contractual terms, the loan will be repaid before 30 June 2020.

An increase of the loss allowance for the year ended 31 December 2019 by RMB2,168,000 was recognised for other financial assets at amortised cost.

Information about the impairment of other financial assets at amortised cost and the Group's exposure to credit risk can be found in Note 3.1 (b).

The carrying amounts of other financial assets at amortised cost are denominated in the following currencies:

16 以攤餘成本計量的其他金融資產
(續)

- (b) 於二零一九年十二月三十一日，結餘指提供予高原天然水之貸款，本金金額為人民幣189,800,000元(二零一八年：零)，年利率為10%，且為無抵押。根據合約條款，該貸款將於二零二零年六月三十日前償還。

截至二零一九年十二月三十一日止年度，就以攤餘成本計量的其他金融資產確認損失撥備增加人民幣2,168,000元。

有關以攤餘成本計量的其他金融資產減值及本集團信貸風險承擔的資料載於附註3.1(b)。

以攤餘成本計量的其他金融資產的賬面值以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
- RMB	- 人民幣	825,396	640,930
- EUR	- 歐元	5,836	—
- HKD	- 港元	494	177
- USD	- 美元	10	10
		831,736	641,117

17 INVENTORIES

17 存貨

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Raw materials	原材料	33,445	88,171
Finished goods – at cost	產成品 – 按成本	16,411	6,652
Work in progress	在製品	2,860	4,337
		52,716	99,160

The cost of inventories which was recognised as an expense and was included in “cost of sales” amounted to approximately RMB299,310,000 for the year ended 31 December 2019 (2018: RMB383,651,000).

As at 31 December 2019, the carrying amount of the Group’s inventories did not exceed the net realisable value, and no provision for decline of the value of inventories was made.

The costs of individual items of inventory are determined using monthly weighted average costs.

截至二零一九年十二月三十一日止年度，確認為費用並計入「銷售成本」的存貨成本約為人民幣299,310,000元（二零一八年：人民幣383,651,000元）。

於二零一九年十二月三十一日，本集團存貨之賬面值並未超過可變現淨值，亦無就存貨價值下降作出撥備。

各存貨項目成本使用每月加權平均成本釐定。

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

18 以公允價值計量且其變動計入損益的金融資產

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	190,795	183,181
Additions in structured financial products (Expiration)/Acquisition of embedded derivative asset	結構性理財產品添置 嵌入式衍生資產(到期)/ 收購嵌入式衍生資產	520,000 (4,319)	680,000 4,319
Investment in Shanghai MKT (a)	投資於上海麥鎧特(a)	5,000	—
Net gains recognised upon disposal (Note 31 & 38)	出售時確認的收益淨額 (附註31及38)	10,198	17,591
Fair value changes recorded in other gains (Note 31 & 38)	計入其他利得的公允價值變動 (附註31及38)	630	9,179
Disposals in structured financial products	結構性理財產品出售	(525,157)	(703,475)
At 31 December	於十二月三十一日	197,147	190,795
Less: non-current portion	減：非流動部分	(16,517)	(11,517)
Current portion	流動部分	180,630	179,278

(a) In May 2019, Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership), a subsidiary of the Company, acquired 20% of the equity interests of Shanghai MKT. Shanghai MKT is a company specialising in programme development and intelligence property agency. As at 31 December 2019, total investment in Shanghai MKT is RMB5,000,000, which is accounted as FVPL by the Group.

(a) 在二零一九年五月，本公司附屬公司珠海光遠匯金股權投資基金(有限合夥)收購上海麥鎧特的20%權益。上海麥鎧特是一家專門從事程式開發及知識產權代理的公司。於二零一九年十二月三十一日，對上海麥鎧特的總投資為人民幣5,000,000元，本集團將其作為以公允價值計量且其變動計入損益的金融資產入賬。

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

All FVPL are denominated in RMB as at 31 December 2019 and 2018.

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

18 以公允價值計量且其變動計入損益 的金融資產(續)

於二零一九年及二零一八年十二月三十一日，以公允價值計量且其變動計入損益的金融資產全部以人民幣計值。

有關釐定公允價值所用的方法及假設的資料載於附註3.3。

19 以公允價值計量且其變動計入其他 全面收益的金融資產

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	231,881	58,000
Acquisition of Shannan Yalaxiangbu	收購山南雅拉香布	—	173,881
At 31 December	於十二月三十一日	231,881	231,881

20 CASH AND CASH EQUIVALENTS

20 現金及現金等價物

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash on hand	手頭現金	596	634
Cash at bank	銀行存款	452,675	266,988
Restricted cash	受限制現金	62,239	9,530
		515,510	277,152
Denominated in:	計值貨幣：		
– RMB	– 人民幣	513,971	269,402
– USD	– 美元	1,017	4,179
– HKD	– 港元	450	3,309
– Others	– 其他	72	262
		515,510	277,152

As at 31 December 2019, the Group's cash and cash equivalents amounting to RMB514,208,000 (2018: RMB267,693,000) were held in the financial institutions located in the mainland of PRC. The remaining balances of RMB706,000 (2018: RMB8,825,000) were held in major financial institutions located in the Hong Kong Special Administrative Region.

The conversion of RMB denominated balances into foreign currencies and the remittance of the foreign currencies out of the mainland of PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

於二零一九年十二月三十一日，本集團的現金及現金等價物人民幣514,208,000元(二零一八年：人民幣267,693,000元)由在中國大陸的金融機構持有。餘下人民幣706,000元(二零一八年：人民幣8,825,000元)由香港特別行政區的主要金融機構持有。

以人民幣計值的結餘兌換為外幣以及將外幣從中國大陸匯出，須遵守中國政府頒布的相關外匯管制規則及規例。

20 CASH AND CASH EQUIVALENTS (CONTINUED)

The Group earns interests on cash at bank at floating bank deposit rates, which range from 0.01% to 1.35% per annum for the year ended 31 December 2019 (2018: range from 0.01% to 4.05% per annum).

As at 31 December 2019, bank deposits of RMB62,239,000 (2018: RMB9,530,000) are restricted mainly as guarantee for payments of bank acceptances and imported equipment.

20 現金及現金等價物(續)

本集團按浮動銀行存款利率從銀行存款賺取利息，截至二零一九年十二月三十一日止年度，有關年利率介乎0.01%至1.35%（二零一八年：年利率介乎0.01%至4.05%）。

於二零一九年十二月三十一日，受限制銀行存款人民幣62,239,000元（二零一八年：人民幣9,530,000元）主要作為銀行承兌匯票及進口設備的付款擔保。

21 SHARE CAPITAL AND SHARE PREMIUM**21 股本及股份溢價**

		Number of ordinary shares (thousands) 普通股數目 (千股)	Nominal value of ordinary shares 普通股賬面值 HKD'000 千港元	Equivalent nominal value of ordinary shares 普通股 賬面值等值 RMB'000 人民幣千元	Share premium RMB'000 人民幣千元	Total RMB'000 人民幣千元
Balance as at 1 January 2019	於二零一九年 一月一日的結餘	2,568,893	25,689	21,363	1,206,829	1,228,192
Reclassification from other reserve (Note 23)	自其他儲備重新分類 (附註23)	—	—	—	18,385	18,385
Balance as at 31 December 2019	於二零一九年 十二月三十一日的結餘	2,568,893	25,689	21,363	1,225,214	1,246,577

22 SHARES HELD FOR SHARE AWARD SCHEME

The movement of shares held for share award scheme is as follows:

		Number of ordinary shares (thousands)	RMB'000 人民幣千元
		普通股數目 (千股)	
Opening balance 1 January 2018	於二零一八年 一月一日的年初結餘	60,626	158,868
Shares bought back (a)	股份購回 (a)	5,000	14,169
Balance 31 December 2018	於二零一八年 十二月三十一日的結餘	65,626	173,037
Balance 31 December 2019	於二零一九年 十二月三十一日的結餘	65,626	173,037

On 18 August 2017, the Group adopted a share award scheme for purposes of (i) encouraging or facilitating the holding of Shares by the Selected Participants; (ii) encouraging and retaining certain individuals to work with the Group; and (iii) providing incentive for the Selected Participants to achieve performance goals. Based on the rules of the scheme, the Group may grant shares of the Company to eligible participants in the future.

On 8 September 2017, the Group entered an agreement with Bank of Communications Trustee Ltd. (the "Trustee") to establish a share award scheme trust ("Share Award Trust"), where the Trustee may purchase or subscribe ordinary shares of the Company on behalf of the Group from the open market, based on the instructions of the Group. The Share Award Trust is consolidated in the Group's consolidated financial statements as a special purpose entity.

(a) During the year ended 31 December 2018, the Group purchased 5,000,000 shares of the Company through the Trustee for a total consideration of RMB14,169,000. As at 31 December 2019 and 2018, no share has been granted by the Group to any parties under the above mentioned share award scheme.

22 為股份獎勵計劃持有的股份

為購股權計劃持有的股份變動如下：

於二零一七年八月十八日，本集團採納一項股份獎勵計劃，旨在(i)鼓勵或促進經選定參與者持有股份；(ii)鼓勵及挽留若干人士為本集團工作；及(iii)為經選定參與者實現績效目標提供獎勵。根據計劃規則，未來本集團可向合資格參與者授出本公司股份。

於二零一七年九月八日，本集團與交通銀行信託有限公司(「受託人」)訂立協議以成立股份獎勵計劃信託(「股份獎勵信託」)，據此，受託人可根據本集團的指示代表本集團於公開市場購買或認購本公司普通股。股份獎勵信託作為特別目的實體於本集團綜合財務報表綜合入賬。

(a) 截至二零一八年十二月三十一日止年度，本集團透過受託人購買5,000,000股本公司股份，總代價為人民幣14,169,000元。於二零一九年及二零一八年十二月三十一日，本集團概無根據上述股份獎勵計劃向任何一方授出任何股份。

23 OTHER RESERVES

23 其他儲備

		Capital reserve	Statutory surplus reserve	Currency translation differences	Investment revaluation reserve	Convertible bond- equity component	Total
		資本儲備	盈餘公積金	折算差額	重估儲備	可換股債券 — 權益部分	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 31 December 2017	於二零一七年 十二月三十一日的結餘	32,847	175,156	(40,351)	5,884	18,385	191,921
Change in accounting policy	會計政策變動	—	—	—	(5,884)	—	(5,884)
Restated total equity as at 31 December 2017	重述於二零一七年 十二月三十一日 的權益總額	32,847	175,156	(40,351)	—	18,385	186,037
Balance at 1 January 2018	於二零一八年 一月一日的結餘	32,847	175,156	(40,351)	—	18,385	186,037
Currency translation differences	外幣折算差額	—	—	(18,455)	—	—	(18,455)
Appropriations to statutory surplus reserve	提取法定盈餘公積金	—	10,342	—	—	—	10,342
At 31 December 2018	於二零一八年 十二月三十一日	32,847	185,498	(58,806)	—	18,385	177,924
Balance at 1 January 2019	於二零一九年 一月一日的結餘	32,847	185,498	(58,806)	—	18,385	177,924
Currency translation differences	外幣折算差額	—	—	(12,235)	—	—	(12,235)
Reclassification to share premium	重新分類至股份溢價	—	—	—	—	(18,385)	(18,385)
At 31 December 2019	於二零一九年 十二月三十一日	32,847	185,498	(71,041)	—	—	147,304

(a) Nature and purpose of other reserves

(i) Capital reserve

Excess amounts contributed by shareholders on top of the share capital are recorded as capital reserve. This reserve is also used to record the differences described in Note 2.4 which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

(a) 其他儲備的性質及目的

(i) 資本儲備

股東注資超出股本部分記為資本儲備。該儲備亦用於記錄附註2.4所述可能於不會導致損失控制權的與非控股權益之交易中產生的差額。

23 OTHER RESERVES (CONTINUED)

(a) Nature and purpose of other reserves (continued)

(ii) Statutory surplus reserve

According to the provisions of the articles of association of the Group's subsidiaries located in PRC ("PRC subsidiaries"), the PRC subsidiaries shall first set aside 10% of its profit attributable to owners after tax as indicated in their statutory financial statements for the statutory surplus reserve (except where the reserve has reached 50% of the entity's registered share capital) each year. PRC subsidiaries may also make appropriations from its profit attributable to shareholders to a discretionary surplus reserve, provided it is approved by a resolution passed in a shareholders' general meeting. These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends without the prior approval obtained from the shareholders in a shareholders' general meeting under specific circumstances.

When the statutory surplus reserve is not sufficient to make good for any losses of the PRC subsidiaries from previous years, the current year profit attributable to the owners shall be used to make good the losses before any allocations are set aside for the statutory surplus reserve.

The statutory surplus reserve, the discretionary surplus reserve and the capital reserve of the PRC subsidiaries may be converted into share capital of the PRC subsidiaries provided it is approved by a resolution passed in a shareholders' general meeting and meets other regulatory requirements with the provision that the ending balance of the statutory surplus reserve does not fall below 25% of the registered share capital amount.

23 其他儲備(續)

(a) 其他儲備的性質及目的(續)

(ii) 法定盈餘公積金

根據本集團位於中國的附屬公司(「中國附屬公司」)的組織章程細則條文，中國附屬公司須每年將法定財務報表所示其擁有人應佔稅後利潤的10%撥作法定盈餘公積金(惟公積金已達實體註冊股本50%者除外)。中國附屬公司亦可在經股東大會通過的決議案批准後從股東應佔利潤提取任意盈餘公積金。除公積金設立的目的外，該等公積金不得用作其他用途，且除在特定情況下經股東於股東大會上事先批准外，亦不得用作現金股息分配。

當法定盈餘公積金不足以彌補中國附屬公司以前年度虧損時，本年度的擁有人應佔利潤可在提取法定盈餘公積金前用作彌補虧損。

中國附屬公司的法定盈餘公積金、任意盈餘公積金及資本公積金可在經股東大會通過的決議案批准且符合其他監管規定下轉為其股本，但年末的法定盈餘公積金不得少於註冊股本的25%。

23 OTHER RESERVES (CONTINUED)**(a) Nature and purpose of other reserves (continued)****(ii) Statutory surplus reserve (continued)**

As at 31 December 2018, the reserve of the PRC subsidiaries has reached 50% of the entity's registered share capital. No statutory surplus reserve accrued for the year ended 31 December 2019.

(iii) Currency translation differences

Exchange differences arising from the different between functional and presentation currency are recognised in other comprehensive income as described in Note 2.8 and accumulated in a separate reserve within equity.

(iv) Investment revaluation reserve

Changes in the fair value and exchange differences arising on translation of investments that are classified as FVOCI are recognised in other comprehensive income and accumulated in a separate reserve in equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired, see accounting policy Note 2.14 for details.

(v) Convertible bond-equity component

This represents the equity portion of the convertible bonds. The entity shall transfer the part initially included in other reserve to share premium upon expiry.

23 其他儲備(續)**(a) 其他儲備的性質及目的(續)****(ii) 法定盈餘公積金(續)**

於二零一八年十二月三十一日，中國附屬公司公積金已達實體註冊股本的50%。截至二零一九年十二月三十一日止年度，概無應計法定盈餘公積金。

(iii) 外幣折算差額

功能與列報貨幣差異產生的匯兌差額於其他全面收益確認(如附註2.8所述)及權益下的獨立儲備累計。

(iv) 投資重估儲備

分類為以公允價值計量且其變動計入其他全面收益的金融資產的投資於折算時產生的公允價值變動及匯兌差額於其他全面收益確認及於權益下獨立儲備累計。有關金額將於相關資產出售或減值時重新分類至損益，詳情見附註2.14會計政策。

(v) 可換股債券－權益部分

此項指可換股債券的權益部分。實體應將初始計入其他儲備的部分於屆滿時轉撥至股份溢價。

24 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

24 遞延所得稅

遞延稅項資產及遞延稅項負債的分析如下：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
- Deferred tax assets to be recovered after 12 months	- 12個月後收回的遞延稅項資產	9,006	2,377
- Deferred tax assets to be recovered within 12 months	- 12個月內收回的遞延稅項資產	505	461
		9,511	2,838
Deferred tax liabilities:	遞延稅項負債：		
- Deferred tax liabilities to be recovered after 12 months	- 12個月後收回的遞延稅項負債	(7,624)	(13,032)
- Deferred tax liabilities to be recovered within 12 months	- 12個月內收回的遞延稅項負債	(2,071)	(2,223)
		(9,695)	(15,255)

24 DEFERRED INCOME TAX (CONTINUED)

The gross movement of the deferred tax assets and deferred tax liabilities is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
At beginning of year	年初	2,838	2,895
Statement of profit or loss credited/(charged)	損益表貸記/(計入)	6,673	(57)
At end of year	年末	9,511	2,838
Deferred tax liabilities:	遞延稅項負債：		
At beginning of year	年初	(15,255)	(18,572)
Statement of profit or loss credited	損益表貸記	5,560	3,317
At end of year	年末	(9,695)	(15,255)

The credited to statement of profit or loss is as follows:

損益表貸記如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	(6,673)	57
Deferred tax liabilities	遞延稅項負債	(5,560)	(3,317)
Credited to statement of profit or loss (Note 35)	損益表貸記(附註35)	(12,233)	(3,260)

24 DEFERRED INCOME TAX (CONTINUED)

The balances of deferred tax assets and liabilities as at 31 December 2019 were not offset because the deferred tax assets and liabilities related to income taxes were levied by different taxation authorities. The movement of deferred tax assets and liabilities during the year is as follows:

24 遞延所得稅(續)

於二零一九年十二月三十一日，遞延稅項資產及負債結餘並未抵銷，乃由於與該等遞延稅項資產及負債有關的所得稅由不同稅務機關徵收。年內遞延稅項資產及負債的變動如下：

		Net impairment losses	Deferred income	Withholding tax	Other temporary differences	Total
		減值損失淨額	遞延收益	預扣稅	暫時性差額	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產					
At 1 January 2018	於二零一八年一月一日	347	2,008	—	540	2,895
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	(232)	—	175	(57)
At 31 December 2018	於二零一八年 十二月三十一日	347	1,776	—	715	2,838
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	7,006	(46)	—	(287)	6,673
At 31 December 2019	於二零一九年 十二月三十一日	7,353	1,730	—	428	9,511
Deferred tax liabilities	遞延稅項負債					
At 1 January 2018	於二零一八年一月一日	—	—	—	(18,572)	(18,572)
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	—	(2,500)	5,817	3,317
At 31 December 2018	於二零一八年 十二月三十一日	—	—	(2,500)	(12,755)	(15,255)
Credited to statement of profit or loss	損益表貸記	—	—	2,500	3,060	5,560
At 31 December 2019	於二零一九年 十二月三十一日	—	—	—	(9,695)	(9,695)

24 DEFERRED INCOME TAX (CONTINUED)

As at 31 December 2019, certain subsidiaries' future taxable income would not be available against which their temporary losses could be utilised and also the losses of those subsidiaries would not be offset by the taxable income of other subsidiaries within the Group, as there is no legally enforceable right to do so. As such, the Group did not recognise deferred tax assets of RMB10,985,000 (2018: RMB9,450,000) in respect of losses amounting to RMB43,955,000 (2018: RMB37,813,000) that can be carried forward against future taxable income. Losses of RMB43,955,000 as at 31 December 2019 (2018: RMB37,813,000) will expire on the following dates to offset the future taxable income:

24 遞延所得稅(續)

於二零一九年十二月三十一日，若干附屬公司的未來應課稅收入將無法彌補暫時性虧損，而該等附屬公司的虧損不可由本集團其他附屬公司的應課稅收入抵銷，因為並不具備這樣做的合法可強制執行權利。故本集團並無就可抵銷未來應課稅收入的虧損人民幣43,955,000元(二零一八年：人民幣37,813,000元)確認遞延稅項資產人民幣10,985,000元(二零一八年：人民幣9,450,000元)。於二零一九年十二月三十一日抵銷未來應課稅收入的人民幣43,955,000元(二零一八年：人民幣37,813,000元)的虧損連同屆滿日期載列如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Expiring in	於以下年度屆滿		
- 2021	- 二零二一年	14,625	14,625
- 2022	- 二零二二年	15,644	15,644
- 2023	- 二零二三年	7,544	7,544
- 2024	- 二零二四年	6,142	—
		43,955	37,813

Deferred tax liabilities of RMB134,057,000 (2018: RMB235,281,000) had not been recognised for the withholding tax that would be payable on the distributable retained profits amounting to RMB1,841,140,000 (2018: RMB2,804,906,000) of the Company's PRC subsidiaries. The Group has no intention to distribute these retained earnings out from the PRC subsidiaries in the foreseeable future.

本公司並無就中國附屬公司的可分派保留溢利人民幣1,841,140,000元(二零一八年：人民幣2,804,906,000元)應付預扣稅確認遞延稅項負債人民幣134,057,000元(二零一八年：人民幣235,281,000元)。本集團並不打算在可見將來從中國境內附屬公司向海外派有關留存收益。

25 CONTRACT LIABILITIES

25 合同負債

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of water cards	銷售水卡	861	14,697
Sales of water and beer products	銷售水產品及啤酒產品	28,548	6,528
		29,409	21,225

As at 31 December 2019 and 2018, the Group's contract liabilities were all denominated in RMB. The Group recognised revenue amounting to RMB140,762,000 relating to contract liabilities for the year ended 31 December 2019 (2018: RMB75,416,000).

於二零一九年及二零一八年十二月三十一日，本集團的合同負債均以人民幣計值。本集團就截至二零一九年十二月三十一日止年度的合同負債為人民幣140,762,000元(二零一八年：人民幣75,416,000元)確認收入。

26 DEFERRED REVENUE

26 遞延收入

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current			
非流動			
Government grant	政府補助	18,517	20,942
Current			
流動			
Government grant	政府補助	2,373	2,373

As at 31 December 2019 and 2018, the Group's deferred revenue was all denominated in RMB.

於二零一九年及二零一八年十二月三十一日，本集團的遞延收入全部以人民幣計值。

27 TRADE AND NOTES PAYABLES

27 應付貿易款及應付票據

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables	應付貿易款	64,202	73,275
Notes payables	應付票據	259,679	5,446
		323,881	78,721

As at 31 December 2019 and 2018, the aging analysis of trade payables based on invoice dates is as follows:

於二零一九年及二零一八年十二月三十一日，基於發票日期的應付貿易款的賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 3 months	3個月內	34,180	56,232
Over 3 months but within 6 months	超過3個月但不超過6個月	13,147	9,983
Over 6 months but within 1 year	超過6個月但不超過1年	9,528	2,386
Over 1 year but within 2 years	超過1年但不超過2年	3,136	548
Over 2 years	超過2年	4,211	4,126
		64,202	73,275

27 TRADE AND NOTES PAYABLES (CONTINUED)

As at 31 December 2019 and 2018, the Group's trade payables were all denominated in RMB and were not interest bearing.

Trade payables are unsecured and are usually paid within 90 days of recognition.

The carrying amounts of trade payables are considered to be the same as their fair values.

The bank acceptance notes amounting to RMB188,663,000 was guaranteed by the Company and a subsidiary of the Company. The bank acceptance notes amounting to RMB71,016,000 was guaranteed by the Company and a third party company, and was pledged by 7% of an associate's equity interests. According to the agreement of bank acceptance notes, maturity dates of notes payables are based on the following schedule: RMB68,790,000, RMB110,577,000, RMB9,296,000 and RMB71,016,000 on 18 January 2020, 29 February 2020, 10 April 2020 and 25 December 2020, respectively. The amount of RMB179,367,000 was repaid subsequent to the balance sheet date.

27 應付貿易款及應付票據(續)

於二零一九年及二零一八年十二月三十一日，本集團的應付貿易款均以人民幣計值且並不計息。

應付貿易款為無抵押且一般於確認後90日內支付。

應付貿易款的賬面值被視為與其公允價值相同。

人民幣188,663,000元的銀行承兌匯票由本公司及本公司一間附屬公司提供保證。人民幣71,016,000元的銀行承兌匯票由本公司及一間第三方公司提供保證，以聯營公司7%權益作質押。根據銀行承兌匯票協議，應付票據之到期日基於下列計劃：於二零二零年一月十八日、二零二零年二月二十九日、二零二零年四月十日及二零二零年十二月二十五日到期的款項分別為人民幣68,790,000元、人民幣110,577,000元、人民幣9,296,000元及人民幣71,016,000元。為數人民幣179,367,000元的款項於資產負債表日後償還。

28 ACCRUALS AND OTHER PAYABLES

28 預提費用及其他應付款

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salary payables	應付薪金	3,829	3,278
Welfare payables	應付福利	12,850	7,637
Payables for value added tax and other taxes	應繳增值稅及其他稅項	10,896	7,579
Accrued operating expenses	預提經營費用	9,125	18,353
Payables for purchase of equipment	購置設備應付款項	13,798	14,248
Audit fee payable	應付審計費	6,288	6,060
Professional service fee payable	應付專業服務費	4,277	5,363
Amounts payable for equity investment in associates	應付聯營公司權益投資之款項	16,000	9,430
Amounts received from a third party	從第三方收到的款項	49,044	49,044
Deposits from customers	客戶存款	1,298	1,434
Borrowings from third parties (a)	第三方借款(a)	290,309	—
Others	其他	8,423	7,266
		426,137	129,692
Less:	減：		
Non-current portion - other payables for equity investment in an associate	非流動部分－其他應付一間聯營公司權益投資之款項	16,000	—
Current portion	流動部分	410,137	129,692

28 ACCRUALS AND OTHER PAYABLES (CONTINUED)

(a) The balances include the following items:

- The loan from a third party company with outstanding principal amounting to RMB1,792,000 and accrued interest of RMB62,000 (2018: nil). The loan bore an annual interest at 6% and is repayable on 2 December 2020.
- The loan from a third party company with outstanding principal amounting to RMB181,134,000 and accrued interest of RMB6,297,000 (2018: nil). The loan, which was mainly used for the repayment of convertible bonds, bore an annual interest at 7% and is repayable 30 June 2020. The lending company is ultimately held by Mr. Wang Peter Jian's spouse, and Mr. Wang Peter Jian is the substantial shareholder of the Company.
- The loan from a third party company with outstanding principal amounting to RMB2,240,000 and accrued interest of RMB58,000 (2018: nil). The loan bore an annual interest at 6% and is repayable on 30 June 2020. The lending company is ultimately held by Mr. Wang Peter Jian's spouse.

28 預提費用及其他應付款(續)

(a) 結餘包括以下項目：

- 來自一間第三方公司未償還本金金額為人民幣1,792,000元之貸款及應計利息人民幣62,000元(二零一八年：零)。該貸款年利率為6%及須於二零二零年十二月二日償還。
- 自一間第三方公司未償還本金金額為人民幣181,134,000元之貸款及應計利息人民幣6,297,000元(二零一八年：零)。該貸款主要用於償還可換股債券，年利率為7%及須於二零二零年六月三十日償還。該貸款公司由王堅先生的配偶最終持有，王堅先生是本公司的主要股東。
- 來自一間第三方公司未償還本金金額為人民幣2,240,000元之貸款及應計利息人民幣58,000元(二零一八年：零)。該貸款年利率為6%及須於二零二零年六月三十日償還。該借款公司由王堅先生的配偶最終持有。

28 ACCRUALS AND OTHER PAYABLES (CONTINUED)

(a) The balances include the following items: (continued)

- The loan from a third party company with outstanding principal amounting to RMB89,401,000 and accrued interest of RMB2,966,000 (2018: nil). The loan, which was mainly used for the repayment of convertible bonds, bore an annual interest at 7% and is repayable on 30 June 2020. The lending company is ultimately held by Mr. Wang Peter Jian.
- The loans from Mr. Wang Peter Jian with outstanding principal amounting to RMB1,792,000, RMB1,792,000, RMB1,792,000, RMB895,000 and accrued interest of RMB88,000 (2018: nil). The loans bore an annual interest at 6% and are repayable on 27 August 2020, 25 September 2020, 28 October 2020, and 4 December 2020 respectively.

28 預提費用及其他應付款(續)

(a) 結餘包括以下項目：(續)

- 自一間第三方公司未償還本金金額為人民幣89,401,000元之貸款及應計利息人民幣2,966,000元(二零一八年：零)。該貸款主要用於償還可換股債券，年利率為7%及須於二零二零年六月三十日償還。該貸款公司由王堅先生最終持有。
- 來自王堅先生未償還本金金額為人民幣1,792,000元、人民幣1,792,000元、人民幣1,792,000元、人民幣895,000元之貸款及應計利息人民幣88,000元(二零一八年：零)。該貸款年利率為6%及分別須於二零二零年八月二十七日、二零二零年九月二十五日、二零二零年十月二十八日和二零二零年十二月四日償還。

28 ACCRUALS AND OTHER PAYABLES (CONTINUED)

The carrying amounts of the accruals and other payables are denominated in the following currencies:

28 預提費用及其他應付款(續)

預提費用及其他應付款的賬面值以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
- RMB	- 人民幣	128,966	123,327
- USD	- 美元	1,653	1,310
- HKD	- 港元	295,518	5,055
		426,137	129,692

The carrying amounts of other payables approximate their fair values.

其他應付款的賬面值與其公允價值相若。

29 BANK BORROWINGS

29 銀行借款

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current	非流動		
Long-term borrowing from a bank – Guaranteed and pledged (a)	長期銀行借款－有保證及質押(a)	140,000	240,000
Current	流動		
Current portion of long-term borrowing from a bank - Guaranteed and pledged (a)	長期銀行借款的流動部分 －有保證及質押(a)	100,000	50,000
Current portion of long-term borrowing from a bank - Guaranteed and secured (b)	長期銀行借款的流動部分 －有保證及抵押(b)	90,000	—
Current portion of long-term borrowing from a bank – Guaranteed (c)	長期銀行借款的流動部分 －有保證(c)	110,000	115,000
Short-term borrowing from a bank – Guaranteed and secured (d)	短期銀行借款－有保證及抵押(d)	66,000	66,000
Short-term borrowing from a bank – Guaranteed and pledged (e)	短期銀行借款－有保證及質押(e)	160,000	100,000
Short-term borrowings from banks – Guaranteed (f)	短期銀行借款－有保證(f)	50,000	130,000
		576,000	461,000
Total borrowings	借款總額	716,000	701,000

All bank borrowings were denominated in RMB as at 31 December 2019 and 2018.

於二零一九年及二零一八年十二月三十一日，所有銀行借款均以人民幣計值。

29 BANK BORROWINGS (CONTINUED)

The balances include the following borrowings from banks:

- (a) The borrowing with principal amount of RMB290,000,000 was guaranteed by the Company and was pledged by 35% of a subsidiary's equity interests. The interest rate was based on the directive interest rate announced by the People's Bank of China Lhasa Central Sub-branch, which was 4.75% per annum as at 31 December 2019 of which 2.00% interest is charged in advance, which will be refunded when the relevant authority in the Chinese Central government refund the interest allowances to the lender. The tenure of the borrowing is from 8 November 2018 to 7 November 2021 and repayment terms are based on the following schedule: repayments of RMB50,000,000, RMB100,000,000 and RMB140,000,000 on 7 November 2019, 7 November 2020 and 29 October 2021 respectively. The first payment has been made by the Group based on the contractual terms. According to the loan agreement, unpaid principal of RMB100,000,000 is required to be repaid on 7 November 2020. Accordingly, borrowing amount of RMB100,000,000 was recorded as current liability as at 31 December 2019 and amount of RMB140,000,000 was recorded as non-current liability as at 31 December 2019.

29 銀行借款(續)

結餘包括下列銀行借款：

- (a) 本金金額為人民幣290,000,000元的借款由本公司提供保證，以附屬公司35%股權作質押。利率基於中國人民銀行拉薩中心支行公佈的指示利率，於二零一九年十二月三十一日為每年4.75%，其中預先扣除2.00%利息，將於中國中央政府有關部門向貸款人退還利息撥備時退還。借款期為二零一八年十一月八日至二零二一年十一月七日，並按以下計劃償還：分別於二零一九年十一月七日、二零二零年十一月七日及二零二一年十月二十九日償還人民幣50,000,000元、人民幣100,000,000元及人民幣140,000,000元。本集團已根據合同條款償還首筆款項。根據貸款協議，須於二零二零年十一月七日償還的未支付本金金額為人民幣100,000,000元。因此，於二零一九年十二月三十一日的借款人民幣100,000,000元列為流動負債，而於二零一九年十二月三十一日的借款人民幣140,000,000元則列為非流動負債。

29 BANK BORROWINGS (CONTINUED)

- (b) The borrowing with principal amount of RMB100,000,000 was guaranteed by a subsidiary of the Group and secured by the Group's factory plant with net book value of RMB65,897,000 (Note 8) and land use rights with net book value of RMB27,482,000 (Note 7). The interest rate was based on the directive interest rate announced by the People's Bank of China Lhasa Central Sub-branch, which was 4.75% per annum as at 31 December 2019 of which 2.00% interest is charged in advance, which will be refunded when the relevant authority in the Chinese Central government refund the interest allowances to the lender. The tenure of the borrowing is from 18 March 2019 to 17 March 2021 and repayment terms are based on the following schedule: repayments of RMB10,000,000, RMB15,000,000, RMB30,000,000 and RMB45,000,000 on 18 September 2019, 18 March 2020, 18 September 2020 and 7 March 2021 respectively. The first payment has been made by the Group based on the contractual terms. Due to certain terms of the borrowing agreement, the bank has the potential right to request for repayment of the loan before the contractual maturity dates. Accordingly, the outstanding borrowing amounting to RMB90,000,000 was recorded as current liability as at 31 December 2019.

29 銀行借款(續)

- (b) 本金金額為人民幣100,000,000元的借款由本集團的附屬公司提供保證，並以本集團賬面淨值為人民幣65,897,000元的工廠廠房(附註8)及賬面淨值為人民幣27,482,000元的土地使用權(附註7)作抵押。利率基於中國人民銀行拉薩中心支行公佈的指示利率，於二零一九年十二月三十一日為每年4.75%，其中預先扣除2.00%利息，將於中國中央政府有關部門向貸款人退還利息撥備時退還。借款期為二零一九年三月十八日至二零二一年三月十七日，並按以下計劃償還：分別於二零一九年九月十八日、二零二零年三月十八日、二零二零年九月十八日及二零二一年三月七日償還人民幣10,000,000元、人民幣15,000,000元、人民幣30,000,000元及人民幣45,000,000元。本集團已根據合同條款償還首筆款項。由於借款協議的某些條款，該銀行擁有合同到期日之前要求償還貸款的潛在權利。因此，於二零一九年十二月三十一日，尚未償還借款人民幣90,000,000元列為流動負債。

29 BANK BORROWINGS (CONTINUED)

- (c) The borrowing with principal amount of RMB120,000,000 was guaranteed by a subsidiary of the Group. The interest rate was based on the general interest rate in Tibet, which was 2.75% per annum as at 31 December 2019. During the period of the loan, the interest rate will be adjusted according to the directive interest rate published by the People's Bank of China Lhasa Central Sub-branch every twelve months. The tenure of the borrowing is from 28 April 2018 to 28 April 2020 and repayment terms are based on the following schedule: repayments of RMB5,000,000, RMB5,000,000 and RMB110,000,000 on 18 October 2018, 18 October 2019 and 28 April 2020 respectively. The first two payments have been made by the Group based on the contractual terms. The outstanding borrowing amounting to RMB110,000,000 was recorded as current liability as at 31 December 2019.
- (d) The borrowing with principal amount of RMB66,000,000 was guaranteed by the Company and secured by the Group's factory plant with net book value of RMB29,484,000 (Note 8) and land use rights with net book value of RMB965,000 (Note 7). The loan was repaid and reborrowed in 2019. The loan is at fixed interest rate of 4.35% per annum. The tenure of the borrowing is from 20 June 2019 to 19 June 2020.

29 銀行借款(續)

- (c) 本金金額為人民幣120,000,000元的借款由本集團的附屬公司提供保證。利率乃基於西藏的一般利率，於二零一九年十二月三十一日為每年2.75%。於貸款期間，利率將根據中國人民銀行拉薩中心支行公佈的指示利率每12個月進行調整。借款期為二零一八年四月二十八日至二零二零年四月二十八日，並按以下計劃償還：分別於二零一八年十月十八日、二零一九年十月十八日及二零二零年四月二十八日償還人民幣5,000,000元、人民幣5,000,000元及人民幣110,000,000元。本集團已根據合同條款償還首兩筆款項。因此，於二零一九年十二月三十一日，尚未償還借款人民幣110,000,000元列為流動負債。
- (d) 本金金額為人民幣66,000,000元的借款由本公司提供保證，並以本集團賬面淨值為人民幣29,484,000元的工廠廠房(附註8)及賬面淨值為人民幣965,000元的土地使用權(附註7)作抵押。該貸款已於二零一九年償還及再借款。該貸款的固定年利率為4.35%。借款期為二零一九年六月二十日至二零二零年六月十九日。

29 BANK BORROWINGS (CONTINUED)

- (e) The balances include the following borrowings from banks:
- (i) The borrowing with principal amount of RMB100,000,000 was guaranteed by a subsidiary of the Group and was pledged by 15% of an associate's equity interests. The loan is at fixed interest rate of 2.25% per annum. The tenure of the borrowing is from 20 September 2019 to 20 September 2020.
 - (ii) The borrowing with principal amount of RMB60,000,000 was guaranteed by a subsidiary of the Group and the Company, and was pledged by 15% of an associate's equity interests. The loan is at fixed interest rate of 4.15% per annum. The tenure of the borrowing is from 6 December 2019 to 6 December 2020.
- (f) The borrowing with principal amount of RMB50,000,000 was guaranteed by the Company and a subsidiary of the Group. The loan was repaid and reborrowed in 2019. The loan is at fixed interest rate of 4.35% per annum. The tenure of the borrowing is from 16 August 2019 to 13 March 2020.

Details of the Group's exposure to risks arising from current and non-current bank borrowings are set out in Note 3.1.

29 銀行借款(續)

- (e) 結餘包括下列銀行借款：
- (i) 本金金額為人民幣100,000,000元的借款由本集團一間附屬公司提供保證，並由一間聯營公司15%的股權作質押。該貸款的固定年利率為2.25%。借款期為二零一九年九月二十日至二零二零年九月二十日。
 - (ii) 本金金額為人民幣60,000,000元的借款由本集團的一間附屬公司及本公司提供保證，並由一間聯營公司15%的股權作質押。該貸款的固定年利率為4.15%。借款期為二零一九年十二月六日至二零二零年十二月六日。
- (f) 本金金額為人民幣50,000,000元的借款由本公司及本集團的一間附屬公司提供保證。該貸款已於二零一九年償還及再借款。該借款的固定年利率為4.35%。借款期為二零一九年八月十六日至二零二零年三月十三日。

有關本集團所面臨自流動及非流動銀行借款所產生的風險詳情載於附註3.1。

29 BANK BORROWINGS (CONTINUED)

As at 31 December 2019, the Group's bank borrowings were repayable as follows:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 year	1年內	576,000	461,000
Between 1 and 2 years	1至2年	140,000	100,000
Between 2 and 5 years	2至5年	—	140,000
		716,000	701,000

29 銀行借款(續)

於二零一九年十二月三十一日，本集團銀行借款的還款期如下：

30 CONVERTIBLE BOND - LIABILITY COMPONENT

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current	流動		
Convertible bond - liability component	可換股債券－負債部分	—	457,673

30 可換股債券－負債部分

30 CONVERTIBLE BOND - LIABILITY COMPONENT (CONTINUED)

The movement of convertible bond-liability component is as follows:

		RMB'000 人民幣千元
Liability component at 31 December 2018	於二零一八年十二月三十一日 的負債部分	457,673
Interest expense (Note 34)	利息費用(附註34)	17,846
Cash settlement	現金結算	(486,363)
Currency translation differences	外幣折算差額	10,844
Liability component at 31 December 2019	於二零一九年十二月三十一日 的負債部分	—

The Group's convertible bonds with par value of HKD525,000,000 were matured on 24 June 2019. None of the bond holders exercised the conversion option of the convertible bonds and thus the Group was required to repay the bond holders in cash upon maturity. By 16 July 2019 (the contractual repayment deadline), the Group had repaid the bonds in full, amounting to RMB486,363,000 (equivalent to HKD545,599,000), representing principal of RMB468,517,000 (equivalent to HKD525,000,000) and interest of RMB17,846,000 (equivalent to HKD20,599,000).

30 可換股債券－負債部分(續)

可換股債券－負債部分的變動如下：

本集團面值為525,000,000港元的可換股債券於二零一九年六月二十四日到期。概無債券持有人行使可換股債券的轉換權，因此，本集團須於到期時以現金償還債券持有人。於二零一九年七月十六日(合約還款截止日期)，本集團已悉數償還債券人民幣486,363,000元(相等於545,599,000港元)，即本金人民幣468,517,000元(相等於525,000,000港元)及利息人民幣17,846,000元(相等於20,599,000港元)。

31 OTHER GAINS, NET

31 其他利得，淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Government grants	政府補助		
– Tax refund (a)	– 退稅(a)	24,320	37,800
– Amortisation of deferred income	– 遞延收入攤銷	2,425	2,907
Gain on disposal of FVPL (b)	處置以公允價值計量且其變動計入 損益的金融資產的收益(b)	10,198	17,591
Fair value changes on FVPL (b)	以公允價值計量且其變動計入損益 的金融資產的公允價值變動(b)	630	9,179
Loss on maturing FVPL (c)	以公允價值計量且其變動計入損益 的金融資產到期時的損失(c)	(4,319)	—
Impairment loss of inventory (d)	存貨減值損失(d)	(17,885)	—
Others	其他	1,442	1,532
		16,811	69,009

31 OTHER GAINS, NET (CONTINUED)

- (a) According to “Zang Zheng Ban [1997] No.24”, “Zang Cai Qi Zi [2010] No.93”, “La Kai Cai Zhu Zi [2010] No.29”, “La Kai Cai Zhu Zi [2012] No.101”, “La Jing Kai Cai Qi Zhuan [2015] No.01”, “La Kai Cai Qi Zhuan [2016] No.91”, “Support to enterprises in Tibet Lhasa Economy and Technology Development Zone (Temporary) No.8” and “Zang Zheng Fa [2018] No.25 Notice for Several Regulations in relation to Attraction of Investment in Tibet Autonomous Region (Trial Version)”, the Group is eligible to receive subsidy income from the local government in relation to the domestic subsidiaries’ fiscal contribution to the local economic development as a major tax payer and employer in Tibet. The Group recognised such income of approximately RMB24,320,000 for the year ended 31 December 2019 (2018: RMB37,800,000).
- (b) The Group purchased financial products issued by a financial institution in the PRC. These financial products will mature within one year with variable return rates indexed to the performance of the underlying assets. During the year, the Group disposed these investments amounting to RMB510,000,000 (2018: RMB680,000,000), which resulted in a gain amounting to RMB10,198,000 (2018: RMB17,591,000).

As at 31 December 2019, the Group held structured financial products amounting to RMB180,000,000, which was accounted as FVPL. The related fair value gains of RMB630,000 were recognised for the year.

- (c) As at 31 December 2019, the derivative financial products related to share option recorded as FVPL was matured and the Group has not exercised the equity option, amounting to RMB4,319,000 which was recorded as loss on FVPL.
- (d) This relates to inventory for a specific customer who is in financial difficulties, thus the cost of the inventory is assessed to be impaired.

31 其他利得，淨額(續)

- (a) 根據「藏政辦[1997]第24號」、「藏財企字[2010]第93號」、「拉開財駐字[2010]第29號」、「拉開財駐字[2012]第101號」、「拉經開財企專[2015]第01號」、「拉開財企專[2016]第91號」、「西藏拉薩經濟技術開發區關於支持入區企業發展的若干意見(暫行)第8號」及「藏政發[2018]25號關於印發西藏自治區招商引資優惠政策若干規定(試行)的通知」，本集團作為西藏主要納稅戶及僱主，有資格獲得有關境內附屬公司向地方經濟發展作出財務貢獻的地方政府補助收入。本集團於截至二零一九年十二月三十一日止年度確認的此類收入約為人民幣24,320,000元(二零一八年：人民幣37,800,000元)。
- (b) 本集團購入中國境內金融機構發行的金融產品。這些產品將於一年內到期，其可變回報率與相關資產的表現掛鈎。年內，本集團處置該等投資人民幣510,000,000元(二零一八年：人民幣680,000,000元)，獲得人民幣10,198,000元(二零一八年：人民幣17,591,000元)的收益。

於二零一九年十二月三十一日，本集團持有結構性金融產品人民幣180,000,000元，入賬列為以公允價值計量且其變動計入損益的金融資產。年內確認相關公允價值收益人民幣630,000元。

- (c) 於二零一九年十二月三十一日，與購股權有關記錄為以公允價值計量且其變動計入損益的金融資產的衍生金融產品已到期，本集團未行使的購股權權益人民幣4,319,000元乃記錄為以公允價值計量且其變動計入損益的金融資產的損失。
- (d) 此為與處於財務困難的特定客戶有關的存貨，因此存貨成本被評為已減值。

32 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution costs, administrative expenses and net impairment losses on financial assets are analysed as follows:

32 按性質劃分的費用

包括銷售成本、銷售及分銷費用、行政費用及金融資產減值損失淨額的費用分析如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Raw materials and consumables used	所用原材料及耗材	221,779	284,105
(Increase)/Decrease in the balances of inventories of finished goods and work in progress	產成品及在製品存貨結餘(增加)/減少	(8,282)	2,083
Transportation costs	運輸成本	57,048	72,676
Depreciation of PP&E (Note 8)	物業、廠房及設備折舊(附註8)	58,359	56,470
Depreciation of investment properties	投資性房地產折舊	175	—
Employee benefit expenses (Note 33)	僱員福利費用(附註33)	83,059	82,587
Advertising and marketing expenditure	廣告及市場推廣費用	36,017	17,409
City construction tax and education surcharge	城市建設費及教育附加費	11,758	16,566
Electricity and other utility expenses	電力及其他能源費用	12,193	17,834
Rental expenses	租金費用	1,641	2,200
Legal and other consulting services fee	法律和其他諮詢服務費用	7,239	10,517
Repair and maintenance	修理及保養	2,597	2,750
Amortisation of land use rights (Note 7)	土地使用權攤銷(附註7)	724	724
Amortisation of intangible assets (Note 9)	無形資產攤銷(附註9)	22,118	22,118
Auditor's remuneration	核數師酬金		
– Audit services	– 審計服務	7,136	6,586
– Non-audit services	– 非審計服務	—	—
Exploration rights expenses	探礦權費用	500	500
Office and consumption expenses	辦公及消耗費用	3,089	3,988
Net impairment losses on financial assets (Note 3.1 (b)(iii))	金融資產減值損失淨額(附註3.1(b)(iii))	83,164	1,795
Provision for impairment of inventories	存貨減值撥備	—	230
Others	其他	5,284	6,480
		605,598	607,618

33 EMPLOYEE BENEFIT EXPENSES

33 僱員福利費用

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	66,853	67,048
Provision for medical and other employee benefits	醫療及其他僱員福利撥備	5,511	4,693
Contributions to defined contribution pension scheme (a)	界定供款退休金計劃供款(a)	6,178	6,670
Contributions to the housing scheme (b)	住房計劃供款(b)	4,517	4,176
		83,059	82,587

(a) Pension scheme

The Group pays contributions to publicly administered pension insurance plans on a mandatory, contractual basis. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Housing scheme

In accordance with the PRC housing reform regulations, the Group is required to make contributions to the Chinese state-sponsored housing fund at 10% of the salaries of the PRC employees. At the same time, the employees are also required to make a contribution at 10% of their salaries out of their payroll. The employees are entitled to claim the entire sum of the fund under certain specified withdrawal circumstances.

(a) 退休金計劃

本集團按強制、合約基準向公營管理退休金保險計劃作出供款。倘該基金並無足夠資產支付所有僱員於本期間及過往期間有關僱員服務所得的福利，本集團亦無進一步供款的法定或推定責任。供款於到期時確認為僱員福利開支。預付供款在可取得退回現金或日後付款減少的情況下確認為資產。

(b) 住房計劃

根據中國住房制度改革法規，本集團必須按中國僱員薪金的10%向中國政府組織的住房公積金作出供款。同時，僱員亦須從其薪金中提取10%作為供款。在若干特定情形下，僱員有權提取全額的住房公積金供款。

33 EMPLOYEE BENEFIT EXPENSES (CONTINUED)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2018: four) directors whose emoluments are reflected in the analysis presented in Note 43. The emoluments paid and payable to the remaining one (2018: one) individual during the year are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	1,219	1,166
Contribution to pension scheme	退休金計劃供款	16	15
Bonuses	花紅	97	93
		1,332	1,274

33 僱員福利費用(續)

(c) 五名最高薪酬人士

本年度本集團五名最高薪酬人士包括四名(二零一八年:四名)董事,彼等的酬金已於附註43所呈列的分析反映。本年度已付及應付予其餘一名(二零一八年:一名)個別人士的酬金如下:

34 FINANCE INCOME/(COSTS), NET

34 財務收入／(費用)，淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Foreign exchange gain/(loss), net	匯兌收益／(損失)，淨額	86	(556)
Interest costs on bank borrowings	銀行借款利息費用	(30,540)	(14,107)
Interest costs on convertible bond (Note 30)	可換股債券利息費用(附註30)	(17,846)	(30,895)
Interest costs on borrowings from third parties (a)	第三方借款的利息費用(a)	(9,647)	—
Other finance costs	其他財務費用	(381)	(106)
		(58,328)	(45,664)
Amount capitalised (b)	資本化金額(b)	4,070	3,559
Finance costs	財務費用	(54,258)	(42,105)
Finance income - interest income	財務收入－利息收入	63,819	31,855
Finance income/(costs), net	財務收入／(費用)，淨額	9,561	(10,250)

(a) The interest costs were mainly due from borrowings from third parties. Please refer to Note 28 for details.

(b) Interest of RMB4,070,000 has been capitalised in assets under construction for the year ended 31 December 2019 (2018: RMB3,559,000). Interest was capitalised at the weighted average rate of its general bank borrowings of 4.19% per annum (2018: 3.40% per annum).

(a) 利息費用主要來自向第三方的借款。有關詳情請參閱附註28。

(b) 截至二零一九年十二月三十一日止年度，利息人民幣4,070,000元(二零一八年：人民幣3,559,000元)已資本化至在建工程資產。利息按一般銀行借款加權平均年利率4.19%(二零一八年：年利率3.40%)資本化。

35 INCOME TAX EXPENSE

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current income tax	當期所得稅	40,748	37,962
Deferred income tax credit (Note 24)	遞延所得稅貸記(附註24)	(12,233)	(3,260)
Income tax expense	所得稅費用	28,515	34,702

The taxation on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

35 所得稅費用

以下為在綜合損益表計入的所得稅費用金額：

本集團的除所得稅前(虧損)/利潤計繳的稅項有別於採用法定稅率計算得出的理論數額，詳請如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
(Loss)/Profit before income tax	除所得稅前(虧損)/利潤	(716,603)	352,234
Tax calculated at statutory tax rate of 15%	按法定稅率15%計算的稅項	(107,490)	52,835
Preferential tax rates on income of certain group entities (a)	若干集團實體的收入所享受的優惠稅率(a)	(13,709)	(25,688)
Loss/(Income) not subject to tax	毋須課稅虧損/(收入)	130,017	(1,795)
Tax losses of certain group entities for which no deferred tax assets were recognised	並無確認遞延稅項資產的若干集團實體的稅項虧損	1,283	1,498
Expenses not deductible for tax purposes	不可扣稅費用	9,335	5,352
Withholding tax from distribution of profits by a PRC subsidiary	中國附屬公司分配溢利所產生的所得稅	9,079	2,500
Income tax expense	所得稅費用	28,515	34,702

35 INCOME TAX EXPENSE (CONTINUED)

- (a) The Company was incorporated in the Cayman Islands. Under current laws of the Cayman Islands, there is no income, estate, corporation, capital gains or other taxes payable by the Company. The group entities established under the International Business Companies Acts of the British Virgin Islands are exempted from British Virgin Islands income taxes.

The group entities incorporated in the PRC are subject to PRC enterprise income tax. Major operational entities of the Group are located in Tibet and were entitled to preferential income tax rate. Based on the tax ruling announced by the PRC central tax authorities, the corporate income tax rate of Lhasa is 9% for the years from 2015 to 2021. From 2022 onwards, the corporate income tax rate in Tibet will resume to 15% if no further announcement from the PRC central tax authorities is made. The remaining entities incorporated in the PRC were taxed based on the income tax rate of 25% for the year ended 31 December 2019 (2018: 25%) as determined in accordance with the relevant PRC income tax rules and regulations. The relevant deferred tax balances had been measured based on the expected tax rates applicable in the future. Hong Kong profits tax has been provided for at the rate of 16.5% (2018: 16.5%).

35 所得稅費用(續)

- (a) 本公司於開曼群島註冊成立。根據開曼群島現行法律，本公司概無任何應繳所得稅、遺產稅、公司稅、資本增益稅或其他稅項。根據英屬處女群島的國際商務公司法成立的集團實體獲豁免繳付英屬處女群島的所得稅。

在中國註冊成立的集團實體須繳納中國企業所得稅。本集團的主要營運實體位於西藏並享受所得稅優惠稅率；根據中國中央稅務機關公佈的稅務規例，拉薩的企業所得稅稅率於二零一五年至二零二一年為9%。自二零二二年起，如中國中央稅務機關並無進一步公佈，則西藏的企業所得稅稅率將恢復至15%。其餘於中國註冊成立的實體於截至二零一九年十二月三十一日止年度根據相關的中國所得稅規則及規例按25%的所得稅率(二零一八年：25%)繳稅。相關遞延稅項結餘已根據預期於日後適用的稅率予以計量。香港利得稅已按16.5%(二零一八年：16.5%)的稅率計提。

36 (LOSS)/EARNINGS PER SHARE**(a) Basic (loss)/earnings per share**

As at 31 December 2019 and 2018, basic (loss)/earnings per share is calculated by dividing:

- the (loss)/profit attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year, excluding the shares held for share award scheme (Note 22).

36 每股(虧損)/盈利**(a) 每股基本(虧損)/盈利**

於二零一九年及二零一八年十二月三十一日的每股基本(虧損)/盈利乃經以下各項計算：

- 本公司擁有人應佔(虧損)/利潤，除以
- 該財政年度內已發行普通股的加權平均數，不包括股份獎勵計劃持有的股份(附註22)。

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年	2018 二零一八年
(Loss)/Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔(虧損)/利潤(人民幣千元)	(745,118)	317,532
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(以千計)	2,503,267	2,503,421
(Loss)/Earnings per share (basic and diluted) (RMB cents per share)	每股(虧損)/盈利(基本及攤薄)(每股人民幣分)	(29.77)	12.68

(b) Diluted (loss)/earnings per share

Diluted (loss)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 31 December 2019, the Group has no dilutive ordinary shares.

(b) 每股攤薄(虧損)/盈利

每股攤薄(虧損)/盈利乃經調整已發行普通股加權平均數以假設轉換所有具攤薄效應的潛在普通股而計算。於二零一九年十二月三十一日，本集團並無攤薄普通股。

37 DIVIDENDS

No dividend has been declared by the Company in respect of 2019 (2018: nil). No dividend was paid during the year.

37 股息

本公司並無宣告派發二零一九年股息(二零一八年：無)。年內概無派付任何股息。

38 CASH GENERATED FROM OPERATIONS

38 經營活動產生的現金

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
(Loss)/Profit before income tax	除所得稅前(虧損)/利潤	(716,603)	352,234
Adjustments for:	調整：		
Amortisation of land use rights (Note 7)	土地使用權攤銷(附註7)	724	724
Amortisation of intangible assets (Note 9)	無形資產攤銷(附註9)	22,118	22,118
Depreciation of PP&E (Note 8)	物業、廠房及設備折舊(附註8)	58,359	56,470
Depreciation of investment properties	投資性房地產折舊	175	—
Deferred income credited to statement of profit or loss (Note 31)	貸記損益表的遞延收入(附註31)	(2,425)	(2,907)
Loss on maturing FVPL (Note 31)	以公允價值計量且其變動計入損益的金融資產到期時的損失(附註31)	4,319	—
Finance (income)/cost, net (Note 34)	財務(收入)/費用，淨額(附註34)	(9,561)	10,250
Share of net profit of investments accounted for using the equity method (Note 12)	應佔使用權益法入賬的投資利潤淨額(附註12)	(14,319)	(20,436)
Loss from acquisition of a subsidiary	收購一家附屬公司的虧損	—	282
Gain on disposal of FVPL (Note 18 & 31)	處置以公允價值計量且其變動計入損益的金融資產的收益(附註18 & 31)	(10,198)	(17,591)
Fair value gains of FVPL (Note 18 & 31)	以公允價值計量且其變動計入損益的金融資產的公允價值收益(附註18 & 31)	(630)	(9,179)
Net impairment losses on financial assets (Note 3.1-b)	金融資產減值損失淨額(附註3.1-b)	83,164	1,795
Impairment of inventories (Note 31)	存貨減值(附註31)	17,885	230
Impairment losses on investments accounted for using the equity method (Note 12)	使用權益法入賬的投資減值損失(附註12)	873,151	—
Operating profit before working capital changes	營運資金變動前的經營溢利	306,159	393,990

38 CASH GENERATED FROM OPERATIONS (CONTINUED)

38 經營活動產生的現金(續)

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Decrease/(Increase) in inventories	存貨減少/(增加)	28,559	(23,777)
Increase in trade receivables	應收貿易款增加	(46,855)	(56,541)
Decrease/(Increase) in prepayments, other financial assets at amortised cost	預付款項及以攤餘成本計量的 其他金融資產減少/(增加)	36,546	(35,365)
Increase/(Decrease) in trade and notes payable	應付貿易款及應付票據 增加/(減少)	245,160	(5,519)
Decrease in accruals and other payables	預提費用及其他應付款減少	(775)	(21,398)
Increase/(Decrease) in deferred revenue and contract liabilities	遞延收入及合同負債增加/(減少)	8,184	(4,025)
Cash generated from operations	經營活動產生的現金	576,978	247,365

Significant non-cash transaction

- (a) During the year, loans from a third party amounting to RMB220,000,000 were offset against amounts due to a third party for the same amount based on the settlement agreements among the Group and the third parties.
- (b) During the year, amounts due to related parties of RMB170,473,000 were reclassified to amounts due to a third party for the same amount based on the settlement agreements among the Group, the third party and the related parties.

重大非現金交易

- (a) 年內，第三方貸款人民幣220,000,000元已就基於本集團與第三方訂立的結算協議的相同款項與應付第三方款項相抵。
- (b) 年內，應付關聯方款項人民幣170,473,000元已就基於本集團、第三方及關聯方的結算協議的相同款項重新分類至應付第三方款項。

38 CASH GENERATED FROM OPERATIONS (CONTINUED)

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

38 經營活動產生的現金(續)

本節載列債務淨額的分析及各呈列期間債務淨額的變動。

Net debt		2019	2018
債務淨額		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	515,510	277,152
Borrowings – repayable within one year (Note 29)	借款 – 須於一年內償還(附註29)	(576,000)	(461,000)
Borrowings – repayable after one year (Note 29)	借款 – 須於一年後償還(附註29)	(140,000)	(240,000)
Borrowings from third parties (Note 28)	第三方借款(附註28)	(290,309)	—
Convertible bond - liability component (Note 30)	可換股債券 – 負債部分(附註30)	—	(457,673)
Net debt	債務淨額	(490,799)	(881,521)
Cash and cash equivalents	現金及現金等價物	515,510	277,152
Gross debt – fixed interest rates (Note 3.1 (a)(ii))	債務總額 – 固定利率 (附註3.1(a)(ii))	(566,309)	(753,673)
Gross debt – variable interest rates	債務總額 – 浮動利率	(440,000)	(405,000)
Net debt	債務淨額	(490,799)	(881,521)

38 CASH GENERATED FROM OPERATIONS (CONTINUED)

38 經營活動產生的現金(續)

		Other assets 其他資產	Liabilities from financing activities 融資活動產生的負債				
		Cash and cash equivalents 現金及現金等價物	Bank borrowings due within 1 year 於1年內到期的銀行借款	Bank borrowings due after 1 year 於1年後到期的銀行借款	Borrowings from third parties 第三方借款	Convertible bond 可換股債券	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Net debt as at 31 December 2017	於二零一七年十二月三十一日的債務淨額	830,773	(431,000)	—	—	(432,340)	(32,567)
Cash flows	現金流量	(555,822)	(15,892)	(240,000)	—	26,882	(784,832)
Foreign exchange adjustments	匯兌調整	2,201	—	—	—	(21,320)	(19,119)
Other non-cash movements	其他非現金流動	—	(14,108)	—	—	(30,895)	(45,003)
Net debt as at 31 December 2018	於二零一八年十二月三十一日的債務淨額	277,152	(461,000)	(240,000)	—	(457,673)	(881,521)
Net debt as at 31 December 2018	於二零一八年十二月三十一日的債務淨額	277,152	(461,000)	(240,000)	—	(457,673)	(881,521)
Cash flows	現金流量	238,273	15,540	—	(295,697)	282,789	240,905
Foreign exchange adjustments	匯兌調整	85	—	—	—	(10,844)	(10,759)
Other non-cash movements	其他非現金流動	—	(130,540)	100,000	5,388	185,728	160,576
Net debt as at 31 December 2019	於二零一九年十二月三十一日的債務淨額	515,510	(576,000)	(140,000)	(290,309)	—	(490,799)

39 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

As at 31 December 2019 and 2018, capital expenditures contracted for but not yet incurred were as follows:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	37,359	73,109
Equity investment	權益投資	197,400	197,600
		234,759	270,709

(b) Contingent liabilities

The Group provided financial guarantee amounting to RMB200,000,000 to an associate as at 31 December 2019 (2018: nil) (Note 3.1). The guarantee is provided for bank borrowings obtained by the associate with remaining amounts of RMB200,000,000 as at 31 December 2019 (2018: nil), the period of guarantee amounting to RMB100,000,000 is from 5 July 2019 to 4 July 2023, the period of remaining guarantee amounting to RMB100,000,000 is from 29 November 2019 to 25 November 2023.

39 承諾和或然負債

(a) 資本性承諾

於二零一九年及二零一八年十二月三十一日，已定約但尚未產生之資本開支如下：

(b) 或然負債

於二零一九年十二月三十一日，本集團向一家聯營公司提供的財務擔保為人民幣200,000,000元（二零一八年：無）（附註3.1）。該擔保向聯營公司於二零一九年十二月三十一日餘額為人民幣200,000,000元的銀行借款提供擔保（二零一八年：無），人民幣100,000,000元的擔保期限為二零一九年七月五日至二零二三年七月四日，其餘人民幣100,000,000元的擔保期限為自二零一九年十一月二十九日至二零二三年十一月二十五日。

40 RELATED-PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

(a) Transactions with related parties

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from	來自下列各項的收入		
– Rental income from associates	– 來自聯營公司的租金收入	6,220	2,063
– Sales of raw materials and consumables used of water products to associates	– 向聯營公司銷售水產品所用原材料及耗材	49,245	102,453
– Sales of water products to an associate	– 銷售水產品予一間聯營公司	3,659	—
Purchase of goods from associates	向聯營公司購買商品	101,319	—
Amounts paid to associates	已付聯營公司款項	55,623	170,000
Loans granted to associates	借予聯營公司款項	288,200	22,000
Repayments received from loans to an associate	已收一間聯營公司還款	14,363	—
Financial guarantee for an associate	一間聯營公司財務擔保	200,000	—

Above were the transactions between the Group and associates including Highland Natural Water, Fudi Packaging and Great Wall 5100. The transactions were based on agreed terms among the parties involved.

40 關聯方交易

關聯方是指能夠控制另一方或對其財務及經營決策施加重大影響的人士。共同控制實體亦被視為關聯方。

(a) 與關聯方的交易

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from	來自下列各項的收入		
– Rental income from associates	– 來自聯營公司的租金收入	6,220	2,063
– Sales of raw materials and consumables used of water products to associates	– 向聯營公司銷售水產品所用原材料及耗材	49,245	102,453
– Sales of water products to an associate	– 銷售水產品予一間聯營公司	3,659	—
Purchase of goods from associates	向聯營公司購買商品	101,319	—
Amounts paid to associates	已付聯營公司款項	55,623	170,000
Loans granted to associates	借予聯營公司款項	288,200	22,000
Repayments received from loans to an associate	已收一間聯營公司還款	14,363	—
Financial guarantee for an associate	一間聯營公司財務擔保	200,000	—

以上為本集團與聯營公司(包括高原天然水、福地包裝及長城五一零零)之間的交易。該等交易乃基於有關訂約方協定的條款進行。

40 RELATED-PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties:

The balances with related parties are as follows:

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Prepayment	預付款項		
– Fudi Packaging	– 福地包裝	52,582	—
Trade payable	應付貿易款		
– Fudi Packaging	– 福地包裝	2,251	—
Contract liabilities	合同負債		
– Highland Natural Water	– 高原天然水	7,657	63
– Great Wall 5100	– 長城五一零零	1,002	—
		8,659	63
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產		
– Highland Natural Water (Note 16)	– 高原天然水(附註16)	189,800	—
– Fudi Packaging (Note 16)	– 福地包裝(附註16)	—	22,877
		189,800	22,877

40 關聯方交易(續)

(b) 與關聯方的結餘：

與關聯方的結餘如下：

40 RELATED-PARTY TRANSACTIONS (CONTINUED)

(c) Key management compensation

The compensation paid/payable to key management is shown below:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	11,616	11,949

41 EVENTS AFTER THE BALANCE SHEET DATE

Late in 2019, news first emerged from China about the COVID-19 (Coronavirus). The situation at year end was that a limited number of cases of an unknown virus had been reported to the World Health Organisation. In the first few months of 2020, the virus spread globally. The Group considers this outbreak to be a non-adjusting post balance sheet date event. The Group is currently unable to assess the full impact of COVID-19 virus on its future financial position and the results of operations, however, depending on future developments, it may have a negative impact on the Group.

40 關聯方交易(續)

(c) 主要管理人員報酬

已付／應付主要管理人員的報酬呈列如下：

41 資產負債表日期後事項

二零一九年底，中國首次出現有關 COVID-19(冠狀病毒)的消息。在年底的情況是，向世界衛生組織報告這未知病毒病例的數字是有限的。該病毒在二零二零年的首幾個月中於全球傳播。本集團認為此次爆發是資產負債表日期後的非調整事件。本集團目前無法評估 COVID-19 病毒對其未來財務狀況和經營成果的全面影響，但是，根據未來的發展情況，該病毒可能會對本集團產生負面影響。

42 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

42 本公司資產負債表及儲備變動

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance sheet of the Company	Note		
本公司資產負債表	附註		
Assets	資產		
Non-current assets	非流動資產		
Loans to subsidiaries	貸款予附屬公司	1,256,334	1,503,478
		1,256,334	1,503,478
Current assets	流動資產		
Cash and cash equivalents	現金及現金等價物	289	1,310
Prepayment	預付款項	496	444
		785	1,754
Total assets	總資產	1,257,119	1,505,232
Equity and liabilities	權益及負債		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	21,363	21,363
Share premium	股份溢價	1,225,214	1,206,829
Shares held for share award scheme	為股份獎勵計劃持有的股份	(173,037)	(173,037)
Other reserves	其他儲備	72,733	72,244
Accumulated deficits	累計虧絀	(122,539)	(85,489)
Total equity	權益總額	1,023,734	1,041,910

42 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED) 42 本公司資產負債表及儲備變動(續)

		As at 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance sheet of the Company	Note		
本公司資產負債表	附註		
Liabilities	負債		
Current liabilities	流動負債		
Other payables	其他應付款	191,952	5,649
Loans from subsidiaries	來自附屬公司貸款	41,433	—
Convertible bond-liability component	可換股債券－負債部分	—	457,673
		233,385	463,322
Total liabilities	負債總額	233,385	463,322
Total equity and liabilities	權益及負債總額	1,257,119	1,505,232

The balance sheet of the Company was approved by the Board of Directors on 31 March 2020 and was signed on its behalf.

董事會已於二零二零年三月三十一日批准本公司資產負債表並代其簽字。

Wang Dong 王東
Director 董事

LIU Chen 劉晨
Director 董事

42 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY
(CONTINUED)

42 本公司資產負債表及儲備變動(續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

		Accumulated deficits	Other reserves
		累計虧絀	其他儲備
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	(42,690)	31,948
Loss for the year	年度虧損	(42,799)	—
Currency translation differences	外幣折算差額	—	40,296
Total comprehensive (loss)/income	全面(虧損)/收益總額	(85,489)	72,244
At 31 December 2018	於二零一八年十二月三十一日	(85,489)	72,244
At 1 January 2019	於二零一九年一月一日	(85,489)	72,244
Loss for the year	年度虧損	(37,050)	—
Currency translation differences	外幣折算差額	—	18,874
Reclassification to share premium	重新分類至股份溢價	—	(18,385)
Total comprehensive (loss)/income	全面(虧損)/收益總額	(122,539)	72,733
At 31 December 2019	於二零一九年十二月三十一日	(122,539)	72,733

43 BENEFITS AND INTERESTS OF DIRECTORS

(A) Directors' and chief executive's emoluments

The remuneration of each director and the chief executive for the year ended 31 December 2019 is set out below:

Name	姓名	Employer's contribution to benefit				Total 總計
		Salary 薪金	Discretionary bonuses 酌情花紅	Employer's contribution to benefit 僱主向福利計劃供款	Allowance and benefits 津貼及福利	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Mr. Wang Dong	王東先生	1,324	—	37	148	1,509
Mr. Jesper Bjoern Madsen	麥奕鵬先生	1,642	—	—	241	1,883
Mr. Yue Zhiqiang	岳志強先生	1,323	—	—	—	1,323
Mr. Liu Chen	劉晨先生	1,111	89	16	—	1,216
Mr. Wong Hak Kun (i)	王克勤先生(i)	551	—	7	—	558
Ms. Han Linyou (ii)	韓林攸女士(ii)	821	—	12	—	833
Ms. Jiang Xiaohong	姜曉虹女士	878	—	—	—	878
Mr. Wei Cheng, Kevin	蔚成先生	527	—	—	—	527
Mr. Lee Kong Wai, Conway	李港衛先生	492	—	—	—	492
Mr. Wei Zheming (iii)	魏哲明先生(iii)	—	—	—	—	—
Mr. Xu Liang (iii)	徐亮先生(iii)	—	—	—	—	—
Ms. Guo Kunkun (iii)	郭昆琨女士(iii)	—	—	—	—	—
Mr. Hung Ka Hai Clement (iii)	洪嘉禧先生(iii)	—	—	—	—	—
		8,669	89	72	389	9,219

(i) Resigned on 24 May 2019.

(ii) Resigned on 11 November 2019.

(iii) Appointed on 31 December 2019.

(i) 於二零一九年五月二十四日辭任。

(ii) 於二零一九年十一月十一日辭任。

(iii) 於二零一九年十二月三十一日獲委任。

43 董事福利及權益

(A) 董事及主要行政人員酬金

各董事及主要行政人員截至二零一九年十二月三十一日止年度的薪酬載列如下：

43 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(A) Directors' and chief executive's emoluments (continued)

The remuneration of each director and the chief executive for the year ended 31 December 2018 is set out below:

Name	姓名	Salary 薪金 RMB'000 人民幣千元	Discretionary bonuses 酌情花紅 RMB'000 人民幣千元	Employer's contribution to benefit scheme 僱主向福利 計劃供款 RMB'000 人民幣千元		Allowance and benefits 津貼及福利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Mr. Wang Dong	王東先生	1,265	—	—	6	1,271	
Mr. Jesper Bjoern Madsen	麥奕鵬先生	1,570	—	—	219	1,789	
Mr. Yue Zhiqiang	岳志強先生	1,265	—	—	—	1,265	
Mr. Liu Chen	劉晨先生	1,063	85	15	—	1,163	
Mr. Wong Hak Kun	王克勤先生	1,265	—	15	—	1,280	
Ms. Han Linyou	韓林攸女士	1,063	85	15	—	1,163	
Ms. Jiang Xiaohong	姜曉虹女士	840	—	—	—	840	
Mr. Wei Cheng, Kevin	蔚成先生	470	—	—	—	470	
Mr. Lee Kong Wai, Conway	李港衛先生	470	—	—	—	470	
		9,271	170	45	225	9,711	

There was no remuneration, inducement fee, or compensation for loss of office to Directors during the year ended 31 December 2019 and 2018.

(B) Directors' retirement benefits

During the year ended 31 December 2019, no retirement benefits operated by the Group were paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2018: nil).

43 董事福利及權益(續)

(A) 董事及主要行政人員酬金(續)

各董事及主要行政人員截至二零一八年十二月三十一日止年度的薪酬載列如下：

截至二零一九年及二零一八年十二月三十一日止年度，概無向董事支付任何袍金、獎勵費或離職補償金。

(B) 董事退休福利

截至二零一九年十二月三十一日止年度，概無直接或間接向董事派付或作出由本集團運營的退休福利，亦無就董事職務或有關本公司或其附屬公司之事務管理的其他服務向董事應付的退休福利(二零一八年：無)。

43 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)**(C) Directors' termination benefits**

During the year ended 31 December 2019, no payments or benefits in respect of termination of director's services were paid or made, directly or indirectly, to or receivable by a director; nor are any payable (2018: nil).

(D) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2019, no consideration was provided to or receivable by third parties for making available director's services (2018: nil).

(E) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities (2018: nil).

(F) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2018: nil).

43 董事福利及權益(續)**(C) 董事終止福利**

截至二零一九年十二月三十一日止年度，概無就董事服務終止直接或間接向董事派付或作出任何款項或福利，董事亦無應收款項或福利及任何應付款(二零一八年：無)。

(D) 因董事服務向第三方提供的代價

截至二零一九年十二月三十一日止年度，並無因董事服務向第三方提供代價，第三方亦無應收代價(二零一八年：無)。

(E) 有關以董事、董事之受控制法團及關連實體為受益人的貸款、準貸款及其他交易的資料

概無以董事、董事之受控制法團及關連實體為受益人的貸款、準貸款或其他交易(二零一八年：無)。

(F) 董事於交易、安排或合約的重大權益

於年末或於年內任何時間，概無存續本公司作為訂約方且本公司董事於當中擁有重大權益(不論直接或間接)的與集團業務有關的重大交易、安排及合約(二零一八年：無)。

For the year ended 31 December

截至十二月三十一日止年度

		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
Profitability data	盈利數據					
(RMB million)	(人民幣百萬元)					
Revenue	收入	721	881	932	868	832
Gross profit	毛利	404	480	551	520	502
Operating profit	經營利潤	133	342	393	393	363
(Loss)/Profit for the year	年度(虧損)/利潤	(745)	318	368	359	323
Profitability data (%)	盈利數據(%)					
Gross profit margin	毛利率	56%	55%	59%	60%	60%
Operating profit margin	經營利潤率	18%	39%	42%	45%	44%
Net profit margin	淨利潤率	N/A不適用	36%	39%	41%	39%
Return on total shareholders' equity	股東權益總額回報率	N/A不適用	9%	12%	10%	10%
Assets and liabilities data	資產與負債數據					
(RMB million)	(人民幣百萬元)					
Non-current assets	非流動資產	2,305	3,278	2,907	2,880	2,635
Current assets	流動資產	1,958	1,635	1,642	1,938	1,025
Current liabilities	流動負債	1,376	1,177	901	631	403
Non-current liabilities	非流動負債	184	276	473	693	60
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,702	3,459	3,174	3,123	2,878
Assets and Working Capital data	資產和流動資金數據					
Current assets ratios	流動資產比率	46%	33%	36%	40%	28%
Gearing ratios	資本負債比率	27%	25%	21%	24%	6%

Note:

附註：

The summary above does not form part of the audited consolidated financial statements.

上述概要並不構成經審核綜合財務報表的一部分。

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西藏水資源有限公司
TIBET WATER
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