



Wai Yuen Tong Medicine Holdings Limited  
位元堂藥業控股有限公司

Incorporated in Bermuda with limited liability  
於百慕達註冊成立之有限公司  
Stock Code 股份代號: 897

Preparing Medicine with  
**Dedication**  
Growing Strong with  
**Reputation**

以誠意用心造藥 憑信譽繼往開來



**2019**  
Annual Report 年報

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### Board of Directors

#### Executive Directors

Mr. Tang Ching Ho, *SBS, JP*,  
*Chairman and Managing Director*  
Mr. Chan Chun Hong, Thomas  
Ms. Tang Mui Fun  
Ms. Tang Wai Man (Appointed on 1 April 2018)

#### Independent Non-executive Directors

Mr. Leung Wai Ho, *MH*  
Mr. Siu Man Ho, Simon  
Mr. Cho Wing Mou  
Mr. Li Ka Fai, David

### Audit Committee

Mr. Li Ka Fai, David, *Chairman*  
Mr. Leung Wai Ho, *MH*  
Mr. Siu Man Ho, Simon  
Mr. Cho Wing Mou

### Remuneration Committee

Mr. Siu Man Ho, Simon, *Chairman*  
Mr. Leung Wai Ho, *MH*  
Mr. Cho Wing Mou  
Mr. Tang Ching Ho, *SBS, JP*  
Ms. Tang Wai Man

### Nomination Committee

Mr. Cho Wing Mou, *Chairman*  
Mr. Leung Wai Ho, *MH*  
Mr. Siu Man Ho, Simon  
Mr. Tang Ching Ho, *SBS, JP*  
Ms. Tang Wai Man

### Executive Committee

Mr. Tang Ching Ho, *SBS, JP, Chairman*  
Mr. Chan Chun Hong, Thomas  
Ms. Tang Mui Fun  
Ms. Tang Wai Man

### Authorised Representatives

Mr. Tang Ching Ho, *SBS, JP*  
Mr. Chan Chun Hong, Thomas

### Company Secretary

Ms. Mak Yuen Ming, Anita

### Legal Advisers

DLA Piper Hong Kong  
Gallant

### 董事會

#### 執行董事

鄧清河先生，*SBS*，*太平紳士*，  
*主席兼董事總經理*  
陳振康先生  
鄧梅芬女士  
鄧蕙敏女士（於二零一八年四月一日  
獲委任）

#### 獨立非執行董事

梁偉浩先生，*MH*  
蕭文豪先生  
曹永牟先生  
李家暉先生

### 審核委員會

李家暉先生，*主席*  
梁偉浩先生，*MH*  
蕭文豪先生  
曹永牟先生

### 薪酬委員會

蕭文豪先生，*主席*  
梁偉浩先生，*MH*  
曹永牟先生  
鄧清河先生，*SBS*，*太平紳士*  
鄧蕙敏女士

### 提名委員會

曹永牟先生，*主席*  
梁偉浩先生，*MH*  
蕭文豪先生  
鄧清河先生，*SBS*，*太平紳士*  
鄧蕙敏女士

### 常務委員會

鄧清河先生，*SBS*，*太平紳士*，*主席*  
陳振康先生  
鄧梅芬女士  
鄧蕙敏女士

### 授權代表

鄧清河先生，*SBS*，*太平紳士*  
陳振康先生

### 公司秘書

麥婉明女士

### 法律顧問

歐華律師事務所  
何耀棣律師事務所

### Auditor

Ernst & Young

### Principal Bankers

Bank of China (Hong Kong) Limited  
The Bank of East Asia, Limited  
DBS Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited

### Registered Office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### Head Office and Principal Place of Business in Hong Kong

Suite 3101, 31/F., Skyline Tower  
39 Wang Kwong Road  
Kowloon Bay  
Kowloon  
Hong Kong

### Principal Share Registrar and Transfer Office in Bermuda

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

### Branch Share Registrar and Transfer Office in Hong Kong

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

### Board Lot

5,000 shares

### Investor Relations

Email: [contact@waiyuentong.com](mailto:contact@waiyuentong.com)

### Homepage

[www.wyth.net](http://www.wyth.net)

### Stock Code

897

### 核數師

安永會計師事務所

### 主要往來銀行

中國銀行(香港)有限公司  
東亞銀行有限公司  
星展銀行(香港)有限公司  
香港上海滙豐銀行有限公司

### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### 香港總辦事處及主要營業地點

香港  
九龍  
九龍灣  
宏光道39號  
宏天廣場31樓3101室

### 百慕達股份過戶及轉讓登記總處

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

### 香港股份過戶及轉讓登記分處

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心54樓

### 每手股數

5,000 股股份

### 投資者關係

電郵：[contact@waiyuentong.com](mailto:contact@waiyuentong.com)

### 網址

[www.wyth.net](http://www.wyth.net)

### 股份代號

897



## Awards 獎項 (2018-2019)

### WAI YUEN TONG 位元堂

Quality Tourism Services Association (QTSA)  
優質旅遊服務協會 (QTSA)

#### Outstanding QTS Merchant Service Supervisory Staff – Silver Award (Foodstuffs)

傑出優質商戶主管員工服務 — 銀獎 (一般食品)



Hong Kong Brand Development Council  
香港品牌發展局

#### Hong Kong Top Brand Mark (Top Mark) 2019 香港名牌標識 (TOP 嘜) 2019

The Nielsen Company  
尼爾森公司

#### Wai Yuen Tong Hou Tsao Powder Ranked 1st in Sales Value & Sales Volume for 5 Consecutive Years in Hong Kong\* 位元堂猴棗除痰散連續五年銷售額及銷售量全港第一\*



- \* Based in part on data reported by Nielsen through its Retail Index Service for the defined Hou Cho Powder segment of Cough Remedy category for the 5-year period ending May 2018 (from June 2013 to May 2018), for Key Account Supermarkets, CVS and Drug Stores in Hong Kong (Copyright © 2018 The Nielsen Company)
- \* 根據Nielsen尼爾森公司截至2018年5月止5年期間(自2013年6月至2018年5月)全港連鎖超級市場、便利店及藥房化痰止咳藥零售調查報告(©2018尼爾森公司版權所有)

### LUXEMBOURG MEDICINE 盧森堡大藥廠

The Nielsen Company  
尼爾森公司



#### Madame Pearl's Ranked 1st in Sales Value for 8 Consecutive Years in Hong Kong\* 珮夫人連續八年全港銷售額冠軍\*

- \* Based in part on data reported by Nielsen through its Retail Index Service for the defined Cough Syrup category for the 8-year period ending December 2017 (from January 2010 to December 2017), for Key Account Supermarkets, CVS and Drug Stores in Hong Kong (Copyright © 2018 The Nielsen Company)
- \* 根據Nielsen尼爾森公司截至2017年12月止8年期間(自2010年1月至2017年12月)全港連鎖超級市場、便利店及藥房喉藥水零售調查報告(©2018尼爾森公司版權所有)

The Professional Validation Centre of Hong Kong Business Sector  
香港商業專業評審中心

**PVCBS Brand Excellence Award 2018**  
2018 商評卓越品牌大獎



Eugene Group  
荷花集團

**Parents' Favourite Proprietary Chinese Medicine Brand for Newborns 2019**  
爸媽最愛嬰幼兒中成藥品牌 2019



The Hong Kong Council of Social Service  
香港社會服務聯會

**10 Years Plus Caring Company**  
10年 Plus 商界展關懷



The Nielsen Company  
尼爾森公司



**Pearl's Ranked 1st in Sales Value for 8 Consecutive Years in Hong Kong\***  
佩氏連續八年全港銷售額冠軍\*

- \* Based in part on data reported by Nielsen through its Retail Index Service for the defined Mosquito Repeller (for human) category for the 8-year period ending October 2018 (from November 2010 to October 2018), for Key Account Supermarkets, CVS and Drug Stores in Hong Kong (Copyright © 2019 The Nielsen Company)
- \* 根據Nielsen尼爾森公司截至2018年10月止8年期間(自2010年11月至2018年10月)全港連鎖超級市場、便利店及藥房驅蚊用品(應用於人體)零售調查報告(©2019尼爾森公司版權所有)

The Hong Kong Council of Social Service  
香港社會服務聯會

**10 Years Plus Caring Company**  
10年 Plus 商界展關懷





# Chairman's Statement

## 主席報告



“

We will realise our century-old well-established brand value to its fullest extent, thereby enabling our products to shine in the local and global markets. I hereby express my heartfelt gratitude to our colleagues for their continuous contributions.

我們將充分發揮百年品牌價值，讓公司產品繼續在中、外發揚光大。

在此，我衷心感謝公司上下全人多年來的努力不懈。

”

Dear Shareholders,

### Business Review

In 2018, the opening of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge led to an increase in the number of visitors to Hong Kong. Visitor arrivals to Hong Kong for the year reached about 65 million, representing an increase of 11.4% over 2017. The increase in visitor arrivals also invigorated the retail market. The statistics released by the Hong Kong Census and Statistics Department show that the value of total retail sales in 2018 increased by 8.8% year-on-year. In particular, the sales value of medicines and cosmetics and Chinese medicine increased by 14.3% and 5.3% respectively. Benefited from the continued improvement in the tourism and retail industries, during the year, Wai Yuen Tong Medicine Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) maintained stable development in terms of its core business given its flexible operating strategy, with a total revenue of HK\$751.4 million for the year.

With a history of over 120 years, “Wai Yuen Tong” remains true to the original aspiration of the management team and the Company of “Preparing Medicine with Dedication, Growing Strong with Reputation”. The management team and employees make concerted effort to provide quality products and services and facilitate this century-old brand to embrace new opportunities and explore new horizons. The Group protects consumers’ health by incorporating Chinese and Western elements through “Wai Yuen Tong”, a widely-known Chinese medicine brand held through Wai Yuen Tong Medicine Company Limited (“**WYT Medicine**”, together with its subsidiaries the “**WYT Medicine Group**”), and “Madame Pearl’s” and “Pearl’s”, world-renowned Western medicine and health food brands held through Luxembourg Medicine Company Limited (“**Luxembourg Medicine**”, together with its subsidiaries, the “**Luxembourg Medicine Group**”).

In addition, the Group makes good use of property resources to obtain stable income through leasing and trading. As at the date of this annual report, the Group completed the disposal of its retail shops at Hip Wo Street, Kwun Tong and No. 166 Sai Yeung Choi Street South, Mong Kok. Total proceeds from the disposals are estimated to be HK\$155.9 million will be used for repayment of bank loans and general working capital, enabling the Group to stabilise its financial situation and foster its continuous development.

致各位股東：

### 業務回顧

於二零一八年，廣深港高鐵香港段和港珠澳大橋的開通帶動訪港旅客人數增長，全年訪港旅客達至約6,500萬人，較二零一七年增加11.4%。旅客的增加亦帶旺零售業市道，香港政府統計處公佈之數據顯示，二零一八年全年的零售業總銷貨價值按年增加8.8%，其中，藥物及化妝品和中藥兩個類別的銷貨價值分別按年增加14.3%及5.3%。受惠於旅遊及零售業的持續向好，位元堂藥業控股有限公司（「**本公司**」，連同其附屬公司統稱「**本集團**」）憑藉靈活的營運策略，年內維持核心業務穩定發展，年度總收益達至751,400,000港元。

「位元堂」成立逾120年，一直不忘秉承管理團隊及公司「以誠意用心造藥，憑信譽繼往開來」的初心，在管理團隊及員工同心協力下提供優質的產品與服務，推動這家百年老字號迎接新機遇，開拓新局面。本集團透過位元堂藥廠有限公司（「**位元堂藥廠**」，連同其附屬公司統稱「**位元堂藥業集團**」）持有家喻戶曉的「位元堂」中藥品牌，以及透過盧森堡大藥廠有限公司（「**盧森堡大藥廠**」，連同其附屬公司統稱「**盧森堡藥業集團**」）持有享譽國際的「珮夫人」及「珮氏」西藥及保健食品品牌，中西合璧，捍衛消費者的健康。

此外，本集團善用物業資源，透過租賃及買賣的方式獲取穩定收益。於本年報日期，本集團完成出售位於觀塘協和街及旺角西洋菜南街166號的零售店，預計出售收益共155.9百萬港元將用於償還銀行貸款及作為一般營運資金，令本集團財務狀況更趨穩定，並促進本集團持續發展。



# Chairman's Statement

## 主席報告

Since its commencement of operation in 2017, the traditional Chinese medicine (“TCM”) and Western pharmaceutical medicine good manufacturing practice (“GMP”) factory in Yuen Long (the “Yuen Long Factory”) in which the Group made an investment of almost HK\$600 million, manufactured “Angong Niu Huang Wan (安宮牛黃丸)”, a new high value-added product as well as “Angong Jiangya Wan (安宮降壓丸)” and “Angong Zaizao Wan (安宮再造丸)”, the same series of products launched in 2018. Production lines of the Yuen Long Factory are constructed and operated in accordance with the standard of the “Pharmaceutical Inspection Co-operation Scheme” (“PIC/S”), the most stringent manufacturing practice regulation with worldwide recognition. Currently, there are six TCM production lines and three Western pharmaceutical medicine production lines. With production of TCM and Western pharmaceutical medicine both available locally, the Group also enjoys the advantages of “100% made in Hong Kong” and the products are of a higher quality and more reliable, which boost customer confidence. The factory is equipped with a number of advanced equipment, including TCM extraction and concentration and granulation equipment. Automated production equipment has also significantly increased production capacity and reduced overall operating costs. The Group will actively seize market demand and opportunities, strengthen innovative Research and Development (“R&D”) and product mix, continue to invest resources in the production lines of the Yuen Long Factory, and launch more new products that appeal for health demands.

本集團投資近六億興建的元朗傳統中藥(「傳統中藥」)及西藥良好生產質量管理規範(「GMP」)廠房(「元朗廠房」)於二零一七年投產至今，先後自家生產高增值新產品「安宮牛黃丸」及於二零一八年推出的同系列產品「安宮降壓丸」及「安宮再造丸」。元朗廠房的生產線均依照全球公認最嚴格的製藥規範「國際醫藥品稽查協約組織」(「PIC/S」)的標準興建及運作，目前設置傳統中藥生產線六條、西藥生產線三條，集合傳統中藥及西藥生產於一身，並享受「百分百香港製造」的優勢，令產品更為優質可靠，鞏固顧客信心。廠房配有多部先進儀器，包括傳統中藥提取濃縮及製粒設備。自動化生產設備亦大幅提升產能，降低整體營運成本。本集團將積極把握市場需求及機遇，加強創新研發(「研發」)及產品組合，繼續投放資源於元朗廠房生產線，針對不同健康需求推出更多新產品。



In terms of the segment of Western pharmaceutical and health food products, the Group made use of the advanced equipment in the new plant to strengthen its R&D of its core pharmaceutical aqua products, and further promoted product diversification and accelerated the development of new sales channels. Upper airway product series under “Madame Pearl’s” and personal care product series under “Pearl’s” of Luxembourg Medicine are all manufactured in-house, without relying on any external processing plant. The Group will continue to strengthen its promotional efforts and further diversify its sales channels to enhance the market penetration of Western pharmaceutical and health food products, with a particular focus on the consolidation of the market-leading position of its key products including the upper airway product series under “Madame Pearl’s” and personal care product series under “Pearl’s”.

At present, the Group operates more than 60 retail stores in Hong Kong and has the largest resident Chinese medicine practitioner team in Hong Kong, with an industry-leading position in terms of scale. In recent years, as part of its strategy targeting visitors to Hong Kong, the Group has been opening new stores and intensifying distribution outlets in areas with more individual travelers and visitors, such as Sheung Shui, Tuen Mun and Yuen Long. The Group has more than 3,000 points of sale in Hong Kong and widened its distribution partner category in the year of 2018 to ensure that the full range of products are available in all major channels. In addition to taking root in the Hong Kong market, the Group is also actively exploring mainland business and has already spread its retail outlets from Southern to Northern China.

In the Mainland market, in recent years, increasing national attention is placed on the TCM development. Under the planning of the 13th Five-Year Plan, the TCM development has been upgraded to a national strategy. In addition to inheriting and promoting the culture of TCM, the government has also vigorously promoted TCM research and innovation to achieve the goal of building a healthy China and promote industrialisation and modernisation of TCM and create opportunities for TCM to “go global”. In the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area promulgated in February 2019, it is emphasised that Guangdong, Hong Kong and Macao should maintain close cooperation in the field of medical and healthcare and intensify cooperation in the field of TCM, so as to promote the construction of TCM bay area and to build Greater Bay Area into a world-class, high-standard TCM bay area.

西藥及保健食品產品分部亦透過新廠房的先進設備加強核心業務藥劑產品研發，並進一步促進產品多元化及加速開拓新銷售渠道。盧森堡大藥廠旗下之「珮夫人」上呼吸道系列及「珮氏」個人護理系列，皆為全自行生產，毋須依靠外發加工廠。本集團將繼續加強宣傳推廣力度及進一步多元化銷售渠道，提升西藥及保健食品產品的市場滲透率，尤其專注鞏固重點產品包括「珮夫人」上呼吸道系列及「珮氏」個人護理系列之市場領導地位。

目前，本集團在香港的零售店超過六十間，並擁有全港最大的駐店中醫團隊，規模處於行內領先地位。本集團近年一直實行針對訪港旅客的策略，在自由行及旅客較多的地區，如上水、屯門及元朗等，增設門市及加強分銷點。本集團在香港有3,000多個銷售點，於二零一八年度內擴闊分銷夥伴類別，以確保全系列的產品遍佈各主要渠道。除了紮根香港市場，本集團亦積極開拓內地業務，銷售點已由南方逐漸拓展至北方。

於內地市場，國家近年對傳統中醫藥發展越加重視，在第十三個五年計劃規劃下，中藥發展提升為國家戰略，除了傳承及宣傳傳統中醫藥文化外，政府亦大力推動傳統中醫藥的研究與創新，以實現建設健康中國的目標，推進傳統中醫藥產業化、現代化，創造傳統中醫藥「走出去」的契機。在二零一九年二月發表的《粵港澳大灣區發展規劃綱要》中，重點提到粵港澳三地要密切醫療衛生合作，深化傳統中醫藥領域合作，推動傳統中醫藥灣區的建設，將大灣區建設成一個世界級、高水平的傳統中醫藥健康灣區。

# Chairman's Statement

## 主席報告

In line with national policies, the Group has established factory in mainland China in recent years, which has created synergistic effects with the Yuen Long Factory and has expanded the production capacity and variety of the Group's TCM products. In addition to product production, the Group will continue to expand its TCM planting base in the Mainland to ensure the quality of raw materials.

With the rapid development of network economy, e-commerce has become the mainstream of retail business. In order to cope with recent trends and attract more young customers, the Group has actively promoted e-business in recent years to enhance efficiency and improve services, including the launch of mobile applications with outpatient appointments to save customers' waiting time. The e-business strategy is also widely applied in marketing and promotion in Hong Kong and the Mainland. Products of the Group are sold on various online shopping platforms. In 2018, the Group cooperated with the Kerryflex offline-to-online platform to enable Mainland consumers to purchase Hong Kong version of Wai Yuen Tong health food products through ordering on mobile software applications. Only four days are required for delivery.

The Group actively fulfils corporate social responsibility including providing free TCM consultations, participating in Orbis charity product sale and organising orphanage home visit. The Group actively motivated its employees and their family members to take part in charitable outdoor sports activities that foster physical and mental health. It also supported Southern District Recreation and Sports Association to promote community recreation and sports events. The Group is also an active advocator and supporter to academic interaction. During the year, the Group and Nanjing University of Chinese Medicine jointly established an education development fund, further facilitating TCM expertise exchanges between mainland China and Hong Kong, technology R&D, in order to promote Chinese traditional culture and fostering talents.

為了配合國家的政策，本集團近年在內地開設廠房，與元朗廠房產生協同效應，擴大本集團傳統中藥產品的產量及種類。除了產品生產，本集團將繼續拓展內地傳統中藥種植基地，保證原材料的品質來源。

隨著網絡經濟發展迅速，電子商貿已成為零售業務主流。為配合最近趨勢，吸引更多年輕顧客，本集團近年積極推動電子化，以提升效率，改善服務，包括推出有門診預約功能的手機應用程式，以節省顧客輪候時間。電子化策略亦廣泛應用於本港及內地營銷推廣方面。本集團之產品在多個電子平台銷售。於二零一八年，本集團與嘉里輝捷線上至線下平台合作，讓國內消費者透過流動軟件應用程式下單購買港版位元堂保健食品產品，只需四天即可送達。

本集團積極履行企業社會責任，包括提供傳統中醫義診、參與奧比斯產品義賣及舉行兒童院探訪等。本集團積極鼓勵員工及其家人參與慈善戶外運動，以促進其身心健康，並支持南區康樂體育促進會推廣社區康樂體育活動。此外，本集團亦致力促進及支持與學術界的交流，於年內與南京中醫藥大學共同成立教育發展基金，加強中港兩地傳統中醫專才交流、科技研發、傳播中華傳統文化及培育人才。





### Outlook

Although global economic growth is expected to slow down in 2019 due to intense global trading situation and uncertainties brought about by geopolitics, the Mainland's GDP grew solidly by 6.4% in the first quarter this year. With the steady growth of the Mainland economy, it is expected visitor arrivals to Hong Kong will continue to increase. In addition, according to the statistics of the Hong Kong Census and Statistics Department, the volume of total retail sales for the first two months of 2019 decreased slightly by 1.8% as compared with the same period of last year. This reflected a cautious consumer sentiment weighed down by various external uncertainties. However, full employment and the construction of the Hong Kong-Zhuhai-Macao Bridge should provide some support and keep the retail industry in Hong Kong stable.

The Group will continue to develop and launch high value-added new products in response to market needs. Fully automated equipment in the Yuen Long Factory will also help reduce overall operating costs and significantly increase production efficiency. The Group will continue to identify TCM professionals, recruit frontline staff and senior TCM practitioners to provide better quality TCM health food products and services.

We will continue to strengthen cost control, improve the operating efficiency, better coordinate promotion, distribution and pricing strategies, give full play to the synergy of medicines and health food products, and at the same time, identify suitable merger and acquisition opportunities, diversify existing business portfolios, so as to create more value for shareholders.

### Appreciation

I hereby extend my particular appreciation to our business partners and shareholders for their long-lasting support, and express my heartfelt gratitude to our colleagues for their contributions. I hope that by staying true to our original aspiration and vision, our brand value of "Wai Yuen Tong" would be realised to its fullest extent, and we will continue to play an integral role and contribute to the protection of people's health under our mission, thereby enabling "Wai Yuen Tong" to shine in the local and global markets.

#### Tang Ching Ho

Chairman and Managing Director  
Hong Kong, 28 June 2019

### 未來展望

雖然二零一九年的全球經濟增長預計會因環球貿易局勢緊張及地緣政治帶來的不明朗因素而有所放緩，然而，內地今年首季國內生產總值仍然錄得6.4%的升幅，表現穩健，預料內地經濟的穩定增長會使訪港旅客數量保持一定增幅。此外，根據香港政府統計處之數據，二零一九年首兩個月合計的零售業總銷貨數量較去年同期微跌1.8%，反映在外圍不確定因素影響下消費情緒審慎，但全民就業以及港珠澳大橋等交通建設所帶來的旅遊業持續增長應能支持本港零售業維持平穩。

本集團將繼續因應市場需要，開發及推出高增值新產品。元朗廠房的全自動化設備，亦有助降低整體營運成本，生產效益將可顯著提升。本集團將繼續物色傳統中醫藥專才，增聘前線員工及資深傳統中醫藥師，提供更優質的傳統中醫藥保健食品產品及服務。

我們將繼續加強成本控制，提升營運效率，更好地協調推廣、分銷及定價策略，發揮醫藥及保健食品產品的協同效益，同時亦會物色合適的併購機遇，豐富現有的業務組合，為股東創造更高價值。

### 鳴謝

在此，我衷心感謝一直支持我們的業務夥伴和股東，並感激公司上下全人多年來的努力不懈，期望各位繼續堅守初心，緊守崗位，發揮「位元堂」的品牌價值，為守護市民的健康作出貢獻，讓「位元堂」繼續在中、外發揚光大。

#### 鄧清河

主席兼董事總經理  
香港，二零一九年六月二十八日

# Management Discussion and Analysis

## 管理層討論及分析



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By adhering to our philosophy of “Preparing medicine with dedication, Growing strong with reputation”, Wai Yuen Tong will continue to develop and launch high value-added new products in response to market needs. The Group will continue to strive to employ its synergy of Chinese and Western medicines for defending consumers’ health.

位元堂秉承「以誠意用心造藥，憑信譽繼往開來」的宗旨，將因應市場需要開發及推出高增值新產品，中西合璧，繼續捍衛消費者健康。

”





### Financial Results

For the financial year ended 31 March 2019, the Group recorded a revenue of HK\$751.4 million (2018: HK\$845.8 million) and a profit attributable to owners of the parent of HK\$74.6 million (2018: a loss of HK\$115.6 million). Such improvement was mainly attributable to a gain on bargain purchase of additional equity interests in an associate, improvement in results of such associate, the revaluation gains of the Group's properties and the reversal of impairment losses on financial assets due to adoption of HKFRS 9.

### Dividends

The Board does not recommend the payment of any final dividend for the year ended 31 March 2019 (2018: Nil). No interim dividend was made for the six months ended 30 September 2018 (30 September 2017: Nil).

### Business Review

The Group's revenue for the year ended 31 March 2019 decreased by 11.2% to HK\$751.4 million (2018: HK\$845.8 million). Against the backdrop of consolidating distribution channels and relocation of production, total revenue of the Chinese and Western pharmaceutical and health food products decreased by 11.4% to HK\$740.7 million (2018: HK\$836.1 million). Various new products were launched to enrich our product offerings during the year. A solid foundation was laid down for future growth. The profit attributable to owners of the parent was HK\$74.6 million (2018: a loss of HK\$115.6 million).

#### (1) Chinese Pharmaceutical and Health Food Products

During the year under review, revenue of the Chinese pharmaceutical and health food products decreased by 10.8% year-on-year to HK\$624.7 million. It implemented various initiatives during the year for the long term growth of the Group, including enriching the product range and consolidating distribution channels. Revenue of this business segment accounted for 83.1% of total revenue of the Group.

### 財務業績

截至二零一九年三月三十一日止財政年度，本集團錄得收益751,400,000港元（二零一八年：845,800,000港元）及母公司擁有人應佔溢利74,600,000港元（二零一八年：虧損115,600,000港元）。有關改善乃主要歸因於議價購買一間聯營公司額外股權之議價購買之收益、該聯營公司業績改善、本集團物業的重估收益及因採納香港財務報告準則第9號而回撥之財務資產減值虧損。

### 股息

董事會不建議派付有關截至二零一九年三月三十一日止年度之末期股息（二零一八年：無）。並無就截至二零一八年九月三十日止六個月派付中期股息（二零一七年九月三十日：無）。

### 業務回顧

本集團於截至二零一九年三月三十一日止年度之收益減少11.2%至751,400,000港元（二零一八年：845,800,000港元）。在鞏固分銷渠道及搬遷生產的背景，中西醫藥及保健食品產品的總收益下降11.4%至740,700,000港元（二零一八年：836,100,000港元）。本年度內推出了各種新產品，以豐富我們的產品組合。對於未來增長，堅實的基礎已經奠定。母公司擁有人應佔溢利為74,600,000港元（二零一八年：虧損115,600,000港元）。

#### (1) 中藥及保健食品產品

於回顧年度內，中藥及保健食品產品的收益比去年同期減少10.8%至624,700,000港元。本集團於年內實施多項措施以推動長期增長，包括豐富產品範圍及鞏固分銷渠道。本業務分類的收益佔本集團總收益的83.1%。



# Management Discussion and Analysis

## 管理層討論及分析

With the world's aging population and ardent demand for healthy living, the Group continued to promote and develop a series of traditional Chinese medicine ("TCM") healthcare products for common diseases of urban people. This year, Angong Sanbao (安宮三寶) has been successfully completed: Angong Niu Huang Wan (安宮牛黃丸), Angong Jiangya Wan (安宮降壓丸) and Angong Zaizao Wan (安宮再造丸), which are gatekeepers of cardiovascular health of the public based on the overall concept of emergency-prevention-rehabilitation. The series is registered in Hong Kong according to ancient prescriptions/nationally recognised prescription and its whole production process is carried out at the Group's Good Manufacturing Practice ("GMP")/The Pharmaceutical Inspection Co-operation Scheme ("PIC/S") factory in Yuen Long, Hong Kong. The Group has launched a series of product promotion, which successfully drew public attention to cerebrovascular health information through health talks and event promotional vehicles in various districts.

At the same time, the Group actively developed various Chinese patent medicine products for urban diseases, such as "three-hypers" and "gastrointestinal disorder". Among them, Gastrointestinal Pills (整腸正氣丸) and Stomach Relief Granules (香砂正胃方), for the treatment of gastrointestinal discomfort, both registered as Chinese patent medicines, were launched. During the current year, the Group continued to promote the Ganoderma Lucidum Spores Lipid (靈芝孢子油) for assisting patients with refractory diseases, and cooperated with scientific research institutions to further establish its auxiliary effects and disseminated product information to those in need through health talks jointly organised with medical institutions. In the healthcare sector, main products of this year included Golden Dura-Gizer (金裝剛勁) for men's vitality and Colla Corii Asini (阿膠) products for women's beauty and blood nourishing which provided suitable health food products for various consumer groups.

隨著世界人口老化及對健康生活的殷切需求，本集團繼續推動及研發出一系列應付都市人常見疾病的傳統中藥(「傳統中醫藥」)保健產品。本年度已成功完成安宮三寶：安宮牛黃丸、安宮降壓丸及安宮再造丸，以應急—預防—復健的整體概念為社會大眾心腦血管健康把關。該系列是根據古方名藥／國家認可處方在香港註冊中成藥，整個生產過程在本集團旗下香港元朗之良好生產質量管理規範(「GMP」)／國際醫藥品質查協約組織(「PIC/S」)廠房進行。本集團已進行一系列產品上市推廣，透過地區健康講座及各區的活動宣傳車，成功推動大眾關注腦血管健康信息。

同時，本集團積極開發應付各種都市疾病如「三高」及「腸胃不適」的中成藥產品。其中，整腸正氣丸及香砂正胃方用作調理腸胃不適，已註冊成中成藥，並相繼上市。本年度本集團繼續推動輔助頑疾患者而設之靈芝孢子油，與科研機構合作，進一步確立其輔助效果，並透過與醫護機構合辦之健康講座，將產品資訊傳遞給有需要之群眾。在保健養生方面，本年度主力產品，包括針對男士活力而設的金裝剛勁及女士養顏補血之阿膠產品等，為各消費群提供合適的健康食品產品。





The Group targeted better cost efficiency through further optimisation of its retail sales network and distribution channels. We had enhanced the distribution channel by partnering with a strong distributor in the fourth quarter of 2018 which will focus on distributing our products to the key accounts in Hong Kong. By the end of the year, we had over 60 retail outlets in Hong Kong. The enhanced distribution network helps strengthen the Group's sales and brand recognition. A strong network has been laid down for a sustainable growth in the future.

The Group is well aware of the importance of networks nowadays and therefore has intensified its efforts to explore other sales channels, major customers, distributors and overseas regions to expand and enrich its sales channels. Increased investment will be also made in the development of online shopping platform.

Last but not least, the Group will continue to work with renowned universities and research institutes to promote and develop various types of Chinese medicine health products. In face of future challenges, the Group will insist on strict monitoring on product quality and a sincere service attitude.

### (2) Western Pharmaceutical and Health Food Products

Revenue of the Western pharmaceutical and health food products decreased by 14.7% to HK\$116.0 million amidst the process of relocating production to our GMP/PIC/S factory in Yuen Long, Hong Kong.

The two major product series, namely "Madame Pearl's" and "Pearl's" under this business segment encountered different challenges during the year. The segment's prime product — cough syrup — under the "Madame Pearl's" brand was affected by the relocation of production facilities to the Group's new GMP/PIC/S plant in Yuen Long which was gradually put in production since April 2017. Installation of equipment and the time required for application of relevant production permits resulted in decline in production volume of "Madame Pearl's" cough syrup. The relocation of production was completed by the end of 2018.

The "Pearl's" product series, which comprises MosquitOut spray, hand cream and itching relief products, faced with severe price competition. Despite a highly competitive market environment, "Pearl's" MosquitOut remained as a leading brand in this product category.

本集團通過進一步優化其零售銷售網絡及分銷渠道，以達到更佳的成本效益。我們於二零一八年第四季度與強大的分銷商合作以加強分銷渠道，並將專注於把我們的產品分銷至香港的主要客戶。於年末前，我們於香港擁有超過60間零售分店。加強分銷網絡有助於鞏固本集團的銷售及品牌知名度。強大的網絡為未來的可持續增長奠定基礎。

本集團深知當今網絡的重要性，加大力度開拓其他銷售渠道、主要客戶、分銷商及海外地區等，藉此擴大及豐富其銷售渠道。並將加大投資發展網上購物平台。

最後，本集團會繼續與各著名院校及科研機構合作，推動及開發各類型的中醫藥保健產品。面對未來挑戰，本集團繼續堅持嚴格的產品品質監控以及秉持待人以誠的服務態度。

### (2) 西藥及保健食品產品

在將生產遷移至香港元朗GMP/PIC/S廠房的過程中，西藥及保健食品產品的收益減少14.7%至116,000,000港元。

本業務分類項下的兩個主要產品系列「珮夫人」及「珮氏」於年內遇到不同挑戰。因生產設施遷移至自二零一七年四月起逐步投產的元朗新GMP/PIC/S廠房，本分類的「珮夫人」品牌重點產品一止咳露因而受到影響。由於安裝設備及需時申請相關生產許可證，導致「珮夫人」止咳露的產量下降。該生產遷移已於二零一八年年底前完成。

「珮氏」產品系列，包括驅蚊爽噴霧、護手霜及止癢產品，面臨嚴峻價格競爭。儘管市場環境競爭激烈，但「珮氏」驅蚊爽仍為該產品領域的領先品牌。

# Management Discussion and Analysis

## 管理層討論及分析

During the year, the Group placed substantial resources in revamping its Western pharmaceutical and health food product distribution channels in order to improve efficiency. More resources were put on branding aiming to strengthen the brand loyalty for both “Madame Pearl’s” and “Pearl’s” product series. To comply with mainland China’s relevant regulations, the Group has engaged various local industry players to rejuvenate the penetration of its upper airway product series under “Madame Pearl’s” into mainland China.

Capitalising on state-of-the-art technology and advanced equipment of the Group’s Yuen Long factory, the Group continued to carry out research and development of products for core medical solution targeting at institutional clients.

### (3) Property Investment

At the end of the reporting period, the Group owned 16 properties which are all retail properties. Majority of those properties were self-used as retail shops while some were leased out for generating rental income. The net fair value gains on investment properties amounted to HK\$17.4 million (2018: fair value gains of HK\$23.4 million).

In April 2018, the Group acquired four retail shops located in Causeway Bay, Shau Kei Wan, Mong Kok and Tai Po, for a total consideration of approximately HK\$350.0 million.

On 28 February 2019, the Group reached a provisional sale and purchase agreement with independent third parties to sell the retail shop at Hip Wo Street, Kwun Tong at a consideration of HK\$53.1 million, completion of which took place in June 2019. On 28 March 2019, the Group also concluded a preliminary sale and purchase agreement with another independent third party to sell the retail shop at No. 166 Sai Yeung Choi Street South, Mong Kok at a consideration of HK\$102.8 million, completion of which took place in May 2019. These two properties were reclassified as assets classified as held for sale as at 31 March 2019.

於年內，本集團投放大量資源改進其西藥及保健食品產品分銷渠道以提高效率。於品牌推廣方面投放更多資源，旨在加強人們對「珮夫人」及「珮氏」產品系列的品牌忠誠度。為遵守中國內地的相關規定，本集團已聘用當地多個業內人士重振其「珮夫人」上呼吸道產品系列在中國內地的滲透。

憑藉本集團元朗廠房的先進技術及設備，本集團繼續以機構客戶為目標進行核心藥劑產品的研發。

### (3) 物業投資

於報告期末，本集團擁有16項物業，均為零售物業。該等物業大部分自用作零售店，而部分出租以產生租金收入。投資物業的公平值收益淨額為17,400,000港元（二零一八年：公平值收益23,400,000港元）。

於二零一八年四月，本集團收購位於銅鑼灣、筲箕灣、旺角及大埔的四間零售店，總代價約為350,000,000港元。

於二零一九年二月二十八日，本集團與獨立第三方達成臨時買賣協議，以代價53,100,000港元出售位於觀塘協和街的零售店。該交易於二零一九年六月完成。於二零一九年三月二十八日，本集團亦與另一名獨立第三方訂立臨時買賣合約，以代價102,800,000港元出售位於旺角西洋菜南街166號的零售店。該交易於二零一九年五月完成。截至二零一九年三月三十一日，該兩個物業被重新分類為持作出售的資產。





#### (4) Investment in Easy One Financial Group Limited (“Easy One”)

Easy One (Stock Code: 221), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), is principally engaged in the businesses of property development in mainland China, provision of finance and securities brokerage services in Hong Kong.

As at 31 March 2019, the Group held 29.06% (2018: 23.8%) of the issued shares of Easy One. Easy One is an associate of the Group. The increase in equity interests in Easy One during the year resulted in a gain on bargain purchase which was recognised in share of profit of associate. The Group’s share of profit of Easy One during the year amounted to HK\$49.0 million included a gain on bargain purchase of additional equity interests of Easy One of HK\$38.0 million (2018: share of loss of HK\$96.1 million included a loss on deemed partial disposal of equity interests in Easy One of HK\$52.2 million). The improvement on Easy One’s performance was one of the reasons for the Group’s favourable results for the year.

On 18 September 2018, the Group entered into a loan agreement for granting of not exceeding a sum of HK\$65.0 million to Easy One for a term of 36 months at an interest rate of 7.0% per annum. As at 31 March 2019, the loan was fully repaid by Easy One.

#### (5) Investment in China Agri-Products Exchange Limited (“CAP”)

CAP (Stock Code: 149), a company listed on the Main Board of the Stock Exchange, is principally engaged in the management and sales of properties in agricultural produce exchange markets in mainland China.

In 2014 and 2016, the Group subscribed the unlisted 5-year bond due November 2019 with coupon rate of 10.0% per annum issued by CAP (the “2019 CAP Bonds”). During the year, CAP had early redemption part of the principal amounted to HK\$220.0 million to the Group. As at 31 March 2019, the remaining principal amount held by the Group was HK\$700.0 million (2018: HK\$920.0 million).

#### (4) 投資於易易壹金融集團有限公司 （「易易壹」）

易易壹（股份代號：221）為一間於香港聯合交易所有限公司（「聯交所」）主板上市的公司，主要於中國從事物業發展業務及於香港提供融資及證券經紀服務。

於二零一九年三月三十一日，本集團持有易易壹已發行股份的29.06%（二零一八年：23.8%）。易易壹為本集團的聯營公司。於年內，易易壹的股權增加導致於分佔聯營公司收益確認的議價購買收益。於年內，本集團分佔易易壹收益為49,000,000港元（包括議價收購易易壹額外股權之收益38,000,000港元）（二零一八年：分佔虧損96,100,000港元（包括視作出售易易壹部分股權之虧損52,200,000港元））。易易壹表現的改善為本集團本年度業績良好的原因之一。

於二零一八年九月十八日，本集團訂立一份貸款協議，向易易壹授出合共不超過65,000,000港元的款項，為期36個月，年利率為7.0%。截至二零一九年三月三十一日，貸款已由易易壹悉數償還。

#### (5) 投資於中國農產品交易所有限公司 （「中國農產品」）

中國農產品（股份代號：149）為一間於聯交所主板上市的公司，主要在中國內地從事農產品交易所市場物業管理及銷售。

於二零一四年及二零一六年，本集團認購二零一九年十一月到期且票面利率為10.0%的非上市五年期債券（「二零一九年中國農產品債券」）。於年內，中國農產品提早向本集團贖回部份本金額220,000,000港元。於二零一九年三月三十一日，本集團持有餘下本金額為700,000,000港元（二零一八年：920,000,000港元）。

The investment in the 2019 CAP Bonds was classified as financial assets at fair value through other comprehensive income as at 31 March 2019 which had previously been classified as available-for-sale investments.

### (6) Financial Assets at Fair Value through Other Comprehensive Income and Financial Assets at Fair Value through Profit or Loss

The Group has maintained a portfolio of equity investments and debt investments which are held for long term investment purpose aiming to generating a stable income.

The equity investments are investments in companies listed on the Stock Exchange and were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature. The fair value of equity investments at 31 March 2019 was HK\$87.4 million (2018: HK\$125.7 million). During the year, the Group had recorded a net loss on change in fair value of equity investments at fair value through other comprehensive income of HK\$39.3 million (2018: net loss on change in fair value through profit or loss of HK\$18.8 million).

The debt investments (excluding the 2019 CAP Bonds) are investments in listed bonds. The Group increased the investments in listed bonds by HK\$177.2 million which carried annual interest rates ranging from 5.375% to 15.500% in order to generating a stable income. The fair value of investments in listed bonds of HK\$184.5 million (2018: available-for-sale investments of HK\$2.0 million), of which HK\$165.1 million were designated at fair value through other comprehensive income, investment on listed perpetual bonds amounted to HK\$19.4 million were classified as debt investments at fair value through profit or loss. During the year, the Group recorded a net gain on change in fair value of debt investments at fair value through other comprehensive income of HK\$4.6 million (2018: Nil) and a net gain on change in fair value of debt investments at fair value through profit or loss of HK\$0.6 million (2018: Nil).

二零一九年中國農產品債券的投資於二零一九年三月三十一日分類為按公平值經其他全面收益入賬之財務資產(過往分類為可供出售投資)。

### (6) 按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產

本集團持有一系列股權投資及債務投資作長期投資目的，旨在產生穩定收入。

股權投資為對聯交所上市公司的投資，由於本集團認為該等投資屬於戰略性質，因此已不可撤銷地指定按公平值經其他全面收益入賬。於二零一九年三月三十一日，股權投資的公平值為87,400,000港元(二零一八年：125,700,000港元)。於年內，本集團就按公平值經其他全面收益入賬之股權投資之公平值變動錄得虧損淨額39,300,000港元(二零一八年：按公平值經損益表入賬之公平值變動錄得虧損淨額18,800,000港元)。

債務投資(不包括二零一九年中國農產品債券)為對上市債券的投資。本集團增加上市債券投資(年利率介乎5.375%至15.500%)177,200,000港元，以產生穩定收入。上市債券投資的公平值為184,500,000港元(二零一八年：可供出售投資2,000,000港元)，其中165,100,000港元指定為按公平值經其他全面收益入賬，19,400,000港元上市永續債券之投資被歸類為按公平值經損益表入賬之債務投資。於年內，本集團就按公平值經其他全面收益之債務投資之公平值變動錄得收益淨額4,600,000港元(二零一八年：無)及按公平值經損益表入賬之債務投資之公平值變動錄得收益淨額600,000港元(二零一八年：無)。



### (7) Commissioning of the Yuen Long Factory

The modern TCM and Western medicine factory of the Group in Yuen Long Industrial Estate has commenced operation in phases since April 2017. The plant was granted the standard certification of the PIC/S by the Therapeutic Goods Administration of Australia (TGA) in the first half of 2017. The manufacturing unit of Luxembourg Medicine, a subsidiary of the Group, was granted the PIC/S certification by the Pharmacy and Poisons Board of Hong Kong in September 2017. The plant is also GMP certified. Such certifications signify the production facilities' compliance with local and international industry standards.

The Yuen Long plant utilises the latest technology meeting stringent environment and quality requirements. With the installation of fully automated equipment and clean room facilities, the plant is capable of significantly enhancing the Group's overall production capacity and product quality. The plant's inauguration serves to further reinforce the Group's business concept of having its products "100% made in Hong Kong".

With the purified water system conforming to the specifications of the British Pharmacopoeia, Luxembourg Medicine's products are ensured to be complied with the Hong Kong Hospital Authority's medicine tender requirement, as well as the indicators of the prescription medicines by local doctors. The new factory is also equipped with state-of-the-art laboratory in microbiology and testing equipment.

By the end of 2018, the production of "Madame Pearl's" cough syrup was relocated to Yuen Long factory successfully. After obtaining the relevant production permits, mass production is possible to meet the market demand.

### (7) 元朗廠房投產

本集團於元朗工業邨的現代中醫藥及西藥廠房自二零一七年四月起開始分階段營運。該廠房於二零一七年上半年獲澳洲藥物管理局(TGA)頒發PIC/S的標準認證。本集團附屬公司盧森堡大藥廠於二零一七年九月獲香港藥劑業及毒藥管理局頒發PIC/S認證。該廠房亦獲GMP認證。有關認證表明生產設施符合當地及國際行業標準。

元朗廠房採用最新技術，符合嚴格的環境及品質要求。通過安裝全自動化設備及無塵室設施，該廠房能夠大幅提高本集團的整體產能及產品品質。該廠房的落成有助進一步鞏固本集團的業務理念，保證其產品為「百分之百香港製造」。

由於設有符合《英國藥典》規格的純水系統，盧森堡大藥廠的產品確保符合香港醫院管理局的藥品投標項目要求及本地醫生處方藥的指標。該新廠房亦設有先進微生物實驗室和檢驗儀器。

於二零一八年年底，「珮夫人」止咳露的生產成功搬遷至元朗廠房。取得相關生產許可證後，可進行批量生產，以滿足市場需求。





# Management Discussion and Analysis

## 管理層討論及分析

### Financial Review

#### (1) Liquidity and Gearing and Financial Resources

As at 31 March 2019, the Group had total assets of HK\$3,454.7 million (2018: HK\$3,656.5 million) which were financed by current liabilities of HK\$381.3 million (2018: HK\$425.4 million), non-current liabilities of HK\$625.2 million (2018: HK\$671.1 million) and shareholders' equity of HK\$2,448.1 million (2018: HK\$2,560.0 million).

As at 31 March 2019, the Group's bank balances and cash were HK\$171.2 million (2018: HK\$420.8 million).

As at 31 March 2019, the Group's total bank borrowings amounted to HK\$852.2 million (2018: HK\$927.0 million), all of which bore interest at floating interest rates and were denominated in Hong Kong dollars.

### 財務回顧

#### (1) 流動資金及負債比率及財務資源

於二零一九年三月三十一日，本集團總資產為3,454,700,000港元（二零一八年：3,656,500,000港元），融資來源為流動負債381,300,000港元（二零一八年：425,400,000港元）、非流動負債625,200,000港元（二零一八年：671,100,000港元）及股東權益2,448,100,000港元（二零一八年：2,560,000,000港元）。

於二零一九年三月三十一日，本集團銀行結餘及現金為171,200,000港元（二零一八年：420,800,000港元）。

於二零一九年三月三十一日，本集團總銀行借貸為852,200,000港元（二零一八年：927,000,000港元），均為按浮息計息並以港元列值之貸款。

		At 31 March 2019 於二零一九年 三月三十一日		At 31 March 2018 於二零一八年 三月三十一日	
		HK\$ Million 百萬港元	% of Total 佔總額 百分比	HK\$ Million 百萬港元	% of Total 佔總額 百分比
Bank loans repayable:	按下列年期償還之銀行貸款：				
Within one year	一年內	232	27.2%	265	28.6%
In the second year	於第兩年	45	5.3%	42	4.5%
In the third to fifth years, inclusive	於第三年至第五年 （包括首尾兩年）	164	19.3%	152	16.4%
Beyond five years	五年以上	411	48.2%	468	50.5%
Total	總計	852	100%	927	100%

The Group maintained a healthy liquidity position. The current ratio, being a ratio of total current assets to total current liabilities, was 3.5 (2018: 2.5). The gearing ratio, being the ratio of total borrowings net of bank balances and cash to equity attributable to owners of the parent, was 27.9% (2018: 19.8%). The Group always adopts a conservative approach in its financial management.

本集團維持穩健之流動資金狀況。流動比率（即總流動資產對總流動負債之比率）為3.5（二零一八年：2.5）。負債比率（即借貸總額扣除銀行結餘及現金對母公司擁有人應佔權益之比率）為27.9%（二零一八年：19.8%）。本集團一向奉行謹慎之理財管理。

# Management Discussion and Analysis

## 管理層討論及分析



### (2) Significant Investments Held

As at 31 March 2019, the Group had financial assets at fair value through other comprehensive income of HK\$939.4 million and financial assets at fair value through profit or loss of HK\$21.3 million, details of which were set out as follows:

### (2) 所持重大投資

於二零一九年三月三十一日，本集團擁有按公平值經其他全面收益入賬之財務資產939,400,000港元及按公平值經損益表入賬之財務資產21,300,000港元，有關詳情載列如下：

Nature of investments	投資性質	As at 31 March 2019 於二零一九年三月三十一日			For the year ended 31 March 2019 截至二零一九年三月三十一日止年度			Fair value/carrying amount 公平值/賬面值			
		Number of shares held	Amount held	Percentage to share-holding in such stock 於相關股票中的股權百分比	Percentage to the Group's net assets 佔本集團資產淨值百分比	Fair value gain/(loss)	Bond interest income	Dividends received	As at 31 March 2019	As at 1 April 2018	Investment cost
		'000	HK\$'000	%	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千股	千港元	%	%	千港元	千港元	千港元	千港元	千港元	千港元
<b>Financial assets at fair value through other comprehensive income:</b>	<b>按公平值經其他全面收益入賬之財務資產：</b>										
A. Equity investments	A. 股權投資										
Wang On Group Limited ("Wang On")	宏安集團有限公司 ("宏安")	423,000	39,339	2.37	1.61	(4,653)	-	2,538	39,339	43,992	16,819
Others	其他		48,049		1.96	(34,643)	-	607	48,049	81,691	56,603
B. Debt investments	B. 債務投資										
2019 CAP Bond	二零一九年中國農產品債券		686,877		28.06	(7,810)	86,162	-	686,877	909,562	700,000
Others	其他		165,146		6.75	4,612	4,017	-	165,146	2,029	160,447
Sub-total	小計		939,411		38.37	(42,494)	90,179	3,145	939,411	1,037,274	933,869
<b>Financial assets at fair value through profit or loss:</b>	<b>按公平值經損益表入賬之財務資產：</b>										
A. Listed perpetual bonds	A. 上市永續債券		19,403		0.79	617	349	-	19,403	-	18,786
B. Unlisted mutual funds	B. 非上市互惠基金		1,886		0.08	(24)	-	-	1,886	1,910	1,614
Sub-total	小計		21,289		0.87	593	349	-	21,289	1,910	20,400
Total	總計		960,700		39.24	(41,901)	90,528	3,145	960,700	1,039,184	954,269

# Management Discussion and Analysis

## 管理層討論及分析

The principal activities of the securities are as follows:

- (a) Wang On (Stock Code: 1222), a company listed on the Main Board of the Stock Exchange, is principally engaged in property development, property investment, management and sub-licensing of fresh markets, treasury management and production and sale of pharmaceutical products in Hong Kong and mainland China.
- (b) Save as disclosed above, the Group also invested in other listed equity securities and listed bond investments in Hong Kong. The fair value of each of which represented less than 1.00% of the net assets of the Group as at 31 March 2019.
- (c) Save as disclosed above, the Group also invested in other mutual funds, the fair value of each of which represented less than 1.00% of the net assets of the Group as at 31 March 2019.

### (3) Financial Review and Prospect of Significant Investments Held

#### (a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include the 2019 CAP Bonds, listed equity securities and other listed debt investments. The Group has always adopted a prudent investment strategy and would closely monitor the market changes and adjust its investment portfolio as and when necessary. The Group intended to hold these investments for long term purpose aiming to generating a stable income.

As at 31 March 2019, the Group held the 2019 CAP Bonds in the principal amount of HK\$700.0 million (2018: HK\$920.0 million). As at 31 March 2019, the fair value of the 2019 CAP Bonds amounted to HK\$686.9 million (2018: HK\$909.6 million).

證券之主要業務如下：

- (a) 宏安(股份代號：1222)為一間於聯交所主板上市的公司，主要從事物業發展、物業投資、街市管理及分租、財資管理以及於香港及中國內地生產及銷售藥品。
- (b) 除上文披露者外，本集團亦投資於香港其他上市股本證券及上市債券投資。於二零一九年三月三十一日，各該等股份及債券的公平值佔本集團淨資產的1.00%以下。
- (c) 除上文披露者外，本集團亦投資於其他互惠基金，於二零一九年三月三十一日，各該等互惠基金的公平值佔本集團淨資產的1.00%以下。

### (3) 所持重大投資之財務回顧及前景展望

#### (a) 按公平值經其他全面收益入賬之財務資產

按公平值經其他全面收益入賬之財務資產包括二零一九年中國農產品債券、上市股本證券及其他上市債務投資。本集團始終採取審慎投資策略，並會密切關注市場變動，於必要時調整其投資組合。本集團擬持該等投資作長期用途，旨在產生穩定收入。

於二零一九年三月三十一日，本集團持有本金額為700,000,000港元(二零一八年：920,000,000港元)的二零一九年中國農產品債券。於二零一九年三月三十一日，二零一九年中國農產品債券的公平值為686,900,000港元(二零一八年：909,600,000港元)。





With a view to optimising its use of cash resources, the Group increased the investments in debt investments by HK\$158.4 million which carried annual interest rates ranging from 5.375% to 15.500% during the year. As at 31 March 2019, the fair value of the debt investments (excluding the 2019 CAP Bonds) amounted to HK\$165.1 million.

As at 31 March 2019, the fair value of the Group's investments in listed equity securities amounted to HK\$87.4 million (2018: HK\$125.7 million).

The Group had recorded a net loss on change in fair value of financial assets at fair value through other comprehensive income of HK\$42.5 million for the year (2018: a net loss in respect of available-for-sale investments recognised in other comprehensive income of HK\$6.3 million).

**(b) Financial assets at fair value through profit or loss**

As at 31 March 2019, the Group maintained an investment portfolio of unlisted mutual funds and certain listed perpetual bonds. The Group has always adopted a prudent investment strategy and would closely monitor the market changes and adjust its investment portfolio as and when necessary.

With a review to optimise its use of cash resources, the Group increased the investments in listed perpetual bonds by HK\$18.8 million which carried annual interest rates ranging from 6.000% to 6.625% during the year. As at 31 March 2019, the fair value of the listed perpetual bonds amounted to HK\$19.4 million.

The Group had recorded a net gain on change in fair value of financial assets at fair value through profit or loss of HK\$0.6 million for the year (2018: a net loss of HK\$17.8 million).

為優化其現金資源之運用，本集團於本年度增加債務投資158,400,000港元，年利率介乎5.375%至15.500%。於二零一九年三月三十一日，債務投資的公平值（不包括二零一九年中國農產品債券）為165,100,000港元。

於二零一九年三月三十一日，本集團於上市股本證券投資的公平值為87,400,000港元（二零一八年：125,700,000港元）。

於本年度，本集團就按公平值經其他全面收益入賬之財務資產之公平值變動錄得虧損淨額42,500,000港元（二零一八年：就於其他全面收益確認之可供出售投資錄得虧損淨額6,300,000港元）。

**(b) 按公平值經損益表入賬之財務資產**

於二零一九年三月三十一日，本集團持有一個非上市互惠基金的投資組合及若干上市永續債券。本集團始終採取審慎投資策略，並會密切關注市場變動，於必要時調整其投資組合。

為改善現金資源使用情況，本集團於本年度增加上市永續債券投資18,800,000港元，其年利率介乎6.000%至6.625%。於二零一九年三月三十一日，上市永續債券的公平值為19,400,000港元。

於本年度，本集團就按公平值經損益表入賬之財務資產之公平值變動錄得收益淨額600,000港元（二零一八年：虧損淨額17,800,000港元）。

#### (4) Foreign Exchange

The Board is of the opinion that the Group has no material foreign exchange exposure and thus does not engage in any hedging activities. All bank borrowings are denominated in Hong Kong dollars. The revenue of the Group, mostly denominated in Hong Kong dollars, matches the currency requirements of the Group's operating expenses.

The activities of the Group are exposed to foreign currency risks mainly arising from its operations in mainland China. The RMB exposure of the Group is mainly derived from currency translation risk arising from the net assets of the Group's mainland China subsidiaries. The loss on translation of foreign operations was HK\$13.3 million (2018: gain of HK\$7.4 million).

#### (5) Capital Commitment

As at 31 March 2019, the Group had capital commitment of HK\$2.5 million (2018: HK\$317.6 million) in respect of the acquisitions of property, plant and equipment, which were contracted for but not provided for in the consolidated financial statements.

#### (6) Pledge of Assets

As at 31 March 2019, the Group's bank borrowings were secured by the Group's land and buildings and investment properties, with a total carrying value of HK\$1,010.0 million (2018: HK\$645.7 million).

As at 31 March 2019, the Group pledged certain of its financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, with an aggregate carrying amount of HK\$211.6 million (2018: Nil) and HK\$19.4 million (2018: Nil), respectively, as securities for general banking facilities granted to the Group.

#### (7) Contingent Liabilities

As at 31 March 2019, the Group had no material contingent liabilities (2018: Nil).

#### (4) 外匯

董事會認為本集團並無重大外匯風險，因此，並無涉足任何對沖活動。所有銀行借貸均以港元列值。本集團之收益（大部份以港元列值）與本集團經營開支貨幣需求相稱。

本集團的業務面臨外幣風險，主要因其中國內地業務所致。本集團的人民幣風險主要產生自本集團中國內地附屬公司的淨資產所產生的貨幣換算風險。換算海外業務之虧損為13,300,000港元（二零一八年：收益7,400,000港元）

#### (5) 資本承擔

於二零一九年三月三十一日，本集團就收購物業、廠房及設備之已訂約但未於綜合財務報表內撥備之資本承擔為2,500,000港元（二零一八年：317,600,000港元）。

#### (6) 資產抵押

於二零一九年三月三十一日，本集團之銀行借貸由總賬面值1,010,000,000港元（二零一八年：645,700,000港元）之本集團土地及樓宇以及投資物業作擔保。

於二零一九年三月三十一日，本集團抵押其若干按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產，總賬面值分別為211,600,000港元（二零一八年：無）及19,400,000港元（二零一八年：無），作為本集團獲授一般銀行融資之擔保。

#### (7) 或然負債

於二零一九年三月三十一日，本集團並無重大或然負債（二零一八年：無）。

### Relationship with Employees, Suppliers and Customers

The Group recognises our employees as the key element that contributes to the Group's success. As at 31 March 2019, the Group had 685 (2018: 721) employees, among them approximately 78.8% (2018: approximately 75.5%) were located in Hong Kong and the rest were located in mainland China. The Group remunerated its employees based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options would also be granted to selected staff by reference to the Group's performance as well as the individual's performance. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for our eligible employees in Hong Kong. Other benefits such as medical and retirement benefits and structured training programs were also provided. Meanwhile, the Group endeavours to provide a safe workplace to our employees. The Board believes that the Group maintains admirable relations with the employees.

Besides, the Group understands that it is important to maintain good relationship with its employees, business partners, suppliers, customers, shareholders, investors and bankers (the "stakeholders") to achieve its long-term business growth and development. With an aim to enhancing the competitiveness of the brands of the Group, it endeavours to provide consistently high quality and large range of products to its customers; and to build up and maintain a trustworthy and long-term relationship with its suppliers.

### 與僱員、供應商及客戶之關係

本集團認為僱員為本集團成功之關鍵所在。於二零一九年三月三十一日，本集團僱用685名(二零一八年：721名)僱員，其中約78.8%(二零一八年：約75.5%)僱員於香港工作，餘下僱員於中國內地工作。本集團按行業慣例以及個人表現及經驗給予僱員報酬。除定期報酬外，經參考本集團業績及個人表現後，選定之僱員會獲得酌情花紅及購股權。本集團亦根據香港法例第485章《強制性公積金計劃條例》規定就香港合資格僱員對強制性公積金作出定額供款。本集團亦向僱員提供醫療及退休福利以及系統之培訓課程等其他福利。此外，本集團竭力為僱員提供安全之工作環境。董事會認為本集團與僱員關係良好。

另一方面，本集團意識到與員工、業務夥伴、供應商、客戶、股東、投資者及銀行(「持份者」)等利益相關人士維持良好關係，對促進本集團業務長期增長及發展至關重要。本集團致力為客戶提供質量可靠及種類豐富之產品組合，藉此提升本集團品牌競爭力，並與供應商建立長期可靠之合作關係。





# Management Discussion and Analysis

## 管理層討論及分析

### Principal Risks and Uncertainties

The Group has examined the principal risks facing the Group through our risk management and internal control system and we consider that the major risks and uncertainties that may affect the Group include:

- (i) industrial policy risk: with the deepening of medical system reform and the issuance of a number of industrial policies and laws in respect of medical charge control and control of medicines and certification for Traditional Chinese Medicine significant effect may be brought to the future development of the pharmaceutical industry;
- (ii) low growth of customer base: this risk is primarily brought by the decrease in the number of mainland tourists and Hong Kong economy recession this year;
- (iii) environmental protection policies: environmental impact, efficiency and security of key infrastructure;
- (iv) cost control: in face of rising costs, the Group may be able to absorb cost increase entirely via cost control measures which may in turn reduce the Group's profit;
- (v) impairment of inventory: impairment value of inventory due to weather, expiry date and other damages;
- (vi) supply chain disruption: due to industrial issues, risks of supplier control and flexibilities, to deal with competitive pricings;
- (vii) inability to penetrate emerging markets: with potential difficulties to effectively penetrate traditional industries and traditional products into emerging markets;
- (viii) changes in customer behaviour: economy recession may lead to reduced consumption by customers, which in turn causes reduction in consumer spending and change of impulsive shopping behavior;
- (ix) sourcing: less globalised sourcing, the impact on the relative competitiveness of costs;
- (x) volatility in retail rental: continuously increasing in retail rental may drive down profits; and
- (xi) foreign exchange: fluctuations in the exchange rate affecting the Group's cash flow and profits.

### 主要風險及不確定因素

本集團已透過風險管理及內部監控系統檢討本集團面對的主要風險，並認為可能對本集團造成影響之主要風險及不確定因素包括：

- (i) 行業政策風險：隨著醫療系統改革深化及多項涉及醫療費用控制、醫藥控制及傳統中藥認證等方面之行業政策及法律之出台，可能會對醫藥行業未來發展產生深遠影響；
- (ii) 客戶基礎增長緩慢：此風險主要由於年內內地遊客人數減少及香港經濟不景氣所致；
- (iii) 環保政策：主要基礎設施之環境影響、效率及安全；
- (iv) 成本控制：面臨成本不斷上升，本集團可能透過成本控制措施承擔成本增幅，這可能轉而令本集團的溢利減少；
- (v) 存貨減值：天氣、到期日及其他損毀等造成之存貨減值；
- (vi) 供應鏈中斷：由於行業事件、供應商控制及靈活性風險，以具競爭力價格交易；
- (vii) 無法搶佔新興市場：難以快速搶佔新興市場之傳統行業及傳統產品；
- (viii) 客戶行為變化：經濟低迷可能導致消費者縮減消費，轉而導致消費開支減縮及衝動性購物行為變化；
- (ix) 採購：全球採購減少、對相對成本競爭優勢之影響；
- (x) 零售租金波動：零售租金持續上漲可能拖低溢利；及
- (xi) 匯率：匯率波動影響本集團之現金流及盈利狀況。



In response to the above mentioned possible risks, the Group has been closely monitoring the changes in the policies in Hong Kong and mainland China, and would strengthen our interpretation and analysis of policies and adjust strategies in advance to cope with the ever-changing operating environment. In particular, the Group will strengthen the marketing management to cope with changes in consumer behavior and needs, closely control inventories, establish our own sales policies and product development, safety management and environmental protection level, and push forward the construction of lean management and risk control system. For possible risks, the Company would actively propose solutions to lower their impacts on the business of the Company.

### Prospects

Against the backdrop of China-US trade disputes, we are cautiously optimistic of the coming year. The overall retail sales in Hong Kong for the first four months of 2019 slipped 2% year-on-year, showing that the retailers are facing challenging environment. On the other hand, we expect our Western pharmaceutical business to record a favourable growth as the cough syrup under the “Madame Pearl’s” brand has obtained government approval to sell to the clinical market in Hong Kong. The national policy for Guangdong-Hong Kong-Macau Greater Bay Area, as a key development area, also provides a bright prospect for TCM development.

In order to promote future development and business growth, the Group will grasp the opportunities for development of TCM in the Greater Bay Area. The Greater Bay Area, comprising 11 cities covering 56,000 km<sup>2</sup> and having an estimated total population of 70 million, has a strong demand for TCM. Mainland China has been attaching great importance to and spending efforts to promote the development of TCM in the area. With the reputation “Wai Yuen Tong” brand established in Hong Kong and overseas over the past century, and given that its production factory was granted the certificate of GMP for Proprietary Chinese Medicine of Hong Kong and the standard certificate of the PIC/S by the Therapeutic Goods Administration of Australia, in the future when product regulation and market sale of Proprietary Chinese Medicine in the Greater Bay Area integrate, the Group will realise its great potential.

The Group will continuously expand cooperation with scientific research institutes and, based on TCM formulas and taking “Made in Hong Kong” as quality control, promote scientific development in terms of regulation of Chinese Medicine. We will continue to enhance our distribution network by penetrating into more local communities and diversify our product range to meet the needs of customers.

針對上述潛在風險，本集團密切關注香港及國內的政策走向，加強政策分析研判，預先調整業務策略，以應付不斷變化之營商環境。特別是，本集團將加強營銷管理以應對消費者行為及需求變化，嚴格控制庫存水平，制定自身之銷售政策及產品開發、安全管理及環保水平及推進精簡管理風險控制系統建設。對於潛在之風險，本公司積極制定解決方案，降低有關風險對本公司業務之影響。

### 前景

在中美貿易爭端的背景下，我們對來年抱持謹慎樂觀的態度。二零一九年首四個月香港的整體零售額同比下滑2%，顯示零售商面臨嚴峻的環境。另一方面，由於「珮夫人」品牌止咳露獲政府批准銷往香港臨牀市場，我們預計西藥業務將錄得可觀增長。粵港澳大灣區作為重點開發區，其相關國家政策亦為中醫藥的發展帶來光明的前景。

為推動未來發展及業務增長，本集團會把握中醫中藥在大灣區的發展契機。大灣區11個城市總面積5.6平方公里，總人口預計達7,000萬人，區內對中醫中藥的需求殷切。國內一直高度重視並著力推動區內中醫藥發展。憑著「位元堂」品牌在香港地區及海外擁有百年信譽，生產廠房持有香港中成藥GMP認證及達到澳洲藥物管理局的PIC/S歐盟標準，於未來，大灣區內中成藥產品規管和市場銷售融合，本集團將能發揮極大的潛力。

集團不斷探索與不同科研機構合作，以傳統中藥古方作為根基，透過「香港製造」作為品質監控，推動中醫藥規管邁向科學化。我們將滲透到更多本地社區，以繼續加強我們的分銷網絡，並拓寬我們的產品範圍，以滿足客戶的需求。

# Board of Directors and Senior Management

## 董事會及高級管理層



“

The Board is accountable to stakeholders for the activities and performance of the Group and its primary functions cover, among other things, the formulation of overall strategy.

董事會須就本集團之業務及表現向權益持有人負責，其主要職能包括制訂整體策略。

”



# Board of Directors and Senior Management

## 董事會及高級管理層

### Board of Directors

#### Executive Directors

**Mr. Tang Ching Ho**, SBS, JP, aged 57, was appointed as the Chairman of the Company in August 2001 and also assumed the role of Managing Director with effect from 1 April 2018. He is an authorised representative and a member of the remuneration committee, the nomination committee and the executive committee of the Company. He is responsible for the strategic planning, policy making and business development of the Group. He has extensive experience in corporate management. He is also the chairman of Wang On. Mr. Tang is the committee member of the 12th and 13th National Committee of the Chinese People's Political Consultative Conference ("CPPCC") and is also appointed as a standing committee member and convener of the 10th to the 12th plenary sessions of the CPPCC Guangxi Zhuang Autonomous Region Committee. Mr. Tang is also appointed as the executive chairman of the Federation of Hong Kong Guangdong Community Organisations and the chairman of Federation of Hong Kong Shenzhen Association. He is the brother of Ms. Tang Mui Fun and the father of Ms. Tang Wai Man, both are executive Directors.

**Mr. Chan Chun Hong, Thomas**, aged 55, was appointed as the Managing Director in August 2001 and was re-designed as an executive Director with effect from 1 April 2018. He is also an authorised representative and a member of the executive committee of the Company. He is responsible for managing the corporate matters of the Group. He is also the managing director of Wang On, the non-executive chairman of Wang On Properties Limited ("WOP") (Stock Code: 1243), the chairman and managing director of Easy One, the chairman and chief executive officer of CAP, all companies are listed on the Main Board of the Stock Exchange. He graduated from the Hong Kong Polytechnic University with a degree in Accountancy and is a fellow member of The Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

### 董事會

#### 執行董事

**鄧清河先生**，SBS，太平紳士，五十七歲，於二零零一年八月獲委任為本公司主席，並於二零一八年四月一日兼任為董事總經理。彼為本公司授權代表以及薪酬委員會、提名委員會及常務委員會成員。彼專責本集團策略規劃、制訂政策及業務發展。彼在企業管理方面具有豐富經驗，亦為宏安之主席。鄧先生為中國人民政治協商會議（「政協」）第十二屆及第十三屆全國委員會委員，亦獲委任為政協第十屆至第十二屆廣西壯族自治區政協常務委員會委員兼召集人。鄧先生同時獲委任為香港廣東社團總會執行主席及香港深圳社團總會會長。彼為執行董事鄧梅芬女士之胞兄及執行董事鄧蕙敏女士之父親。

**陳振康先生**，五十五歲，於二零零一年八月獲委任為董事總經理，並於二零一八年四月一日調任為執行董事。彼亦為本公司授權代表以及常務委員會成員。彼專責管理本集團企業事宜。彼亦為宏安董事總經理、宏安地產有限公司（「宏安地產」）（股份代號：1243）之非執行主席、易易壹之主席兼董事總經理及中國農產品之主席兼行政總裁，所有公司均為聯交所主板上市公司。彼畢業於香港理工大學，持有會計學學士學位，且為英國特許公認會計師公會資深會員及香港會計師公會會員。



# Board of Directors and Senior Management

## 董事會及高級管理層

**Ms. Tang Mui Fun**, aged 48, joined the Group in 2003 and was appointed as the executive Director in September 2007. Ms. Tang is a member of the executive committee of the Company. She is responsible for the overall strategic planning and development and policy making for the core business of the Group. Ms. Tang has extensive experience in pharmaceutical industry and has been re-appointed as a member of each of the Pharmacy and Poisons (Listed Sellers of Poisons) Committee and the Committee on Research and Development of Chinese Medicines on an *ad personam basis*, she is also elected as a member of each of Chinese Medicine Council of Hong Kong, Chinese Medicines Board and Chinese Medicines Committee. She graduated from the University of Hull (England) with a Bachelor degree in accounting. Prior to joining the Group, she had over two years of experience in the accounting and auditing fields and five years of experience in general management. She is a sister of Mr. Tang Ching Ho, the Chairman and Managing Director.

**Ms. Tang Wai Man**, aged 28, joined the Group in January 2016 and was appointed as an executive Director on 1 April 2018. She is also a member of the executive committee, the nomination committee and the remuneration committee of the Company. Ms. Tang is responsible for sales and marketing, channel sales and retail operation in Hong Kong, Macau and mainland China of the Group. She graduated from University of Edinburgh, UK with a Master of Arts with Honors in Business Studies. Prior to joining the Group, she has worked for Wang On since July 2014 as an assistant to Wang On's chairman and other experience in financial analysis, sales and marketing and business development in a number of corporate bodies in Hong Kong and the United Kingdom. She is the daughter of Mr. Tang Ching Ho, the Chairman and Managing Director and the substantial and controlling shareholder (as defined in the Rules Governing the Listing Securities on the Stock Exchange (the "**Listing Rules**") of the Company and a niece of Ms. Tang Mui Fun, an executive Director.

**鄧梅芬女士**，四十八歲，於二零零三年加入本集團，並於二零零七年九月獲委任為執行董事。鄧女士為本公司常務委員會成員。彼負責本集團核心業務之整體策略規劃及發展以及制定政策。鄧女士於藥劑業擁有豐富經驗，彼以個人身份再度獲委任為藥劑業及毒藥(列載毒藥銷售商)委員會以及中藥研究及發展委員會的成員。彼亦獲選為香港中醫藥管理委員會、中藥組以及中藥管理小組的成員。彼畢業於英格蘭赫爾大學，持有會計學學士學位。加入本集團前，鄧女士擁有逾兩年會計及核數經驗及五年常務管理經驗。彼為本公司主席兼董事總經理鄧清河先生之胞妹。

**鄧蕙敏女士**，二十八歲，於二零一六年一月加入本集團，並於二零一八年四月一日獲委任為執行董事。彼亦為本公司常務委員會、提名委員會及薪酬委員會成員。彼負責本集團於香港、澳門及中國內地的策略銷售與市場推廣、渠道銷售及零售營運。彼畢業於英國愛丁堡大學，持有商業研究(榮譽)文學碩士學位。加入本集團前，彼自二零一四年七月起效力於宏安，擔任宏安主席助理並於若干香港及英國法團擁有財務分析、銷售及市場推廣，以及業務發展的其他經驗。彼為主席兼董事總經理、主要及控股股東(定義見聯交所證券上市規則(「上市規則」))鄧清河先生之女兒，亦為執行董事鄧梅芬女士的侄女。



# Board of Directors and Senior Management

## 董事會及高級管理層

### Independent Non-Executive Directors

**Mr. Leung Wai Ho, MH**, aged 69, was re-designated as an Independent Non-executive Director in April 2006 from a non-executive Director and he joined the Group in 1994. Mr. Leung is a member of the audit committee, the remuneration committee and the nomination committee of the Company. He has more than 55 years and 24 years of experiences in the watch industry and financial industry respectively. He is a member of the 11th and 12th plenary session of the National Committee of the CPPCC, a Standing Committee Member of The Chinese General Chamber of Commerce, a Committee Member of The Chinese Manufacturers' Association of Hong Kong, the Honorary President of the Hong Kong Chamber of Commerce in China — Guangdong and the Chartered President of the Dongguan City Association of Enterprises with Foreign Investment. Mr. Leung is also appointed as a candidate of 2016 Election Committee of HKSAR Chief Executive, Subsector — CPPCC.

**Mr. Siu Man Ho, Simon**, aged 45, joined the Company as an Independent Non-executive Director in August 2001. He is a member of the audit committee and the nomination committee of the Company and the chairman of the remuneration committee of the Company. Mr. Siu is a practising solicitor of the High Court of Hong Kong. He obtained a Bachelor of Laws degree from the University of Hong Kong in 1996 and is a partner of a law firm, namely Sit, Fung, Kwong & Shum, and a China-Appointed Attesting Officer. His areas of practice include corporate finance, capital markets, securities, mergers and acquisitions, joint ventures and general commercial matters. Mr. Siu is also an independent non-executive director of each of Brilliant Circle Holdings International Limited (stock code: 1008), Shuang Yun Holdings Limited (stock code: 1706) and HKE Holdings Limited (stock code: 1726), all of which are listed on the Main Board of the Stock Exchange. Mr. Siu was appointed as the independent non-executive director of Weiye Holdings Limited (stock code: 1570) with effect from March 2016 and resigned from the position in December 2018.

### 獨立非執行董事

**梁偉浩先生, MH**, 六十九歲, 於二零零六年四月由非執行董事調任為獨立非執行董事。梁先生於一九九四年加入本集團, 現為本公司審核委員會、薪酬委員會及提名委員會成員。彼於鐘錶業及金融業分別累積逾55年及24年豐富經驗。彼現時為政協第十一屆及第十二屆全國委員會委員、香港中華總商會常務會董、香港中華廠商聯合會會董、中國香港(地區)商會—廣東區榮譽會長及東莞市外商投資企業協會榮譽會長。梁先生亦獲委任為二零一六年香港特別行政區行政長官選舉委員會(政協界別分組)的候選人。

**蕭文豪先生**, 四十五歲, 於二零零一年八月加入本公司, 出任獨立非執行董事, 為本公司審核委員會及提名委員會成員, 兼任本公司薪酬委員會主席。蕭先生為香港高等法院執業律師, 於一九九六年取得香港大學法律學士學位, 現為薛馮鄭岑律師行合夥人及中國委託公證人, 其專業包括企業融資、資本市場、證券、合併及收購、合營及一般商業事宜。蕭先生亦為貴聯控股國際有限公司(股份代號: 1008)、雙運控股有限公司(股份代號: 1706)及HKE Holdings Limited(股份代號: 1726)(均為聯交所主板上市公司)之獨立非執行董事。蕭先生自二零一六年三月起獲委任為偉業控股有限公司(股份代號: 1570)之獨立非執行董事並於二零一八年十二月辭去該職務。





# Board of Directors and Senior Management

## 董事會及高級管理層

**Mr. Cho Wing Mou**, aged 78, joined the Company as an Independent Non-executive Director in September 2001. He is a member of the audit committee and the remuneration committee of the Company and the chairman of the nomination committee of the Company. Mr. Cho was formerly a director and deputy general manager of Hua Chiao Commercial Bank Limited and a deputy general manager of The China State Bank Limited. He was a committee member of the 8th Political Consultative Conference Guangxi and is also a committee member of the 4th plenary session of the Guangxi Yulin Committee of the CPPCC, Life Chairman of Hong Kong Guangxi Yulin Friendship Association and Life Chairman of Gee Tuck General Association Hong Kong Limited.

**Mr. Li Ka Fai, David**, aged 64, joined the Company as an Independent Non-executive Director on 17 March 2015. He is the chairman of the audit committee of the Company. Mr. Li is currently the deputy managing partner of Li, Tang, Chen & Co. CPA (Practising). He is a fellow member of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, U.K., as well as The Institute of Chartered Accountants in England and Wales. Mr. Li is an independent non-executive director and the chairman of the audit committee of Shanghai Industrial Urban Development Group Limited (stock code: 563). Mr. Li is also an independent non-executive director, the chairman of the audit committee, member of the nomination committee and member of the remuneration committee of China-Hongkong Photo Products Holdings Limited (stock code: 1123), Cosmopolitan International Holdings Limited (stock code: 120) and Goldlion Holdings Limited (stock code: 533), an independent non-executive director, member of the audit committee, member of the nomination committee and the chairman of the remuneration committee of China Merchants Port Holdings Company Limited (stock code: 144), and an independent non-executive director, member of the audit committee and member of the remuneration committee of AVIC International Holding (HK) Limited (stock code: 232), all of such companies are being listed in Hong Kong.

**曹永牟先生**，七十八歲，於二零零一年九月加入本公司，出任獨立非執行董事，為本公司審核委員會及薪酬委員會成員兼本公司提名委員會主席。曹先生曾任職華僑商業銀行有限公司董事及副總經理，以及國華銀行有限公司副總經理。彼曾為政治協商會議第八屆廣西委員會委員，現為政協第四屆廣西玉林市委員會委員，香港廣西玉林市同鄉聯誼會永遠會長以及香港至德總會永遠會長。

**李家暉先生**，六十四歲，於二零一五年三月十七日加入本公司，出任獨立非執行董事，為本公司審核委員會主席。李先生為李湯陳會計師事務所副執行合夥人、香港會計師公會、英國特許公認會計師公會、英國特許秘書及行政人員公會和英格蘭及威爾斯特許會計師公會資深會員。彼為上海實業城市開發集團有限公司(股份代號：563)之獨立非執行董事兼審核委員會主席。李先生亦為中港照相器材集團有限公司(股份代號：1123)、四海國際集團有限公司(股份代號：120)及金利來集團有限公司(股份代號：533)之獨立非執行董事、審核委員會主席、提名委員會成員兼薪酬委員會成員，招商局港口控股有限公司(股份代號：144)之獨立非執行董事、審核委員會成員、提名委員會成員兼薪酬委員會主席，以及中國航空工業國際控股(香港)有限公司(股份代號：232)之獨立非執行董事、審核委員會成員兼薪酬委員會成員(此等皆為香港上市公司)。





# Board of Directors and Senior Management

## 董事會及高級管理層

### Senior Management

**Mr. Chan Kin Man** is currently an Associate Director, Traditional Chinese Medicine Strategic Development of WYT Medicine Group. He is responsible for overall strategic planning on product marketing field and new product development. Prior to the joining the Group in 2004, he has more than eight years of experience in 4A advertising agency Leo Burnett and DY&R. Mr. Chan graduated from the University of Hong Kong with a Bachelor of Chinese Medicine (BChinMed), and obtained a MBA at the University of Wales, Aberystwyth (UK). He is a Registered Chinese Medicine Practitioner under the Chinese Medicine Practitioners Board of the Chinese Medicine Council of Hong Kong.

**Mr. Tang Shiu Cheong, Sammy** joined the Group in April 2018, as the Sales & Marketing Director for Western Medicine of the Group. Sammy is responsible for overall strategy for Western Medicine including marketing, sales and new product planning. He is also one of the key persons to define the long term strategy and direction for Western Medicine business of the Group. Prior to joining the Group, he has over 20 years of experience in multinational companies, in which he took various senior positions in sales, marketing management, business development and gained extensive experience. He also has extensive pharmaceutical marketing & sales experience in both Hong Kong and China with proven track records. Mr. Tang holds Bachelor degree of Science and BBA in Management from universities in Hong Kong.

**Dr. Tsang Yuen Wo, Warren** is currently the Director (Technical) of both the WYT Medicine Group and the Luxembourg Medicine Group, principal subsidiaries of the Group. He is responsible for technical operations of the Group including quality assurance, quality control, production, research and development, engineering and logistic issues. Dr. Tsang received his BSc(Pharm)(Hons) degree at the Aston University and the PhD degree at the University of Sydney. He is a registered pharmacist and a registered Authorized Person of the Pharmacy and Poisons Board of Hong Kong. He has more than 20 years of experience in the pharmaceutical industry. Academically, Dr. Tsang is currently the Honorary Associate Professor of the Department of Pharmacology and Pharmacy, Li Ka Shing Faculty of Medicine, the University of Hong Kong and the Adjunct Associate Professor, College of Life Sciences and Technology, the School of Professional and Continuing Education, the University of Hong Kong. He is also the Managing Editor of the Hong Kong Pharmaceutical Journal.

### 高級管理層人員

**陳健民先生**，現為位元堂藥業集團中藥戰略發展部副主任。彼負責產品推廣領域及新產品開發的整體戰略規劃。於二零零四年加入本集團之前，彼於4A advertising agency Leo Burnett及DY&R任職逾八年。陳先生畢業於香港大學，取得中醫全科學士學位，並從英國威爾斯亞伯里斯威斯大學取得工商管理碩士學位。彼為香港中醫藥管理委員會中醫組的註冊中醫師。

**鄧兆昌先生**於二零一八年四月加入本集團，出任本集團的西藥銷售及市場推廣總監。彼負責西藥的整體策略，包括營銷、銷售和新產品規劃。彼亦為確定本集團西藥業務長期策略及方向的關鍵人員之一。加入本集團前，彼於跨國公司擁有逾20年經驗。彼其間在銷售、市場推廣管理、業務發展中擔任多個高級職位及獲取豐富經驗。彼亦具有豐富的香港和中國醫藥市場推廣和銷售經驗，並擁有良好的往績記錄。鄧先生持有香港之大學的理學學士學位及管理學學士學位。

**曾遠和博士**現為本集團主要附屬公司位元堂藥業集團及盧森堡藥業集團的技術總監。彼負責本集團的技術運作，包括質量保證、質量控制、生產、研發、工程及物流事宜。曾博士獲阿斯頓大學頒發藥劑學士(榮譽)學位及悉尼大學博士學位。彼為香港藥劑業及毒藥管理局的註冊藥劑師及註冊認可人士。彼從事製造業擁有逾20年經驗。學術方面，曾博士目前為香港大學李嘉誠醫學院藥理及藥劑學系的名譽副教授及香港大學專業進修學院健康及應用科學部客席副教授。彼亦為香港藥學雜誌行政編輯。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



We believe stakeholder engagement is an important part of business development and believe stakeholders' opinions help the Group develop a more comprehensive sustainability strategy in the future.

我們相信持份者參與是業務發展的一個重要部分，並相信持份者的意見有助本集團未來建立更健全的可持續發展策略。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### About the Report

This is the third “Environmental, Social and Governance (“ESG”) Report” (the “Report”) issued by the Company. By reporting the Group’s policies, measures and performance in environment, social and governance aspects, the Report allows stakeholders to better understand the Group’s progress and development direction in sustainability issues. The Report has been prepared in both Chinese and English versions and will be uploaded to the websites of HKEXnews (www.hkexnews.hk) and the Company (www.wyth.net).

### Reporting Year and Scope

In line with 2018 ESG Report, the Report focuses on the Group’s two core businesses, operating income of which accounted for 98.6% of total revenue, during the financial year from 1 April 2018 to 31 March 2019 (the “Year”). The Report covers the Group’s headquarter office and the Yuen Long Factory in Hong Kong, as well as the office in Shenzhen, and does not include the Wai Yuen Tong retail shops.

### 關於本報告

此報告為本公司發表的第三份《環境、社會及管治(「環境、社會及管治」)報告》(「本報告」)。本報告透過匯報本集團在環境、社會及管治方面的政策、措施和績效，讓各持份者更了解本集團於可持續發展議題的進程和發展方向。本報告以中、英文編寫，並已上載至披露易網站(www.hkexnews.hk)及本公司網站(www.wyth.net)。

### 報告年度及範圍

與二零一八年度《環境、社會及管治報告》一致，本報告聚焦本集團由二零一八年四月一日至二零一九年三月三十一日止之財政年度(「年內」)的兩大核心業務，有關營運收益佔總收益98.6%。本報告覆蓋本集團位於香港的總部辦公室及元朗廠房，以及位於深圳的辦公室，並不包括位元堂零售店舖。

#### Production and sale of Chinese pharmaceutical and health food products

生產及銷售中藥及保健食品產品業務

- Operated by WYT Medicine Group  
由位元堂藥業集團營運
- Holds the widely-known century-old Chinese medicine brand “Wai Yuen Tong”  
持有家傳戶曉之「位元堂」百年中藥品牌

#### Production and sale of Western pharmaceutical and health food products

生產及銷售西藥及保健食品產品業務

- Operated by Luxembourg Medicine Group  
由盧森堡藥業集團營運
- Holds the world-renowned Western medicine and health food brands “Madame Pearl’s” and “Pearl’s”  
持有享譽國際的「珮夫人」及「珮氏」西藥及保健食品品牌

The Report does not currently cover all of the Group’s operating activities. Property investments and the investment in Easy One<sup>1</sup> are not included in the Report. The Group will review the scope of the report on a regular basis in accordance with the reporting principle of materiality to ensure that investors and other stakeholders are provided with sufficient and reliable information.

本報告目前未覆蓋本集團所有營運活動。物業投資及易易壹<sup>1</sup>的投資均未納入本報告。本集團將定期以重要性為原則檢視報告範圍，以確保為投資者及其他持份者提供充足且可靠的資訊。

<sup>1</sup> Easy One is a company listed on the Main Board of the Stock Exchange and is principally engaged in the businesses of property development in mainland China, provision of finance and securities brokerage services in Hong Kong. Easy One will independently publish the ESG Report.

<sup>1</sup> 易易壹為於聯交所主板上市的公司，主要於中國從事物業發展業務及於香港提供融資及證券經紀服務。易易壹將獨立發佈《環境、社會及管治報告》。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Reporting Standards

The Report is prepared in accordance with the “comply or explain” provisions in the ESG Reporting Guide (the “Guide”) under Appendix 27 of the Listing Rules. The following reporting principles: materiality, quantitative, balance and consistency underpin the preparation of the ESG report. To provide stakeholders with a comprehensive understanding of the Group’s ESG performance, the Report not only discloses environmental key performance indicators (“KPIs”) in accordance with the “comply or explain” provisions, but also discloses selected social KPIs under the “recommended disclosures” in the Guide. A complete content index is inserted in the last chapter of the Report for readers’ reference to the Guide.

### Confirmation and Approval

Information contained herein is sourced from the official documents and statistical data of the Group, and was approved by the Board on 28 June 2019.

### Opinion and Feedback

Stakeholders’ opinions help the Group develop a more detailed and comprehensive sustainability strategy in the future. If you have any questions or suggestions regarding the Report, please contact the Company by email (pr@waiyuentong.com).

## SUSTAINABILITY GOVERNANCE

The Board is committed to upholding high standards of corporate governance and believes that good corporate governance practices can effectively lead the Group in establishing and realising long-term strategies and objectives, and leading enterprises to grasp and respond to the opportunities and risks brought about by sustainability.

### Governance Structure and Management Approach

The Group practises sustainability in the course of business, which is led by the Managing Director and assisted by the heads of various departments. To improve the overall governance level, the Group plans to set up an ESG Working Group in the following year, which reports to the Board and comprises senior management, representatives from different departments and employees related to ESG matters, with clear terms of reference. The ESG Working Group will assist the Board in developing and refining sustainable development strategies and policies that apply to the entire Group, as well as reviewing and implementing relevant measures.

### 報告準則

本報告遵從上市規則附錄二十七《環境、社會及管治報告指引》(《指引》)中有關「不遵守就解釋」的條文規定，並以其載列的四項匯報原則——重要性、量化、平衡及一致性，作為編寫本報告的基礎。為了讓持份者更全面地了解本集團的環境、社會及管治績效，本報告不僅按照「不遵守就解釋」的條文規定披露環境關鍵績效指標(《關鍵績效指標》)，亦匯報部份《指引》中「建議披露」的社會關鍵績效指標。本報告最後一章附有完整索引，以便讀者按《指引》閱讀本報告。

### 確認及批准

本報告引用的所有資料均來自本集團的官方文件及統計數據，並於二零一九年六月二十八日由董事會審閱及批准。

### 意見反饋

持份者的意見有助本集團未來建立更仔細和健全的可持續發展策略。如閣下對本報告有任何疑問或建議，歡迎透過電郵(pr@waiyuentong.com)與本公司聯絡。

## 可持續發展管治

董事會致力秉持高水平的企業管治，並相信良好的企業管治常規能有效領導本集團建立和實現長遠策略和目標，帶領企業把握和應對可持續發展帶來的機遇和風險。

### 管治架構及管理方針

在本集團的業務中，董事總經理負責領導可持續發展實務，並由各部門主管輔助。為提高整體管治水平，本集團計劃於下年度成立一個向董事會匯報的環境、社會及管治工作小組，由高級管理人員、不同部門代表及與環境、社會及管治事宜相關員工組成，並訂明清晰的職權範圍。環境、社會及管治工作小組將協助董事會制訂和完善適用於整個集團的可持續發展策略和政策，以及檢視和執行有關措施。



To effectively integrate sustainability into day-to-day operations, the Group is drafting an ESG Policy based on the guidelines of its parent company, Wang On, covering different areas including environmental protection, employment, product responsibility, supply chain, operating practices and community investment. The Group will continue to strengthen internal communication and publicly communicate relevant policies and information to employees to ensure that employees understand the Group's sustainability management approach. This policy will also lay the foundation for the establishment and improvement of work guidelines and specific measures applicable to the business and actual operations.

### Risk Management and Internal Control

Being the highest decision-making and management body of the Group, the Board is responsible for maintaining a sound and effective risk management and internal control system and comprehensively assessing and determining the nature and extent of the risks the Group is willing to bear. The Audit Committee assists the Board in reviewing and monitoring the Group's risk management and internal control measures. At the same time, the management of the Group is responsible for designing, maintaining, implementing and monitoring the risk management and internal control systems, timely reporting their opinion and counter-measures and ensuring that the monitoring measures are adequate and effective.

The Group engages external consultants to review the effectiveness and efficiency of the Group's risk management and internal control systems. During the Year, the external consultants did not identify any significant defects and shortcomings in the internal control system. Relevant conclusions and recommendations have been reviewed by the Audit Committee and the Board. The Board has reviewed the Group's risk management and internal control systems and procedures, including financial, operational and compliance, and considered that they are sufficient and effective for internal control and risk management functions. For details of the risk management and internal control systems, please refer to page 79 of this annual report.

The Group is aware that the current risk management and internal control systems have not fully covered sustainability issues. In the future, the Group plans to conduct annual ESG risk assessments based on the nature of business, identify potential environmental and social risks, determine response plans, and enhance the effectiveness of risk management.

為更有效地將可持續發展融入日常營運中，本集團正根據其母公司宏安的指引，草擬《環境、社會及管治政策》，內容涵蓋環境保護、僱傭、產品責任、供應鏈、營運慣例及社區投資不同範疇。本集團將持續加強內部溝通，向員工公開傳達有關政策和資訊，確保員工明白本集團的可持續發展管理方針。此政策亦將為訂立和完善適用於業務及實際營運情況的工作指引和具體措施奠定基礎。

### 風險管理及內部監控

董事會作為本集團的最高決策及管理機關，負責維持穩健有效的風險管理及內部監控系統，全面評估及釐定本集團願意承擔的風險性質及程度。審核委員會協助董事會審閱及監察本集團的風險管理及內部監控措施。同時，本集團管理層負責設計、維持、實施及監察風險管理及內部控制系統，適時呈報意見及應對措施，並確保監控措施充足且行之有效。

本集團委聘外部顧問公司審查本集團風險管理及內部監控系統的效力及效率。年內，外部顧問公司概無識別出內部監控制度存在任何重大缺陷及缺點，相關結論及建議已經審核委員會及董事會審閱。董事會通過審閱年內本集團之風險管理及內部監控系統及程序，包括財務、營運及合規等，認為內部監控及風險管理職能充足且有效。有關風險管理及內部監控系統的詳情，請參閱本年報第79頁。

本集團知悉現行的風險管理及內部監控系統尚未全面涵蓋可持續發展議題。未來，本集團計劃按業務性質進行年度環境、社會及管治風險評估，識別潛在環境及社會風險和確定應對方案，以及提升風險管理的效能。

### STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an important part of business development. The Group's stakeholders include groups and individuals that have a significant impact on its business or are affected by its business, including employees and employee organisations, shareholders and investors, suppliers and business partners, customers, regulators and communities. The Group is committed to building an open and transparent communication mechanism and understanding the expectations and aspirations of stakeholders through different channels.

### 持份者溝通

持份者參與是業務發展的一個重要部分。本集團的持份者包括對其業務有重大影響，或會受業務影響的群體和個人，包括員工及員工組織、股東及投資者、供應商及業務夥伴、顧客、監管機構及社區等。本集團致力建構公開透明的溝通機制，透過不同渠道了解持份者的期望和訴求。

#### Means of communication with key stakeholders during the Year 年內主要持份者溝通方式

 <p><b>Employees</b> 員工</p>	 <p><b>Customers</b> 顧客</p>	 <p><b>Suppliers and business partners</b> 供應商及業務夥伴</p>	 <p><b>Communities</b> 社區</p>
<p>Understand the opinions and suggestions of employees on the Group through establishing employee complaint mechanisms. 透過制定員工申訴機制，了解員工對本集團的意見與建議。</p>	<p>Establish a customer complaint mechanism to ensure that customer opinions and complaints are properly handled. 設立顧客申訴機制，確保顧客的意見和投訴得以妥善處理。</p>	<p>Conduct supplier audits and communications on a regular basis to understand their business model and performance. 定期進行供應商審核和溝通，了解其營運模式和表現。</p>	<p>Care for the society and promote community development through academic exchanges, community donations, and encouraging employees to participate in volunteer services. 通過學術交流、社區捐款及鼓勵員工參與義工服務，關懷社會，促進社區發展。</p>

### Material environmental and social issues

The Group commissioned an independent consultant to prepare for the report for the Year and to assist the management of the Group in reviewing the 11 ESG aspects under the Guide of the Stock Exchange and identifying material issues based on their importance to stakeholders and the level of impact of the Group on the society and the environment. Based on the results of the review, the management believes that the material issues of the Group during the Year are consistent with those of previous year, namely:

### 重大環境和社會議題

本集團委託獨立顧問籌備本年度之本報告，協助本集團管理層檢視聯交所《指引》中的11個環境、社會及管治層面，並根據其對持份者的重要性和本集團對社會和環境的影響程度，識別重大議題。綜合檢視結果，管理層認為本集團年內的重大議題與往年一致，分別為：



# Environmental, Social and Governance Report

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The Group values communication with stakeholders and will develop more diversified communication channels and strengthen communication with stakeholders. The Group plans to conduct a survey in the following year to collect opinions and suggestions from a wide range of stakeholders on the sustainability performance of the Group and identify environmental and social issues that are important to stakeholders to help formulate relevant strategies in the future.

### CARE FOR EMPLOYEES

Employees' hard work and dedication are the key to the success of the Group. The Group values its employees and is committed to creating a good, equal and safe working environment for its employees. At the same time, the Group is concerned about the needs and development of its employees and hopes to help their career growth.

#### Health and Safety

In order to build a safe and healthy working environment, the Group has established the Safety Management Committee, which is chaired by a senior factory manager and responsible for overseeing occupational health and safety systems and measures. Members include factory managers, production managers, safety supervisors and other relevant departments. The committee conducts at least one meeting every three months to review occupational health and safety issues.

#### Policy 政策



The Safety Management Procedures of the Group requires employees in the production area to comply with the safety system and operating procedures, and undertake to give employees the necessary operational guidance and personal protective equipment. The Safety Management Procedures provides employees with different safety practices and guidelines covering noise management, mechanical operations, heavy handling, aerial work, storage of items, chemical handling, room operations and glass chip processing.

本集團《安全管理程序》規範生產場區員工必須遵從安全制度和操作規程，並承諾給予員工所需的操作指導及個人保護裝備。《安全管理程序》為員工提供不同安全操作規程及指引，涵蓋噪音管理、機械操作、重物搬運、高空工作、物品存放、化學物料處理、房間運作及玻璃碎片處理。

#### Planning 規劃



In the procurement and production process, the Group adopts various measures to control safety risks, such as avoiding or reducing the use and production of dangerous goods, and requiring suppliers to provide Material Safety Data Sheets (MSDS) when purchasing materials. Safety representatives will analyse the health hazards of the chemicals contained in the materials based on the MSDS.

於採購及生產過程中，本集團採取各項措施控制安全風險，如避免或減少使用和產生危險品、採購材料時要求供應商提供材料安全數據表(MSDS)等。安全代表會根據材料安全數據表分析材料所含化學品對健康的危害。

In order to identify workplace safety hazards at an early stage, the Group conducts risk assessments on a regular basis and proposes prevention and improvement measures for related risks. In addition, the Group also arranges regular physical examinations for employees involved in higher risks, and determine whether job rotation is required, according to the results of the medical examination.

為及早識別工作場所的安全隱患，本集團定期進行風險評估，並就相關風險提出預防及改善措施。此外，本集團亦會為涉及較高風險的員工定期安排身體檢查，並根據體檢結果判斷是否需作崗位調動。

本集團重視持份者溝通，並將開拓更多元化的溝通渠道，加強與持份者交流。本集團計劃於下年度進行問卷調查，收集廣泛持份者對本集團可持續發展表現的意見和建議，識別對持份者重要的環境和社會議題，以助日後制訂相關策略。

### 員工關懷

員工的努力和付出是本集團賴以成功的關鍵。本集團珍視員工，致力為員工營造優良、平等及安全的工作環境。同時，本集團關注員工需要及發展，冀助其職業成長。

#### 健康與安全

為建設安全和健康的工作環境，本集團設立安全管理委員會，並由高級廠務經理擔任主席，負責監督職業健康及安全制度及措施，成員包括廠務經理、生產經理、安全督導員及其他有關部門。委員會每三個月進行至少一次會議，檢討職業健康及安全事宜。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Implementation 實施



Safety education is an indispensable part of corporate safety management. To ensure that employees have sufficient safety knowledge, the Group provides pre-employment and regular occupational health and safety training for employees. The contents are determined based on job positions, covering the Group's safety policy, occupational health and safety management system requirements, safety operation procedures, first aid training, occupational safety and health supervisor certificate course training, and health ambassador training. The Group also regularly provides occupational health and safety related issues and knowledge to employees through announcements, posters, safety seminars, safety meetings and other channels.

安全教育是企業安全管理不可或缺的部分。為確保員工具備充分安全知識，本集團為員工提供就職及定期職業健康安全培訓，內容按工作崗位而定，涵蓋本集團安全政策、職業健康及安全管理系統規定、安全操作程序、急救培訓、職業安全及健康督導員證書課程培訓，以及健康大使培訓。本集團亦透過公告、海報、安全研討會、安全會議等渠道，定期向員工發放職業健康安全相關的事宜及知識。

### Inspection and Improvement 查核及改善



There were six work-related injuries and no fatal cases reported within the Group during the Year. It included sprains or cuts suffered by employees who are handling cargoes and using machinery. In order to prevent re-occurrence of similar accidents, the Group conducted investigations and follow-ups, including improving the use of machineries and safe operating rules of ladders.

本集團年內發生六宗工傷個案，並無死亡個案。當中包括員工在搬運貨物及使用機器時扭傷或割傷。為防止同類意外再次發生，本集團已進行調查及跟進，包括完善使用機器及梯子的安全操作規程。

The Group complies with health and safety-related laws and regulations, including but not limited to Factories and Industrial Undertakings Ordinance, Occupational Safety and Health Ordinance, Dangerous Goods Ordinance, the Fire Safety Ordinance, as well as the Production Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases and Regulation on Work-Related Injury Insurances. During the Year, the Group was not aware of any violation of laws or regulations related to health and safety.

本集團遵守與健康與安全相關的法律及規例，包括但不限於香港《工廠及工業經營條例》、《職業安全及健康條例》、《危險品條例》、《消防安全條例》，以及《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》及《中華人民共和國《工傷保險條例》。年內，本集團並無發現與健康與安全相關的違法或違規個案。

### Development and Training

The Group values the opportunities of training and development of its employees and encourages employees in different positions to continuously enhance their knowledge and skills required for career development to enable them to realise their potential. The Staff Handbook sets out the management of internal training and encourages employees to make good use of training allowance provided by the Group for continuing education.

### 發展及培訓

本集團重視員工的培訓及發展機會，鼓勵不同崗位的員工持續增強職業發展所需的知識技能，讓他們發揮潛力。《員工手冊》列明有關內部培訓的管理，並鼓勵員工善用本集團提供的進修津貼持續進修。





# Environmental, Social and Governance Report

## 環境、社會及管治報告

During the Year, the Group provided a series of training for its employees, with a total training hours of 2,157 hours. In order to support the simultaneous development of employees and enterprises, the Group actively promotes academic exchanges, encourages Chinese medicine practitioners to exchange experiences with scholars, and fosters younger generations and outstanding talents. The Group and Nanjing University of Traditional Chinese Medicine jointly established the "Production, Training and Research Base of Wai Yuen Tong and Nanjing University of Traditional Chinese Medicine" in Hong Kong and launched a five-year strategic cooperation plan for Chinese medicine. The programme aims to promote talent training in the industry, strengthen technology and product R&D promote trade in health services and Chinese medicine services, and promote internationalisation of Chinese medicine.

年內，本集團為員工提供一系列培訓，總培訓時數為2,157小時。為支持員工與企業同步發展，本集團積極推廣學術交流，鼓勵中醫師與學者交流經驗，以及培育年輕一代及優秀人才。本集團與南京中醫藥大學攜手在港設立「南京中醫藥大學位元堂產學研基地」，並展開為期五年的中醫藥戰略合作計劃。該計劃旨在促進業界人才培訓、加強科技及產品研發、推廣健康服務及中醫藥服務貿易，推動中醫藥國際化。

**Promote academic communication**  
促進與學術界的交流

**Cooperate with accredited institutions in Hong Kong to provide basic certification courses for Chinese medicine practitioners**  
與香港獲認可機構合作，為員工提供中醫藥基礎認證課程

**Provide professional knowledge and skill training for employees**  
為員工提供專業知識技能培訓

In addition, the Group provides training for employees to encourage employees to enrol in the continuing education and training courses accredited by the Education Bureau for continuous learning.

此外，本集團向員工提供進修資助，鼓勵員工報讀教育局認可的持續進修及培訓課程，持續學習。

In the future, the Group will conduct more in-depth surveys for training needs of different job types in order to formulate annual training plans and strengthen professional knowledge and skills of employees.

未來，本集團將針對不同工作性質進行更深入的培訓需求調查，以便擬訂年度培訓計劃，加強員工的專業知識及技能。

**Percentage of Employee Trained**  
受訓員工百分比



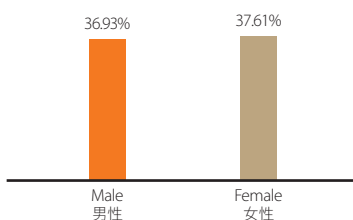
**Total Training Hours**  
總培訓時數



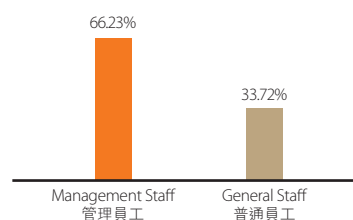
**Percentage of Employee who Receive Regular Assessment on Performance and Career Development**  
接受定期績效及職業發展檢視的員工百分比



**Percentage of Employee Trained (By Gender)**  
受訓員工百分比(按性別)



**Percentage of Employee Trained (By Professional Profile)**  
受訓員工百分比(按職能)



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Employment system

A sound employment system is the foundation for absorbing and retaining talents. In the Staff Handbook, the Group specifies the systems for compensation, recruitment, promotion, dismissal, working hours, holidays and other benefits, so that employees can understand relevant employment policies and terms.

The Group provides employees with fair and competitive compensation and benefits. Based on factors such as performance appraisal results, staff qualifications and performance, and market conditions, the Group reviews salary adjustment and end-of-year payment. In addition to statutory and public holidays, the Group provides various paid holidays to its employees, such as annual leave, maternity leave, marriage leave, compassionate leave and examination leave. Eligible employees are entitled to a number of employee benefits, such as special discounts on products and concessions for Chinese medicine clinic service for employees and their immediate family members, dental care and medical concessions.

At the same time, the Group promotes equal opportunities and does not tolerate any discrimination and harassment. The Staff Handbook specifies that staff appointments are based on factors such as work capacity, knowledge of work, and actual work requirements and job seekers shall not be discriminated against on the basis of gender, marital status, pregnancy, family status or disability. In addition, the Group respects the rights and interests of employees and prohibits the use of child labour and forced labour. Our human resources department shall verify identity documents and age of applicants during the recruitment process to prevent employment of persons who do not meet age requirements. In order to prevent forced labour, the Group sets out the arrangements for overtime compensation and termination of employment contracts in the Staff Handbook to keep employees informed of relevant terms and policies. Employees may resign in writing during the notice period specified in the contract in accordance with the departure process in the Staff Handbook.

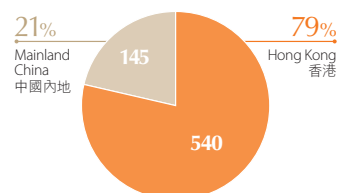
### 僱傭制度

完善的僱傭制度是人才吸納和留任的基礎。本集團於《員工手冊》明確有關薪酬、招聘、晉升、解僱、工作時間、假期及其他福利等制度，讓員工了解有關僱傭政策及條款。

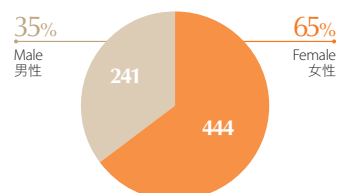
本集團為員工提供公平且具競爭力的報酬和福利。根據效績評估結果、員工資歷及工作表現，以及市場情況等因素，本集團檢討薪金調整及發放年終酬金。除法定及公眾假期外，本集團向員工提供不同有薪假期，例如年假、分娩假、婚假、恩恤假及考試假。合資格員工可享有多項員工福利，如產品特別折扣及適用於員工及其直系家屬的中醫診所服務優惠、牙科保健和醫療優惠計劃等。

同時，本集團提倡平等機會，絕不容忍任何歧視及騷擾行為。《員工手冊》列明員工委任是根據工作能力、對工作之認識及實際工作要求等因素而定，不得因性別、婚姻狀況、懷孕、家庭崗位或殘疾而歧視求職者。此外，本集團尊重員工權益，嚴禁使用童工及強制勞工。人力資源部須在招聘過程中核實應徵者的身份證明文件及年齡，以防止聘任未符年齡要求的人士。為防止強制勞動，本集團於《員工手冊》列明加班補償及終止僱傭合約等安排，讓員工了解有關條款及政策。員工可按照《員工手冊》內的離職流程，於合約所訂的通知期內以書面形式辭職。

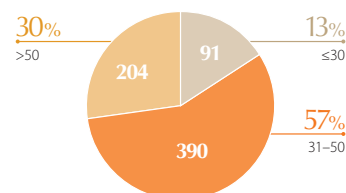
Workforce (By Geographical Distribution)  
僱員 (按地區)



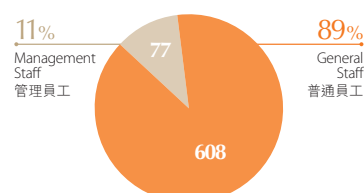
Workforce (By Gender)  
僱員 (按性別)



Workforce (By Age)  
僱員 (按年齡)



Workforce (By Professional Profile)  
僱員 (按職能)



# Environmental, Social and Governance Report

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In order to continuously improve the employee system and promote a diverse and inclusive working environment, apart from adopting the Board Diversity Policy, the Group has also incorporated the diversification system applicable to all employees into the ESG Policy drafted during the Year. In addition, the Group is considering implementing more diversity and inclusion practices in the future, such as providing training related to equal opportunities, anti-discrimination and human rights, recruiting youth with training and appropriate support provided to them, including diversity beyond genders of employees and management in succession planning. In the future, the Group will continue to identify Chinese medicine professionals according to the principle of diversity, and recruit more frontline staff and senior Chinese medicine practitioners to provide better Chinese medicine health food products and services.

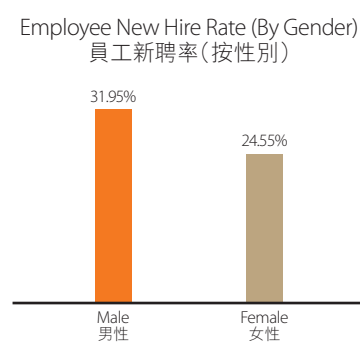
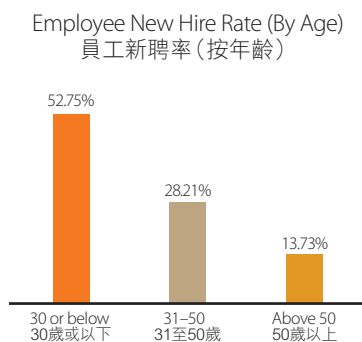
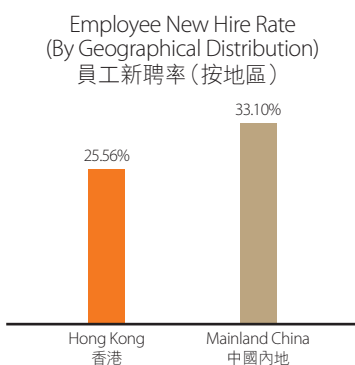
The Group values its relationships with employees and is committed to establishing a transparent and effective communication and work environment. Opinions of employees help the Group to develop and review its internal operations. The Staff Handbook lists the methods and procedures for handling complaints. Employees may make complaint about discrimination or harassment to our human resources department. The Group conducts investigations in a confidential manner and informs relevant employees of the results. Employees who have been found to have violated relevant regulations will be subject to disciplinary action. Employees may also submit other opinions or grievances to their supervisors, and relevant cases will be forwarded to our human resources department or meeting will be arranged between relevant employees and the Managing Director. All cases will be handled in a confidential manner.

The Group complies with employment-related laws and regulations, including but not limited to the Employment Ordinance, Employees' Compensation Ordinance, Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance, and Personal Data (Privacy) Ordinance of Hong Kong, Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China and Social Insurance Law of the People's Republic of China. During the Year, the Group was not aware of any violation of laws or regulations related to employment and labour practices (including child labour or forced labour) or any complaints about discrimination or harassment.

為持續完善僱員制度及推廣多元化與共融的工作環境，除了採納《董事會多元化政策》，本集團亦將適用於所有員工的多元化制度納入年內草擬的《環境、社會及管治政策》。此外，本集團考慮於未來實施更多有關多元化與共融的措施，如提供與平等機會、反歧視和人權相關的培訓、年輕人招聘計劃並提供培訓和適當支援，以及將員工和管理層性別以外的多元性納入繼任規劃。未來，本集團將繼續按多元性原則物色中醫專才，增聘前線員工及資深中醫師，以提供更佳的中醫藥保健食品產品及服務。

本集團重視與員工建立良好關係，致力確立具透明度和有效的溝通和工作環境。員工的意見有助本集團發展和檢視內部營運。《員工手冊》列明申訴管理方式及程序。員工可就歧視或騷擾事件向人力資源部提出申訴，本集團會以保密形式進行調查，並將結果告知有關員工。所有經證實違反相關規定的員工將會受到紀律處分。員工亦可向所屬主管提出其他意見或申訴，有關個案將轉交人力資源部，或安排相關員工約見董事總經理，所有個案會作保密處理。

本集團遵守與僱傭相關的法律及規例，包括但不限於香港《僱傭條例》、《僱員補償條例》、《性別歧視條例》、《殘疾歧視條例》、《家庭崗位歧視條例》、《個人資料(私隱)條例》、《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國社會保險法》。年內，本集團並無發現與僱傭及勞工常規相關(包括與童工或強制勞工)的違法或違規個案，或任何有關歧視或騷擾的申訴。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### OPERATIONAL RESPONSIBILITY

As a manufacturer of pharmaceutical and health food products, the Group attaches great importance to the quality of its products and services and has established a series of quality control systems and measures to ensure customer safety. At the same time, the Group adheres to the principles of transparency, accountability, integrity and independent corporate governance, and has established measures related to anti-corruption and supply chain management to ensure that its operations comply with corporate ethical standards.

#### Product responsibility

Customer loyalty is built on the quality of products and services. With the core business of manufacturing pharmaceutical and health food products, the Group understands that it is a must to ensure products and services are of high quality, safe, reliable and effective, so as to continuously improve customer satisfaction. The Group's new Yuen Long Factory not only complies with Hong Kong's GMP standards, but also is operated and constructed in accordance with the standard of the PIC/S, the most stringent manufacturing practice regulation with worldwide recognition. At the same time, Yuen Long Factory holds a number of quality certifications, including:

**PIC/S**  
(issued by the Therapeutic Goods Administration (TGA))  
(由澳洲藥物管理局頒發)

**GMP**  
(issued by Chinese Medicine Council of Hong Kong)  
(由香港中醫藥管理委員會頒發)

**ISO22000:2005**  
Food Safety Management System  
食品安全管理體系

**HACCP**  
Hazard Analysis and Critical Control Points  
危害分析和關鍵控制點

#### Product quality control

The Group has established quality management and operation specifications in accordance with various pharmaceutical standards, covering the scope of personnel, premise, equipment and operations within the factory. The Group requires all production, testing and distribution processes to be carried out in accordance with the "Standard Operating Procedures" (S.O.P.) established in the factory and to implement a number of quality control measures.

Testing  
檢驗

- Set up in-house laboratory to test raw materials and products to prevent human error and cross-contamination  
設自家實驗室檢測原材料及產品，以防人為出錯及交叉污染
- Develop internal quality inspection standards to ensure that raw materials or product specifications and quality meet standards  
制定內部質量檢驗標準，確保原材料或產品規格和質量合乎標準

### 營運責任

作為醫藥及保健食品產品製造商，本集團十分重視產品和服務的質量，並確立一系列品質控制系統及措施，以保障顧客安全。同時，本集團秉持透明度、問責性、誠信及獨立的企業管治原則，制定了與反貪污及供應鏈管理相關的措施，確保營運合乎企業道德標準。

#### 產品責任

顧客的忠誠乃建基於產品及服務的質量。以製造醫藥及保健食品產品為核心業務，本集團深明必須確保產品和服務優質、安全、可靠及有效，持續提升顧客滿意度。本集團的元朗新廠房不但符合香港GMP標準，更依照全球公認最嚴謹的製藥規範PIC/S標準興建及運作。同時，元朗廠房持有各項品質認證，包括：

#### 產品品質控制

本集團根據各項製藥標準訂立品質管理及操作規範，涵蓋廠內人員、場所、設備及操作等範疇。本集團要求各生產、檢測及分銷流程按照廠內訂立的「標準操作程序」(S.O.P.)進行，並實施多項品質控制措施。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

- |                                 |   |
|---------------------------------|---|
| Production and storage<br>生產及貯存 | <ul style="list-style-type: none"><li>• Use fully automated production equipment and reduce the amount of human pollution<br/>採用全自動化生產設備，減少人為污染</li><li>• Ensure adequate storage of pharmaceutical processing and reduce the risk of doping and cross-contamination<br/>確保藥物加工儲存空間充足，降低摻雜和交叉污染的風險</li><li>• Establish storage guidelines for storage of power supply, lighting, ventilation, temperature and humidity control facilities to maintain a suitable production and storage environment<br/>訂立貯存指引，貯存設置電力供應、照明、通風、溫度及濕度控制設施，以維持合適生產及貯存環境</li><li>• Our quality control department is responsible for ensuring that container labels are correct and monitoring the stability of the components<br/>品質控制部門負責確保容器標籤正確，監測成份穩定性</li></ul> |
| Hygienic environment<br>衛生環境    | <ul style="list-style-type: none"><li>• Require personnel in the production area to abide by personal hygiene procedures, such as wearing clean overalls, shoe covers and protective caps according to their job positions, so as to avoid product contamination<br/>要求生產區人員遵守個人衛生流程，如根據其工作崗位穿戴乾淨的工作服、鞋套及保護帽，以免產品受污染</li><li>• Regularly clean equipment and measuring instruments and conduct cleanliness evaluation<br/>定期清潔設備及計量器具，進行潔淨評估</li></ul>  |

In order to ensure that all employees are qualified to perform relevant duties, the Group provides appropriate training to employees based on their positions, so that employees have sufficient and specific knowledge and skills.

為確保所有員工均合資格履行相關職責，本集團根據其崗位為員工提供合適培訓，讓員工具備充分及特定知識與技能。

### Responsible marketing

The Group is committed to ensuring that the content of advertisements and product labels is true and legal. All product labels and instructions attached to all proprietary and exported proprietary Chinese medicines are in compliance with the Chinese Medicines Regulations of Hong Kong and the “Guidelines on labels of proprietary Chinese medicines” and “Guidelines on package inserts of proprietary Chinese medicines”. The packaging and instructions for the proprietary Chinese medicines label shall contain sufficient information, including the main active ingredients, dosage, methods of use, functional or pharmacological effects, storage instructions, contraindications or side effects and expiration dates, to help customers select the right products and use them properly to protect their health and safety. At the same time, the Group regularly reviews applicable laws and regulations to continuously improve product advertising and labeling.

### 負責任營銷

本集團致力確保廣告及產品標籤內容真實和合法，所有銷售及出口的中成藥附有的產品標籤及說明書均遵從香港《中藥規例》，以及中成藥註冊法規的「中成藥標籤指引」和「中成藥說明書指引」。中成藥標籤的包裝及說明書均具備充足資訊，包括主要有效成份、用量、使用方法、功能或藥理作用、貯存指示、禁忌或副作用及失效日期等，以助顧客揀選合適產品及正確使用產品，保障其健康及安全。同時，本集團定期檢視適用的法律法規，以持續完善產品廣告和標籤。

### Customer complaint mechanism

Comprehensive after-sales management is an important part in maintaining customer confidence. The Group has established a sound customer complaint mechanism to handle customer complaints in a timely and appropriate manner. Customers may report or complain about product defects by telephone, email, written or in the store. Our quality control department will conduct a detailed investigation and inspection of the product. If the products are to be recalled, the Group will promptly recall products according to the product recall mechanism and notify all relevant parties, including the Chinese Medicine Council of Hong Kong, customers, suppliers and retail stores. At the same time, the Group regularly evaluates the product recall mechanism to ensure its effectiveness.

In addition, the Group has set up a hotline to answer enquiries and set up a compliance team to monitor product quality. The Group received a total of 45 product complaints during the Year, mainly related to the recall of Herbal Tea, customer inquiry about refund and service attitude of store staff. The Group followed up and responded to all complaints and made corresponding improvements, such as reminding the store staff to pay attention to and improve their service attitudes and establish good relationships with customers, and handling customer opinions or complaints with care. In the future, the Group will continue to strengthen training related to customer service to enhance the quality of services provided by staff and prevent similar incidents from happening again.

### Protection of privacy and intellectual property rights

The Group respects customer privacy and intellectual property rights. The Group takes steps to prevent the leakage of confidential information collected in the process of operation, including customer personal data, purchase records and medical records. At the same time, the Group avoids infringing on intellectual property rights of other companies and individuals, and regularly researches and tracks patent information of peers. Employees must abide by the provisions of the Staff Handbook and must not disclose any confidential information related to the Group without the consent of the Board.

During the Year, the Group imported an unregistered proprietary Chinese medicine called "Wai Yuen Tong Herbal Tea" from Malaysia for local sale which was fined HK\$10,000 in contravention of section 119 of the Chinese Medicine Ordinance of Hong Kong. The Group immediately withdrew a total of 1,183 pieces of products from the market, accounting for 5.2% of the total number of products sold or shipped in the same category. In addition, the Group was fined HK\$3.51 million<sup>2</sup> for violation of section 40 of the Regulation on the Supervision and Administration of Medical Devices due to the sale of "Madame Pearl's BreathEasy Spray", a product that had not obtained a Class II medical device registration certificate in Shanghai. The Group has established a compliance team to monitor applicable laws and regulations.

<sup>2</sup> Calculated based on RMB1=HKD1.13 (for reference only).

### 顧客申訴機制

完善的售後管理是維持顧客信心的重要一環。本集團設立健全的顧客申訴機制，以便及時和妥善處理顧客投訴。顧客可就任何關於產品缺陷，以電話、電郵、書面形式或於門市反映或投訴，品質控制部門將對產品展開詳細調查及檢驗。如須回收產品，本集團會按照產品回收機制及時進行回收，並通知所有相關方，包括香港中醫藥管理委員會、顧客、供應商及零售店。同時，本集團定期評估產品回收機制，確保其有效性。

此外，本集團設立熱線解答查詢，並成立合規小組監控產品質量。本集團年內共接獲45宗產品投訴，主要關於清感茶回收、客戶查詢退款及門市員工服務態度。本集團已跟進及回覆所有投訴，並作出相應改善，如叮囑門市員工留意及改善服務態度，與顧客建立良好的關係，小心處理顧客意見或投訴。本集團往後會持續加強與顧客服務相關的培訓，提高員工的服務質素，避免同類事情再次發生。

### 保障私隱及知識產權

本集團尊重顧客私隱及知識產權。本集團採取措施防止洩漏營運過程中所收集的保密資料，包括顧客個人資料、購買記錄及診症病歷等。同時，本集團避免侵犯其他公司及個人的知識產權，定期對同行的專利信息進行研究和追蹤。員工必須遵守《員工手冊》的規定，不得未經董事會同意披露任何與本集團相關的保密資訊。

年內，本集團從馬來西亞進口作一款名為「位元堂清感茶」的未經註冊成藥作本地銷售，違反香港《中醫藥條例》第119條，被罰款港幣10,000元。本集團即時從市場回收有關產品共1,183件，佔同類型已售或已運送產品總數5.2%。另外，由於本集團在上海銷售一款未取得第二類醫療器械註冊證的產品「珮夫人鼻爽潔噴霧」，違反《醫療器械監督管理條例》第40條，而被罰款港幣351萬元<sup>2</sup>。本集團已成立合規小組，負責對適用的法律法規進行監察。

<sup>2</sup> 以1人民幣=1.13港幣計算(僅供參考)。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group complies with laws and regulations relating to product liability, including but not limited to the Chinese Medicine Ordinance of Hong Kong, the registration regulations of proprietary Chinese medicines, the Food Adulteration (Metallic Contamination) Regulations, and the Pesticide Residues in Food Regulation, Food Safety Ordinance, Trade Descriptions Ordinance and Personal Data (Privacy) Ordinance, as well as the Advertising Law of the People's Republic of China and the Trademark Law of the People's Republic of China.

### Anti-corruption

The Group always upholds a high standard of corporate governance. The Group values transparency, accountability, integrity and independence and will not tolerate corruption, such as bribery, extortion, fraud and money laundering. Employees must abide by the anti-corruption policy set out in the Staff Handbook and deal with conflicts of interest, acceptance of benefits and entertainment in accordance with the Code of Conduct. At the same time, the Group regularly reviews and updates its anti-corruption policies. During the Year, the Group engaged the Independent Commission Against Corruption of Hong Kong to provide a total of two anti-corruption talks (pharmaceuticals) to the Group's employees to raise their awareness of prevention. Employees can report any improper or business ethics to the Group through the established reporting system. All reported matters will be handled confidentially to protect whistleblowers.

The Group complies with laws and regulations relating to anti-corruption, including but not limited to the Prevention of Bribery Ordinance and Anti-Money Laundering and Counter-Terrorist Financing Ordinance of Hong Kong, as well as the Criminal Law of the People's Republic of China and the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and the Tendering and Bidding Law of the People's Republic of China. During the Year, the Group did not have any reported case, litigation case and violation of laws and regulations related to corruption.

### Supply chain management

The Group focuses on the environmental and social performance of its suppliers and monitors the way suppliers operate through daily collaboration and communication to reduce their impact on society. For example, occupational health and safety is one of the main evaluation criteria when the Group selects suppliers related to business activities such as maintenance and logistics. The Group will also require suppliers to submit safety policies and safety plans and invite suitable suppliers to participate in the bidding based on the integrity of the plan. For qualified suppliers, the Group monitors their occupational health and safety performance through constant communication and inspections, and disseminates safety information to suppliers through monthly meetings, emails and leaflets.

本集團遵守與產品責任相關的法律及規例，包括但不限於香港《中醫藥條例》、中成藥註冊法規、食物安全中心《食物攙雜（金屬雜質含量）規例》、《食物內除害劑殘餘規例》、《食物安全條例》、《商品說明條例》和《個人資料（私隱）條例》，以及《中華人民共和國廣告法》和《中華人民共和國商標法》。

### 反貪污

本集團一直秉持高水準的企業管治。本集團重視透明度、問責性、誠信及獨立，絕不容忍賄賂、勒索、欺詐及洗黑錢等貪污行為。員工須恪守《員工手冊》載列的反貪污政策，並按行為守則處理利益衝突、接受利益及酬酢等情況。同時，本集團定期檢視和更新反貪污政策。年內，本集團安排香港廉政公署為本集團員工提供共兩次防貪講座（藥業），提高防範意識。員工可以透過既定舉報制度向本集團舉報任何不當或違反商業道德的行為，所有舉報事宜將保密處理，保障舉報人。

本集團遵守與反貪污相關的法律及規例，包括但不限於香港《防止賄賂條例》和《打擊洗錢及恐怖分子資金籌集條例》，以及《中華人民共和國刑法》、《中華人民共和國反洗錢法》、《中華人民共和國反不正當競爭法》及《中華人民共和國招標投標法》。年內，本集團並無發生與貪污相關的舉報個案、訴訟案件及違法違規個案。

### 供應鏈管理

本集團關注供應商的環境和社會表現，並通過日常協作及溝通，監察供應商的營運方式，以減低其對社會造成的影響。例如，本集團在選擇與維修及物流等業務活動相關供應商時，職業健康及安全為主要評估標準之一。本集團亦會要求供應商提交安全政策及安全計劃，並根據計劃完整性邀請合適供應商參與投標。針對合資格供應商，本集團通過恆常溝通及考察監察其職業健康及安全的表現，並透過每月一次的會議、郵件及傳單向供應商發放安全資訊。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group will strengthen and build a systematic supply chain management to identify and review the environmental and social risks of the supply chain to monitor and continuously improve the performance of suppliers.

### ENVIRONMENTAL PROTECTION

The Group is committed to monitoring and managing the negative impacts of daily operations on the environment and implementing a number of measures to reduce the generation of pollutants and enhance the efficiency of resource use.

#### Greenhouse gas emissions

Greenhouse gas emissions (or “carbon emissions”) are closely related to climate change. In order to continuously monitor the greenhouse gas emissions generated by its operations, the Group entrusted independent consultants to conduct carbon assessments in accordance with the “Guidelines for Accounting and Reporting Greenhouse Gas Emissions — China Food, Tobacco, Alcohol, Beverages and Purified Tea Manufacturing Enterprises (Trial)”, “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings in Hong Kong” and national and international standards such as ISO 14064-1.

本集團將加強並建設有系統的供應鏈管理，以識別和審視供應鏈的環境及社會風險，以監察和持續提升供應商的有關表現。

### 環境保護

本集團致力監控及管理日常營運對環境的負面影響，並透過實施多項措施，減少污染物的產生及提升資源使用效率。

#### 溫室氣體排放

溫室氣體排放(或「碳排放」)與氣候變化息息相關。為持續監測營運產生的溫室氣體排放，本集團委託獨立顧問按《中國食品、煙草及酒飲料和精製茶企業溫室氣體排放核算方法與報告指南(試行)》、《香港建築物(商業、住宅或公共用途)的溫室氣體排及減除的核算和報告指引》，以及ISO 14064-1等國家地區及國際標準進行碳評估。

Greenhouse gas emissions		FY2019
溫室氣體排放		二零一九財政年度
		(tonneCO <sub>2</sub> e)
		(噸二氧化碳當量)
Scope 1 — Direct greenhouse gas emissions	範圍1 — 直接溫室氣體排放	177.5
Scope 2 — Energy indirect greenhouse gas emissions	範圍2 — 能源間接溫室氣體排放	3,519.4
Scope 3 — Other indirect greenhouse gas emissions	範圍3 — 其他間接溫室氣體排放	59.4
Total greenhouse gas emissions	溫室氣體總排放量	3,756.3
Greenhouse gas emissions intensity (by gross floor area, i.e. tonneCO <sub>2</sub> e/ ft <sup>2</sup> )	溫室氣體密度(以建築面積計算，即噸二氧化碳當量/平方呎)	0.02
Scope 1 — Emissions from fossil fuels of combustion of stationary source and mobile source and fugitive emissions from fire suppression systems	範圍1 — 來自固定源及移動源化石燃料燃燒及源自滅火系統的逃逸性排放	
Scope 2 — Indirect emissions from purchased electricity and purchased Towngas	範圍2 — 來自源自外購電力及外購煤氣的間接排放	
Scope 3 — Indirect emissions from waste paper disposal, fresh water and sewage treatment, and employee air business travel	範圍3 — 源自廢紙棄置、食水及污水處理和僱員出外公幹的間接排放	

During the Year, the Group’s total greenhouse gas emissions were approximately 3,756 tonnes of Co<sub>2</sub>-equivalent, and greenhouse gas intensity was 0.02 tonneCO<sub>2</sub>e/ ft<sup>2</sup> of gross floor area. Greenhouse gas emissions mainly come from Scope 2 purchased electricity emissions, which represented approximately 92.7% of the total emissions. The Group will continue to assess and disclose its greenhouse gas emissions, and plans to compare future data with the data for the Year, so as to review the effectiveness of existing measures and improve plans and set emission reduction targets in the future.

年內，本集團的溫室氣體總排放量約為3,756噸二氧化碳當量，溫室氣體密度為0.02噸二氧化碳當量/平方呎建築面積。溫室氣體排放主要來自範圍2之外購電力排放，佔總排放量約92.7%。本集團將持續評估及披露其溫室氣體排放，並計劃以本年度數據作基準比較往後數據，以便日後檢討現行措施成效及完善方案，以及制訂減排目標。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Air Emissions

The Group's main air pollutants come from combustion of Towngas in boilers and mobile combustion of petrol. Air pollutants mainly contain nitrogen oxides, sulphur oxides and respirable suspended particulates. To reduce the impacts of air emissions on the environment and health, the Group adopts hydro vent and scrubber to remove oil and odor from fumes before emissions. In addition, electric vehicles have been introduced into the Group's company fleet to reduce the Company's air emissions and carbon footprint.

### 廢氣排放

本集團主要的空氣污染物來自鍋爐燃燒煤氣及汽車燃燒汽油。空氣污染物主要包含氮氧化物、硫氧化物及可吸入懸浮粒子。為減少廢氣排放物的對環境及健康的影響，本集團採用灑水式煙罩及洗滌器先去除煙霧中的油分及氣味再排放。此外，本集團的公司車隊已引入電動車，以減少公司的廢氣排放和碳足印。

Air pollutants		FY2019
空氣污染物		二零一九財政年度
		(kg)
		(千克)
Nitrogen oxides (NO <sub>x</sub> )	氮氧化物	13.3
Sulphur oxides (SO <sub>x</sub> )	硫氧化物	0.2
Respirable suspended particulates	可吸入懸浮粒子	0.1

### Energy Management

During the Year, the Group's total energy consumption was 7,717.3 MWh-e, and energy intensity was 0.031 MWh-e/ft<sup>2</sup> of gross floor area. Main energy consumed includes electricity use, accounting for approximately 88.3% of total energy consumption. Other energy uses include Towngas and petrol.

### 能源管理

年內，本集團的能源總耗量為7,717.3兆瓦時等值，能源密度為0.031兆瓦時等值／平方呎建築面積。主要能源使用包括電力使用，佔能源總耗量約88.3%。其他能源使用包括煤氣及汽油。

Use of energy		FY2019
能源使用		二零一九財政年度
Towngas (MWh-e)	煤氣(兆瓦時等值)	879.0
Petrol (MWh-e)	汽油(兆瓦時等值)	21.3
Purchased electricity (MWh)	外購電力(兆瓦時)	6,817.0
Total energy consumption (MWh-e)	能源總耗量(兆瓦時等值)	7,717.3
Energy intensity (by gross floor area, i.e. MWh-e/ft <sup>2</sup> )	能源密度(以建築面積計算，即兆瓦時等值／平方呎)	0.031

Given that energy use is a major source of greenhouse gas emissions, the Group is concerned with emission reduction measures related to reduction of energy consumption. To effectively manage and reduce energy consumption, the Group implements a number of energy saving measures:

鑑於能源使用是溫室氣體排放的主要來源，本集團關注與降低能耗相關的減排措施。為有效管理及減少能源消耗，本集團實施多項節能措施：

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Office

- Use more energy efficient LEDs and T5 tubes
- Switch on the energy-saving mode of office equipment to save energy consumption during standby
- Improve employee awareness of energy conservation through notices, and switch off all electrical appliances, lighting and air conditioning during idle and after office hours
- Install sensor switches in some office areas to further improve energy efficiency

### Yuen Long Factory

- Adjust lighting lumens in production workshops and reduce the number of lights
- Apply more energy-efficient LEDs and T5 tubes during production, and set up regional lighting
- Reduce fresh air and exhaust air in rooms without pressure difference requirements, such as warehouses, reduce impact from fresh air outside and reduce removing treated air
- Change the glass of some offices to brown glass to reduce heat absorption of rooms from the outside
- Install insulation for production equipment equipped with heat dissipation or cooling pipes to reduce loss of heating and cooling

As the Hong Kong government and power companies actively promote the use of renewable energy, the Group will assess the feasibility of installing solar panel power generation systems in the factory and plan to introduce new energy-saving technologies and improve production processes to further reduce the energy use involved in production.

### 辦公室

- 採用能效更高的LED及T5光管
- 開啟辦公設備的節能模式，節省待機時的能源消耗
- 通過告示提高員工節能意識，並在閒置及辦公時間後關閉所有電器、照明及空調
- 於部分辦公區域安裝傳感器開關，進一步提高節能成效

### 元朗廠房

- 調節生產車間照明流明，減少電燈數目
- 於投產時已全面採用能效更高的LED和T5光管，以及設置區域照明
- 於沒有壓差要求的房間如倉庫減少鮮風及排風，減低外間鮮風影響及減少排走已處理的空氣
- 將部分辦公室的玻璃改為茶色玻璃，為減低房間從外間吸熱
- 為配有散熱或冷卻喉管的生產設備安裝保溫層，減少熱能冷能損失

隨著香港政府及電力公司積極推廣使用可再生能源，本集團將評估在廠房安裝太陽能板發電系統的可行性，並計劃引進新節能技術及改善生產流程，以進一步減少生產牽涉的能源使用。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Water Resource Management

During the Year, the Group's total water consumption was 38,098.4 cubic meters and the water consumption intensity was 0.15 cubic meters/square foot of gross floor area. The Group withdraws water from the municipal water supply and there is no issue in sourcing water that is fit for purpose during the Year. In terms of water conservation, the Group installed environmentally friendly water tanks and automatic closing taps in the washroom. Wastewater generated by the Group mainly includes domestic wastewater and industrial wastewater, such as the cleaning of Chinese herbal medicines. The Group has obtained a license granted by the Environmental Protection Department of Hong Kong ("EPD") pursuant to the Water Pollution Control Ordinance and ensures that the water quality meets all the requirements of the EPD before it discharges sewage into the municipal sewer. In order to reduce the amount of sewage discharged, the Group reuses water in production operations, for example, the reverse osmosis (also referred to as RO) treated water is repeatedly supplied to the steam boiler.

### Use of Materials and Waste Management

The Group understands that waste generated during the operation may have adverse effects on the environment and handles the waste with care in accordance with relevant laws and regulations. During the Year, the Group generated 1.7 tonnes of hazardous waste and hazardous waste intensity was 0.004 tonnes/product value in HKD million. The amount of generation and intensity of non-hazardous waste were 786.8 tonnes and 3.4 tonnes/thousand square feet of gross floor area<sup>3</sup>, respectively.

Hazardous waste (such as waste acid, waste caustic soda, waste halogenated solvents, heavy metal containing liquids, expired pharmaceuticals and medicinal materials, and other pharmaceutical raw materials) are collected and disposed of by approved third parties. In order to prevent secondary pollution before transportation, the Group classifies according to the nature of waste. Waste chemicals and medicines are stored in quality control laboratories or other designated areas for collection. After classification and collection, recyclable non-hazardous waste are delivered to recyclers for disposal. Non-recyclable non-hazardous waste are sent to landfills for disposal.

In terms of reduction of use of resources, the Group continues to explore improvement in packaging design and reduce the consumption of packaging materials. In the future, the Group will further explore resource conservation measures and solutions to improve the efficiency of packaging materials, such as the use of biodegradable packaging materials and packaging materials containing recycled components.

<sup>3</sup> Only included the data from Yuen Long Factory and Shenzhen office.

### 水資源管理

年內，本集團的總耗水量為38,098.4立方米，耗水密度為0.15立方米/平方呎建築面積。本集團從市政供水取水，年內在求取適用水源方面沒有問題。在節約水資源方面，本集團於洗手間安裝環保型水箱及自動關閉機制水龍頭。本集團產生的廢水主要包含辦公室的生活廢水和工業廢水，如中藥材前處理的藥材清洗。本集團已取得香港環境保護署（「環保署」）根據《水污染管制條例》批給的牌照，並確保水質符合環保署所有規定後，方排放污水至市政污水渠。為減少污水排放量，本集團在生產營運中重複用水，例如將反滲透（Reverse osmosis、又稱RO）處理的水重複供給蒸汽鍋爐使用。

### 物料使用及廢棄物管理

本集團明白營運過程中產生的廢棄物可能會對環境產生不良影響，並按照有關法律及法規謹慎處理。年內，本集團產生的有害廢棄物為1.7噸，有害廢棄物密度為0.004噸/百萬港元產品產值。而無害廢棄物產生量及密度分別為786.8噸及3.4噸/千平方呎建築面積<sup>3</sup>。

有害廢棄物（如廢酸、廢鹼、廢鹵化溶劑、含重金屬液體、過期藥品及藥材，以及其他醫藥原料）均交由獲認可的第三方收集處理。為防止運輸前的二次污染，本集團根據廢棄物性質進行分類，將廢棄化學品及藥品儲存於品控實驗室或其他指定區域待收集。可回收無害廢棄物分類收集後交由回收商處理，而不可回收的無害廢棄物則送往垃圾堆填區棄置。

在減少資源使用方面，本集團持續探討改善包裝設計，減少包裝材料的消耗。未來，本集團將進一步探討節約資源措施，以及提高包裝材料使用效率的方案，如考慮使用可生物降解及含有再生成分的包裝材料。

<sup>3</sup> 只包括元朗廠房及深圳辦公室數據。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### The Environment and Natural Resources

The Group understands the importance of protecting the surrounding environment and the effective use of natural resources, and implements environmental management measures to reduce the environmental impact of daily operations, such as applying sustainable procurement and recyclable packaging materials as much as possible.

The Group complies with environmental laws and regulations, including but not limited to Air Pollution Control Ordinance, Water Pollution Control Ordinance and Waste Disposal Ordinance of Hong Kong, as well as the Environmental Protection Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on Prevention and Control of Water Pollution. During the Year, the Group was not aware of any illegal or non-compliant matters that have a significant impact on the Group in relation to the environment.

### COMMUNITY INVESTMENT

Business growth is inextricably linked to community development. As an enterprise that values social responsibility, the Group cares and gives back to the society through community donations and encouraging employees to participate in volunteer services. During the year, the Group has made community donations and sponsored a total of HK\$506,763.

#### Took action for support of "A Drop of Life" and brought clean water to water-scarce residents

The Group supported the "Walk and Run 2018" and "Race For Water 2019" organised by charity organisations to build water facilities for arid areas, disaster relief, poverty alleviation and warming in remote areas, and also regularly paid visits and distributed supplies to Hong Kong to the disadvantaged and the elderly. In particular, the funds raised from "Walk & Run 2018" were used to build a biochemical sand filter system in a school in Cambodia and build pond dams in mountainous areas in Cambodia and China.

The Group sponsored its employees in charity running activities. In the above activities, participating teams carried 4.5 and 5 liters of water respectively, and completed 3km and 15km routes, and experienced the hard work of the remote mountainous residents.

### 環境及天然資源

本集團了解保護周邊環境及有效使用天然資源的重要性，並通過實施環境管理措施減低日常營運帶來的環境影響，如儘量使用可持續採購及可回收的包裝材料。

本集團遵守與環境相關的法律及規例，包括但不限於香港《空氣污染管制條例》、《水污染管制條例》及《廢物處置條例》，以及《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》及《中華人民共和國固體廢物污染防治法》。年內，本集團並無獲悉任何與環境相關對本集團產生重大影響的違法或違規事項。

### 社區投資

企業成長與社區發展密不可分。作為一家重視承擔社會責任的企業，本集團透過社區捐款及鼓勵員工參與義工服務，關懷和回饋社會。年內，本集團的社區捐款及贊助合計超過港幣506,763元。

#### 身體力行支持「點滴是生命」為缺水居民帶來潔淨清水

本集團支持由慈善機構點滴是生命舉辦的「點滴揸水Walk & Run 2018」及「揸水一戰2019」，為乾旱地區籌建水設施，為偏遠地區賑災、扶貧、送暖，亦會定期向本港弱勢社群及長者進行探訪及派發物資。其中，「點滴揸水Walk & Run 2018」籌得的款項已用作於柬埔寨一所學校興建生化砂濾系統，以及於柬埔寨及中國山區各修建一座塘壩。

本集團贊助員工參與慈善跑活動的報名費及籌款額。在上述活動中，參賽隊伍分別揸負4.5及5公升水，完成3公里及15公里路線，體驗偏遠山區居民翻山越嶺取水的辛勞。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Organised community volunteer activities and cared about the needs of local children

In order to enhance employees' interest and participation in volunteer activities, the Group encourages employees to explore their creativity and carried out cooperation with social welfare organisations every quarter. During the Year, our employees cared about the needs of local children and organised three events in collaboration with Kowloon Lok Sin Tong, including advanced environmentally friendly woodworking classes, blue dyeing classes and bento cooking classes. Under the guidance of the instructor, the Group's volunteers helped children make eco-friendly Christmas tree lights, blue dyed works and cute and healthy bento box lunches.

Looking ahead, the Group will continue to understand community needs, formulate policies and plans for community investment, and inject more vitality and positive impact into the community through professional and community contributions from its own industry and encouraging employees to participate in volunteer services.

### 組織社區義工活動 關心本地兒童需要

為提高員工對義工活動的興趣及參與度，本集團鼓勵員工發揮創意，決定季度與社福機構合作。年內，本集團關心本地兒童需要，與九龍樂善堂合作舉辦了三次活動，包括升級環保木工班、藍染體驗班及便當烹飪班。在導師指導下，本集團的義工協助小朋友製作環保聖誕小樹燈、藍染作品及製作可愛健康的便當。

展望未來，本集團將繼續了解社區需求，制定社區投資相關政策及計劃，通過自身行業的專業、社區捐款及鼓勵員工參與義工服務，為社區注入更多活力和正面影響。

## SUMMARY OF KEY PERFORMANCE INDICATORS

### Environmental Performance

KPIs		Unit	FY2019
關鍵績效指標		單位	二零一九財政年度
<b>Air emissions</b> 廢氣排放	Nitrogen oxides 氮氧化物	kg 千克	13.3
	Sulphur oxides 硫氧化物	kg 千克	0.2
	Respirable suspended particulates 可吸入懸浮粒子	kg 千克	0.1
<b>Greenhouse gas emissions</b> 溫室氣體排放	Total greenhouse gas emissions 溫室氣體總排放量	tonneCO <sub>2</sub> e 噸二氧化碳當量	3,756.3
	Scope 1 範圍1	tonneCO <sub>2</sub> e 噸二氧化碳當量	177.5
	Scope 2 範圍2	tonneCO <sub>2</sub> e 噸二氧化碳當量	3,519.4
	Scope 3 範圍3	tonneCO <sub>2</sub> e 噸二氧化碳當量	59.4
	Greenhouse gas emissions intensity (by gross floor area) 溫室氣體密度(以建築面積計算)	tonneCO <sub>2</sub> e/ft <sup>2</sup> 噸二氧化碳當量／ 平方呎	0.02

### 關鍵績效指標摘要

#### 環境表現

# Environmental, Social and Governance Report

## 環境、社會及管治報告

KPIs		Unit	FY2019
關鍵績效指標		單位	二零一九財政年度
<b>Hazardous waste</b> 有害廢棄物	Total hazardous waste 所產生有害廢棄物總量	tonne 噸	1.7
	Hazardous waste intensity (by product value) 有害廢棄物密度(以產品產值計算)	tonne/HKD million 噸/百萬港元	0.004
<b>Non-hazardous waste<sup>4</sup></b> 無害廢棄物 <sup>4</sup>	Total non-hazardous waste 所產生無害廢棄物總量	tonne 噸	786.8
	Non-hazardous waste intensity (by gross floor area) 無害廢棄物密度(以建築面積計算)	tonne/thousand sq. ft. 噸/千平方呎	3.4 <sup>4</sup>
<b>Energy use</b> 能源使用	Total energy consumption 能源總耗量	MWh-e 兆瓦時等值	7,717.3
	Towngas 煤氣	MWh-e 兆瓦時等值	879.0
	Petrol 汽油	MWh-e 兆瓦時等值	21.3
	Purchased electricity 外購電力	MWh 兆瓦時	6,817.0
	Energy intensity (by gross floor area) 能源密度(以建築面積計算)	MWh-e/ft <sup>2</sup> 兆瓦時等值/ 平方呎	0.031
<b>Water use</b> 用水	Total water consumption 總耗水量	m <sup>3</sup> 立方米	38,098.4
	Water intensity (by gross floor area) 耗水密度(以建築面積計算)	m <sup>3</sup> /sq. ft. 立方米/平方呎	0.15
<b>Packaging materials</b> 包裝材料	Total packaging material used 所用包裝材料總量	tonne 噸	464.2
	Intensity of packaging materials used (by product value) 所用包裝物料密度(以產品產值計算)	tonne/HKD million 噸/百萬港元	1.2

<sup>4</sup> Only included the data from Yuen Long Factory and Shenzhen office.

<sup>4</sup> 只包括元朗廠房及深圳辦公室數據。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Social Performance

### 社會表現

KPIs 關鍵績效指標	Unit 單位	FY2019 二零一九財政年度
<b>Workforce</b>		
<b>僱員</b>		
<b>Total headcount 總人數</b>		685
By geographical distribution 地區分佈		
Hong Kong 香港		540
Mainland China 中國內地		145
By age 年齡分佈		
30 or below 30歲或以下		91
31–50 31至50歲		390
Above 50 50歲以上		204
By gender 性別分佈		
Male 男性		241
Female 女性		444
By professional profile 職能分佈		
Management staff 管理員工		77
General staff 普通員工		608
By employment type 僱傭類型分佈		
Full-time 全職		663
Part-time 兼職		22
Male-to-female ratio of the workforce 男女員工人數比例		0.54:1
<b>Employee new hire rate 員工新聘率</b>	%	27.15
By geographical distribution 地區分佈		
Hong Kong 香港	%	25.56
Mainland China 中國內地	%	33.10
By age 年齡分佈		
30 or below 30歲或以下	%	52.75
31–50 31至50歲	%	28.21
Above 50 50歲以上	%	13.73
By gender 性別分佈		
Male 男性	%	31.95
Female 女性	%	24.55
<b>Employee turnover rate 員工流失率</b>	%	47.88
By geographical distribution 地區分佈		
Hong Kong 香港	%	45.93
Mainland China 中國內地	%	55.17
By age 年齡分佈		
30 or below 30歲或以下	%	90.11
31–50 31至50歲	%	45.13
Above 50 50歲以上	%	34.31
By gender 性別分佈		
Male 男性	%	42.74
Female 女性	%	50.68

# Environmental, Social and Governance Report

## 環境、社會及管治報告

KPIs		Unit	FY2019
關鍵績效指標		單位	二零一九財政年度
<b>Health and safety</b> 健康及安全	Work-related fatalities 工傷死亡	Cases 宗	0
	Work-related injuries 工傷	Cases 宗	6
	Incidence of work-related injury 工傷率	%	0.88
	Lost days due to work-related injury <sup>5</sup> 因工傷損失工作日數 <sup>5</sup>	%	0.05
	Number of days absent <sup>5</sup> 缺勤日數 <sup>5</sup>	%	2.82
<b>Employee training</b> 僱員培訓	<b>Percentage of employee trained 受訓員工百分比</b>	%	40.58
	By gender 性別分佈		
	Male 男性	%	36.93
	Female 女性	%	37.61
	By professional profile 職能分佈		
	Management staff 管理員工	%	66.23
	General staff 普通員工	%	33.72
	<b>Total training hours 總培訓時數</b>	Hours 小時	2,157
	<b>Average training hours per employee</b> 平均僱員培訓時數	Hours 小時	3.15
	By gender 性別分佈		
Male 男性	Hours/employee 小時／員工	1.16	
Female 女性	Hours/employee 小時／員工	4.23	
By professional profile 職能分佈			
Management staff 管理員工	Hours/employee 小時／員工	3.64	
General staff 普通員工	Hours/employee 小時／員工	3.09	
<b>Percentage of employees who receive regular performance and career development review</b> 接受定期績效及職業發展檢視的員工百分比	%	89.64	
<b>Community investment</b> 社區投資	Donation 捐款	HKD 港元	506,763

<sup>5</sup> Numbers of working days used for calculating the lost days lost due to work-related injury and the number of days absent are 260 days.

<sup>5</sup> 用作計算因工傷損失工作日數及缺勤日數之全年工作日數為260日。



### CONTENT INDEX

### 報告內容索引

KPIs 關鍵績效指標	Contents 內容	Page index 頁碼索引
<b>A. Environmental 環境</b>		
<b>Aspect A1 Emissions 層面 A1 排放物</b>		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	37, 52
A1.1	Types of emissions and the respective emissions data. 排放物種類及相關排放數據。	49, 53
A1.2	Greenhouse gas emissions in total and intensity. 溫室氣體總排放量及密度。	48, 53
A1.3	Total hazardous waste produced and intensity. 所產生有害廢棄物總量及密度。	51, 54
A1.4	Total non-hazardous waste produced and intensity. 所產生無害廢棄物總量及密度。	51, 54
A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	49–53
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	51, 54
<b>Aspect A2 Use of Resources 層面 A2 資源使用</b>		
General Disclosure 一般披露	Policies on efficient use of resources including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	37
A2.1	Direct and/or indirect energy consumption by type and intensity. 按類型劃分的直接及/或間接能源總耗量及密度。	49, 54
A2.2	Water consumption in total and intensity. 總耗水量及密度。	51, 54
A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	49–50, 54
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# Environmental, Social and Governance Report

## 環境、社會及管治報告

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General Disclosure 一般披露	Policies on minimising the issuers' significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	37
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# Environmental, Social and Governance Report

## 環境、社會及管治報告

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## 環境、社會及管治報告

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KPIs 關鍵績效指標	Contents 內容	Page index 頁碼索引
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# Corporate Governance Report

## 企業管治報告



“

We are committed to maintaining a high standard of corporate governance with a strong emphasis on transparency, accountability, integrity and independence.

我們致力維持高水準企業管治，高度重視透明度、問責性、誠信及獨立。

”





### Corporate Governance Practices

The Board recognises that good corporate governance practices serve as an effective risk management for the growth of the Company and will enhance the benefit of its stakeholders. The Company is committed to maintaining a high standard of corporate governance with a strong emphasis on transparency, accountability, integrity and independence.

The Company continued to adopt the principles and comply with the code provisions of the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules. The Board has reviewed periodically the compliance of the CG Code and is in the view that throughout the year ended 31 March 2019, the Company had complied with the applicable code provisions of the CG Code, except for the following deviation:

Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year under review, Mr. Tang Ching Ho, the chairman of the Board, also assumed the role of Managing Director after the re-designation of Mr. Chan Chun Hong, Thomas to executive Director with effect from 1 April 2018. The Company does not propose to comply with code provision A.2.1 of the CG Code for the time being but will continue to review such deviation to enhance the best interest of the Group as a whole. Details of such deviation are set out below in the section headed “Roles of Chairman and Managing Director”.

### Code for Securities Transactions by Directors and Relevant Employees

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers, as amended from time to time, (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries by the Company, all of the Directors confirmed that they had complied with the required standards set out in the Model Code throughout the year under review.

In accordance with code provision A.6.4 of the CG Code, the Company also adopted a code of conduct regarding securities transactions on no less exacting terms than the Model Code by the relevant employees of the Group who are considered likely to be in possession of unpublished price sensitive information in relation to the Company or its securities. To the best knowledge and belief of the Directors, all relevant employees have complied with the required standard of such code.

### 企業管治常規

董事會深明良好的企業管治常規能對本公司之增長作有效之風險管理，以及令其持份者之利益有所增長。本公司致力於維持高水準企業管治，高度重視透明度、問責性、誠信及獨立。

本公司已繼續採納上市規則附錄十四內企業管治守則（「企業管治守則」）之原則及遵守所載之守則條文。董事會定期檢討企業管治守則之遵守情況，並認為本公司截至二零一九年三月三十一日止整個年度已遵守企業管治守則之適用守則條文，惟下列偏離情況除外：

企業管治守則之守則條文第A.2.1條規定主席與行政總裁的角色應有區分及不應由一人同時兼任。於回顧年度內，自二零一八年四月一日起，陳振康先生調任為執行董事後，董事會主席鄧清河先生亦兼任董事總經理。本公司暫時無意遵守企業管治守則之守則條文第A.2.1條，惟將繼續檢討該偏離情況，以提升本集團的整體最佳利益。有關偏離情況的詳情載於下文「主席及董事總經理之角色」一節。

### 董事及相關僱員進行證券交易之守則

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（經不時修訂）（「標準守則」），作為本身有關董事進行證券交易之操守守則。本公司經向全體董事作出特定查詢後，全體董事確認彼等於整個回顧年度一直遵守標準守則所載規定標準。

根據企業管治守則之守則條文第A.6.4條，本公司亦為其認為可能擁有關於本公司或其證券之非公開價格敏感消息之本集團有關僱員，採納一套有關證券交易之操守守則，其條款不遜於標準守則。據董事所深知及確信，所有有關僱員已遵守該守則之規定標準。

### Dividend Policy

The dividend policy adopted by the Company in November 2018 is intended to be prudent and sustainable and will be evaluated from time to time. There is no assurance that dividends will be paid in any particular amount for any particular period. Subject to compliance with applicable rules and regulations, the Board may, at its discretion, determine the declaration of payment of dividend(s) to its shareholders in any amount, frequency in any financial year depending on, among other things, the Company's operation and financial performance, liquidity condition, capital requirements, future funding needs, contractual restrictions, availability of reserves and prevailing economic climate.

### Business Model and Corporate Strategy

The Group is principally engaged in (i) the manufacturing, processing and retailing of TCM; (ii) the processing and retailing of Western pharmaceutical, health food and personal care products; and (iii) property investment. The Group continues its proactive expansion strategy for generating and preserving shareholder value over the longer term.

With respect to the core Chinese and Western pharmaceutical and health food products business, the Group will further leverage its edge in vertical integration. In order to achieve this objective, the Group is enhancing the effort on new products research, development and registration, especially focus on those Chinese and Western medicinal products which possess their own uniqueness and curative effect. The Group also extends its retail and medical service network aggressively to gain market share. Furthermore, the Group seeks to expand the Chinese herbal plantation base in mainland China to assure quality source of raw materials.

With respect to the property investment business, the Group continues to look for and acquire sizeable and potential retail premises for mitigating the effect of rising rental costs.

On the other hand, the Group will closely monitor the market for merger and acquisition opportunities if it can bring synergy to our existing business, as well as diversification of its investment portfolio for strengthening and broadening its income base. The Group also takes active and prompt measures from time to time, reviewing and adjusting its business strategy and adopting various controls over costs, if necessary, so as to maintain the Group's profitability. Besides, the Group strives to maintain a healthy financing structure and devotes effort to securing banking facilities which is regarded as an important element for supporting continuous business development of the Group.

### 股息政策

本公司於二零一八年十一月採納之股息政策意在審慎及可持續，並將不時予以評估，概不保證將於任何特定期間支付任何特定金額股息。在遵守適用規則及法規的前提下，董事會可視乎（其中包括）本公司的營運及財務表現、流動資金狀況、資本需求、未來融資需要、合約限制、可用儲備及當前經濟環境，酌情決定於任何財政年度向其股東宣派及派付股息的金額及次數。

### 業務模式及企業策略

本集團主要從事(i)製造、加工及零售傳統中藥；(ii)加工及零售西藥、保健食品及個人護理產品；及(iii)物業投資。本集團繼續採取積極拓展的策略為長期創造及維持股東的價值。

就主要中西藥及保健食品業務而言，本集團將進一步利用其縱向整合的優勢。為達致此目標，本集團致力加強新產品的研發及註冊，尤其專注於中西藥產品方面，該等產品具獨特療效。本集團亦積極拓展零售和醫療服務網絡，從而增加市場佔有率。此外，本集團尋求拓展中國內地的中藥種植基地，以保證原材料的品質來源。

就物業投資業務而言，本集團繼續物色並購入規模、潛力兼備之零售物業，以減低租金成本不斷上漲所帶來之影響。

另一方面，本集團將密切監察市場，留意與本集團現有業務產生協同效應，亦可令投資組合更多元化的併購機會，從而鞏固及擴大收益基礎。本集團亦不時採取積極及時之措施，檢討及調整業務策略，並於有需要時採取各項控制成本之措施，藉此維持本集團之盈利能力。此外，本集團致力維持穩健的融資架構，積極取得銀行融資，因銀行融資乃維持本集團持續業務發展之重要因素。





## The Board

### Composition

The Board currently comprises four executive Directors and four independent non-executive Directors (the "INEDs"). The Directors during the year and up to the date of this annual report were:

### Executive Directors

Mr. Tang Ching Ho, SBS, JP  
(Chairman and Managing Director)  
Mr. Chan Chun Hong, Thomas  
Ms. Tang Mui Fun  
Ms. Tang Wai Man  
(Appointed on 1 April 2018)

### Independent non-executive Directors

Mr. Leung Wai Ho, MH  
Mr. Siu Man Ho, Simon  
Mr. Cho Wing Mou  
Mr. Li Ka Fai, David

Ms. Tang Wai Man and Ms. Tang Mui Fun is the daughter and a sister of Mr. Tang Ching Ho, respectively. The biographical details of the Directors are set out on pages 29 to 32 of this annual report.

The Board possesses a mix and balance of skills and experience which are appropriate for the requirements of the businesses of the Company. The opinions raised by the INEDs in Board meetings facilitate the maintenance of good corporate governance practices. As at the date of this annual report, the Board has four INEDs, representing more than one-third of the Board, and at least one of the INEDs has the appropriate professional qualification and/or accounting and audit experience expertise as required by Rules 3.10(1) and (2) and 3.10A of the Listing Rules. A balanced composition of executive and non-executive Directors also generates a strong independent element on the Board, which allows for an independent and objective decision making process for the best interests of the Company and its shareholders. The Company has reviewed the composition of the Board and discussed from time to time to ensure that the Board possesses the appropriate and necessary expertise, skills and experience to meet the needs of the Group's businesses and to enhance the shareholders' value. All Directors are aware of the required levels of fiduciary duties, care, skill and diligence under Rule 3.08 of the Listing Rules.

In compliance with code provision A.3.2 of the CG Code, an updated list of the Directors identifying their role and function are available on the websites of the Company ([www.wyth.net](http://www.wyth.net)) and HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)). The Company will review the composition of the Board from time to time to ensure that the Board possesses the appropriate and necessary expertise, skills and experience to meet the needs of the Group's business and to enhance the shareholders' value.

## 董事會

### 組成

董事會現時包括四名執行董事及四名獨立非執行董事(「獨立非執行董事」)。於年內及截至本年報日期，董事為：

### 執行董事

鄧清河先生，SBS，太平紳士  
(主席兼董事總經理)  
陳振康先生  
鄧梅芬女士  
鄧蕙敏女士  
(於二零一八年四月一日獲委任)

### 獨立非執行董事

梁偉浩先生，MH  
蕭文豪先生  
曹永牟先生  
李家暉先生

鄧蕙敏女士及鄧梅芬女士分別為鄧清河先生之女兒及胞妹。董事履歷詳情載於本年報第29至32頁。

董事會具備多元及均衡之技能與經驗，符合本公司之業務需要。獨立非執行董事於董事會會議上所提出意見，促進維持良好企業管治常規。於本年報日期，按上市規則第3.10(1)、(2)及3.10A條之規定，董事會擁有四名獨立非執行董事，佔董事會三分之一以上，而最少一名獨立非執行董事擁有適當專業資格及／或會計及核數經驗及專業知識。執行董事及非執行董事之組合均衡，亦為董事會提供強大獨立元素，可就本公司及其股東之最佳利益作出獨立而客觀之決策。本公司已檢討董事會之組成並不時進行討論，以確保董事會擁有適當之所需專業知識、技能及經驗，以符合本集團之業務所需及提升股東價值。全體董事均了解上市規則第3.08條項下規定之誠信責任、謹慎、技能及勤勉水平。

為遵守企業管治守則之守則條文第A.3.2條，詳列董事角色及職務之更新名單可於本公司網站([www.wyth.net](http://www.wyth.net))及披露易網站([www.hkexnews.hk](http://www.hkexnews.hk))上查閱。本公司將不時檢討董事會之組成，以確保董事會擁有適當之所需專業知識、技能及經驗，以符合本集團之業務所需及提升股東價值。

### Appointment and Re-election of the Directors

All INEDs are appointed with specific term set out in respective letters of appointment and all of them are subject to retirement by rotation and, being eligible, offer themselves for re-election at annual general meetings in accordance with the bye-laws of the Company (the “Bye-law(s)”). All INEDs are appointed for a term of not more than three years. Pursuant to code provisions A.4.2 and the Bye-law 87, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) are required to retire from office by rotation, provided that every Director, including those appointed for a specific term, is subject to retirement by rotation at least once every three years, and shall be eligible for re-election at each annual general meeting. In addition, any Director who is appointed by the Board to fill casual vacancy or as an addition to the existing Board are subject to re-election at the first general meeting of the Company after his/her appointment.

### Independence of INEDs

The INEDs are required to confirm their independence upon their appointment and on an annual basis. All INEDs are free from any business or other relationship with the Company, except that Mr. Siu Man Ho, Simon is the son of Mr. Siu Yim Kwan, Sidney, a former independent non-executive director of Wang On (a substantial and controlling shareholder of the Company) and resigned on 7 March 2019. Such relationship will not affect his independence in relation to his position as an INED.

The Company has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules for the year ended 31 March 2019. The INEDs would not participate in the Group’s daily operation and they would abstain from voting on any resolution(s) in which he had any interest and, therefore, the Company continues to consider the four INEDs to be independent for the year ended 31 March 2019 and up to the date of this annual report.

### 董事委任及重選

所有獨立非執行董事均以固定任期獲委任，有關任期載於各自之委任聘書，並須根據本公司之公司細則（「公司細則」）於股東週年大會上輪值告退及符合資格膺選連任。所有獨立非執行董事均以不超過三年之任期獲委任。根據守則條文第A.4.2條及公司細則第87條，於每屆股東週年大會上，當時在任之三分之一董事（或倘若董事人數並非三之倍數，則以最接近但不少於三分之一之人數為準）須輪值退任，惟每名董事（包括以固定任期獲委任之董事）須至少每三年輪值告退一次及符合資格重選連任。此外，任何董事作為由董事會任命以填補臨時空缺，或出任現行董事會新增職位的董事，均須於其獲委任後之首屆本公司股東大會上重選連任。

### 獨立非執行董事之獨立性

獨立非執行董事須於彼等獲委任後確定其獨立性，並按年確定一次。除蕭文豪先生為宏安（本公司主要及控股股東）之前獨立非執行董事蕭炎坤先生（已於二零一九年三月七日辭任）之兒子（該關係不會影響其擔任獨立非執行董事之獨立性）外，所有獨立非執行董事與本公司概無任何業務或其他關係。

本公司於截至二零一九年三月三十一日止年度已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出之年度確認書。獨立非執行董事不會參與本集團日常營運，且彼等會就彼等擁有任何利益之任何決議案放棄投票，因此，截至二零一九年三月三十一日止年度及截至本年報日期，本公司繼續認為四名獨立非執行董事均屬獨立。



### Roles and Responsibilities of the Board and the Senior Management

The Board is accountable to Stakeholders for the activities and performance of the Group and its primary functions cover, among other things, the formulation of overall strategy, the review of corporate and financial policies and the oversight of the management of the Group's business and affairs. Apart from these, the Board reserved for its consideration and decision on major acquisitions and disposals, review of interim and annual financial results, appointments and removals of directors and auditors, the evaluation on the performance and compensation of senior management, any material capital transactions and other significant operational and financial affairs. With a view to maintaining an appropriate balance between authority and responsibility, such functions are either carried out directly by the Board or indirectly through various committees established by the Board, with respective functions set out in their written terms of reference.

The INEDs account for diverse industry expertise but are not involved in the day-to-day management of the Group. The general management and day-to-day management are delegated to the management, including but not limited to the preparation of regular financial information, execution of designated assignments, and implementation of sustainability practices.

The Directors having material interest in the matter(s) shall abstain from voting at such Board meeting(s) and the INEDs with no conflict of interest shall attend at such meeting to deal with the matter(s).

All Directors ensure that they can give sufficient attention to discharge their responsibilities to the affairs of the Company and the Directors have disclosed to the Company the identity and nature of offices held in any public organisation and other significant commitments from time to time.

During the year under review, regular Board meetings of the Company were held four times to review, consider and approve, among others, annual and interim results and to review the business operations, corporate governance practices and the effectiveness of internal control and risk management systems of the Group. Apart from these regular meetings, Board meetings are also held, as and when necessary, to consider major transactions of the Group. At least 14-day notice for each regular meeting is given to all Directors. All such minutes are kept by the company secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any Director. Apart from the regular Board meetings and pursuant to code provision A.2.7 of the CG Code, the chairman of the Board also met with the INEDs without the presence of any executive Director during the year.

### 董事會及高級管理層之角色及職責

董事會須就本集團之業務及表現向持份者負責，其主要職能為(其中包括)制訂整體策略、檢討企業及財政政策，並監管本集團之業務及事宜之管理。除此之外，董事會保留下列權利：考慮及決策主要收購及出售事項、審閱中期及年度財務業績、委任及罷免董事及核數師、評估高級管理層之表現與酬金、任何重大股本交易及其他主要營運及財務事宜。為維持適當之權力與職能平衡，該等職能由董事會直接執行，或由董事會成立之各個委員會間接執行其書面職權範圍之職責。

獨立非執行董事負責加強行業專業知識多元化，但不參與本集團之日常管理工作。管理層獲授予常務管理及日常管理，包括但不限於定期編製財務資料、執行指派工作及實施可持續性常規。

倘董事於有關事宜擁有重大權益，須於有關董事會會議上放棄投票，並須由不涉及利益衝突之獨立非執行董事出席該會議處理有關事項。

各董事確保其投放充足時間履行其對本公司事務之職責，而董事不時向本公司披露其於任何公共機構擔任職位之身份及職務性質，以及擔任其他要職之有關資料。

於回顧年度內，本公司定期董事會會議已舉行四次，以審閱、考慮及批准(其中包括)年度及中期業績，並檢討本集團之業務營運、企業管治常規及內部監控及風險管理制度之成效。除該等定期會議外，董事會會議亦會在有需要時舉行以考慮本集團之重大交易。各定期會議須向全體董事發出最少14日之通知。所有該等會議記錄均由本公司之公司秘書備存，並可供任何董事在提出合理通知下於任何合理時間查閱。除定期舉行之董事會會議外，根據企業管治守則之守則條文第A.2.7條，董事會主席亦已於年內在並無執行董事出席的情況下與獨立非執行董事舉行會議。

# Corporate Governance Report

## 企業管治報告

### Chairman and Managing Director

During the year under review, Mr. Tang Ching Ho, the chairman of the Company, has also assumed the role of the Managing Director after the re-designation of Mr. Chan Chun Hong, Thomas to executive Director with effect from 1 April 2018. Mr. Tang has extensive management experience in corporate management in the industry of the Group and is responsible for overall corporate planning, strategic policy making of the Group which is of great value in enhancing the efficiency to cope with the recent fierce competitive retailing market and the communication between the Board and the management, so as to ensure the effective execution of the Board's strategies. Furthermore, the Board considers that Mr. Tang is an executive of high caliber with a wide range of skills and diversified business expertise and there are various committees and experienced individuals dealing with specific assignments and managing the daily business operations. Moreover, the Board comprises four executive Directors and four independent non-executive Directors with balance of skills and experience appropriate for the Group's further development. The Company had no intention to make any change to comply with code provision A.2.1 of the CG Code (i.e. the roles of chairman and chief executive should be separate and should not be performed by the same individual) but will continue to review and monitor the effectiveness of such deviation to ensure the maximisation of the benefit of the stakeholders of the Company.

The Group continues to review and propose, as and when appropriate, by taking into consideration of such deviation and any other relevant factors, so as to maintain a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the shareholders of the Company.

### Corporate Governance

The Board has undertaken the responsibility for performing the corporate governance duties pursuant to code provision D.3.1 of 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.

The Board has adopted a Board diversity policy (the "**Board Diversity Policy**") stipulating the composition of the Board, reviewing the policies and measures on the Group's corporate governance, reviewing a code of conduct applicable to the Directors and employees, monitoring the Company's legal and regulatory compliance, training and continuing professional development of Directors and reviewing the Company's compliance with the CG Code and the disclosure in this annual report.

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

### 主席及董事總經理

於回顧年度內，自二零一八年四月一日起，陳振康先生調任為執行董事後，董事會主席鄧清河先生亦兼任董事總經理。鄧先生在本集團所在行業的企業管理方面擁有豐富的管理經驗，並負責本集團的整體企業策劃、策略政策制定，此對提升本集團應對近來競爭激烈的零售市場的效率及董事會與管理層之間溝通，以確保董事會的策略的有效實施，具有極大價值。此外，董事會認為，鄧先生乃高素質管理人員，具備多項技能及多元化業務專長，且有多個委員會及有經驗人士處理特定工作及管理日常業務營運。再者，董事會包括四名執行董事及四名獨立非執行董事，其均擁有本集團進一步發展所需之均衡技能及經驗。本公司無意作出任何變動以遵守企業管治守則之守則條文第A.2.1條（即主席與行政總裁的角色應有區分，不應由同一人兼任），但將繼續檢討及監察該偏離情況的實效，以確保盡量為本公司利益相關者爭取利益。

本集團經考慮該偏離情況及任何其他相關因素後會繼續於適當時檢討及提出建議，以在合理框架內維持高水準的企業管治，高度重視透明度、問責性、誠信及獨立性，提升本公司之競爭力及運營效率，確保其可持續發展及為本公司股東創造更豐厚回報。

### 企業管治

董事會負責根據企業管治守則之守則條文第D.3.1條履行企業管治職責，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。

董事會已採納董事會多元化政策（「**董事會多元化政策**」），制定董事會之組成、檢討本集團的企業管治政策及措施、審閱董事及僱員適用的操守守則、監察本公司的法律和監管合規情況及董事的培訓和持續專業發展情況，並審閱本公司遵守企業管治守則的情況及本年報內的披露情況。

為履行企業管治職責，董事會已審閱本企業管治報告。





### Board Diversity

The Company notes increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives, sustainable and balanced development. In June 2013, the Company adopted the Board Diversity Policy which sets out the approach to diversify the Board and was reviewed annually. The nomination committee of the Company (the “**Nomination Committee**”) reviews and assesses the Board composition on behalf of the Board and will recommend the appointment of new Director, when necessary, pursuant to the Board Diversity Policy and the nomination policy.

In designing the Board’s composition, the Board diversity has been considered from a number of aspects, including but not limited to, gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee will also consider factors based on the Company’s business model, specific needs and meritocracy from time to time in determining the optimum composition of the Board.

During the year under review, the Board comprises eight Directors, including four executive Directors and four INEDs, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of professional experience, skills and knowledge.

Having reviewed the Board Diversity Policy, the nomination policy and the Board’s composition, the Nomination Committee is satisfied that the requirements set out in the Board Diversity Policy had been met.

### Continuous Professional Development

All Directors are encouraged to participate in continuous professional development so as to develop and refresh Directors’ knowledge and skills and to ensure that their contribution to the Board remains informed and relevant. The company secretary of the Company regularly circulates training materials or reading materials to all Directors in respect of the updates on, among other things, the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) or other useful guidelines, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) and financial or accounting standards which may be of the interest to the Directors and benefit for them to discharge their duties.

In addition, the company secretary of the Company also provides and circulates the Directors with monthly and regular updates relating to the Group’s business, financial position and business environment, in which the Group operates. During the year, all Directors have complied with the code provisions in relation to continuous professional development. Apart from reading materials relevant to the Company’s business, the updated rules and regulation and other director’s duties and responsibilities by all Directors, the Directors also enhanced their professional development by way of attending seminars and/or forums.

### 董事會之多元性

本公司注意到提升董事會多元化水平對支援其達致策略目標、可持續及均衡之發展至為重要。於二零一三年六月，本公司採納董事會多元化政策，其中載列提升董事會多元化之方法，並每年進行檢討。本公司提名委員會（「**提名委員會**」）代董事會檢討及評估董事會之組成，並在有需要時根據董事會多元化政策及提名政策就委任新董事提出推薦意見。

設計董事會之組成時，已從多方面考慮董事會之多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技術、知識及服務年期。提名委員會在釐定董事會之最佳組成時，亦將不時考慮本公司之業務模式、特定需求及用人唯才等各項因素。

於回顧年度內，董事會由八名董事組成，包括四名執行董事及四名獨立非執行董事，有助嚴格審閱及監察管理程序。董事會無論在專業經驗、技術還是知識方面均十分多元化。

考慮董事會多元化政策、提名政策及董事會之組成後，提名委員會信納本公司經已符合董事會多元化政策所載之規定。

### 持續專業發展

本公司鼓勵所有董事參與持續專業發展，以發展並更新董事之知識及技能，確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。本公司之公司秘書定期向全體董事傳閱符合董事利益及有助於彼等履行職責之培訓材料或閱讀材料，內容有關（其中包括）上市規則、香港法例第571章證券及期貨條例（「**證券及期貨條例**」）或其他有用指引、香港法例第622章公司條例（「**公司條例**」）及財務或會計準則之最新資料。

此外，本公司之公司秘書亦向董事提供每月及定期更新之資料並供其傳閱，內容包括本集團業務、財務狀況及本集團經營所處業務環境。年內，所有董事均已遵守有關持續專業發展守則條文。除全體董事閱讀的有關本公司業務、更新的規則及法規以及其他董事職能與責任之資料外，董事亦透過參加研討會及／或論壇促進專業發展。

# Corporate Governance Report

## 企業管治報告

The company secretary of the Company updates Directors constantly on the latest developments regarding the Group's business and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

During the year, all Directors have provided to the Company with their training records on a regular basis, and such records have been maintained by the company secretary of the Company for accurate and comprehensive record keeping.

### Liability Insurance for the Directors

The Company has arranged for appropriate directors and officers liability insurance to indemnify its Directors against liabilities arising out of legal action on corporate activities. Such insurance coverage is reviewed and renewed with consultant advice on an annual basis.

### Board Committees

The Board has established various committees including executive committee (the "Executive Committee"), audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee") and Nomination Committee, each of which has the specific written terms of reference that will be reviewed and updated, where necessary. Minutes of all meetings and resolutions of the committee meetings are kept by the company secretary of the Company and open for inspection at any reasonable time on reasonable notice by any Director. Each committee is required to report to the Board on its decisions and recommendations, where appropriate.

### Executive Committee

The Executive Committee has been established since 2005 with specific written terms of reference setting out authorities delegated by the Board. Its primary function is to undertake general management and to supervise the day-to-day management, performance and operations in accordance with the business strategy of the Group. It exercises leadership, develops and keeps under review strategy and business development initiatives of the Group and monitors their implementation.

Currently, the Executive Committee comprises four members, namely, Mr. Tang Ching Ho, Mr. Chan Chun Hong, Thomas, Ms. Tang Mui Fun and Ms. Tang Wai Man. Mr. Tang Ching Ho takes the chair of the Executive Committee.

本公司之公司秘書向董事提供有關本集團業務及其他適用監管規定之最新發展資料，以確保遵守並提高董事對良好企業管治常規之意識。

年內，所有董事均定期向本公司提供其培訓記錄，該等記錄由本公司之公司秘書保存以確保存置準確及全面之記錄。

### 董事之責任保險

本公司安排適當的董事及高級職員責任保險，以就其董事因公司業務有關之法律訴訟產生之責任作出彌償。本公司聽取顧問意見後按年檢討及更新上述投保範圍。

### 董事委員會

董事會已設立若干委員會，包括常務委員會（「常務委員會」）、審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會，各委員會均訂有明確書面職權範圍，該等職權範圍將經審閱及按需要更新。委員會會議所有會議記錄及決議案均由本公司之公司秘書備存，並可供任何董事在提出合理通知下於任何合理時間查閱。各委員會均須在適當情況下就其決定及建議向董事會報告。

### 常務委員會

常務委員會自二零零五年起成立，訂有明確書面職權範圍，載列由董事會授予之職權。其主要職能為進行一般管理及根據業務策略監督日常管理、表現及營運。其負責領導、制定並不斷檢討本集團的策略及業務發展計劃，並監督其實施情況。

目前，常務委員會由四名成員組成，即鄧清河先生、陳振康先生、鄧梅芬女士及鄧蕙敏女士。鄧清河先生為常務委員會主席。



### Audit Committee

The Audit Committee has been established with specific written terms of reference stipulating its authorities and duties in compliance with Rule 3.21 of the Listing Rules, which are available on the websites of the Company ([www.wyth.net](http://www.wyth.net)) and the HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)). Currently, the Audit Committee comprises four INEDs, namely, Mr. Li Ka Fai, David, Mr. Leung Wai Ho, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou. Mr. Li Ka Fai, David is elected as the chairman of the Audit Committee.

The functions of the Audit Committee is, among other things, to assist the Board to review and monitor the financial reporting independently, including interim and annual results, to supervise over the Group's internal control and risk management systems, to monitor the internal and external audit functions, the appointment, reappointment and removal of the auditor and to make relevant recommendations to the Board to ensure effective and efficient operation and reliable reporting. The functions of the Audit Committee will be reviewed regularly by the Board and amended from time to time, as and when appropriate, in order to be in compliance with the code provisions of the CG Code (as amended from time to time) so as to ensure that the management has discharged its duty to have an effective internal control and risk management systems including the adequacy of resources, qualifications and experience of staff to implement the Group's accounting, internal audit and financial reporting function.

The Audit Committee is provided with sufficient resources to discharge its duties and may access to independent professional advice according to the Company's policy, if considered necessary.

During the year, the Audit Committee held two regular meetings the external auditor and the Group's senior management. During the year under review and up to the date of this annual report, the Audit Committee met to discuss and review, among other things, the following matters:

- (a) the annual results for the years ended 31 March 2018 and 2019 and the interim results for the six-month ended 30 September 2018 to ensure the full, complete and accurate disclosure in the aforesaid financial statements pursuant to the accounting standards and other legal requirement for presenting the same to the Board for approval;
- (b) the term and remuneration for the appointment of Ernst & Young as external auditor to perform the agreed-upon procedures of the annual results for the year ended 31 March 2019 and interim results for the six months ended 30 September 2018;

### 審核委員會

審核委員會已根據上市規則第3.21條成立，有關訂明其權限和職責之明確書面職權範圍可於本公司網站([www.wyth.net](http://www.wyth.net))及披露易網站([www.hkexnews.hk](http://www.hkexnews.hk))上查閱。審核委員會現時由四名獨立非執行董事組成，即李家暉先生、梁偉浩先生、蕭文豪先生及曹永牟先生。李家暉先生獲選為審核委員會主席。

審核委員會之職能乃(其中包括)獨立地協助董事會檢討及監察財務申報(包括中期及年度業績)、監察本集團之內部監控及風險管理制度、監控內部及外部審核職能、核數師的委任、重新委任及罷免，並向董事會作出有關建議，以確保有效及具效率的運作及可靠的申報。審核委員會之職能將由董事會定期檢討並不時於適當時候作出修訂，以遵守企業管治守則之守則條文(經不時修訂)，以確保管理層已履行職責建立有效的內部監控及風險管理制度，包括資源充足度、本集團員工於會計、內部審核及財務申報職能方面之資格及經驗。

審核委員會獲提供充分資源以履行其職責，並可根據本公司之政策在有需要情況下尋求獨立專業意見。

年內，審核委員會成員與外聘核數師及本集團高級管理層舉行兩次定期會議。於回顧年度及直至本年報日期，審核委員會舉行會議以討論及審閱(其中包括)以下事宜：

- (a) 截至二零一八年及二零一九年三月三十一日止年度之全年業績及截至二零一八年九月三十日止六個月之中期業績，以確保上述根據會計準則及其他法律規定編製並呈列予董事會以供批准之財務報表作出全面、完整及準確披露；
- (b) 委任安永會計師事務所為外聘核數師以對截至二零一九年三月三十一日止年度之年度業績及截至二零一八年九月三十日止六個月之中期業績進行協定程序的條款及薪酬；

# Corporate Governance Report

## 企業管治報告

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|---|---|
| <p>(c) the term and remuneration for the appointment of external auditors to perform non-audit services, other special corporate projects and review the overall significant control system;</p> <p>(d) the independence of the external auditors especially for those non-audit services;</p> <p>(e) the continuing connected transactions of the Group;</p> <p>(f) the overall effectiveness of internal control and risk management systems; and</p> <p>(g) the adequacy of resources, qualifications and experience of staff and the accounting, internal audit and financial reporting matters and their training programmes and budget.</p> | <p>(c) 為進行非審核服務、其他特別公司項目及審閱整體重大監控系統而委任之外聘核數師之任期及薪酬；</p> <p>(d) 外聘核數師(尤其就有關非審核服務而言)的獨立性；</p> <p>(e) 本集團之持續關連交易；</p> <p>(f) 內部監控及風險管理制度的整體成效；及</p> <p>(g) 資源充足度、員工資格及經驗、會計、內部審核及財務申報事宜以及彼等之培訓計劃及預算。</p> |
|---|---|

The Audit Committee is satisfied with, *inter alia*, the audit fees, effectiveness of the audit process, independence and objectivity of the external auditor and has recommended to the Board the re-appointment of Ernst & Young as the Company's external auditor for the ensuing year at the forthcoming annual general meeting of the Company.

審核委員會信納(其中包括)外聘核數師之審核費用、審核程序之有效性、獨立性及客觀性，並於本公司應屆股東週年大會向董事會建議續聘安永會計師事務所為本公司來年之外聘核數師。

### Remuneration Committee

The Board has established the Remuneration Committee since September 2005 with specific written terms of reference, as revised from time to time, stipulating its authorities and duties, which are available on the websites of the Company ([www.wyth.net](http://www.wyth.net)) and HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)). It currently consists of five members, including Mr. Siu Man Ho, Simon, Mr. Cho Wing Mou, Mr. Leung Wai Ho, Mr. Tang Ching Ho and Ms. Tang Wai Man, a majority of whom are INEDs. Mr. Siu Man Ho, Simon is elected as the chairman of the Remuneration Committee.

### 薪酬委員會

董事會已自二零零五年九月成立薪酬委員會，有關訂明其權限及職責之明確書面職權範圍(經不時修訂)可於本公司網站([www.wyth.net](http://www.wyth.net))及披露易網站([www.hkexnews.hk](http://www.hkexnews.hk))上查閱。委員會現時由五名成員組成，包括蕭文豪先生、曹永牟先生、梁偉浩先生、鄧清河先生及鄧蕙敏女士，其中大部份成員為獨立非執行董事。蕭文豪先生獲選為薪酬委員會主席。

The Remuneration Committee has been provided with sufficient resources to discharge its duties and may access to independent professional advice in accordance with the Company's policy and its written terms of reference, if considered necessary.

薪酬委員會獲提供充分資源以履行其職責，並可根據本公司之政策及書面職權範圍在有需要情況下尋求獨立專業意見。







The roles and functions of the Remuneration Committee are as follows:

- (a) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing a remuneration policy on the basis of basic salary and allowances, discretionary bonus and share options;
- (b) to review and approve the senior management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including but not limited to, benefits in kind, pension rights and compensation payments for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the Directors' fee of the INEDs with reference to the range of remuneration of other non-executive Directors in the similar industry and allow any out-of-pocket expenses incurred in connection with the performance of their duties;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; and
- (g) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.

薪酬委員會的角色和職能如下：

- (a) 就本公司全體董事及高級管理層的薪酬政策及架構以及就制訂薪酬政策(以基本薪金、津貼、酌情支付的花紅及購股權為基礎)設立正規而具透明度的程序向董事會提出建議；
- (b) 參照董事會所訂企業方針及目標而檢討及批准高級管理層的薪酬建議；
- (c) 向董事會建議個別執行董事及高級管理層的薪酬待遇，包括但不限於實物利益、退休金權利及喪失或終止職務或委任的賠償金額；
- (d) 就獨立非執行董事的董事袍金向董事會提出建議，當中參考同類行業其他非執行董事之薪酬範圍，並容許產生任何與彼等履行職責有關之實際開支；
- (e) 考慮相若公司支付的薪酬、須付出的時間及職責以及集團內其他職位的僱用條件；
- (f) 檢討及批准因執行董事及高級管理層喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，有關賠償亦須公平合理，不致過多；及
- (g) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償安排亦須合理適當。

# Corporate Governance Report

## 企業管治報告

During the year under review, the Remuneration Committee held one meeting, in which it reviewed the existing remuneration policies by reference with the market research, communicated with the chairman and managing Director, recommended amendments to the existing remuneration policies and performance-based bonus and approved the remuneration package and performance-based bonus paid to the other Directors and senior management of the Company. No Director took part in any discussion about his own remuneration.

The Remuneration Committee has discharged or will continue to discharge its major roles to, among other things, approve the terms of the service agreements of the Directors and the senior management, make recommendations with respect to the remuneration and policies of the Directors and senior management of the Company and to review the remuneration package and recommend salaries, bonuses, including the incentive awards for Directors and senior management.

Details of the Directors' remuneration are set out in note 8 to the financial statements. In addition, pursuant to the code provision B.1.5 of the CG Code, the annual remuneration of other members of the senior management by bands for the year ended 31 March 2019 is set out below:

於回顧年度內，薪酬委員會召開了一次會議，會上其參照市場研究審閱了現有的薪酬制度，與主席及董事總經理交流，就現有薪酬制度及按表現釐定之花紅提出修改建議，批准向本公司其他董事及高級管理層支付之薪酬待遇及按表現釐定之花紅。各董事概不得參與有關其本身薪酬之任何討論。

薪酬委員會已履行或將繼續履行其主要職務，(其中包括)批准董事及高級管理層之服務協議之條款、就本公司董事及高級管理層之薪酬及政策提出推薦建議、就董事及高級管理層之薪酬待遇進行檢討及就薪金、花紅(包括獎勵)提出建議。

董事薪酬詳情載列於綜合財務報表附註8。此外，根據企業管治之守則守則條文第B.1.5條，截至二零一九年三月三十一日止年度，其他高級管理層之年薪等級載列如下：

Remuneration to the senior management by bands	高級管理層之酬金等級	Number of individual 人數
HK\$500,001 to HK\$1,000,000	500,001 港元至 1,000,000 港元	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1

### Nomination Committee

The Nomination Committee has been established since September 2005 with specific written terms of reference, as revised from time to time, stipulating its authorities and duties, which are available on the websites of the Company and the Stock Exchange. It currently consists of five members, including Mr. Cho Wing Mou, Mr. Siu Man Ho, Simon, Mr. Leung Wai Ho, Mr. Tang Ching Ho and Ms. Tang Wai Man, a majority of whom are INEDs. Mr. Cho Wing Mou is elected as the chairman of the Nomination Committee.

### 提名委員會

提名委員會已於二零零五年九月成立，有關訂明其權限及職責之明確書面職權範圍(經不時修訂)可於本公司及聯交所之網站上查閱。委員會現時由五名成員組成，包括曹永牟先生、蕭文豪先生、梁偉浩先生、鄧清河先生及鄧蕙敏女士，其中大部份成員為獨立非執行董事。曹永牟先生獲選為提名委員會主席。



The Nomination Committee is responsible for the identification and evaluation of candidates for appointment or re-appointment as a Director and senior management. The Board has formalised and adopted its existing practices into a nomination policy in October 2018. The nomination policy stipulated the key selection criteria and procedures for identifying and nominating suitably qualified candidates for appointment to the Board. The selection criteria and procedures specified in the nomination policy include:

### 1. Selection Criteria

- in assessing the suitability of a proposed candidate, the Nomination Committee will consider the factors (as reference), including reputation, integrity, accomplishment and relevant experience in relation to the principal businesses of the Company from time to time, commitment in respect of available time and relevant interest, diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate;
- retiring Directors are eligible for nomination by the Board to stand for re-election at a general meeting. For those who have served as independent non-executive Directors for a period of nine consecutive years standing for re-election, the Nomination Committee will consider the independence of such Director for nomination by the Board to stand for election at a general meeting and state the reason in the circular to the Shareholders for the re-election;
- candidate(s) will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as Director(s) and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as Director(s); and
- the Nomination Committee may request candidate(s) to provide additional information and documents, if considered necessary.

提名委員會負責識別及評估委任或重新委任為董事及高級管理層的候選人。董事會已將其現有做法落實為提名政策，並於二零一八年十月採納。提名政策規定識別及向董事會適當提名合資格候選人以供委任的標準及程序。提名政策訂明的甄選標準包括：

### 1. 甄選標準

- 在評估擬議候選人是否合適時，提名委員會將考慮的因素（作為參考）包括聲譽、誠信、成就及與本公司不時之主要業務有關的經驗、可利用時間及相關利益之承諾、各方面的多樣性，包括但不限於性別、年齡（18歲或以上）、文化和教育背景、種族、專業經驗、技能、知識和服務任期。該等因素僅供參考，並非詳盡無遺及具有決定性。提名委員會可酌情提名其認為適當的任何人士；
- 退任董事有資格獲董事會提名於股東大會上膺選連任。就已擔任獨立非執行董事連續九年且將膺選連任的人士而言，提名委員會將考慮該董事的獨立性，以供董事會提名於股東大會選舉，並於致股東之通函中就重選陳述理由；
- 候選人須按指定方式提交必要的個人資料，連同同意獲委任為董事以及就或有關其選舉為董事的個人資料於任何文件或相關網站公開披露的書面同意書；及
- 倘認為必要，提名委員會可要求候選人提供額外資料及文件。

### 2. Nomination Procedures

- the secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidate(s) from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidate(s) who are not nominated by Board members;
- for filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidate(s) to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation;
- until the issue of the circular to be sent to the Shareholders, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting;
- in order to provide information of the candidate(s) nominated by the Board to stand for election at a general meeting, and to invite nominations from the shareholders, a circular will be sent to the Shareholders. The circular will set out the lodgment period for the Shareholders to make the nominations. The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidate(s) will be included in the circular to the shareholders;
- the Shareholder can serve a notice to the company secretary within the lodgement period of its intention to propose a resolution to elect a certain person as Director, without the Board's recommendation or the Nomination Committee's nomination, other than those candidate(s) set out in the circular to be sent to the Shareholders. The particulars of the candidate(s) so proposed will be sent to all Shareholders for information by a supplementary circular;

### 2. 提名程序

- 提名委員會秘書應召開提名委員會會議，並邀請董事會成員（如有）於會議前提名候選人，以供提名委員會考慮。提名委員會亦可提出未獲董事會成員提名的候選人；
- 就填補臨時空缺而言，提名委員會應提出建議供董事會考慮和批准。就提名候選人於股東大會選舉而言，提名委員會須向董事會提名供其考慮和推薦；
- 直至刊發將寄發予股東的通函為止，獲提名人士不得視其已獲董事會建議於股東大會上參選；
- 股東將獲發一份通函，以提供獲董事會提名於股東大會上接受重選的人選的資料，同時邀請股東提名人選。該通函將載列股東提名人選的遞交期限。向股東刊發的通函將載列適用法律、法規及規定所規定的獲提名人士姓名、簡歷（包括資格及相關經驗）、獨立性、建議薪酬及任何其他資料；
- 如股東有意在提交決議案以選舉某人士為董事，無須董事會建議或提名委員會提名（惟於寄發予股東的通函所載的候選人除外），則可在遞交決議案期間，向公司秘書送達通知。提名候選人的詳情將以補充通函的方式送交所有股東參閱；





- a candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the company secretary;
  - the Board shall have the final decision on all matters relating to its recommendation of candidate(s) to stand for election at any general meeting; and
  - as there may be more candidate(s) than the vacancies available, and the “gross-vote” method will be used to determine who shall be elected as Director, the resolutions proposed for the candidate(s) by the shareholders shall therefore take the same form as the resolutions proposed for the candidate(s) recommended by the Board.
- 候選人可於股東大會之前的任何時候通過書面通知公司秘書撤回其候選人資格；
  - 董事會須就有關推薦候選人於任何股東大會上選舉之所有事宜作出最終決定；及
  - 由於候選人的數目可能較空缺數目為多，而「總票數」方法將會被採用去釐定哪一位候選人選任為董事，因此股東提出建議候選人的議案與董事會推薦候選人的議案須採用相同的格式。

In respect of the Board Diversity Policy, the Board is cognisant of the benefits of diversity and the Nomination Committee monitors implementation of this policy as part of the process of selecting and nominating candidates for appointment to the Board. Candidates are considered against a broad and diverse range of aspects specified in the nomination policy, which among other aspects also include gender, ethnicity and cultural background.

關於董事會成員多元化政策，董事會了解多元化帶來之裨益，因此提名委員會通過監督及實施此政策，物色和提名合適人選予董事會批准委任。在考慮合適人選時，將考慮提名政策提及之廣泛及多元化元素，包括但不限於性別、種族及文化背景。

The roles and functions of the Nomination Committee are as follows:

提名委員會的角色和職能如下：

- (a) to review and evaluate the structure, size and composition (including diversity, skills, knowledge and experience) of the Board at least annually and make recommendations to the Board on any proposed changes to the Board to complement the Company’s corporate strategy;
  - (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
  - (c) to assess the independence of INEDs;
  - (d) to monitor the continuous professional development of the Directors;
  - (e) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive;
- (a) 至少每年檢討及評估董事會的架構、人數及組成(包括多元性、技能、知識和經驗)並就任何擬對董事會作出的變動向董事會提出建議以配合本公司的公司策略；
  - (b) 物色具備合適資格人士加入董事會，並挑選提名有關人士出任董事或就此向董事會提供意見；
  - (c) 評估獨立非執行董事的獨立性；
  - (d) 監察董事之持續專業發展；
  - (e) 就董事委任或重新委任，以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；

(f) where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:

- the process used for identifying the individual why the board believes the individual should be elected and the reasons why it considers the individual to be independent;
- if the proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

(g) the chairman or another member of the Nomination Committee shall attend the Company's annual general meetings and be prepared to respond to questions raised by shareholders on the Committee's activities and responsibilities.

The Nomination Committee has been provided with sufficient resources to discharge its duties and may access to independent professional advice according to the Board Diversity Policy and its written terms of reference, if considered necessary.

During the year under review, the Nomination Committee held one meeting, in which it determined the criteria and procedures for retirement by rotation and recommended to the Board for re-appointment of Mr. Chan Chun Hong, Thomas, Mr. Cho Wing Mou and Mr. Li Ka Fai, David at the forthcoming annual general meeting. The Nomination Committee also reviewed the Board Diversity Policy and evaluated the Board performance and succession planning.

(f) 若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，其應於有關股東大會通告所隨附的致股東通函及／或說明函件中列明：

- 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的原因；
- 如果候任獨立非執行董事將出任第七家(或以上)上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
- 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
- 該名人士如何促進董事會成員多元化。

(g) 提名委員會主席或其他成員須出席本公司股東週年大會，並作好準備以回答由股東提出的有關委員會之活動及職責的問題。

提名委員會獲提供充分資源以履行其職責，並可根據董事會多元化政策及其書面職權範圍在有需要情況下尋求獨立專業意見。

於回顧年度內，提名委員會舉行了一次會議，在會議上決定了輪值退任之標準與程序，以及向董事會建議於應屆股東週年大會上重新委任陳振康先生、曹永牟先生及李家暉先生。提名委員會亦檢討董事會多元化政策及評估董事會之表現及繼任計劃。



### Attendance of Directors at Various Meetings

Details of the attendance of individual Directors at Board meetings, committee meetings and shareholder meetings held during the year ended 31 March 2019 are as follows:

Name of Directors	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual general meeting 股東週年大會
Tang Ching Ho	鄧清河	4/4	N/A 不適用	1/1	1/1	1/1
Chan Chun Hong, Thomas	陳振康	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Tang Mui Fun	鄧梅芬	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Tang Wai Man	鄧蕙敏	3/4	N/A 不適用	1/1	1/1	1/1
Leung Wai Ho	梁偉浩	4/4	2/2	1/1	1/1	1/1
Siu Man Ho, Simon	蕭文豪	4/4	2/2	1/1	1/1	1/1
Cho Wing Mou	曹永牟	4/4	2/2	1/1	1/1	1/1
Li Ka Fai, David	李家暉	4/4	2/2	N/A 不適用	N/A 不適用	1/1

### 董事於各會議之出席率

截至二零一九年三月三十一日止年度，個別董事於董事會會議、委員會會議及股東大會之出席詳情載於下表：

### Risk Management and Internal Control

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems covering financial, operational, compliance and risk management aspects.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest. The management may report from time to time any finding, recommendation and remedies to the Audit Committee.

The Group has established risk management procedures to address and handle all the significant risks associate with the businesses of the Group. The Board would perform an annual or periodical review on any significant change of the business environment and establish procedures to response the risks result from the significant change of business environment.

### 風險管理及內部監控

董事會全面負責評估及釐定達致本集團策略目標時願意承擔的風險性質及程度，確保本集團建立及維持合適而有效的風險管理及內部監控系統，涵蓋財務、營運、合規及風險管理等方面。

審核委員會持續審閱對本集團而言屬重大的風險管理及內部監控措施。審核委員會將考慮本集團會計、內部審計及財務報告職能的資源充足性、員工及外部顧問的資格、經驗及培訓。

本集團管理層負責設計、維持、落實及監察風險管理及內部監控系統，確保有充足監控措施以保障本集團資產及利益相關者的利益。管理層可向審核委員會不時呈報任何結論、推薦意見及補救措施。

本集團已制定風險管理程序以應對及處理所有與本集團業務相關的重大風險。董事會將就經營環境的任何重大變動進行年度或定期審閱並制定程序以回應經營環境重大變動產生的風險。

The management would identify the risks associate with the businesses of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritised based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, each type of risk management strategy has been listed as follows:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risk;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market; and
- Risk transfer: transfer ownership and liability to a third party.

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

### Review of Risk Management and Internal Control

During the year under review, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. All findings and recommendations on internal control deficiencies were communicated with the Audit Committee and the Board. The management confirmed that there is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 March 2019.

The Board conducted an annual review on the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance and it was considered that the internal controls and risk management functions were reasonably effective and adequate for the year ended 31 March 2019.

管理層透過考慮政治、經濟、科技、環境、社會及員工等內在及外在因素和事件來識別與本集團業務相關的風險。各項風險已按相關影響及發生可能性評估及優先處理。相關風險管理策略會根據評估結果應用至各類風險，各類風險管理策略列述如下：

- 風險保留及降低：接受風險影響或本集團採取行動降低風險之影響；
- 風險避免：改變業務程序或目標，以便避免風險；
- 風險分擔及分散：分散風險之影響或將其分配至不同地區或產品或市場；及
- 風險轉移：將所有擁有權及債項轉移至第三方。

內部監控系統之設置及實施乃為降低為本集團所接受與業務有關之風險，及盡量減少該等風險導致之不利影響。風險管理及內部監控系統之設置乃為管理而非完全消除未能達成業務目標之風險，及僅可對消除重大錯誤陳述或損失提供合理而非絕對保證。

### 審閱風險管理及內部監控

於回顧年度內，本集團已委聘外部顧問公司承擔內部審計職能，以確保本集團風險管理及內部監控系統之效力及效率。有關內部監控缺陷的所有結論及推薦意見已與審核委員會及董事會溝通。管理層確認，於截至二零一九年三月三十一日止年度，外部顧問公司概無識別內部監控系統存在任何重大缺陷及缺點。

截至二零一九年三月三十一日止年度，董事會已就本集團之風險管理及內部監控系統及程序（覆蓋財務、營運及合規等所有重要監控）進行年度審閱並認為，內部監控及風險管理職能合理有效並充足。





### External Auditor's Remuneration

The remuneration paid/payable to the Company's external auditor, Ernst & Young, for the year ended 31 March 2019 which has been reviewed and approved by the Audit Committee, are set out as follows:

### 外聘核數師之薪酬

截至二零一九年三月三十一日止年度已付／應付本公司外聘核數師安永會計師事務所之薪酬已獲審核委員會審閱及批准，載列如下：

Services rendered for the Group	向本集團所提供服務	Fees paid/payable to Ernst & Young 已付／應付 安永會計師事務所 之費用 HK\$'000 千港元
Audit services	審核服務：	
— annual financial statements	— 年度財務報表	6,000
Non-audit services:	非審核服務：	
— agreed-upon procedures	— 議定程序	1,070
— taxation and professional services	— 稅務及專業服務	600
— other professional services	— 其他專業服務	720
<b>Total</b>	<b>總計</b>	<b>8,390</b>

### Accountability and Audit

The Directors acknowledge their responsibility for preparation and publication of the timely financial statements and ensure that they are prepared in accordance with the statutory requirements and applicable accounting standards. In preparing the accounts for the year ended 31 March 2019, the Directors have adopted suitable accounting policies which are pertinent to the Group's operations and relevant to the financial statements and have presented an understandable assessment of the Group's position and prospects.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, the accounts are prepared on a going concern basis and they are not aware of any material uncertainties relating to the events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. The Directors continue to explore any opportunities with potential investors to enhance its financial position and business development of the Group by way of refinancing, extension of borrowings and/or fund raising.

### 問責及審核

董事知悉其須適時編製及刊發財務報表之責任，並確保按法定規定及適用會計準則編製。於編製截至二零一九年三月三十一日止年度之賬目時，董事已採用適用於本集團業務及與財務報表有關之合適會計政策，並已呈列易於理解之本集團狀況及前景評估。

董事確認經作出一切合理查詢後，據彼等所深知、盡悉及確信，賬目乃按持續經營基準編製，且彼等並不知悉有關事件或條件之任何重大不確定性或會對本公司持續經營能力產生重大疑問。董事將與潛在投資者繼續探討其他機會，透過再融資、延長借貸及／或集資方式以增強本集團之財務狀況和推動本集團業務發展。

A statement by the auditor about their reporting responsibilities is set out on pages 105 to 117 of this annual report.

### Compliance with Laws and Regulations

The Group continues to commit to comply with the relevant laws and regulations, such as the Bermuda Companies Act 1981, the Companies Ordinance, the SFO, the Listing Rules and other rules and regulations implemented in relevant jurisdictions. As far as the Board is concerned and save as disclosed herein, the Group has complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries during the year ended 31 March 2019.

### Environmental Policies and Performance

The Group is committed to enhancing and strengthening efforts on environmental protection, so as to facilitate industrial upgrading. We proactively implement environmental protection policies, gradually adjust its portfolio, conduct energy-saving, using recycled paper, emission reduction and pollution prevention and so forth. The Group not only improved the quality management system but also strengthened the quality of the audit to ensure the quality and safety of Chinese and western pharmaceutical project control. During the year under review, there was no material non-compliance with applicable laws and regulations by the Group that have significant impact on the business and operations of the Group. The environmental policies and performance of the Group are disclosed in the Environmental, Social and Governance Report set out on pages 34 to 61 of this annual report.

### Investor Relations and Communications with Shareholders

The Company aims at promoting and maintaining effective communications with shareholders and investors (both individuals and institutions) to ensure that the Group's information is disseminated to Stakeholders in a timely manner and enable them to have a clear assessment of the enterprise performance. A shareholders communication policy has been adopted by the Company and the same is available on the website of the Company. Other major means of communications includes:

核數師就其申報責任而作出之聲明載於本年報第105至117頁。

### 遵守法律及法規

本集團繼續致力遵守相關法律及法規，如百慕達一九八一年公司法、公司條例、證券及期貨條例、上市規則及相關司法權區實施之其他規則及規例。就董事會而言，除本報告所披露者外，於截至二零一九年三月三十一日止年度，本公司及其附屬公司已於重大方面遵守對本集團之業務及營運造成重大影響之相關法律及法規。

### 環境政策及表現

本集團加大環保力度，促進行業轉型升級。我們積極落實環保政策，同時逐步調整產品結構，實施節能減排、使用環保紙、污染防治策略等工作。在完善質量管理制度之同時，本集團還加強審計質量，確保中西藥質量安全項目控制。於回顧年度內，本集團並無嚴重違反適用法律及法規而對本集團業務及營運造成重大影響的情況。本集團的環境政策及表現載於本年報第34至61頁的環境、社會及管治報告。

### 投資者關係及與股東之溝通

本公司旨在促進並維持與股東及投資者（包括個人及機構）的有效溝通，以確保本集團之資料及時傳達至持份者，以便其對公司表現作出清晰評估。本公司已採納一項股東溝通政策，該項政策亦載於本公司網站。其他主要溝通渠道包括：

### Disclosures in Corporate Website

Extensive information on the Group's activities and financial position will be disclosed in the annual reports, interim reports, announcements, circulars and other corporate communications which will be sent to shareholders and/or published on the websites of the HKEXnews ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.wyth.net](http://www.wyth.net)). Other inside information is released by way of formal public announcements as required by the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

### General Meeting with Shareholders

The Company also acknowledges that annual general meetings and various general meetings are valuable forums for the Board to communicate directly with the shareholders. Members of the Board and the members of various committees are encouraged to attend and answer questions at such general meetings.

In order to let shareholders to make an informed decision at the general meetings, sufficient notices with not less than 10 clear business days for every general meeting and 20 clear business days for every annual general meeting were given to the shareholders of the Company pursuant to code provision E.1.3 of the CG Code, the Bye-laws and any other applicable laws. The chairman will explain the detailed procedures for conducting a poll vote during the proceedings of meetings and answered all questions raised by shareholders. All resolutions put to vote at general meetings are taken by poll and the poll results are posted on the websites of the Company and the Stock Exchange immediately following the holding of the general meetings.

### 於公司網站披露

有關本集團業務及財務狀況之詳盡資料將於年報、中期報告、公告、通函及其他公司通訊資料內披露，而上述資料將寄發予股東及／或於披露易網站([www.hkexnews.hk](http://www.hkexnews.hk))及本公司網站([www.wyth.net](http://www.wyth.net))刊載。其他內幕消息根據上市規則及證券及期貨條例第XIVA部下之內幕消息條文之規定，通過正式公佈發佈。

### 與股東舉行股東大會

本公司亦理解股東週年大會及不同股東大會為董事會直接與股東溝通之重要平台，並鼓勵董事會成員及各委員會成員出席該等股東大會，回應提問。

為令股東於股東大會上作出知情決定，根據企業管治守則之守則條文第E.1.3條、公司細則及任何其他適用法例，本公司每次舉行股東大會及股東週年大會均會向股東發出分別不少於10個完整營業日及20個完整營業日之充分通告。主席在大會進行時將解釋進行投票表決之程序詳情，並解答股東提出的所有疑問。於股東大會上提呈之決議案均以投票方式表決，而投票結果會於緊隨股東大會舉行後於本公司及聯交所網站公佈。



### Investor Relations

The Group also has a proactive investor relations programme that keeps investors and shareholders abreast the Group's latest development and discloses relevant information to the public in a timely manner. During the year, we held various meetings with investors and participated in investor and press conferences.

### Shareholders' Rights Convening a Special General Meeting

Pursuant to Section 74 of the Bermuda Companies Act 1981 (the "**Companies Act**") and Bye-law 58, the Board whenever it thinks fit call special general meetings and shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the company secretary of the Company to require a special general meeting (the "**SGM**") to be called by the Board. The written requisition (i) must state the purposes of the SGM, and (ii) must be signed by the requisitionists and deposited at the principal place of business of the Company in Hong Kong at Suite 3101, 31/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for attention of the Board or the company secretary of the Company, and may consist of several documents in like form, each signed by one or more requisitionists. Such meeting shall be held within two (2) months after the deposit of such requisition.

Such requisitions will be verified by the Company's branch share registrars and upon their confirmation that the requisition is proper and in order, the company secretary of the Company will inform the Board to convene a SGM by serving sufficient notice to all shareholders of the Company. On the contrary, if the requisition has been verified as not in order, the requisitionists will be advised of this outcome and accordingly, the SGM will not be convened as requested.

### 投資者關係

本集團亦已制定主動的投資者關係計劃，讓投資者與股東得悉本集團之最新發展，並及時向公眾披露有關資料。年內，我們與投資者舉行多次會議，以及參與投資者會議及記者會。

### 股東召開股東特別大會之權利

根據百慕達一九八一年公司法（「**公司法**」）第74條及公司細則第58條細則，董事會可於其認為適當的任何時候召開股東特別大會。任何於呈遞要求日期持有不少於本公司繳足股本（附有於本公司股東大會表決權利）十分之一的股東，有權透過向董事會或本公司之公司秘書發出書面要求，要求董事會召開股東特別大會（「**股東特別大會**」）。書面要求(i)須列明股東特別大會之目的；及(ii)須由遞呈人簽署並寄發至本公司香港主要營業地點香港九龍九龍灣宏光道39號宏天廣場31樓3101室，收件人為董事會或本公司之公司秘書，且其可由各自由一名或多名遞呈人簽署的一式多份文件組成。相關大會應於呈遞該要求後兩(2)個月內舉行。

相關要求將由本公司之股份過戶分處核實，待確認該要求適當且合乎程序後，本公司之公司秘書將透過向本公司所有股東發出充分通告之方式，通知董事會召開股東特別大會。相反，倘該要求被確認為不合乎程序，遞呈人將被告知該結果，同時，股東特別大會將不會應要求召開。





If the Board does not within 21 days from the date of the deposit of the requisition proceed duly to convene a SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them may convene a SGM in accordance with the provisions of Section 74(3) of the Companies Act, but any SGM so convened shall not be held after expiration of three months from the said date of deposit of the requisition. A SGM convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in any SGM to be convened by the Board.

### Putting Forward Proposals at General Meetings

Pursuant to Sections 79 and 80 of the Companies Act, either any number of shareholders representing not less than one-twentieth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, or not less than 100 shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting. The requisition signed by all the requisitionists must be deposited at the Company's principal place of business in Hong Kong at Suite 3101, 31/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong or the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisition.

倘董事會並未於遞交請求日期起計21日內正式召開股東特別大會，則遞呈人或持有所有遞呈人之過半數總投票權之任何遞呈人，可根據公司法第74(3)條之規定自行召開股東特別大會，惟任何如此召開之股東特別大會不可於該呈遞日期起計三個月屆滿後舉行。遞呈人須盡可能以董事會召開股東特別大會之相同方式召開股東特別大會。

### 於股東大會上提出議案

根據公司法第79及80條，任何擁有不少於本公司繳足股本（附帶於本公司股東大會上之投票權）二十分之一之股東或不少於一百名股東可書面要求本公司(a)向有權收取下屆股東週年大會通告的股東發出關於在該會議上可能妥善提出或計劃提出的任何決議案的通告；及(b)將不超過1,000字的有關將在會議上提出的任何決議案涉及的事項或將在會上處理的事務說明書，提交給有權收取任何股東大會通告的股東傳閱。由所有要求人士簽署的請求書須送交予本公司香港主要營業地點香港九龍九龍灣宏光道39號宏天廣場31樓3101室或本公司香港股份過戶及轉讓登記分處卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心54樓，如屬須發出決議案通知，則該請求書須在會議舉行前不少於六星期遞交，如屬任何其他情況，則須在會議舉行前不少於一星期遞交，並須支付足以合理彌補本公司相關開支之款項。

# Corporate Governance Report

## 企業管治報告

### Proposing a Person for Election as a Director

The procedures for proposing candidate(s) for election as director(s) at a general meeting are set out in the “Corporate Governance” under section headed under “Corporate Profile” on the website of the Company at [www.wyth.net](http://www.wyth.net).

### Enquiries to the Board

Shareholders may send their enquiries and concerns to the Board in writing by email to [contact@waiyuentong.com](mailto:contact@waiyuentong.com) or by addressing their enquiries to the Board or the company secretary of the Company in the following manners:

#### In respect of the corporate affairs:

The Board/Company Secretary/Corporate Affairs & Investor Relations Manager  
Wai Yuen Tong Medicine Holdings Limited  
Suite 3101, 31/F., Skyline Tower,  
39 Wang Kwong Road  
Kowloon Bay  
Kowloon  
Hong Kong

#### In respect of the other shareholding/entitlement affairs:

Tricor Secretaries Limited  
Level 54, Hopewell Centre  
183 Queen’s Road East  
Hong Kong

### Whistleblowing Policy

The Company has adopted a whistleblowing policy to facilitate the achieving of high possible standards of openness, probity and accountability. Procedures are formulated to enable individual employees to disclose internally and at a high level, information which the individual believes that it shows malpractice or impropriety within the Group. During the year under review, no incident of fraud or misconduct was reported from employees that have material effect on the Group’s financial statements and overall operations.

### 提名選舉個別人士為董事

於股東大會上提名候選人參選為董事之程序於本公司網站 [www.wyth.net](http://www.wyth.net) 內「公司簡介」一節之「企業管治」刊載。

### 向董事會查詢

股東可將其查詢及關注事項以電郵 ([contact@waiyuentong.com](mailto:contact@waiyuentong.com)) 或透過以下方式向董事會或本公司之公司秘書提出其查詢：

#### 有關公司事宜：

董事會／公司秘書／企業事務及投資者關係經理  
位元堂藥業控股有限公司  
香港九龍九龍灣  
宏光道39號  
宏天廣場31樓3101室

#### 其他股權／權利相關事宜：

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心54樓

### 舉報政策

本公司已採納舉報政策以促進實現公開、誠信及問責之最高操守標準。本公司已制定程序以使個別僱員作出內部及高水準披露，披露個人認為反映本集團不良行徑或不妥行為之資料。於回顧年度內，概無僱員報告任何詐騙或不誠實行為而對本集團之財務報表及整體營運造成重大影響。



### Company Secretary

Ms. Mak Yuen Ming, Anita, who was appointed as a full-time employee company secretary of the Group, reports directly to the Board and is responsible for, *inter alia*, providing updated and timely information to all Directors from time to time.

During the year ended 31 March 2019, Ms. Mak has complied with Rule 3.29 of the Listing Rules and taken no less than 15 hours of relevant professional training.

### Corporate Social Responsibility

While the Group endeavours to promote business development and strives for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. The Group is conscious of its role as a socially responsible group of companies. It has made donations for community wellbeing from time to time, supports the communities and encourages its employees to participate in any charitable events and caring services. Given the support from the management, the Group built up a team of staff volunteers to get involved in volunteer work.

### Constitutional Document

During the year ended 31 March 2019, there was no change in the constitutional document. The memorandum of association and the amended and restated bye-laws are available on the websites of the Stock Exchange and the Company at ([www.hkex.com.hk](http://www.hkex.com.hk)) and ([www.wyth.net](http://www.wyth.net)), respectively.

### Conclusion

Going ahead, the Group will continue to review regularly its corporate governance practices to maintain high level of transparency, to enhance the Company's competitiveness and operating efficiency and to ensure its sustainable development and to generate greater returns for the stakeholders.

### 公司秘書

麥婉明女士獲委任為全職僱員，為本集團之公司秘書，直接向董事會報告及負責(其中包括)不時向所有董事提供最新及適時之資料。

截至二零一九年三月三十一日止年度，麥女士已遵守上市規則第3.29條，參加不少於15小時之專業培訓。

### 企業社會責任

本集團致力推動業務發展，為持份者爭取更佳回報的同時，並沒有忘記取之社會用於社會的企業社會責任。本集團重視其作為具社會責任之集團公司所擔當之角色，不時為社會之福利作出捐款，支持社區並鼓勵僱員參與任何慈善活動及關愛服務。在管理層之支持下，本集團成立一支員工志願者團隊，積極參與志願者工作。

### 章程文件

截至二零一九年三月三十一日止年度，章程文件並無任何變動。組織章程大綱及經修訂及重列之公司細則分別於聯交所網站([www.hkex.com.hk](http://www.hkex.com.hk))及本公司網站([www.wyth.net](http://www.wyth.net))登載。

### 結論

展望未來，本集團將繼續定期檢討其企業管治常規以維持高水準之透明度，提升本公司之競爭力及運營效率，並確保其可持續發展，為持份者創造更多回報。

# Report of the Directors

## 董事會報告

The Directors present their report and the audited financial statements for the year ended 31 March 2019.

### Principal Activities

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries comprise the production and sale of traditional Chinese and western pharmaceutical products, health food, personal care products and property investment. Details of which are set out in note 1 to the financial statements. During the year, there were no significant changes in the nature of the Group's principal activities.

### Results and Dividends

The results of the Group for the year ended 31 March 2019 and the Group's financial position at that date are set out in the consolidated financial statements on pages 118 to 122.

For the year ended 31 March 2019, the Group recorded a profit attributable to owners of the parent amounting to HK\$74.6 million (2018: a loss of HK\$115.6 million). Such improvement was mainly attributable to a gain on bargain purchase of additional equity interests in an associate, improvement in results of such associate, the revaluation gains of the Group's properties and the reversal of impairment losses on financial assets due to adoption of HKFRS 9.

The Board does not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil). No interim dividend was made for the six months ended 30 September 2018 (for the six month ended 30 September 2017: Nil).

### Business Review and Analysis of Key Financial Performance Indicators

The business review and the key financial performance indicators to the businesses of the Group, including, among other things, the information set out below, are disclosed in the "Management Discussion and Analysis" on pages 12 to 27 of this annual report:

- (a) a fair review of the Group's business;
- (b) principal risk factors;
- (c) an analysis using financial key performance indicators; and
- (d) future development in the Group's business.

The corporate social responsibility, environmental policies and performance of the Group are disclosed in the Environmental, Social and Governance Report set out on page 34 to 61 of this annual report. As far as the Board is concerned, the Group has complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year ended 31 March 2019.

董事會謹此提呈截至二零一九年三月三十一日止年度之報告書及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務為生產及銷售傳統中西藥產品、保健食品、個人護理產品及物業投資。詳情載於財務報表附註1。年內，本集團主要業務之性質並無重大變動。

### 業績及股息

本集團截至二零一九年三月三十一日止年度之業績及本集團於該日之財務狀況載於綜合財務報表第118至122頁。

截至二零一九年三月三十一日止年度，本集團錄得母公司擁有人應佔溢利約74,600,000港元(二零一八年：虧損115,600,000港元)。有關改善乃主要歸因於議價購買一間聯營公司額外股權之議價購買之收益、該聯營公司業績改善、本集團物業的重估收益、財務資產及因採納香港財務報告準則第9號而撥回財務資產減值虧損。

董事會不建議派付截至二零一九年三月三十一日止年度之末期股息(二零一八年：無)。概無派付截至二零一八年九月三十日止六個月之中期股息(截至二零一七年九月三十日止六個月：無)。

### 業務回顧及主要財務表現指標分析

本集團業務之業務回顧及主要財務表現指標分析包括(其中包括)以下資料，披露於本年報第12至27頁「管理層討論及分析」：

- (a) 本集團業務之公平審視；
- (b) 主要風險因素；
- (c) 採用主要財務表現指標進行之分析；及
- (d) 本集團業務之未來發展。

本集團的企業社會責任、環境政策及表現披露於本年報第34至61頁之環境、社會及管治報告。就董事會而言，於截至二零一九年三月三十一日止年度，本集團已於重大方面遵守對本集團業務及營運造成重大影響之相關法律及法規。



### Five Year Financial Summary

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 276 of this annual report. This summary does not form part of the audited financial statements.

### Share Capital and Share Option Scheme

Details of movements in share capital and share option scheme of the Company during the year under review, together with the reasons therefor, are set out in notes 29 and 30 to the financial statements, respectively.

### Purchase, Sale or Redemption of Listed Securities of the Company

During the year, the Company repurchased a total of 33.5 million shares of HK\$0.01 each of the Company on the Stock Exchange. All the repurchased shares were subsequently cancelled on 8 October 2018 by the Company during the year. Details of the share repurchases during the year are as follows:

Month	月份	Number of shares repurchased 購回股份數目 (in million) (以百萬計)	Purchase price per share 每股購買價		Aggregate amount 總額 HK\$ 港元 (in million) (以百萬計)
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
September 2018	二零一八年九月	24.0	0.300	0.275	7.0
October 2018	二零一八年十月	9.5	0.310	0.305	3.0
		33.5			10.0

The repurchases of the Company's shares by the Directors during the year were made pursuant to the mandate granted by shareholders at the 2018 annual general meeting of the Company held on 29 August 2018, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. As at 31 March 2019 and up to the date of this annual report, the total number of shares of the Company in issue was 1,231,642,888 shares.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

### 五年財務概要

摘錄自經審核財務報表之本集團過去五個財政年度已刊發之業績及資產、負債與非控股權益概要載於本年報第276頁。此概要並不構成經審核財務報表之一部分。

### 股本及購股權計劃

本公司於回顧年度內的股本及購股權計劃的變動詳情及其原因分別載於財務報表附註29及30。

### 購買、出售或贖回本公司上市證券

於年內，本公司於聯交所購回本公司合共33,500,000股每股面值0.01港元之股份。於年內所有已購回股份其後已由本公司於二零一八年十月八日註銷。於年內購回股份之詳情如下：

於年內，董事購回本公司股份乃根據股東在於二零一八年八月二十九日舉行的二零一八年股東週年大會上授出的授權予以購回，以通過提升本公司每股資產淨值及每股盈利令全體股東受益。於二零一九年三月三十一日及直至本年報日期，本公司已發行股份總數目為1,231,642,888股。

除上述披露者外，本公司或其任何附屬公司概無於年內購買、出售或贖回本公司任何上市證券。

### Permitted Indemnity Provision

The Bye-laws provides that for the time being acting in relation to any of the affairs of the Company, every Director and other officers shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, losses, damages and expenses which they may incur or sustain by or by reason of any act done about the execution of the duties of their respective office or otherwise in relation thereto. The Company had arranged appropriate directors' and officers' liability insurance coverage for the Directors and other officers of the Group for the year.

### Distributable Reserves

At 31 March 2019, the Company's reserves available for distribution to equity holders of the parent, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$173.1 million (2018: approximately HK\$231.7 million).

### Directors

The Directors during the year were:

#### Executive Directors:

Mr. Tang Ching Ho, *SBS, JP*,  
*Chairman and Managing Director*  
Mr. Chan Chun Hong, Thomas  
Ms. Tang Mui Fun  
Ms. Tang Wai Man  
(Appointed on 1 April 2018)

#### Independent non-executive Directors:

Mr. Leung Wai Ho, *MH*  
Mr. Siu Man Ho, Simon  
Mr. Cho Wing Mou  
Mr. Li Ka Fai, David

### 獲准許彌償保證條文

公司細則規定，當其時就本公司任何事務行事之每名董事或其他高級職員均有權從本公司之資產及利潤中獲得彌償及擔保使其不會因執行各自職務或關於職務所進行任何行為而可能招致或蒙受之所有訴訟、虧損、損害及支出而蒙受損害。年內，本公司已為本集團董事及其他高級職員安排合適之董事及高級職員責任保險。

### 可供分派儲備

於二零一九年三月三十一日，按百慕達一九八一年公司法（經修訂）計算，本公司可供分派予母公司權益持有人之儲備約173,100,000港元（二零一八年：約231,700,000港元）。

### 董事

於本年度，董事如下：

#### 執行董事：

鄧清河先生，*SBS*，*太平紳士*，  
*主席兼董事總經理*  
陳振康先生  
鄧梅芬女士  
鄧蕙敏女士  
(於二零一八年四月一日獲委任)

#### 獨立非執行董事：

梁偉浩先生，*MH*  
蕭文豪先生  
曹永牟先生  
李家暉先生



In accordance with Bye-law 87(1) of the Bye-laws, Mr. Chan Chun Hong, Thomas, Mr. Cho Wing Mou and Mr. Li Ka Fai, David will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from all INEDs, namely Mr. Leung Wai Ho, Mr. Siu Man Ho, Simon, Mr. Cho Wing Mou and Mr. Li Ka Fai, David, and as at the annual date of this annual report still considers them to be independent.

### Directors' and Senior Management's Biographies

Biographical details of the Directors and the senior management of the Group are set out on pages 29 to 33 of this annual report.

### Directors' Service Contracts

No Directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### Directors' Interests in Transactions, Arrangements or Contracts

Save as disclosed in notes 8 and 37 to the financial statements, no Directors or a connected entity of a Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, the holding Company of the Company or any of its subsidiaries or fellow subsidiaries was a party during the year.

### Director's Interest in Competing Business

None of the Directors nor their respective associates had an interest in a business, apart from the businesses of the Group, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules during the year.

根據公司細則第87(1)條，陳振康先生、曹永牟先生及李家暉先生將於應屆股東週年大會上輪席告退，惟彼等合乎資格且願意膺選連任。

本公司已接獲全體獨立非執行董事（即梁偉浩先生、蕭文豪先生、曹永牟先生及李家暉先生）有關彼等獨立性的年度確認書，於截至本年報日期仍視彼等為獨立人士。

### 董事及高級管理層履歷

本集團董事及高級管理層履歷詳情載於本年報第29至33頁。

### 董事之服務合約

擬於應屆股東週年大會膺選連任的董事概無與本公司及其任何附屬公司訂立本公司不可於一年內終止而毋須賠償（法定賠償除外）的服務合約。

### 董事於交易、安排或合約之權益

除財務報表附註8及37披露者外，年內概無董事或董事之關連實體直接或間接於對本集團業務屬重大且本公司、本公司控股公司或其任何附屬公司或同系附屬公司為訂約方之任何交易、安排或合約中擁有重大權益。

### 董事於競爭業務之權益

根據上市規則第8.10條，年內董事及其各自之聯繫人士概無於與本集團業務構成或可能構成直接或間接競爭之業務（本集團業務除外）擁有權益。

# Report of the Directors

## 董事會報告

### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations

As at 31 March 2019, the interests and short positions of the Directors and chief executive of the Company and/or any of their respective associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code under Listing Rules, were as follows:

#### Long positions in the ordinary shares of the Company and its associated corporation, Wang On:

(a) Long positions in the ordinary shares of the Company:

Name of Director 董事姓名	Number of shares 股份數目	Approximate percentage of the Company's total issued share capital 佔本公司已發行股本總額概約百分比 %
Mr. Tang Ching Ho (Note 1) 鄧清河先生(附註1)	715,322,940	58.08 (Note 2)(附註2)

(b) Long positions in the ordinary shares of Wang On, an associated corporation of the Company:

Name of Director 董事姓名	Name of corporation 公司名稱	Number of shares 股份數目	Approximate percentage of Wang On's total issued share capital 佔宏安已發行股本總額概約百分比 %
Mr. Tang Ching Ho (Note 1) 鄧清河先生(附註1)	Wang On 宏安	9,984,356,772	55.88 (Note 3)(附註3)

### 董事及主要行政人員於本公司及其相聯法團股份、相關股份或債權證中之權益及淡倉

於二零一九年三月三十一日，董事及本公司主要行政人員及／或彼等各自之任何聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有載入本公司根據證券及期貨條例第352條須存置之登記冊，或根據證券及期貨條例第XV部或上市規則之標準守則已另行知會本公司及聯交所之權益及淡倉如下：

於本公司及其相聯法團宏安普通股之好倉：

(a) 於本公司普通股之好倉：

(b) 於本公司相聯法團宏安的普通股之好倉：





Notes:

- (1) Under the SFO, Mr. Tang Ching Ho is taken to be interested in the interests of the Company as he is taken to be interested in an aggregate of 9,984,356,772 shares in Wang On, representing approximately 55.88% of all the issued Wang On's shares, by virtue of his own beneficial shareholding, the shareholding interests of his spouse in Wang On, the shareholding interests of a company wholly and beneficially owned by him, and his deemed interests by virtue of being the founder of Tang's Family Trust. Wang On is taken to be interested in the interests in shares held by Rich Time Strategy Limited ("Rich Time"). Rich Time, an indirectly wholly-owned subsidiary of Wang On, which was the beneficial owner of 715,322,940 shares of the Company. Therefore, Mr. Tang Ching Ho was deemed to be interested in 715,322,940 shares of the Company held by Wang On for the sole purpose of Part XV of the SFO.
- (2) The percentage represented the number of shares over the total number of issued shares of the Company as at 31 March 2019 was 1,231,642,888 shares.
- (3) The percentage represented the number of shares over the total number of issued shares of Wang On as at 31 March 2019 was 17,867,520,047 shares.

(c) Long positions in underlying shares of share options of Easy One, an associated corporation of the Company:

Name of director	Date of grant	Exercise price per share	Number of share options outstanding	Exercisable period	Number of underlying shares	Approximate percentage of Easy One's total issued share capital (Note 4)
董事姓名	授出日期	每股行使價 HK\$ 港元	尚未行使 購股權數目	行使期	相關股份數目	佔易易壹 已發行 股本總額 概約百分比 (附註4) % %
Mr. Chan Chun Hong, Thomas	23.2.2018	0.48	4,600,000	23.02.2018– 22.02.2025	4,600,000	0.83
陳振康先生	二零一八年 二月二十三日			二零一八年 二月二十三日 至二零二五年 二月二十二日		

Note:

- (4) The percentage represented the number of shares over the total issued share capital of Easy One as at 31 March 2019 was 556,432,500 shares.

附註：

- (1) 根據證券及期貨條例，基於鄧清河先生透過彼本身實益持有股權、彼配偶於宏安之股權、一間彼全資實益擁有之公司股權及彼作為鄧氏家族信託之創立人而被視作擁有之權益而被視為於宏安合共9,984,356,772股股份中擁有權益，佔全部已發行宏安股份約55.88%，故彼亦被當作於本公司擁有權益。宏安被當作於Rich Time Strategy Limited (「Rich Time」) 持有之股份中擁有權益。Rich Time為宏安之間接全資附屬公司，並為本公司715,322,940股股份之實益擁有人。因此，僅就證券及期貨條例第XV部而言，鄧清河先生被視作於宏安持有之本公司715,322,940股股份中擁有權益。
- (2) 該百分比指股份數目佔本公司於二零一九年三月三十一日之已發行股份總數1,231,642,888股股份之百分比。
- (3) 該百分比指股份數目佔宏安於二零一九年三月三十一日之已發行股份總數17,867,520,047股股份之百分比。

(c) 於本公司相聯法團易易壹購股權的相關股份之好倉：

附註：

- (4) 該百分比指股份數目佔易易壹於二零一九年三月三十一日已發行股本總數556,432,500股股份之百分比。

Save as disclosed above, as at 31 March 2019, none of the Directors and chief executive of the Company and/or any of their respective associates had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

### Share Option Scheme

At the annual general meeting of the Company held on 22 August 2013, the shareholders of the Company approved the termination of the share option scheme previously adopted by the shareholders of the Company at the special general meeting held on 18 September 2003 (the “**2003 Scheme**”) and the adoption of a new share option scheme (the “**2013 Scheme**”) for the primary purpose of providing incentive and rewards to eligible participants who contribute to the success of the Group’s operations. Upon termination of the 2003 Scheme, no share options was granted thereunder but the subsisting share options granted prior to the termination will continue to be valid and exercisable during the prescribed exercisable period in accordance with the terms of the 2003 Scheme. The 2013 Scheme became effective on 22 August 2013 and, unless otherwise terminated earlier by shareholders at a general meeting, will remain in force for a period of 10 years from that date.

Pursuant to the 2013 Scheme, share options may be granted to any Director or proposed Director (whether executive or non-executive, including INEDs), employee or proposed employee (whether full-time or part-time), secondee, any holder of securities issued by any member of the Group, any person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to any member of the Group or any substantial shareholder or company controlled by a substantial shareholder, or any company controlled by one or more persons belonging to any of the above classes of participants (the “**Participants**”).

Under the 2013 Scheme, the Board may grant share options to the Participants to subscribe for shares of the Company for a consideration of HK\$1.00 for each lot of share options granted which must be accepted within 30 days from the offer date. Share options do not confer rights on the holders to dividends or to vote at shareholders’ meetings.

除上文披露者外，於二零一九年三月三十一日，概無董事及本公司主要行政人員及／或彼等各自之任何聯繫人士登記於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中載入本公司根據證券及期貨條例第352條須存置之登記冊，或根據證券及期貨條例第XV部或標準守則已另行知會本公司及聯交所之權益或淡倉。

### 購股權計劃

於二零一三年八月二十二日舉行之股東週年大會上，本公司股東批准終止本公司股東先前於二零零三年九月十八日舉行的股東特別大會採納的購股權計劃（「**二零零三年計劃**」）並採納新購股權計劃（「**二零一三年計劃**」），主要作為對本集團之成功經營所作出之貢獻之合資格參與人士之激勵及獎賞。根據二零零三年計劃之條款，二零零三年計劃終止後，不再根據該計劃授出購股權，但終止前已授出並存續之購股權於指定之行使期間內繼續有效並可予以行使。二零一三年計劃於二零一三年八月二十二日生效，除非由股東於股東大會上另行提前終止，否則會由該日期起十年內有效。

根據二零一三年計劃，購股權可授予任何董事或候任董事（不論執行董事或非執行董事，包括獨立非執行董事）、僱員或擬聘請僱員（不論全職或兼職）、借調人、任何本集團任何成員公司發行之證券持有人、任何向本集團之任何成員公司或任何主要股東或由一名主要股東控制之公司提供研究、開發或其他技術支援或顧問、諮詢、專業或其他服務之人士或實體，或任何由一位或多位上述任何類別參與者（「**參與者**」）控制之公司。

根據二零一三年計劃，董事會可向參與者授出購股權認購本公司之股份，以就每次獲授予之購股權於要約日期起30日內按代價1.00港元接納該購股權。購股權並無賦予持有人權利獲派股息或於股東大會上投票。



Pursuant to the 2013 Scheme, the maximum number of share options that may be granted under the 2013 Scheme and any other share option schemes of the Company is the number, upon their exercise, not in aggregate exceeding 30% of the issued share capital of the Company from time to time, excluding any shares issued on the exercise of share options. The total number of shares which may be issued upon exercise of all options to be granted under the 2013 Scheme and any other schemes shall not in aggregate exceed 10% of the number of shares in issue, as at the date of approval of the 2013 Scheme limit or as refreshed from time to time.

The maximum number of shares issuable under share options to each Participant (except for a substantial shareholder or an INED or any of their respective associates) under the 2013 Scheme within any 12-month period is limited to 1% of the number of shares of the Company in issue at any time. Any further grant of share options in excess of such limit must be separately approved by shareholders with such Participant and his associates abstaining from voting. Share options granted to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the INEDs (excluding any INED who is the grantee of the option). Where any grant of share options to a substantial shareholder or an INED (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of share options already granted and to be granted to such person under the 2013 Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue, and having an aggregate value, based on the closing price of the Company's shares at each date of grant, in excess of HK\$5 million, such further grant of share options is required to be approved by shareholders in a general meeting in accordance with the Listing Rules. Any change in the terms of a share option granted to a substantial shareholder or an INED (or any of their respective associates) is also required to be approved by shareholders. The exercise price must be at least the higher of (i) the official closing price of the shares of the Company as stated in the daily quotations sheets of the Stock Exchange on the offer date which must be a business day; (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company.

根據二零一三年計劃，二零一三年計劃及本公司任何其他購股權計劃項下可能授出之最高購股權數目，於獲行使時所涉及股份數目合共不得超過本公司不時已發行股本30%，惟不包括購股權獲行使時發行之任何股份。二零一三年計劃及任何其他計劃項下將予授出之所有購股權於獲行使時可予發行之股份總數合共不超過二零一三年計劃上限(或獲不時更新)獲批准日期之已發行股份數目之10%。

二零一三年計劃之每名參與者(主要股東或獨立非執行董事或彼等各自之聯繫人士除外)於任何十二個月期間內行使購股權時可予發行之最高股份數目，僅限於本公司於任何時間之已發行股份數目之1%。倘進一步授出超過該限額之購股權，則須取得股東另行批准，而該名參與者及其聯繫人士須放棄投票。向董事、本公司高級行政人員或主要股東或彼等各自之任何聯繫人士授出購股權，須取得獨立非執行董事(本身為購股權承授人之任何獨立非執行董事除外)之批准。倘若向主要股東或獨立非執行董事或彼等各自之聯繫人士授出購股權，導致截至及包括授出日期之任何十二個月期間，因行使根據二零一三年計劃及本公司任何其他購股權計劃已授予或將授予該人士之購股權(包括已行使、已註銷及尚未行使者)而已發行及將予發行之股份總數，超過本公司已發行股份之0.1%及總價值超逾5,000,000港元(基於各授出日期本公司股份收市價計算)，則該等進一步授出購股權必須根據上市規則獲得股東於股東大會上批准。授予主要股東或獨立非執行董事或彼等各自之聯繫人士之購股權之條款之任何變動亦須經股東批准。行使價須至少為下列情況之最高者(i)本公司股份於要約當日(須為營業日)在聯交所每日報價表所列之正式收市價；(ii)股份於緊接授出當日前五個營業日在聯交所每日報價表所列之平均收市價；及(iii)本公司股份面值。

# Report of the Directors

## 董事會報告

Details of the movements of the share options under the 2003 Scheme during the year ended 31 March 2019 were as follows:

於截至二零一九年三月三十一日止年度，二零零三年計劃項下之購股權變動詳情如下：

Name or category of Participant	Number of share options 購股權數目					Outstanding as at 31 March 2019 於二零一九年 三月三十一日 尚未行使	Date of grant	Exercise price per share	Exercisable period (Note)
	Outstanding as at 1 April 2018 於二零一八年 四月一日 尚未行使	Granted during the year 年內已授出	Exercised during the year 年內已行使	Lapsed during the year 年內已失效	Expired during the year 年內屆滿				
<b>Executive director</b>									
<b>執行董事</b>									
Ms. Tang Mui Fun 鄧梅芬女士	4,554	-	-	-	(4,554)	-	8.1.2009 二零零九年 一月八日	20.6927	8.1.2010- 7.1.2019 二零一零年 一月八日至 二零一九年 一月七日
	4,554	-	-	-	(4,554)	-			
<b>Other employees</b>									
<b>其他僱員</b>									
In aggregate 總計	15,276	-	-	-	(15,276)	-	8.1.2009 二零零九年 一月八日	20.6927	8.1.2010- 7.1.2019 二零一零年 一月八日至 二零一九年 一月七日
	19,340	-	-	(2,102)	-	17,238	12.5.2010 二零一零年 五月十二日	7.4197	12.5.2011- 11.5.2020 二零一一年 五月十二日至 二零二零年 五月十一日
	34,616	-	-	(2,102)	(15,276)	17,238			
	39,170	-	-	(2,102)	(19,830)	17,238			

Note:

The share options granted under the 2003 Scheme were vested as follows:

On the 1st anniversary of the date of grant: 30% vested  
On the 2nd anniversary of the date of grant: Further 30% vested  
On the 3rd anniversary of the date of grant: Remaining 40% vested

附註：

根據二零零三年計劃授出之購股權於下列期間歸屬：

授出日期起計第一週年當日：歸屬 30%  
授出日期起計第二週年當日：進一步歸屬 30%  
授出日期起計第三週年當日：歸屬餘下 40%





During the year under review, no share option was granted and outstanding under the 2013 Scheme. Apart from 2,102 share options lapsed and 19,830 share options cancelled under the 2003 Scheme, no share options under the 2003 Scheme were exercised during the year.

At the end of the reporting period, the Company had 17,238 share options outstanding under the 2003 Scheme. The exercise in full of these share options would, under the present capital structure of the Company, result in the issue of 17,238 additional ordinary shares of the Company and additional share capital of approximately HK\$172.4 and share premium of HK\$127,728.41 (before expenses).

As at the date of this annual report, the total number of shares available for issue under the 2013 Scheme is 126,514,288 shares, representing approximately 10.3% of the Company's total issued share capital.

Other particulars of the 2003 Scheme and the 2013 Scheme are set out in note 30 to the financial statements.

### Directors' Rights to Acquire Shares or Debentures

Save as disclosed under the headings "Directors' and chief executive's interests and short positions in shares, underlying shares or debentures of the Company and its associated corporations" and "Share option scheme" above and in the share option scheme disclosures in note 30 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares, or underlying shares in, or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

於回顧年度內，概無購股權根據二零一三年計劃獲授出及尚未行使。除根據二零零三年計劃之2,102份購股權已失效且19,830份購股權已註銷外，概無根據二零零三年計劃之購股權於年內獲行使。

於報告期末，本公司根據二零零三年計劃之未行使購股權為17,238份。根據本公司現時之股本架構，全面行使該等購股權將導致須發行額外17,238股本公司普通股，額外股本約為172.4港元以及股份溢價為127,728.41港元(未計開支)。

於本年報日期，根據二零一三年計劃可供發行之股份總數為126,514,288股，相當於本公司已發行股本總額約10.3%。

二零零三年計劃及二零一三年計劃之其他詳情載於財務報表附註30。

### 董事購買股份或債權證之權利

除上文「董事及主要行政人員於本公司及其相聯法團股份、相關股份或債權證中之權益及淡倉」及「購股權計劃」各節披露者及財務報表附註30所披露之購股權計劃外，於年內任何時間，各董事或彼等各自之配偶或未成年子女並無獲授或行使可藉收購本公司股份或相關股份或債權證而獲利之權利，且本公司或其任何附屬公司亦無訂立任何安排而使董事可收購任何其他法人團體之有關權利。

### Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 31 March 2019, to the best knowledge of the Directors, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO showed that the following shareholders (other than Directors or chief executive of the Company) had notified the Company and the Stock Exchange of relevant interests and short positions in the shares and underlying shares of the Company:

#### Long positions in the shares of the Company:

Name of shareholders 股東名稱	Number of shares 股份數目	Approximate percentage of the Company's total issued share capital (Note 3) 佔本公司已發行股本總額概約百分比 (附註3) %
Rich Time (Note 1) Rich Time (附註1)	715,322,940	58.08
Wang On Enterprises (BVI) Limited ("WOE") (Note 1) Wang On Enterprises (BVI) Limited (「WOE」)(附註1)	715,322,940	58.08
Wang On (Note 1) 宏安(附註1)	715,322,940	58.08
Ms. Yau Yuk Yin (Note 2) 游育燕女士(附註2)	715,322,940	58.08

#### Notes:

- Rich Time, a wholly-owned subsidiary of WOE, which is a wholly-owned subsidiary of Wang On, beneficially owned 715,322,940 shares of the Company. WOE and Wang On are taken to be interested in 715,322,940 shares of the Company held by Rich Time.
- Ms. Yau Yuk Yin is taken to be interested in the shares in which her spouse, Mr. Tang Ching Ho, was interested as stated above in the sub-paragraph headed "Directors' and chief executive's interests and short positions in shares, underlying shares or debentures of the Company and its associated corporations".
- The percentage represented the number of shares over the total number of issued shares of the Company as at 31 March 2019 of 1,231,642,888 shares.

Save as disclosed above, as at 31 March 2019, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company 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.

### 主要股東於股份及相關股份中之權益及淡倉

於二零一九年三月三十一日，據董事所深知，本公司按證券及期貨條例第336條存置之主要股東登記冊顯示，下列股東(本公司董事或行政總裁除外)已知會本公司及聯交所所持本公司股份及相關股份之相關權益及淡倉：

#### 於本公司股份的好倉：

#### 附註：

- Rich Time (為WOE之全資附屬公司，而WOE為宏安之全資附屬公司)實益擁有本公司715,322,940股股份。WOE及宏安被視為於Rich Time持有之本公司715,322,940股股份中擁有權益。
- 誠如上文「董事及主要行政人員於本公司及其相聯法團股份、相關股份或債券證中之權益及淡倉」分段所述，游育燕女士被當作於彼之配偶鄧清河先生持有之股份中擁有權益。
- 該百分比指股份數目佔本公司於二零一九年三月三十一日之已發行股份總數1,231,642,888股股份之百分比。

除上文所披露者外，於二零一九年三月三十一日，概無任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分節條文須披露予本公司或根據證券及期貨條例第336條須載入本公司存置之登記冊之權益或淡倉。



### Continuing Connected Transactions

During the year, the following transactions continued to be continuing connected transactions for the Company under Rule 14A.55 and 14A.56 of the Listing Rules:

- (a) On 19 September 2016, Daywin Limited, an indirect wholly-owned subsidiary of the Company, entered into the following office sub-licensing agreements for a term commencing from 18 September 2016 and expiring on 17 July 2019:
- (i) **Wang On Office Sub-licensing Agreement:**  
an office sub-licensing agreement with Wang On Management Services Limited (“**WOMS**”), an indirect wholly-owned subsidiary of Wang On, to sub-lease Units 02, 03, 05, 06 and 15, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong at a monthly fee of HK\$188,940, together with other monthly expenses (including management fee and air-conditioning charge, rates and Government rent, subject to increment of not exceeding 5% each year); and
- (ii) **WOP Office Sub-licensing Agreement:**  
an office sub-licensing agreement with Wang On Properties Services Limited (“**WOPS**”), an indirect wholly-owned subsidiary of WOP, to sub-lease Units 01 and 07 to 12, 32/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong at a monthly fee of HK\$414,672, together with other monthly expenses (including management fee and air-conditioning charge, rates and Government rent, subject to increment of not exceeding 5% each year).

For the year ended 31 March 2019, the total office sub-licensing fee received by the Group from WOMS and WOPS amounted to HK\$9,700,111; and

### 持續關連交易

年內，以下交易繼續成為本公司根據上市規則第14A.55及14A.56條之持續關連交易：

- (a) 於二零一六年九月十九日，本公司間接全資附屬公司明豪有限公司訂立以下辦公室分租協議，租期自二零一六年九月十八日起至二零一九年七月十七日屆滿：
- (i) **宏安辦公室分租協議：**  
與宏安間接全資附屬公司宏安管理服務有限公司（「**宏安管理服務**」）訂立辦公室分租協議，以分租位於香港九龍九龍灣宏光道39號宏天廣場32樓02、03、05、06及15室的物業，月費為188,940港元，連同其他月費（包括管理費及空調費用、差餉以及政府地租，可於每個年度增加不超過5%）；及
- (ii) **宏安地產辦公室分租協議：**  
與宏安地產間接全資附屬公司宏安地產服務有限公司（「**宏安地產服務**」）訂立辦公室分租協議，以分租位於香港九龍九龍灣宏光道39號宏天廣場32樓01及07至12室的物業日如年，月費為414,672港元，連同其他月費（包括管理費及空調費用、差餉以及政府地租，可於每個年度增加不超過5%）。

截至二零一九年三月三十一日止年度，本集團自宏安管理服務及宏安地產服務收取之辦公室分租總收入為9,700,111港元；及

# Report of the Directors

## 董事會報告

(b) on 30 November 2018, WYT Medicine, an indirect subsidiary of the Company, as the supplier, and Wang On Management Limited (“WOM”), an indirect wholly-owned subsidiary of Wang On, as the purchaser, entered into a new master sales agreement for supplying Chinese and Western pharmaceutical products, health food and personal care products by the Group to WOM (for itself and on behalf of other members of Wang On) for the three financial years ending 31 March 2021 at annual caps of HK\$9.8 million, HK\$9.9 million and HK\$9.9 million, respectively. During the year, total sales proceeds received by the Group from WOM was HK\$6,855,356.

The Directors (including all of the INEDs) have reviewed and confirmed that the abovementioned continuing connected transactions were entered into (i) in the ordinary and usual course of the Group’s business; (ii) in accordance with the terms of the respective agreements governing such transactions on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole; (iii) either on normal commercial terms or on terms no less favourable to the Group than those available to or from independent third parties; and (iv) have not exceeded the respective caps.

Ernst & Young, the Company’s auditor, was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 740 *Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

Further details of other related party transactions undertaken by the Group in the ordinary course of business during the year under review, which fell under Rule 14A.73 of the Listing Rules, are set out in note 37 to the financial statements.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules and save as disclosed above, there were no other transactions which need to be disclosed as continuing connected transactions in accordance with the requirements of the Listing Rules.

(b) 於二零一八年十一月三十日，本公司之間接附屬公司位元堂藥廠（作為供應商）與宏安之間接全資附屬公司宏安管理有限公司（「宏安管理」）（作為買方）訂立新主銷售協議，內容有關本集團於截至二零二一年三月三十一日止三個財政年度向宏安管理（為其本身及代表宏安之其他成員公司）供應中西藥產品、保健食品及個人護理產品，年度上限分別為9,800,000港元、9,900,000港元及9,900,000港元。年內，本集團自宏安管理收取之銷售所得總額為6,855,356港元。

董事（包括全體獨立非執行董事）已審閱及確認，上述持續關連交易乃(i)於本集團一般及日常業務過程中訂立；(ii)按規管該等交易之相應協議條款訂立，且條款公平合理並符合本公司股東整體利益；(iii)按一般商業條款或就本集團而言，該等條款不遜於獨立第三方可獲得或提供之條款進行；及(iv)並無超過各自之上限。

本公司之核數師安永會計師事務所已獲委聘，根據香港會計師公會頒佈之香港核證工作準則第3000號（經修訂）*審核或審閱歷史財務資料以外之核證工作*及參照實務說明第740號關於香港上市規則所述持續關連交易之核數師函件，以報告本集團之持續關連交易。安永會計師事務所已根據上市規則第14A.56條發出無保留意見函件，當中載有核數師對有關上述本集團披露之持續關連交易之發現及結論。本公司已將核數師函件副本送呈聯交所。

於回顧年度內，本集團於一般業務過程中進行之其他關聯方交易（屬上市規則第14A.73條範圍內）進一步詳情載於財務報表附註37。

本公司已遵守上市規則第14A章之披露規定，且除上文披露者外，概無其他交易須根據上市規則規定披露為持續關連交易。





### Emolument Policy

The Group's emolument policy for its employees is set up and approved by the Remuneration Committee and the Board on the basis of their merit, qualifications and competence.

The emoluments of the Directors are determined by the Remuneration Committee and the Board, as authorised by the shareholders at the annual general meeting, having regarded to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted the 2013 Share Option Scheme at the annual general meeting held on 22 August 2013, as an incentives to Directors and eligible employees, details of the 2013 Scheme are set out in note 30 to the financial statements.

### Major Customers and Suppliers

During the year ended 31 March 2019, sales to the Group's five largest customers accounted for less than approximately 17.6% (2018: approximately 11.1%) of the Group's total sales and the sales to the Group's largest customer included therein accounted to approximately 8.2% (2018: approximately 4.0%).

During the year, the largest supplier accounted for approximately 10.7% (2018: approximately 15.5%) of the Group's purchases and the five largest suppliers of the Group accounted for approximately 28.6% (2018: approximately 32.2%) of the Group's purchases.

At no time during the year did a Director or any of their associates or a shareholder of the Company, which to the best knowledge of the Directors, owns more than 5% of the Company's issued shares, had any beneficial interest in any of the Group's five largest customers or the largest suppliers.

### 薪酬政策

本集團就其僱員之薪酬政策由薪酬委員會及董事會根據僱員之功績、資歷及能力而設立及批准。

董事之薪酬由薪酬委員會及董事會在股東週年大會上獲得股東授權後，視乎本集團之經營業績、個人表現及市場上可資比較的統計數字釐定。

本公司已於二零一三年八月二十二日舉行之股東週年大會上採納二零一三年購股權計劃，獎勵董事及合資格僱員，二零一三年計劃詳情載於財務報表附註30。

### 主要客戶及供應商

截至二零一九年三月三十一日止年度內，本集團五大客戶之銷售額佔本集團之總銷售少於約17.6%（二零一八年：約11.1%）及計入其中之向本集團最大客戶之銷售佔約8.2%（二零一八年：約4.0%）。

年內，最大供應商佔本集團採購額約10.7%（二零一八年：約15.5%），而本集團五大供應商則佔本集團採購額約28.6%（二零一八年：約32.2%）。

於年內任何時間，董事或彼等之任何緊密聯繫人士或本公司股東（據董事所深知擁有本公司已發行股份總數5%以上者）概無於本集團五大客戶或最大供應商擁有任何實益權益。

### Disclosures Pursuant to Rules 13.12 And 13.20 of the Listing Rules

The Group through Winning Rich Investments Limited (“**Winning Rich**”), an indirect wholly-owned subsidiary of the Company, advanced an aggregate outstanding principal amount of HK\$920.0 million to CAP by way of (i) subscription of up to an aggregate principal amount of HK\$720.0 million of the 2019 CAP Bonds pursuant to the subscription agreement dated 4 October 2014 (as supplemented on 28 November 2014) entered into, among others, CAP, Winning Rich and Double Leads Investments Limited (“**Double Leads**”), an indirect wholly-owned subsidiary of Wang On; and (ii) acquisition of HK\$200.0 million of the 2019 CAP Bonds from Double Leads, pursuant to the agreement dated 5 July 2016 (as supplemented on 8 July 2016) entered into between Winning Rich, Double Leads and Wang On.

At the end of the reporting period and up to the date of this annual report, CAP was indebted to Winning Rich principal sums of HK\$700.0 million and HK\$682.0 million, respectively, for principal sums of HK\$220.0 million and HK\$18.0 million, respectively, were early repaid by CAP to Winning Rich during the Period and subsequent to the period under review.

### Donations

During the year, the Group made charitable and other donations totaling approximately HK\$0.5 million (2018: approximately HK\$2.7 million).

### Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Bye-laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

### 根據上市規則第 13.12 及 13.20 條作出的披露

本集團藉本公司之間接全資附屬公司凱裕投資有限公司(「凱裕」)通過以下形式向中國農產品墊出未償還總本金額 920,000,000 港元的款項：(i) 根據中國農產品、凱裕及宏安之間接全資附屬公司倍利投資有限公司(「倍利」)訂立之日期為二零一四年十月四日之認購協議(於二零一四年十一月二十八日補充)認購中國農產品所發行總本金額達 720,000,000 港元之二零一九年中國農產品債券；及(ii) 根據凱裕、倍利及宏安訂立之日期為二零一六年七月五日之協議(於二零一六年七月八日補充)向倍利收購 200,000,000 港元之二零一九年中國農產品債券。

於報告期末及直至本年報日期，中國農產品結欠凱裕款項之本金額分別為 700,000,000 港元及 682,000,000 港元，其中 220,000,000 港元及 18,000,000 港元款項之本金額已由中國農產品分別於本期間內及回顧期後向凱裕提早償還。

### 捐款

年內，本集團之慈善及其他捐款合共約 500,000 港元(二零一八年：約 2,700,000 港元)。

### 優先購買權

公司細則或本公司註冊成立之司法權區百慕達法律概無載列關於優先購買權之條文，規定本公司須按比例基準向現有股東發售新股。



### Corporate Governance

The Company is committed to maintaining a high standard of corporate governance practices in the interests of the Company and its shareholders as a whole.

In the opinion of the Directors, the Company has complied with the code provisions under the CG Code contained in Appendix 14 to the Listing Rules throughout the financial year under review, except for the deviation of the code provision A.5.1 of the CG Code. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 62 to 87 of this annual report.

### Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient amount of public float as required under the Listing Rules throughout the financial year under review and up to the date of this annual report.

### Audit Committee

The Company has established its Audit Committee with specific written terms of reference in compliance with Rule 3.21 of the Listing Rules. The Audit Committee comprises Mr. Li Ka Fai, David, Mr. Leung Wai Ho, Mr. Siu Man Ho, Simon and Mr. Cho Wing Mou, all of them are the independent non-executive Directors, and Mr. Li Ka Fai, David is elected as the chairman of the Audit Committee.

During the year, the Audit Committee met twice with the management and the external auditor to review and consider, among other things, the accounting principles and practices adopted by the Group, the financial report matters (including the review of audited consolidated financial statement for the year ended 31 March 2018 and the consolidated interim results for the six-month ended 30 September 2018), the statutory compliance, internal controls and risk management, continuing connected transactions and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget. The Audit Committee has also reviewed the consolidated financial statements for the year ended 31 March 2019 with the independent auditor and the management of the Company.

### 企業管治

本公司致力維持高水平之企業管治，以符合本公司及其股東之整體利益。

董事認為，本公司於整個回顧財政年度內已遵守上市規則附錄十四所載之企業管治守則之守則條文，惟就偏離企業管治守則之守則條文第A.5.1條者除外。本公司所採納企業管治常規之詳情載於本年報第62至87頁之企業管治報告。

### 足夠之公眾持股量

根據本公司公開獲得的資料及據董事所知，本公司於整個回顧財政年度及直至本年報日期已根據上市規則規定維持足夠公眾持股量。

### 審核委員會

本公司已遵照上市規則第3.21條之規定成立審核委員會，並訂明其具體書面職權範圍。審核委員會由全體獨立非執行董事李家暉先生、梁偉浩先生、蕭文豪先生及曹永牟先生組成。李家暉先生獲選為審核委員會主席。

年內，審核委員會與管理層及外部核數師舉行兩次會議，審閱及考慮(其中包括)本集團採納之會計原則及常規、財務報告事宜(包括審閱截至二零一八年三月三十一日止年度之經審核綜合財務報表及截至二零一八年九月三十日止六個月之綜合中期業績)、合規情況、內部監控及風險管理、持續關連交易及本公司會計及財務申報職能員工是否具有充足的才智、資格及經驗以及其培訓計劃及預算。審核委員會亦已與本公司獨立核數師及管理層審閱截至二零一九年三月三十一日止年度之綜合財務報表。

# Report of the Directors

## 董事會報告

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### Events After the Reporting Period

Details of significant events after the reporting period of the Group are set out in note 41 to the financial statements.

### Auditor

The financial statements for the year ended 31 March 2019 have been audited by Ernst & Young, who will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as the auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

### Tang Ching Ho

*Chairman and Managing Director*

Hong Kong, 28 June 2019

### 報告期後事項

報告期後之本集團重要事項之詳情，載於財務報表附註41。

### 核數師

截至二零一九年三月三十一日止年度之財務報表已由安永會計師事務所審核。安永會計師事務所將退任，並符合資格且願意重選連任。本公司將於應屆股東週年大會上提呈決議案，重新委聘安永會計師事務所為本公司核數師。

代表董事會

### 鄧清河

*主席兼董事總經理*

香港，二零一九年六月二十八日



# Independent Auditor's Report

## 獨立核數師報告



**To the shareholders of Wai Yuen Tong Medicine Holdings Limited**  
(Incorporated in Bermuda with limited liability)

### Opinion

We have audited the consolidated financial statements of Wai Yuen Tong Medicine Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 118 to 274, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Basis for Opinion

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

致位元堂藥業控股有限公司股東  
(於百慕達註冊成立的有限公司)

### 意見

我們已審計列載於第118至274頁的位元堂藥業控股有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一九年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一九年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》(「香港審計準則」)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承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### 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。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (continued)

### 關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p data-bbox="164 495 871 557"><i>Impairment assessment of goodwill and property, plant and equipment</i> 商譽及物業、廠房及設備之減值評估</p> <p data-bbox="164 600 785 1111">As at 31 March 2019, the Group had goodwill and property, plant and equipment before current year impairment of HK\$7,700,000 and HK\$1,019,679,000, respectively, which relate to the cash-generating units ("CGUs") of Chinese pharmaceutical and health food products and Western pharmaceutical and health food products. Given that the operating results of both CGUs were loss-making for the current and prior years, management of the Company performed an impairment assessment on the goodwill by using value in use calculation based on the discounted cash flow method. Management also performed an impairment assessment of the related property, plant and equipment to determine their recoverable amounts based on either the value in use or the fair value less costs of disposal of the relevant property, plant and equipment.</p> <p data-bbox="164 1115 785 1420">於二零一九年三月三十一日，貴集團分別持有與中藥及健康食品產品和西藥及健康食品產品之現金產生單位（「現金產生單位」）相關的商譽及物業、廠房及設備7,700,000港元及1,019,679,000港元（除本年度減值前）。由於現金產生單位之經營業績於當前及過往年度內均錄得虧損，貴公司管理層對商譽進行減值評估，根據折現現金流法來計算使用價值。管理層亦對相關物業、廠房及設備進行減值評估，根據使用價值或公平值減出售相關物業、廠房及設備的成本釐定可收回金額。</p> <p data-bbox="164 1462 785 1594">During the year, an impairment of HK\$7,700,000 was recognised for goodwill and a net reversal of impairment of HK\$1,495,000 was made against property, plant and equipment.</p> <p data-bbox="164 1599 785 1659">於年內，已確認商譽減值7,700,000港元，並已就物業、廠房及設備作出減值撥回淨額1,495,000港元。</p>	<p data-bbox="817 600 1445 732">For impairment assessments using the value in use calculations, our audit procedures included the following: 就以計算使用價值進行減值評估而言，我們的審計程序包括以下各項：</p> <ul data-bbox="817 775 1445 1559" style="list-style-type: none"><li data-bbox="817 775 1445 1079">• enquiring of management in relation to the key assumptions applied in the cash flow projections, such as the revenue growth rates and gross margins, and comparing them to historical information and our understanding of the latest market information and conditions; 向管理層查詢現金流預測中使用之關鍵假設（如收入增長率及毛利率）並將所採用的關鍵假設與歷史數據及我們對最近期市場信息及狀況的理解進行比較；</li><li data-bbox="817 1122 1445 1317">• involving our internal valuation specialists to assist us in the assessment of the methodologies and the discount rates used to determine the recoverable amounts; and 邀請我們的內部估值專家協助我們評估釐定可收回金額中採用之方法及折現率；及</li><li data-bbox="817 1359 1445 1559">• assessing the adequacy of the disclosures of the Group's impairment assessment of goodwill and property, plant and equipment in the consolidated financial statements. 評估對貴集團綜合財務報表中商譽及物業、廠房及設備之減值評估之披露是否充足。</li></ul>

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (continued)

### 關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment assessment of goodwill and property, plant and equipment (continued)</i> 商譽及物業、廠房及設備之減值評估(續)</p> <p>The impairment assessment has been identified as a key audit matter due to the materiality of the carrying values of the goodwill and the property, plant and equipment, and the significant judgements and estimations involved in the assessment of their recoverable amounts. 商譽及物業、廠房及設備賬面值之重要性以及評估其可收回金額時涉及重大判斷及估計，因此減值評估被列為一項關鍵審計事項。</p> <p>The accounting policies and disclosures in relation to the impairment of goodwill and property, plant and equipment are included in notes 2.4, 3, 13 and 15 to the consolidated financial statements. 有關商譽及物業、廠房及設備減值之會計政策及披露載於綜合財務報表附註2.4、3、13及15。</p>	<p>For impairment assessments using the fair value less costs of disposal of the relevant property, plant and equipment, our audit procedures included the following: 就以公平值減出售相關物業、廠房及設備的成本進行減值評估而言，我們的審計程序包括以下各項：</p> <ul style="list-style-type: none"><li>obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Company; 獲得及審閱由 貴公司委聘之外部估值師所編製之估值報告；</li><li>assessing the external valuer's qualification, experience and expertise and considering its competence, objectivity and independence; and 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及</li><li>involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key assumptions and estimates adopted in the valuations. 邀請我們的內部估值專家協助我們評估估值中應用之估值方法以及採用之關鍵假設及估計。</li></ul>



### Key Audit Matters (continued)

### 關鍵審計事項(續)

#### Key audit matter

#### 關鍵審計事項

*Impairment assessment of investment in an associate*  
於一間聯營公司投資之減值評估

As at 31 March 2019, the Group held a 29.06% interest in a listed associate, Easy One Financial Group Limited ("Easy One"), with a carrying amount of HK\$324,062,000. As the market value of Easy One's shares held by the Group was significantly lower than the carrying amount of the Group's investment in Easy One as at 31 March 2019, there was an impairment indicator on the Group's investment in Easy One.

於二零一九年三月三十一日，貴集團於上市聯營公司易易壹金融集團有限公司(「易易壹」)中持有29.06%權益，賬面值為324,062,000港元。由於二零一九年三月三十一日，貴集團持有的易易壹股份之市值遠低於貴集團於易易壹投資之賬面值，貴集團於易易壹之投資有減值跡象。

Accordingly, management of the Company has performed an impairment assessment on its investment in Easy One using a value in use calculation to determine its recoverable amount. The value in use calculation was based on the discounted cash flow method which was complex and required management to use significant judgements and make assumptions which were affected by future market or economic conditions.

因此，貴公司管理層對其於易易壹之投資進行減值評估，按使用價值方法計算其可收回金額。使用價值乃按折現現金流方法計算，此方法較為複雜並須由管理層作出受未來市場或經濟狀況影響的重大判斷及假設。

The accounting policies and disclosures in relation to the investment in the associate are included in notes 2.4, 3 and 16 to the consolidated financial statements.

有關於聯營公司投資之會計政策及披露載於綜合財務報表附註2.4、3及16。

#### How our audit addressed the key audit matter

#### 我們的審計如何處理關鍵審計事項

Our audit procedures to assess the impairment assessment of the investment in Easy One included the following: 我們評估於易易壹投資之減值評估之審計程序包括以下各項：

- enquiring of management in relation to the key assumptions applied in the cash flow projection, such as the revenue growth rate and gross margin, and comparing them to historical information and our understanding of the latest market information and conditions; and 向管理層查詢現金流預測中使用之關鍵假設(如收入增長率及毛利率)並將所採用的關鍵假設與歷史數據及我們對最近期市場信息及狀況的理解進行比較；及
- involving our internal valuation specialists to assist us in the assessment of the methodology and the discount rate used to determine the recoverable amount. 邀請我們的內部估值專家協助我們評估釐定可收回金額中採用之方法及折現率。

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (continued)

### 關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Valuation of certain financial instruments</i> 若干金融工具之估值</p> <p>As at 31 March 2019, the Group had financial assets measured at fair value through other comprehensive income. Certain of these investments with an aggregate carrying amount of HK\$702,995,000 as at 31 March 2019 were categorised within level 3 of the fair value hierarchy. 於二零一九年三月三十一日，貴集團擁有按公平值經其他全面收益入賬之財務資產。於二零一九年三月三十一日賬面總值為702,995,000港元的若干該等投資已分類為公平值等級第三級。</p> <p>Significant management judgements and estimates are required in determining the valuation of financial instruments which are categorised within level 3 of the fair value hierarchy. Management of the Company engaged external valuers to perform the valuation of these financial instruments at the end of the reporting period and in the absence of current prices in an active market for similar investments, the external valuers applied certain unobservable inputs in the valuation. 管理層須作出重大判斷及估計才可釐定被歸類入第三級公平值等級之金融工具的估值。貴公司管理層於報告期末委聘外部估值師對該等金融工具進行估值。在缺乏類似投資在活躍市場中之現行價格資料下，外部估值師於估值中使用若干不可觀察輸入數據。</p> <p>The accounting policies and disclosures in relation to the valuation of financial instruments are included in notes 2.4, 3, 17 and 39 to the consolidated financial statements. 有關金融工具估值之會計政策及披露載於綜合財務報表附註2.4、3、17及39。</p>	<p>Our audit procedures to assess the valuation of financial instruments categorised within level 3 of the fair value hierarchy included the following: 我們評估歸類入第三級公平值等級之金融工具估值之審計程序包括以下各項：</p> <ul style="list-style-type: none"><li>obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Company; 獲得及審閱由貴公司委聘之外部估值師所編製之估值報告；</li><li>assessing the external valuers' qualification, experience and expertise and considering its competence, objectivity and independence; and 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及</li><li>involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key assumptions and estimates adopted in the valuations. 邀請我們的內部估值專家協助我們評估估值中應用之估值方法以及採用之關鍵假設及估計。</li></ul>

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (continued)

### 關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment assessment of debt investments at fair value through other comprehensive income</i> 按公平值經其他全面收益入賬之債務投資之減值評估</p> <p>As at 31 March 2019, the Group had debt investments at fair value through other comprehensive income amounting to HK\$852,023,000. Related net reversal of impairment amounting to HK\$80,353,000 was recognised in profit or loss during the year, and the related cumulative loss allowance amounting to HK\$101,781,000 was carried as at 31 March 2019. The adoption of HKFRS 9 <i>Financial Instruments</i> ("HKFRS 9") has fundamentally changed the Group's accounting for impairment losses of debt investments at fair value through other comprehensive income by replacing the incurred loss approach under HKAS 39 <i>Financial Instruments: Recognition and Measurement</i> with a forward-looking expected credit loss approach.</p> <p>於二零一九年三月三十一日，貴集團擁有按公平值經其他全面收益入賬之債務投資852,023,000港元。年內已於損益確認相關減值撥回淨額80,353,000港元，而相關累計虧損撥備101,781,000港元已於二零一九年三月三十一日結轉。採納香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）以前瞻性預期信貸虧損法取代香港會計準則第39號金融工具：確認及計量的已產生虧損法，徹底改變貴集團按公平值經其他全面收益入賬之債務投資之減值虧損的會計處理。</p>	<p>Our audit procedures to assess the impairment assessments of the debt investments included the following: 我們評估債務投資減值評估的審計程序包括以下各項：</p> <ul style="list-style-type: none"><li>obtaining and reviewing the expected credit loss calculations prepared by the external valuer engaged by the Group; 獲得及審閱貴集團委聘之外部估值師所擬備之預期信貸虧損計算方法；</li><li>assessing the external valuer's qualification, experience and expertise and considering its competence, objectivity and independence; and 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及</li><li>involving our internal valuation specialists to assist us in the assessment of the methodologies applied and the key assumptions and estimates adopted in the expected credit loss calculations. 邀請我們的內部估值專家協助我們評估預期信貸虧損計算中應用之方法以及採用之關鍵假設及估計。</li></ul>

# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (continued)

### 關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<i>Impairment assessment of debt investments at fair value through other comprehensive income (continued)</i> 按公平值經其他全面收益入賬之債務投資之減值評估(續)	
<p>Significant management judgements and estimates are required in determining the loss allowance for these debt investments under the expected credit loss model in accordance with HKFRS 9. Management applied the general approach in calculating the expected credit losses for the debt investments and engaged an external valuer to assess the credit risk of each debtor and prepare the expected credit loss calculations. The external valuer applied various elements, which involved forward-looking information and expected future cash flows, in assessing the expected credit losses.</p> <p>管理層在根據香港財務報告準則第9號的預期信貸虧損模式釐定該等債務投資的虧損撥備時須作出重大判斷及估計。管理層採用一般方法計算債務投資的預期信貸虧損，並聘請外部估值師評估每名債務人的信貸風險及擬備預期信貸虧損的計算方法。外部估值師在評估預期信貸虧損時應用多項元素，當中涉及前瞻性資料及預期未來現金流量。</p>	
<p>The accounting policies and disclosures in relation to the Group's debts investments at fair value through other comprehensive income are included in notes 2.4, 3 and 17 to the consolidated financial statements.</p> <p>有關本集團按公平值經其他全面收益入賬的債務投資的會計政策及披露載於綜合財務報表附註2.4、3及17。</p>	

Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Valuation of investment properties</i> 投資物業之估值</p> <p>The Group holds various investment properties in Hong Kong for rental earning purposes. Such investment properties are measured at fair value at the end of each reporting period and the aggregate carrying amount of these investment properties was HK\$611,088,000 as at 31 March 2019, which represented approximately 25% of the net assets of the Group.</p> <p>貴集團於香港持有各項投資物業以賺取租金。有關投資物業於各報告期末按公平值計量及該等投資物業於二零一九年三月三十一日之總賬面值為611,088,000港元，佔貴集團淨資產約25%。</p> <p>Significant estimation is required to determine the fair values of the investment properties, which reflect market conditions at the end of the reporting period. Management of the Company engaged an external valuer to perform the valuation of these investment properties as at 31 March 2019 and in the absence of current prices in an active market for similar properties, the external valuer considered information from a variety of sources such as current prices of properties of similar locations and conditions.</p> <p>釐定投資物業之公平值須作出重大估計，其可反映報告期末之市場狀況。貴公司管理層於二零一九年三月三十一日委聘外部估值師對該等投資物業進行估值。於缺乏類似物業在活躍市場中之現行價格資料下，外部估值師會考慮來自多種來源之資料，如在類似地點及狀況之物業的現行價格。</p> <p>The accounting policies and disclosures in relation to the valuation of investment properties are included in notes 2.4, 3 and 14 to the consolidated financial statements.</p> <p>有關投資物業估值之會計政策及披露載於綜合財務報表附註2.4、3及14。</p>	<p>Our audit procedures to assess the valuation of investment properties included the following: 我們評估投資物業估值之審計程序包括以下各項：</p> <ul style="list-style-type: none"><li>• obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Company; 獲得及審閱由貴公司委聘之外部估值師所編製之估值報告；</li><li>• assessing the external valuer's qualification, experience and expertise and considering its competence, objectivity and independence; and 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及</li><li>• involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key assumptions and estimates adopted in the valuations. 邀請我們的內部估值專家協助我們評估估值中應用之估值方法以及採用之關鍵假設及估計。</li></ul>



# Independent Auditor's Report

## 獨立核數師報告

### Other Information included in the Annual Report

The directors of the Company are responsible for the other information. The other information comprises 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 the Directors for the Consolidated Financial Statements

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

### 刊載於年報之其他信息

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

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

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

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製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。

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

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

# Independent Auditor's Report

## 獨立核數師報告

### 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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSA's, we exercise professional judgement 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，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們遵照百慕達一九八一年《公司法》第90條僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯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，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，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。
- 瞭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。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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.

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.

### 核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。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。

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。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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 Mr. CHUNG, Ho Ling.

### 核數師就審計綜合財務報表承擔的責任(續)

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

出具本獨立核數師報告的審計項目合夥人是鍾浩齡先生。

#### Ernst & Young

Certified Public Accountants  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong

28 June 2019

#### 安永會計師事務所

執業會計師  
香港中環  
添美道1號  
中信大廈22樓

二零一九年六月二十八日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>	5	<b>751,443</b>	845,781
Cost of sales	銷售成本		<b>(449,915)</b>	(501,987)
Gross profit	毛利		<b>301,528</b>	343,794
Other income and gains, net	其他收入及收益，淨額	5	<b>115,671</b>	124,002
Selling and distribution expenses	銷售及分銷開支		<b>(281,769)</b>	(267,344)
Administrative expenses	行政開支		<b>(166,170)</b>	(185,839)
Reversal of impairment losses/(impairment losses) on financial assets, net	財務資產減值虧損撥回/(減值虧損)，淨額		<b>82,767</b>	(2,327)
Other expenses	其他開支		<b>(6,205)</b>	(19,170)
Finance costs	融資成本	7	<b>(28,553)</b>	(18,926)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net	按公平值經損益表入賬之財務資產之公平值收益/(虧損)，淨額		<b>593</b>	(17,800)
Fair value gains on investment properties, net	投資物業之公平值收益，淨額	14	<b>17,445</b>	23,356
Share of profits and losses of associates	分佔聯營公司損益		<b>46,387</b>	(94,633)
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>除稅前溢利/(虧損)</b>	6	<b>81,694</b>	(114,887)
Income tax expense	所得稅開支	10	<b>(7,448)</b>	(2,281)
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>本年度溢利/(虧損)</b>		<b>74,246</b>	(117,168)



# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註	
<b>OTHER COMPREHENSIVE INCOME/(LOSS)其他全面收益／(虧損)</b>			
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>			
Available-for-sale investments:	可供出售投資：		
Changes in fair value	公平值變動	17	-
Debt investments at fair value through other comprehensive income:	按公平值經其他全面收益入賬之債務投資：		
Changes in fair value	公平值變動		(3,198)
Reclassification adjustments for losses included in profit or loss:	計入損益之虧損之重新分類調整：		
Impairment losses	減值虧損		(80,353)
			(83,551)
Share of other comprehensive income/(loss) of associates	分佔聯營公司之其他全面收益／(虧損)		27,633
Release of reserves upon deemed partial disposal of equity interests in an associate	於被視作出售一間聯營公司部份股權後解除儲備		(973)
Translation reserve:	換算儲備：		
Translation of foreign operations	換算海外業務		7,350
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	於隨後期間可能重新分類至損益的其他全面收益／(虧損)淨額		(123,794)
<i>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</i>			
Share of other comprehensive loss of an associate	分佔一間聯營公司之其他全面虧損		(4,240)
Equity investments at fair value through other comprehensive income:	按公平值經其他全面收益入賬之股權投資：		
Changes in fair value	公平值變動		(39,296)
Deferred tax	遞延稅項		3,521
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	於隨後期間並無重新分類至損益的其他全面虧損淨額		(40,015)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX</b>	<b>本年度除稅後其他全面收益／(虧損)</b>		27,747
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>本年度全面虧損總額</b>		(89,421)

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
Profit/(loss) attributable to:	以下人士應佔溢利／(虧損)：		
Owners of the parent	母公司擁有人	<b>74,627</b>	(115,581)
Non-controlling interests	非控股權益	<b>(381)</b>	(1,587)
		<b>74,246</b>	(117,168)
Total comprehensive loss attributable to:	以下人士應佔全面虧損總額：		
Owners of the parent	母公司擁有人	<b>(88,025)</b>	(87,834)
Non-controlling interests	非控股權益	<b>(1,538)</b>	(1,587)
		<b>(89,563)</b>	(89,421)
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	母公司普通權益持有人應佔 每股盈利／(虧損)		
		12	
Basic and diluted	基本及攤薄	<b>HK5.98 cents 5.98 港仙</b>	HK(9.14) cents (9.14) 港仙

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 March 2019 二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	957,323	809,376
Investment properties	投資物業	14	558,000	503,000
Goodwill	商譽	15	-	7,700
Investments in associates	於聯營公司之投資	16	329,584	298,148
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	17	228,623	-
Available-for-sale investments	可供出售投資	17	-	911,591
Deposits	按金	21	21,702	49,475
Deferred tax assets	遞延稅項資產	28	10,122	13,196
<b>Total non-current assets</b>	<b>總非流動資產</b>		<b>2,105,354</b>	2,592,486
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	161,508	183,175
Trade and bills receivables	貿易應收款項及應收票據	19	92,210	111,433
Loan and interests receivables	應收貸款及利息	20	24,031	134,087
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	21	46,298	85,607
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	17	710,788	-
Financial assets at fair value through profit or loss	按公平值經損益表入賬之財務資產	22	21,289	127,593
Tax recoverable	可收回稅項		1,157	1,231
Bank balances and cash	銀行結餘及現金	23	171,209	420,849
			<b>1,228,490</b>	1,063,975
Assets classified as held for sale	分類為持作出售的資產	24	120,826	-
<b>Total current assets</b>	<b>總流動資產</b>		<b>1,349,316</b>	1,063,975
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	貿易應付款項	25	35,959	60,177
Other payables and accruals	其他應付款項及應計費用	26	107,839	98,372
Interest-bearing bank borrowings	計息銀行借貸	27	232,290	264,790
Tax payable	應付稅項		4,896	2,040
			<b>380,984</b>	425,379
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售的資產直接相關的負債	24	361	-
<b>Total current liabilities</b>	<b>總流動負債</b>		<b>381,345</b>	425,379
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>967,971</b>	638,596
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>3,073,325</b>	3,231,082

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 March 2019 二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>3,073,325</b>	3,231,082
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Other payables	其他應付款項	26	<b>1,883</b>	2,450
Interest-bearing bank borrowings	計息銀行借貸	27	<b>619,937</b>	662,227
Deferred tax liabilities	遞延稅項負債	28	<b>3,416</b>	6,380
Total non-current liabilities	總非流動負債		<b>625,236</b>	671,057
Net assets	資產淨值		<b>2,448,089</b>	2,560,025
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the parent</b>	<b>母公司擁有人應佔權益</b>			
Issued capital	已發行股本	29	<b>12,316</b>	12,651
Reserves	儲備	31	<b>2,431,802</b>	2,541,853
			<b>2,444,118</b>	2,554,504
Non-controlling interests	非控股權益		<b>3,971</b>	5,521
Total equity	總權益		<b>2,448,089</b>	2,560,025

**Tang Ching Ho**

鄧清河

Director

董事

**Chan Chun Hong, Thomas**

陳振康

Director

董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔													
		Issued capital	Share premium	Special reserve	Contributed surplus	Share option reserve	Translation reserve	Reserve funds	Other reserve	Available-for-sale investment revaluation reserve	Asset revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價	特別儲備	實繳盈餘	購股權儲備	匯兌儲備	儲備基金	其他儲備	可供出售投資重估儲備	資產重估儲備	保留溢利	總計	非控股權益	總權益
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 29)	(note 29)	(note 31(i))	(note 31(ii))			(note 31(iii))	(note 31(iii))						
		(附註29)	(附註29)	(附註31(i))	(附註31(ii))			(附註31(iii))	(附註31(iii))						
At 1 April 2017	於二零一七年四月一日	12,651	2,116,420	(27,150)	275,693	383	(27,266)	359	11,463	3,643	28,014	257,581	2,651,791	5,932	2,657,723
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	-	(115,581)	(115,581)	(1,587)	(117,168)
Other comprehensive income/ (loss) for the year:	本年度其他全面收益/(虧損):														
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	-	-	-	-	(6,263)	-	-	(6,263)	-	(6,263)
Share of other comprehensive income of an associate	分佔一間聯營公司之其他全面收益	-	-	-	-	-	21,907	-	-	5,726	-	-	27,633	-	27,633
Release upon deemed partial disposal of equity interests in an associate	於被視作出售一間聯營公司股份後解除儲備	-	-	-	-	-	1,209	-	(509)	(1,673)	-	-	(973)	-	(973)
Translation reserve: Exchange differences on translation of foreign operations	匯兌儲備: 換算海外業務所產生之匯兌差額	-	-	-	-	-	7,350	-	-	-	-	-	7,350	-	7,350
Total comprehensive income/ (loss) for the year	本年度全面收益/(虧損)總額	-	-	-	-	-	30,466	-	(509)	(2,210)	-	(115,581)	(87,834)	(1,587)	(89,421)
Forfeiture of share options	購股權沒收	-	-	-	-	(51)	-	-	-	-	-	51	-	-	-
Share of other reserves of an associate	分佔一間聯營公司之其他儲備	-	-	-	-	-	-	-	(9,453)	-	-	-	(9,453)	-	(9,453)
Capital contribution from a non-controlling shareholder of a subsidiary	來自一間附屬公司之非控股股東注資	-	-	-	-	-	-	-	-	-	-	-	-	1,176	1,176
At 31 March 2018	於二零一八年三月三十一日	12,651	2,116,420*	(27,150)*	275,693*	332*	3,200*	359*	1,501*	1,433*	28,014*	142,051*	2,554,504	5,521	2,560,025



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔																
		Issued capital	Share premium	Special reserve	Contributed surplus	Share option reserve	Translation reserve	Reserve funds	Other reserve	Available-for-sale investment revaluation reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Asset revaluation reserve	Retained profits/ (accumulated losses)	Non-controlling interests	Total equity		
		已發行股本	股份溢價	特別儲備	實繳盈餘	購股權儲備	匯兌儲備	儲備基金	其他儲備	可供出售投資重估儲備	(可供) 公平值儲備	(不可重轉) 公平值儲備	資產重估儲備	保留溢利/ (累計虧損)	總計	非控股權益	總權益	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		Notes	(note 29)	(note 31(i))	(note 31(ii))			(note 31(iv))	(note 31(iii))									
		附註	(附註 29)	(附註 31(i))	(附註 31(ii))			(附註 31(iv))	(附註 31(iii))									
At 31 March 2018	於二零一八年三月三十一日		12,651	2,116,420	(27,150)	275,693	332	3,200	359	1,501	1,433	-	-	28,014	142,051	2,554,504	5,521	2,560,025
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	2.2(b)	-	-	-	-	-	-	-	-	(1,433)	179,080	49,049	-	(237,103)	(10,407)	(8)	(10,415)
Effect of adoption of HKFRS 15	採納香港財務報告準則第15號的影響	2.2(c)	-	-	-	-	-	-	-	-	-	-	-	(1,998)	(1,998)	(4)	(2,002)	
At 1 April 2018 (restated)	於二零一八年四月一日 (經重列)		12,651	2,116,420	(27,150)	275,693	332	3,200	359	1,501	-	179,080	49,049	28,014	(97,050)	2,542,099	5,509	2,547,608
Profit/(loss) for the year	本年度溢利/(虧損)		-	-	-	-	-	-	-	-	-	-	-	74,627	74,627	(381)	74,246	
Other comprehensive income/(loss) for the year:	本年度其他全面收益/(虧損):																	
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產:																	
Changes in fair value, net of tax	公平值變動, 扣除稅項		-	-	-	-	-	-	-	-	-	(3,198)	(35,775)	-	-	(38,973)	-	(38,973)
Reversal of impairment losses of financial assets	財務資產減值撥回		-	-	-	-	-	-	-	-	-	(80,353)	-	-	(80,353)	-	(80,353)	
Share of other comprehensive income/(loss) of associates	分佔聯營公司之其他全面收益/(虧損)		-	-	-	-	(27,435)	-	518	-	-	(4,240)	-	-	(31,157)	-	(31,157)	
Translation reserve:	匯兌儲備:																	
Exchange differences on translation of foreign operations	換算海外業務所產生之匯兌差額		-	-	-	-	(12,169)	-	-	-	-	-	-	-	(12,169)	(1,157)	(13,326)	
Total comprehensive income/(loss) for the year	本年度全面收益/(虧損) 總額		-	-	-	-	(39,604)	-	518	-	(83,551)	(40,015)	-	74,627	(88,025)	(1,538)	(89,563)	
Shares repurchased and cancelled	購回及註銷之股份		(335)	(9,621)	-	-	-	-	-	-	-	-	-	-	(9,956)	-	(9,956)	
Forfeiture and expiration of share options	購股權沒收及屆滿		-	-	-	(246)	-	-	-	-	-	-	-	246	-	-	-	
At 31 March 2019	於二零一九年三月三十一日		12,316	2,106,799*	(27,150)*	275,693*	86*	(36,404)*	359*	2,019*	-*	95,529*	9,034*	28,014*	(22,177)*	2,444,118	3,971	2,448,089

\* These reserve accounts comprise the consolidated reserves of HK\$2,431,802,000 (2018: HK\$2,541,853,000) in the consolidated statement of financial position.

\* 該等儲備賬目包括綜合財務狀況表中的綜合儲備2,431,802,000港元(二零一八年: 2,541,853,000港元)。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營業務所得現金流量</b>		
Profit/(loss) before tax	除稅前溢利/(虧損)	<b>81,694</b>	(114,887)
Adjustments for:	已調整以下各項：		
Finance costs	融資成本	7 <b>28,553</b>	18,926
Fair value (gains)/losses on financial assets at fair value through profit or loss, net	按公平值經損益表入賬之財務資產之公平值(收益)/虧損，淨額	<b>(593)</b>	17,800
Fair value gains on investment properties, net	投資物業之公平值收益，淨額	14 <b>(17,445)</b>	(23,356)
Accrued rent-free rental income	應計免租租金收入	14 <b>357</b>	(644)
Share of profits and losses of associates	分佔聯營公司損益	<b>(46,387)</b>	94,633
Dividends from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss	來自按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產之股息	5 <b>(3,145)</b>	(3,353)
Interest income on a loan receivable from an associate	應收一間聯營公司貸款之利息收入	5 <b>(4,203)</b>	(6,464)
Interest income on financial assets at fair value through other comprehensive income/available-for-sale investments	按公平值經其他全面收益入賬之財務資產及可供出售投資之利息收入	5 <b>(90,179)</b>	(99,143)
Interest income on financial assets at fair value through profit or loss	按公平值經損益表入賬之財務資產之利息收入	5 <b>(349)</b>	-
Interest income on bank deposits	銀行存款之利息收入	5 <b>(1,208)</b>	(1,028)
Allowance for obsolete inventories	陳舊存貨撥備	6 <b>9,454</b>	4,840
Gain on early repayment of a debt investment at fair value through other comprehensive income	提早償還按公平值經其他全面收益入賬之債務投資之收益	5 <b>(1,179)</b>	-
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	6 <b>4</b>	-
Depreciation	折舊	13 <b>51,323</b>	46,813
Impairment losses/(reversal of impairment losses) on financial assets, net	財務資產減值虧損/(減值虧損撥回)，淨額	6 <b>(82,767)</b>	2,327
Impairment of goodwill	商譽減值	15 <b>7,700</b>	7,635
Impairment losses/(reversal of impairment losses) of items of property, plant and equipment	物業、廠房及設備項目減值虧損/(減值虧損撥回)	13 <b>(1,495)</b>	11,535
		<b>(69,865)</b>	(44,366)
Decrease/(increase) in inventories	存貨減少/(增加)	<b>12,213</b>	(18,303)
Decrease/(increase) in trade and bills receivables	貿易應收款項及應收票據減少/(增加)	<b>17,482</b>	(17,970)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少/(增加)	<b>40,289</b>	(10,678)
Decrease in trade payables	貿易應付款項減少	<b>(24,694)</b>	(1,456)
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	<b>(2,419)</b>	12,961
Cash used in operations	經營所用現金	<b>(26,994)</b>	(79,812)
Interest received on bank deposits	銀行存款之已收利息	<b>1,208</b>	1,028
Hong Kong profits tax refunded/(paid)	已退還/(已付)香港利得稅	<b>(847)</b>	2,053
Net cash flows used in operating activities	經營業務所用之現金流量淨額	<b>(26,633)</b>	(76,731)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 March 2019 截至二零一九年三月三十一日止年度

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動所得現金流量</b>		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(15,400)	(28,576)
Purchase of financial assets at fair value through profit or loss	購買按公平值經損益表入賬之財務資產	(18,786)	–
Purchase of financial assets at fair value through other comprehensive income/an available-for-sale investment	購買按公平值經其他全面收益入賬之財務資產／一項可供出售投資	(163,146)	(2,029)
Proceeds from redemption of a debt investment at fair value through other comprehensive income	贖回按公平值經其他全面收益入賬之債務投資所得款項	220,000	–
Investments in associates	於聯營公司之投資	(17,540)	–
Decrease/(increase) in a loan receivable	應收貸款減少／(增加)	100,000	(20,000)
Interest received from a loan receivable and debt investments	來自一項應收貸款及債務投資之已收利息	101,018	100,611
Dividends received from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss	來自按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產之已收股息	3,145	3,353
Dividends received from associates	已收聯營公司股息	1,054	–
Acquisitions of subsidiaries that are not a business, net	收購非業務性質之附屬公司，淨額	(311,662)	–
Deposits paid for acquisition of items of property, plant and equipment	收購物業、廠房及設備項目之已付按金	(1,570)	(35,000)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值經損益表入賬之財務資產所得款項	–	4,910
Net cash flows from/(used in) investing activities	投資活動所得／(所用)現金流量淨額	(102,887)	23,269
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金流量</b>		
Shares repurchase	股份購回	(9,956)	–
Capital contribution from a non-controlling shareholder of a subsidiary	來自一間附屬公司之非控股股東注資	–	1,176
New bank borrowings	新增銀行借貸	190,000	480,000
Repayments of bank borrowings	償還銀行借貸	(264,790)	(312,290)
Interest paid	已付利息	(28,553)	(18,926)
Net cash flows from/(used in) financing activities	融資活動所得／(所用)現金流量淨額	(113,299)	149,960
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目增加／(減少)淨額</b>	<b>(242,819)</b>	96,498
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	420,849	323,695
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	(6,821)	656
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年終之現金及現金等值項目</b>	<b>171,209</b>	420,849
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目之結餘分析</b>		
Bank balances and cash	銀行結餘及現金	171,209	420,849

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 1. Corporate and Group Information

Wai Yuen Tong Medicine Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its head office and principal place of business are both located at Suite 3101, 31/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- production and sale of Chinese pharmaceutical and health food products
- production and sale of Western pharmaceutical and health food products
- property investment

In the opinion of the directors of the Company, the immediate holding company of the Company is Rich Time Strategy Limited, which is incorporated in the British Virgin Islands, and the ultimate holding company of the Company is Wang On Group Limited (“Wang On”), which is incorporated in Bermuda and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### 1. 公司及集團資料

位元堂藥業控股有限公司(「本公司」)為一間於百慕達註冊成立之獲豁免有限公司，其總辦事處及主要營業地點均位於為香港九龍九龍灣宏光道39號宏天廣場31樓3101室。

於年內，本公司及其附屬公司(統稱「本集團」)主要涉及下列業務：

- 生產及銷售中藥及保健食品產品
- 生產及銷售西藥及保健食品產品
- 物業投資

本公司董事認為，本公司之直接控股公司為Rich Time Strategy Limited，其於英屬處女群島註冊成立。本公司之最終控股公司為宏安集團有限公司(「宏安」)，其於百慕達註冊成立，並於香港聯合交易所有限公司(「聯交所」)主板上市。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 1. Corporate and Group Information (continued)

#### Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

### 1. 公司及集團資料(續)

#### 附屬公司之資料

本公司主要附屬公司之詳情如下：

Name 公司名稱	Place of incorporation and business 註冊成立及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比				Principal activities 主要業務
			Direct 直接		Indirect 間接		
			2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
Asia Brighter Investment Limited 益暉投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment 物業投資
Able Trend Limited	British Virgin Islands/ Hong Kong 英屬處女群島/ 香港	Ordinary US\$1 普通股 1 美元	-	-	100%	100%	Treasury management 財資管理
Billion Good Investment Limited 維富投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	99.79%	99.79%	Property holding 物業持有
Cloud Hero Limited	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Provision of financial service 提供金融服務
Full Gainer Investment Limited 卓怡投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property holding 物業持有
Grand Quality Development Limited 廣均發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	100%	100%	Property holding 物業持有
Good Excellent Limited 港威龍有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property holding 物業持有
Info World Investment Limited 裕訊投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment 物業投資
Luxembourg Medicine Company Limited 盧森堡大藥廠有限公司	Hong Kong 香港	Ordinary HK\$933,313 普通股 933,313 港元	-	-	99.79%	99.79%	Production and sale of Western pharmaceutical and health food products 製造及銷售西藥及 保健食品產品
Oriental Sino Investments Limited ("Oriental Sino") 東華投資有限公司(「東華」)	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	100%	-	Property holding 物業持有
Precious Investments Limited ("Precious Investments")	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	-	Property holding 物業持有



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 1. Corporate and Group Information (continued)

#### Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows:  
(continued)

### 1. 公司及集團資料(續)

#### 附屬公司之資料(續)

本公司主要附屬公司之詳情如下：  
(續)

Name 公司名稱	Place of incorporation and business 註冊成立及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比				Principal activities 主要業務
			Direct 直接		Indirect 間接		
			2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
Richest Ever Limited 俊富有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	99.79%	99.79%	Trading of Chinese pharmaceutical and health food products 買賣中藥及保健食品產品
Shiny World Investment Limited ("Shiny World") 光暉投資有限公司(「光暉」)	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	-	Property investment 物業投資
Sky Success Limited 悅生有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment and holding 物業投資及持有
Sino Fame Investments Limited 信洋投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment 物業投資
Star Sense Limited 昇迅有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property holding 物業持有
Sunbo Investment Limited 森寶投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment 物業投資
Topmate Investment Limited 德美投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property holding 物業持有
Total Smart Investments Limited	British Virgin Islands 英屬處女群島	Ordinary US\$1 普通股 1 美元	100%	100%	-	-	Investment holding 投資控股
Union Target Limited ("Union Target") 越通有限公司(「越通」)	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property investment 物業投資
Wai Yuen Tong Company Limited 位元堂有限公司	Hong Kong 香港	Ordinary HK\$1 普通股 1 港元	-	-	100%	100%	Property holding 物業持有
Wai Yuen Tong (Macao) Limited 位元堂(澳門)有限公司	Macao 澳門	Ordinary Macau Pataca 25,000 普通股 25,000 澳門元	-	-	99.79%	99.79%	Retail sale of Chinese pharmaceutical and health food products 零售中藥及保健食品產品

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 1. Corporate and Group Information (continued)

#### Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows:  
(continued)

### 1. 公司及集團資料(續)

#### 附屬公司之資料(續)

本公司主要附屬公司之詳情如下：  
(續)

Name 公司名稱	Place of incorporation and business 註冊成立及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比				Principal activities 主要業務
			Direct 直接		Indirect 間接		
			2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
Wai Yuen Tong (Retail) Limited 位元堂(零售)有限公司	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	99.79%	99.79%	Retail sale of Chinese pharmaceutical and health food products 零售中藥及保健食品產品
Wai Yuen Tong Medicine Company Limited (*WYT Medicine Company) 位元堂藥廠有限公司 (「位元堂藥廠」)	Hong Kong 香港	Ordinary HK\$13,417,374 Non-voting deferred shares* HK\$17,373,750 普通股 13,417,374 港元 無投票權 遞延股份* 17,373,750 港元	-	-	99.79%	99.79%	Production and sale of Chinese pharmaceutical and health food products 製造及銷售中藥及 保健食品產品
Wang To Investments Limited (*Wang To)	Hong Kong 香港	Ordinary HK\$2 普通股 2 港元	-	-	100%	-	Property investment 物業投資
深圳市延養堂醫藥有限公司*	People's Republic of China (the "PRC")/ Mainland China 中華人民共和國 (「中國」)/中國 內地	Registered capital Renminbi ("RMB") 102,000,000 註冊股本人民幣 (「人民幣」) 102,000,000 元	-	-	99.79%	99.79%	Retail sale and wholesale of Chinese pharmaceutical and health food products 零售及批發中藥及 保健食品產品
冠尊(深圳)商貿發展有限公司*	The PRC/ Mainland China 中國/ 中國內地	Registered capital HK\$100,000,000 註冊資本 100,000,000 港元	-	-	100%	100%	Property holding 物業持有

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 1. Corporate and Group Information (continued)

#### Information about subsidiaries (continued)

\* The non-voting deferred shares carry no voting rights nor rights to dividends. On the wind-up of WYT Medicine Company, holders of the non-voting deferred shares have a right to repayment in proportion to the amounts paid up on all ordinary and deferred shares after the first HK\$1,000,000,000,000 thereof has been distributed among the holders of the ordinary shares.

# A wholly-foreign-owned enterprise under PRC law.

Details of the subsidiaries acquired during the year are summarised in note 32 to the financial statements.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

#### 2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, debt investments and equity investments which have been measured at fair value. Assets classified as held for sale are stated at the lower of their carrying amount and fair value less costs to sell as further explained in note 2.4 to the financial statements.

These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

### 1. 公司及集團資料(續)

#### 附屬公司之資料(續)

\* 無投票權遞延股份無權投票或收取股息。於位元堂藥廠清盤時，向普通股持有人分派有關之首筆1,000,000,000,000港元後，無投票權遞延股份持有人有權按所有普通股及遞延股份之實繳股款比例獲得退還款項。

# 中國法律下的外商獨資企業。

年內收購之附屬公司詳情於財務報表附註32概述。

上表載列本公司董事認為主要影響本集團之年度業績或佔資產淨值重大部分之本公司附屬公司。本公司董事認為列出其他附屬公司之詳情會令篇幅過於冗長。

#### 2.1 編製基準

該等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。綜合財務報表按歷史成本基準編製，惟若干投資物業、債務投資及股權投資以公平值計量除外。分類為持作出售之資產乃按賬面值與公平值減出售成本兩者中之較低者列賬，誠如財務報表附註2.4進一步詳述。

該等財務報表以港元(「港元」)呈列，除另有註明者外，所有數值均取整計至千數。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.1 Basis of Preparation (continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 2.1 編製基準(續)

#### 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一九年三月三十一日止年度之財務報表。附屬公司指受本公司直接或間接控制的實體(包括結構性實體)。倘本集團透過參與被投資方業務而享有或有權取得被投資方的可變回報，且有能力對被投資方行使權力影響有關回報，則本集團擁有該實體的控制權(即現時賦予本集團指導被投資方相關活動的現有權利)。

倘本公司直接或間接擁有被投資方的投票權或類似權利不及大半，本集團評估對被投資方是否擁有權力時，本集團會考慮所有相關事實及情況，包括：

- (a) 與該被投資方其他投票權擁有人的合約安排；
- (b) 根據其他合約安排所享有的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的財務報表乃就本公司之相同報告期使用貫徹一致之會計政策編製。附屬公司之業績乃由本集團獲取控制權之日開始作綜合計算，並繼續綜合入賬直至失去有關控制權之日為止。

損益及其他全面收益之各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益錄得虧損結餘。關於本集團內成員公司間所有交易之資產及負債、權益、收益、開支及現金流量將會在綜合計算賬目時全數對銷。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.1 Basis of Preparation (continued)

#### Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 Changes in Accounting Policies and Disclosures

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Annual Improvements 2014–2016 Cycle	Amendments to HKFRS 1 and HKAS 28

### 2.1 編製基準(續)

#### 綜合基準(續)

倘有事實及情況顯示上述三項控制因素中有一項或多項因素出現變動，本集團會對是否擁有投資對象的控制權作出重新評估。附屬公司之擁有權權益變動(並無喪失控制權)會被視為股本交易入賬。

倘本集團失去對附屬公司之控制權，則終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)於權益內記錄之累計換算差額；及確認(i)已收代價之公平值；(ii)所保留任何投資之公平值；及(iii)損益表中任何因此產生之盈餘或虧損。先前於其他全面收益內確認之本集團應佔部分按倘本集團已直接出售相關資產或負債時須遵守的相同基準，重新分類至損益或保留盈利(視乎情況而定)。

### 2.2 會計政策之變動及披露資料

集團已於本年度財務報表首次採納下列新訂及經修訂香港財務報告準則。

香港財務報告準則第2號之修訂	分類及計量以股份為基礎的付款交易
香港財務報告準則第4號之修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收入
香港財務報告準則第15號之修訂	釐清香港財務報告準則第15號來自客戶合約之收入
香港會計準則第40號之修訂	投資物業轉讓
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及墊款代價
二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

Except for the amendments to HKFRS 4 and *Annual Improvements 2014–2016 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

- (a) Amendments to HKFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet an employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The amendments have had no impact on the financial position or performance of the Group as the Group does not have any cash-settled share-based payment transactions and has no share-based payment transactions with net settlement features for withholding tax.

### 2.2 會計政策之變動及披露資料 (續)

除香港財務報告準則第4號之修訂及二零一四年至二零一六年週期之年度改進(與編製本集團之財務報表並無關連)外,新訂及經修訂香港財務報告準則之性質及影響披露如下:

- (a) 香港財務報告準則第2號之修訂闡述三大範疇: 歸屬條件對計量以現金結算以股份為基礎的付款交易的影響; 為僱員履行與以股份為基礎付款相關之稅務責任而預扣若干金額以股份為基礎之付款交易(附有淨額結算特質)的分類; 以及修改以股份為基礎的付款交易的條款及條件令其分類由現金結算改為權益結算時之會計處理方法。該等修訂釐清計量以權益結算以股份為基礎付款時歸屬條件的入賬方法亦適用於以現金結算以股份為基礎付款。該等修訂引入一個例外情況, 致使當符合若干條件時, 為僱員履行稅務責任而預扣若干金額以股份為基礎之付款交易(附有淨額結算特質), 將整項分類為以權益結算以股份為基礎的付款交易。再者, 該等修訂釐清, 倘以現金結算以股份為基礎的付款交易的條款及條件有所修改, 令其成為以權益結算以股份為基礎的付款交易, 則該交易自修改日期起作為以權益結算的交易入賬。該等修訂對本集團的財務狀況或表現並無任何影響, 因為本集團並無任何以現金結算以股份為基礎的付款交易, 亦無任何就預扣稅附有淨額結算特質的以股份為基礎的付款交易。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

- (b) HKFRS 9 *Financial Instruments* replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Group has recognised the transition adjustments against the applicable opening balances in equity at 1 April 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

#### Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the consolidated statement of financial position, including the effect of replacing HKAS 39's incurred credit loss calculations with HKFRS 9's expected credit losses ("ECLs").

### 2.2 會計政策之變動及披露資料 (續)

- (b) 香港財務報告準則第9號金融工具於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號金融工具：確認及計量，匯集金融工具會計處理的三大方面：分類及計量、減值及對沖會計處理。

本集團已於二零一八年四月一日在適用之權益期初結餘確認過渡調整。因此，比較資料並無重列且將繼續根據香港會計準則第39號呈報。

#### 分類及計量

以下資料載列採納香港財務報告準則第9號對綜合財務狀況表的影響，包括以香港財務報告準則第9號的預期信貸虧損（「預期信貸虧損」）取代香港會計準則第39號的已產生信貸虧損計算的影響。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(b) (continued)

#### Classification and measurement (continued)

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 April 2018 is as follows:

		HKAS 39 measurement 香港會計準則 第39號計量					HKFRS 9 measurement 香港財務報告準則 第9號計量		
		Category	Amount	Re- classification	ECL 預期 信貸虧損	Other	Change in fair value	Amount	Category
	Notes 附註	類別	金額 HK\$'000 千港元	重新分類 HK\$'000 千港元	信貸虧損 HK\$'000 千港元	其他 HK\$'000 千港元	公平值變動 HK\$'000 千港元	金額 HK\$'000 千港元	類別
<b>Financial assets</b>		<b>財務資產</b>							
Available-for-sale investments		可供出售投資	AFS <sup>2</sup> 911,591	(911,591)	-	-	-	-	N/A 不適用
To: Debt investments at fair value through other comprehensive income	(i)	撥入：按公平值經其他全面收益入賬之債務投資		(911,591)	-	-	-		
Financial assets at fair value through other comprehensive income		按公平值經其他全面收益入賬之財務資產							
— Equity investments		— 股權投資	N/A 不適用	125,683	-	-	-	125,683	FVOCI <sup>1</sup> (equity) (權益)
— Debt investments		— 債務投資	N/A 不適用	911,591	(182,134)	-	182,134	911,591	(debt) (債務)
From: Financial assets at fair value through profit or loss	(ii)	撥出：按公平值經損益表入賬之財務資產		125,683	-	-	-		
From: Available-for-sale investments	(i)	撥出：可供出售投資		911,591	-	-	-		
Financial assets at fair value through profit or loss		按公平值經損益表入賬之財務資產	FVPL <sup>5</sup> 127,593	(125,683)	-	-	-	1,910	FVPL (mandatory) (強制性)
To: Financial assets at fair value through other comprehensive income	(ii)	撥入：按公平值經其他全面收益入賬之財務資產		(125,683)	-	-	-		
Trade and bills receivables		貿易應收款項及應收票據	L&R <sup>3</sup> 111,433	-	(3,581)	-	-	107,852	AC <sup>4</sup>
Loan and interests receivables		應收貸款及利息	L&R 134,087	-	(6,603)	-	-	127,484	AC
Financial assets included in prepayments, deposits and other receivables		計入預付款項、按金及其他應收款項之財務資產	L&R 43,903	-	-	-	-	43,903	AC
Bank balances and cash		銀行結餘及現金	L&R 420,849	-	-	-	-	420,849	AC
			1,749,456	-	(192,318)	-	182,134	1,739,272	
<b>Other assets</b>		<b>其他資產</b>							
Investments in associates		於聯營公司之投資	298,148	-	-	(280)	-	297,868	
Deferred tax assets		遞延稅項資產	13,196	-	-	49	-	13,245	
			311,344	-	-	(231)	-	311,113	
<b>Total</b>		<b>總計</b>	2,060,800	-	(192,318)	(231)	182,134	2,050,385	
<b>Financial liabilities</b>		<b>財務負債</b>							
Trade payables		貿易應付款項	AC 60,177	-	-	-	-	60,177	AC
Financial liabilities included in other payables and accruals		計入其他應付款項及應計費用之財務負債	AC 87,835	-	-	-	-	87,835	AC
Interest-bearing bank borrowings		計息銀行借貸	AC 927,017	-	-	-	-	927,017	AC
<b>Total</b>		<b>總計</b>	1,075,029	-	-	-	-	1,075,029	

### 2.2 會計政策之變動及披露資料 (續)

(b) (續)

#### 分類及計量(續)

於二零一八年四月一日根據香港會計準則第39號的賬面值與根據香港財務報告準則第9號列報的結餘的對賬如下：

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

## 2.2 Changes in Accounting Policies and Disclosures (continued)

### (b) (continued)

#### Classification and measurement (continued)

- <sup>1</sup> FVOCI: Financial assets at fair value through other comprehensive income
- <sup>2</sup> AFS: Available-for-sale investments
- <sup>3</sup> L&R: Loans and receivables
- <sup>4</sup> AC: Financial assets or financial liabilities at amortised cost
- <sup>5</sup> FVPL: Financial assets at fair value through profit or loss

Notes:

- (i) As of 1 April 2018, the Group has assessed its liquidity portfolio of debt investments which had previously been classified as available-for-sale investments. The objective of the Group in holding this liquidity portfolio is to earn interest income and, at the same time, manage everyday liquidity needs. The Group concluded that these debt investments are managed within a business model to collect contractual cash flows and to sell the financial assets. Accordingly, the Group has classified these investments as debt investments measured at fair value through other comprehensive income.
- (ii) The Group has elected the option to irrevocably designate certain of its previous equity investments at fair value through profit or loss as equity investments at fair value through other comprehensive income as these instruments meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The fair value losses on these instruments during the year ended 31 March 2019, that would have been recorded in profit or loss had these instruments continued to be revalued through profit or loss, would have been HK\$39,489,000.

## 2.2 會計政策之變動及披露資料 (續)

### (b) (續)

#### 分類及計量(續)

- <sup>1</sup> FVOCI: 按公平值經其他全面收益入賬之財務資產
- <sup>2</sup> AFS: 可供出售投資
- <sup>3</sup> L&R: 貸款及應收款項
- <sup>4</sup> AC: 按攤銷成本計量之財務資產或財務負債
- <sup>5</sup> FVPL: 按公平值經損益表入賬之財務資產

附註：

- (i) 截至二零一八年四月一日，本集團已評估其先前分類為可供出售投資的債務投資流動資金組合。本集團持有此流動資金組合的目的為賺取利息收入，同時管理日常流動資金需求。本集團的結論為該等債務投資在業務模式下進行管理，以收取合約現金流量並出售財務資產。因此，本集團已將該等投資分類為按公平值經其他全面收益入賬之債務投資。
- (ii) 本集團已選擇不可撤銷地將其若干先前按公平值經損益表入賬之股權投資指定為按公平值經其他綜合收益入賬之股權投資，原因為該等工具符合香港會計準則第32號 *金融工具：呈列* 且並非持作買賣。倘該等工具繼續經損益重新估值，則記入損益，該等工具截至二零一九年三月三十一日止年度的公平值虧損將為39,489,000港元。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(b) (continued)

#### Impairment

The following table reconciles the aggregate opening impairment allowances under HKAS 39 to the ECL allowances under HKFRS 9. Further details are disclosed in notes 17, 19 and 20 to the financial statements.

### 2.2 會計政策之變動及披露資料 (續)

(b) (續)

#### 減值

下表為香港會計準則第39號項下的期初減值撥備總額與香港財務報告準則第9號項下的預期信貸虧損撥備的對賬。進一步詳情於財務報表附註17、19及20披露。

	Impairment allowances under HKAS 39 at 31 March 2018	Re-measurement	ECL allowances under HKFRS 9 at 1 April 2018
	於二零一八年三月三十一日根據香港會計準則第39號之減值撥備	重新計量	於二零一八年四月一日根據香港財務報告準則第9號之預期信貸虧損撥備
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Available-for-sale investments under HKAS 39/debt investments at fair value through other comprehensive income under HKFRS 9	–	182,134	182,134
Trade and bills receivables	1,663	3,581	5,244
Loan and interests receivables	–	6,603	6,603
	1,663	192,318	193,981

As a result of an additional impairment of HK\$182,134,000 against the debt investments at fair value through other comprehensive income upon the adoption of HKFRS 9, there was a corresponding increase in fair value recognised on these debt investments as at 1 April 2018.

由於採納香港財務報告準則第9號後按公平值經其他全面收益入賬之債務投資額外減值182,134,000港元，故於二零一八年四月一日就該等債務投資確認之公平值相應增加。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(b) (continued)

#### Impact on reserves and retained profits

The impact of transition to HKFRS 9 on reserves and retained profits/(accumulated losses) are as follows:

		Available-for-sale investment revaluation reserve 可供出售投資重估儲備 HK\$'000 千港元	Fair value reserve (non-recycling) 公平值儲備(不可劃轉) HK\$'000 千港元	Fair value reserve (recycling) 公平值儲備(可劃轉) HK\$'000 千港元	Retained profits/(accumulated losses) 保留溢利/(累計虧損) HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元
Balance as at 31 March 2018 under HKAS 39	香港會計準則第39號項下於二零一八年三月三十一日的結餘	1,433	-	-	142,051	5,521
Reclassification of debt investments from available-for-sale investments to financial assets at fair value through other comprehensive income	將債務投資自可供出售投資重新分類至按公平值經其他全面收益入賬之財務資產	3,054	-	(3,054)	-	-
Reclassification of equity investments from financial assets at fair value through profit or loss to financial assets at fair value through other comprehensive income, net of tax	將股權投資自按公平值經損益表入賬之財務資產重新分類至按公平值經其他全面收益入賬之財務資產，扣除稅項	-	47,910	-	(47,910)	-
Effects relating to investments in associates	與於聯營公司之投資有關的影響					
— Reclassification of equity investments from available-for-sale investments to financial assets at fair value through other comprehensive income	— 將股權投資自可供出售投資重新分類至按公平值經其他全面收益入賬之財務資產	(4,487)	4,487	-	-	-
— Reversal of the impairment losses under HKAS 39 for equity investments designated at fair value through other comprehensive income previously classified as available-for-sale investments	— 就過往指定按公平值經其他全面收益入賬之股權投資撥回香港會計準則第39號項下之減值虧損	-	(5,358)	-	5,358	-
— Reclassification of equity investments from financial assets at fair value through profit or loss to financial assets at fair value through other comprehensive income	— 將股權投資自按公平值經損益表入賬之財務資產重新分類至按公平值經其他全面收益入賬之財務資產	-	2,010	-	(2,010)	-
— Recognition of expected credit losses for loan and interest receivables under HKFRS 9	— 香港財務報告準則第9號項下就應收貸款及利息確認預期信貸虧損	-	-	-	(280)	-
Recognition of expected credit losses for loan and interests receivables under HKFRS 9	香港財務報告準則第9號項下就應收貸款及利息確認預期信貸虧損	-	-	-	(6,603)	-
Recognition of expected credit losses for trade and bills receivables under HKFRS 9	香港財務報告準則第9號項下就貿易應收款項及應收票據確認預期信貸虧損	-	-	-	(3,573)	(8)
Recognition of expected credit losses for debt investments at fair value through other comprehensive income under HKFRS 9	香港財務報告準則第9號項下就按公平值經其他全面收益入賬之債務投資確認預期信貸虧損	-	-	182,134	(182,134)	-
Deferred tax in relation to the above	與上述各項有關之遞延稅項	-	-	-	49	-
Balance as at 1 April 2018 under HKFRS 9	香港財務報告準則第9號於二零一八年四月一日的結餘	-	49,049	179,080	(95,052)	5,513

### 2.2 會計政策之變動及披露資料 (續)

(b) (續)

#### 對儲備及保留溢利的影響

過渡至香港財務報告準則第9號對儲備及保留溢利/(累計虧損)的影響如下：

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

- (c) HKFRS 15 and its amendments replace HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 5 to the financial statements. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.4 to the financial statements.

The Group has adopted HKFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 April 2018.

The cumulative effect of the initial application of HKFRS 15 was recognised as an adjustment to the opening balance of retained profits as at 1 April 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 11, HKAS 18 and related interpretations.

### 2.2 會計政策之變動及披露資料 (續)

- (c) 香港財務報告準則第15號及其修訂本取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋，適用於所有因客戶合約而產生的收益（少數例外情況除外）。香港財務報告準則第15號建立一個新的五步模式，以對客戶合約產生之收益進行列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量和確認收益提供一個更加結構化的方法。該準則亦引入廣泛的定性和定量披露規定，包括分拆總收益，關於履行責任、不同期間的合約資產和負債賬目結餘的變動以及主要判斷和估計的資料。該等披露載於財務報表附註5。由於應用香港財務報告準則第15號，本集團已就收入確認改變財務報表附註2.4之會計政策。

本集團透過採納修改後的追溯調整法採納香港財務報告準則第15號。根據此方法，準則可在初步應用當日應用於所有合約或僅應用於當日尚未完成之合約。本集團已選擇對於二零一八年四月一日未完成之合約應用準則。

首次應用香港財務報告準則第15號的累計影響已確認為對保留盈利期初結餘的調整。因此，比較資料未經重列，惟繼續根據香港會計準則第11號、香港會計準則第18號及相關詮釋予以呈列。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(c) (continued)

Set out below are the amounts by which each financial statement line item was affected as at 1 April 2018 as a result of the adoption of HKFRS 15:

			Increase/ (decrease) 增加/ (減少)
		Notes 附註	HK\$'000 千港元
<b>Assets</b>		<b>資產</b>	
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(i)	4,978
			4,978
<b>Liabilities</b>		<b>負債</b>	
Other payables and accruals	其他應付款項及應計費用	(i), (ii)	6,980
			6,980
<b>Equity</b>		<b>權益</b>	
Retained profits	保留溢利	(i), (iii)	(1,998)
Non-controlling interests	非控股權益	(iii)	(4)
			(2,002)

Set out below are the amounts by which each financial statement line item was affected as at 31 March 2019 and for the year ended 31 March 2019 as a result of the adoption of HKFRS 15. The adoption of HKFRS 15 has had no impact on other comprehensive income or on the Group's operating, investing and financing cash flows. The first column shows the amounts recorded under HKFRS 15 and the second column shows what the amounts would have been had HKFRS 15 not been adopted:

### 2.2 會計政策之變動及披露資料 (續)

(c) (續)

下表載列各財務報表項目於二零一八年四月一日因採納香港財務報告準則第15號而受影響的金額：

下表載列各財務報表項目於二零一九年三月三十一日及截至二零一九年三月三十一日止年度因採納香港財務報告準則第15號而受影響的金額。採納香港財務報告準則第15號對其他全面收益或本集團的經營、投資及融資現金流量並無影響。第一欄顯示根據香港財務報告準則第15號入賬的金額，第二欄顯示未採納香港財務報告準則第15號的金額：

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(c) (continued)

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2019:

### 2.2 會計政策之變動及披露資料 (續)

(c) (續)

截至二零一九年三月三十一日止年度的綜合損益及其他全面收益表：

		Amounts prepared under 根據以下準則編製之金額			
		Notes 附註	HKFRS 15 香港財務 報告準則 第15號 HK\$'000 千港元	Previous HKFRS 先前 香港財務 報告準則 HK\$'000 千港元	Increase/ (decrease) 增加/ (減少) HK\$'000 千港元
Revenue	收益	(i)	751,443	750,552	891
Cost of sales	銷售成本	(i)	(449,915)	(448,335)	1,580
Gross profit	毛利		301,528	302,217	(689)
Profit before tax	除稅前溢利		81,694	82,383	(689)
Income tax expense	所得稅開支	(iii)	(7,448)	(7,448)	-
Profit for the year	本年度溢利		74,246	74,935	(689)
Profit for the year attributable to:	以下人士應佔溢利：				
Owners of the parent	母公司擁有人		74,627	75,314	(687)
Non-controlling interests	非控股權益	(iii)	(381)	(379)	(2)
Earnings per share attributable to ordinary equity holders of the parent	母公司普通權益持有人應佔每股盈利				
Basic	基本				
— For profit for the year	— 本年度溢利		HK5.98 cents 5.98港仙	HK6.03 cents 6.03港仙	(HK0.05 cents) (0.05港仙)
Diluted	攤薄				
— For profit for the year	— 本年度溢利		HK5.98 cents 5.98港仙	HK6.03 cents 6.03港仙	(HK0.05 cents) (0.05港仙)

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

(c) (continued)

Consolidated statement of financial position as at 31 March 2019:

### 2.2 會計政策之變動及披露資料 (續)

(c) (續)

於二零一九年三月三十一日的  
綜合財務狀況表：

		Amounts prepared under 根據以下準則編製之金額			
		HKFRS 15 香港財務 報告準則 第15號	Previous HKFRS 先前 香港財務 報告準則	Increase/ (decrease) 增加/ (減少)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
		Notes 附註			
<b>Assets</b>	<b>資產</b>				
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	(i)	68,000	64,602	3,398
			68,000	64,602	3,398
<b>Liabilities</b>	<b>負債</b>				
Other payables and accruals	其他應付款項及 應計費用	(i), (ii)	109,722	103,633	6,089
			109,722	103,633	6,089
<b>Equity</b>	<b>權益</b>				
Accumulated losses	累計虧損	(i), (iii)	(22,177)	(19,492)	(2,685)
Non-controlling interests	非控股權益	(iii)	3,971	3,977	(6)
			(18,206)	(15,515)	(2,691)



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

#### (c) (continued)

The nature of the adjustments as at 1 April 2018 and the reasons for the significant changes in the statement of financial position as at 31 March 2019 and the statement of profit or loss and other comprehensive income for the year ended 31 March 2019 are described below:

#### (i) **Sale of Chinese and Western pharmaceutical and health food products with variable consideration**

Some contracts for the sale of Chinese and Western pharmaceutical and health food products provide customers with a right of return. Before adopting HKFRS 15, the Group recognised revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns. If revenue could not be reliably measured, the Group deferred the recognition of revenue until the uncertainty was resolved. Under HKFRS 15, rights of return give rise to variable consideration which is determined using the expected value method.

#### *Rights of return*

For a contract that provides a customer with a right to return the goods within a specified period, the Group previously estimated expected returns based on the average historical return rate.

### 2.2 會計政策之變動及披露資料 (續)

#### (c) (續)

於二零一八年四月一日所作調整的性質以及二零一九年三月三十一日的財務狀況表及截至二零一九年三月三十一日止年度的損益及其他全面收益表重大變動原因如下：

#### (i) **含有可變現代價的中西藥及保健食品產品銷售**

中西藥及保健食品產品銷售的部分合約為客戶提供退貨權。採納香港財務報告準則第15號前，本集團按已收或應收代價的公平值，扣除退貨確認銷售貨品的收益。倘收益無法可靠計量，本集團遞延收益確認，直至不確定性已獲解決。根據香港財務報告準則第15號，退貨權引發可變代價，可變代價以預期價值法釐定。

#### *退貨權*

對於為客戶提供在指定期限內退貨的權利的合約，本集團先前根據平均歷史退貨率估計預期退貨。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

## 2.2 Changes in Accounting Policies and Disclosures (continued)

(c) (continued)

### (i) Sale of Chinese and Western pharmaceutical and health food products with variable consideration

(continued)

*Rights of return (continued)*

Upon adoption of HKFRS 15, the Group recognised a right-of-return asset which is included in prepayments, deposits and other receivables and is measured at the former carrying amount of the goods to be returned less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. In addition, a refund liability was recognised based on the amount that the Group expects to return to the customers using the expected value method. Accordingly, the Group recognised refund liabilities of HK\$6,980,000 as included in other payables and accruals and recognised right-of-return assets of HK\$4,978,000 as included in prepayments, deposits and other receivables, which resulted in a decrease in retained profits of HK\$1,998,000 as at 1 April 2018.

As at 31 March 2019, the adoption of HKFRS 15 resulted in an increase in prepayments, deposits and other receivables by HK\$3,398,000. Besides, refund liabilities were increased by HK\$6,089,000 and there was an increase in accumulated losses of HK\$2,685,000. Revenue and cost of sales were increased by HK\$891,000 and HK\$1,580,000, respectively, for the year ended 31 March 2019.

## 2.2 會計政策之變動及披露資料 (續)

(c) (續)

### (i) 含有可變現代價的中西藥及保健食品產品銷售 (續)

*退貨權 (續)*

於採納香港財務報告準則第15號後，本集團在預付款項、按金及其他應收款項中確認退貨權資產，並按貨物的售前賬面金額減去所有回收貨物的預期成本（包括退回貨物的任何潛在減值）計量。此外，退貨負債根據本集團使用預期價值法計算出的退回到客戶的金額確認。因此，本集團於其他應付款項及應計費用中確認退貨負債6,980,000港元，並於預付款項、按金及其他應收款項中確認退貨權資產4,978,000港元，導致於二零一八年四月一日之保留溢利減少1,998,000港元。

於二零一九年三月三十一日，採納香港財務報告準則第15號導致預付款項、按金及其他應收款項增加3,398,000港元。此外，退貨負債增加6,089,000港元，而累計虧損增加2,685,000港元。截至二零一九年三月三十一日止年度，收益及銷售成本分別增加891,000港元及1,580,000港元。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

#### (c) (continued)

##### (ii) Consideration received from customers in advance

Before the adoption of HKFRS 15, the Group recognised consideration received from customers in advance as other payables. Under HKFRS 15, the amount is classified as contract liabilities which are included in other payables and accruals.

Therefore, upon adoption of HKFRS 15, the Group reclassified HK\$7,434,000 from other payables to contract liabilities as at 1 April 2018 in relation to the consideration received from customers in advance as at 1 April 2018.

As at 31 March 2019, under HKFRS 15, HK\$7,098,000 was reclassified from other payables to contract liabilities in relation to the consideration received from customers in advance.

##### (iii) Other adjustments

In addition to the adjustments described above, non-controlling interests were adjusted as necessary. Retained profits were adjusted accordingly.

### 2.2 會計政策之變動及披露資料 (續)

#### (c) (續)

##### (ii) 預先向客戶收取之代價

於採納香港財務報告準則第15號前，本集團在其他應付款項中確認預先向客戶收取之代價。根據香港財務報告準則第15號，該金額被分類為其他應付款項及應計費用中的合約負債。

因此，採納香港財務報告準則第15號後，於二零一八年四月一日，本集團就其於二零一八年四月一日預先向客戶收取之代價7,434,000港元由其他應付款項重新分類至合約負債。

於二零一九年三月三十一日，根據香港財務報告準則第15號，7,098,000港元已從其他應付款項重新分類至與預先向客戶收取之代價有關的合約負債。

##### (iii) 其他調整

除上述調整外，非控股權益已按需要進行調整。保留溢利也相應作出調整。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.2 Changes in Accounting Policies and Disclosures (continued)

- (d) Amendments to HKAS 40 clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments have had no impact on the financial position or performance of the Group.
- (e) HK(IFRIC)-Int 22 provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

### 2.2 會計政策之變動及披露資料 (續)

- (d) 香港會計準則第40號之修訂澄清實體應何時將物業(包括在建或開發中之物業)轉入或轉出投資物業。該等修訂指出當物業符合或不再符合投資物業之定義，並且有證據顯示更改物業使用用途時，該物業就發生用途變更。僅僅是管理層對物業使用用途之意圖有轉變並不能構成使用用途變更之證據。該等修訂對本集團之財務狀況及表現並無影響。
- (e) 香港(國際財務報告詮釋委員會)－詮釋第22號就實施香港會計準則第21號時如何針對企業收到或支付外幣預付款並確認非貨幣資產或負債的情形確定交易日期提供指引。該詮釋闡明，為確認在初始確認相關資產、費用或收入(或其中一部分)時使用的匯率，其交易日期為初始確認非貨幣資產的日期(如預付款)或因支付或收到預付對價而產生的非貨幣負債(如遞延收入)的日期。如果有多筆預先支付或收款，則公司必須確定每筆付款或預收對價的交易日期。由於本集團釐定首次確認非貨幣資產或非貨幣負債所用匯率的會計政策與該詮釋所規定的指引相符，該等解釋對本集團財務報表並無任何影響。

# Notes to Financial Statements

## 財務報表附註

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### 2.3 Issued but not yet effective HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> <sup>2</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
HKFRS 16	<i>Leases</i> <sup>1</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> <sup>2</sup>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> <sup>1</sup>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>1</sup>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>1</sup>
Annual Improvements 2015–2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 <sup>1</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> No mandatory effective date is determined but available for adoption

### 2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於該等財務報表內應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第3號之修訂	業務之定義 <sup>2</sup>
香港財務報告準則第9號之修訂	具負補償之預付款項特點 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號 (二零一一年)之修訂	投資者與其聯營公司或合營企業之間資產出售或注資 <sup>4</sup>
香港財務報告準則第16號	租約 <sup>1</sup>
香港財務報告準則第17號	保險合同 <sup>3</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 <sup>2</sup>
香港會計準則第19號之修訂	計劃修訂、削減或結算 <sup>1</sup>
香港會計準則第28號之修訂	聯營公司及合營企業之長期權益 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 <sup>1</sup>
二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂 <sup>1</sup>

- <sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效
- <sup>2</sup> 於二零二零年一月一日或之後開始之年度期間生效
- <sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效
- <sup>4</sup> 尚未釐定強制生效日期，但可提前採用



# Notes to Financial Statements

## 財務報表附註

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### 2.3 Issued but not yet effective HKFRSs (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 April 2020.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

### 2.3 已頒佈但尚未生效之香港財務報告準則 (續)

有關預期適用於本集團之該等香港財務報告準則之進一步資料如下：

香港財務報告準則第3號之修訂澄清業務的定義，並提供額外指引。該修訂本訂明，就可視為業務之一組整合活動及資產而言，必須至少包括一項投入及一項重要過程，而兩者必須對形成收益之能力有重大貢獻。業務毋須包括形成產出所需之所有投入或過程。該修訂本取消了評估市場參與者是否有能力收購業務並能持續獲得收益的規定，轉為重點關注所取得之投入及重要過程是否共同對形成收益之能力有重大貢獻。該修訂本亦已收窄收益的定義範圍，重點關注為客戶提供的貨品或服務、投資收入或來自日常活動的其他收益。此外，該修訂本為評估所取得的過程是否具有實質性提供指引，並引入可選的公平值集中度測試，允許對所取得的一組活動及資產是否不屬於業務進行簡化評估。本集團預期自二零二零年四月一日起前瞻性採納該等修訂。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂解決香港財務報告準則第10號及香港會計準則第28號(二零一一年)之間對於處理投資者及其聯營公司或合營企業之間的資產出售或投入的規定的不一致性。該等修訂本要求於投資者及其聯營公司或合營企業之間的資產出售或投入構成一項業務時，確認全部收益或虧損。對於不構成業務的資產交易，交易所產生的收益或虧損僅以無關連的投資者於該聯營公司或合營企業的權益為限，於投資者的損益中確認。該等修訂本只對未來適用。於二零一六年一月，香港會計師公會取消了之前香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂的強制生效日期，並將在完成聯營公司及合營企業的會計準則的覆核後決定新的強制生效日期。然而，該等修訂本可於現時應用。

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## 財務報表附註

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### 2.3 Issued but not yet effective HKFRSs (continued)

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17.

### 2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包括租賃、香港(常務詮釋委員會)－詮釋第15號經營租賃－優惠及香港(常務詮釋委員會)－詮釋第27號評估涉及租賃法律形式之交易之內容。該準則載列有關租賃確認、計量、呈列及披露之原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人的兩項可選擇確認豁免項目－低價值資產租賃及短期租賃。於租賃開始日期，承租人需確認用於支付租賃費用(即租賃負債)的負債，而資產指於租期內使用相關資產的權利(即有使用權資產)。除非有使用權資產符合香港會計準則第40號有關投資物業之定義，或涉及應用於重估模型的一類物業、廠房及設備，否則有使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須個別確認租賃負債之利息開支及有使用權資產之折舊開支。承租人亦須於若干事件發生(例如租約年期變更或因用於釐定租賃付款之一項指數或比率變更而引致未來租賃付款變更)時重新計量租賃負債。承租人一般將租賃負債之重新計量金額確認為有使用權資產之調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。

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### 2.3 Issued but not yet effective HKFRSs (continued)

Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt HKFRS 16 from 1 April 2019. The Group plans to adopt the transitional provisions in HKFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 April 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying HKAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application. The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application.

As at 31 March 2019, the Group had non-cancellable operating lease commitments of HK\$132,740,000 as disclosed in note 35(b). A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases.

### 2.3 已頒佈但尚未生效之香港財務報告準則 (續)

出租人將繼續使用與香港會計準則第17號相同之分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。出租人將繼續使用與香港會計準則第17號相同之分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。香港財務報告準則第16號要求承租人及出租人作出比香港會計準則第17號項下規定的更多的披露。承租人可選擇採用全面追溯或修訂的追溯方式來應用該標準。本集團自二零一九年四月一日起將採納香港財務報告準則第16號。本集團計劃採納香港財務報告準則第16號的過渡性條文確認初步採納的累計效應，作為對二零一九年四月一日留存盈利的初期結餘的調整，且將不會重列比較。此外，本集團計劃將新規定應用於先前已應用香港會計準則第17號而識別為租賃的合約，並使用本集團於初始應用日期的增量借貸利率折現按剩餘租賃付款的現值計量租賃負債。使用權資產將按租賃負債金額計量，並按緊接初始應用日期前在財務狀況表中確認與租賃相關的任何預付或應計租賃付款金額進行調整。本集團計劃使用於初始應用日期租賃期於12個月內終止的租賃合約標準所准許的豁免。

於二零一九年三月三十一日，本集團擁有不可撤銷經營租賃承擔132,740,000港元，誠如附註35(b)所披露。初步評估顯示該等安排將符合租約之定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.3 Issued but not yet effective HKFRSs (continued)

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 April 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group expects to adopt the amendments on 1 April 2019 and will assess its business model for such long-term interests based on the facts and circumstances that exist on 1 April 2019 using the transitional requirements in the amendments. The Group also intends to apply the relief from restating comparative information for prior periods upon adoption of the amendments.

### 2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號之修訂提供新的重要性定義。新定義列明，倘可合理預期任何資料遭遺漏、錯誤陳述或模糊不清會影響通用財務報表的主要用戶根據該等財務報表作出的決定，則有關資料將屬重大。該等修訂本澄清，重大性將取決於資料的性質或重要程度。倘可合理預期資料的錯誤陳述會影響主要用戶作出的決定，則有關資料將屬重大。本集團預期將自二零二零年四月一日起以未來適用法採納該等修訂。該等修訂預期不會對本集團的財務報表產生任何重大影響。

香港會計準則第28號之修訂澄清香港財務報告準則第9號的範圍豁免僅包括應用權益法的聯營公司或合營企業之權益，且不包括實質上構成聯營公司或合營企業投資淨額一部分的長期權益(其中尚未應用權益法)。因此，計算該長期權益時，實體應用香港財務報告準則第9號(包括香港財務報告準則第9號下的減值要求)而非香港會計準則第28號。僅在確認聯營公司或合營企業的虧損及聯營公司或合營企業淨投資減值的情況下，香港會計準則第28號乃應用於淨投資(包括長期權益)。本集團預期將於二零一九年四月一日採納該等修訂，並將按照於二零一九年四月一日存在之事實及情況使用該等修訂中之過渡性規定評估其有關該等長期權益之業務模式。本集團亦擬於採納該等修訂後應用有關重列過往期間可資比較資料之寬免。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.3 Issued but not yet effective HKFRSs (continued)

HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 April 2019. The interpretation is not expected to have any significant impact on the Group’s financial statements.

### 2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港(國際財務報告解釋委員會)解釋公告第23號處理當稅務處理涉及影響應用香港會計準則第12號之不確定性(通常稱為「不明確稅務狀況」)時對所得稅(即期及遞延)之會計處理。該解釋並不適用於香港會計準則第12號範疇以外之稅項或徵費,亦並無具體包括有關利息之規定及與不明確稅務處理相關之處罰。該解釋具體處理(i)實體是否獨立考慮不明確稅務處理;(ii)實體就檢查稅務機關進行之稅務處理所作出之假設;(iii)實體如何釐定應課稅利潤或稅務虧損、稅基、未動用稅務虧損、未動用稅務抵免及稅率;及(iv)實體如何考慮事實及情況之變動。該解釋將追溯應用,即完全追溯而並無採用後見之明或追溯而應用之累計影響作為對於初始應用當日之期初權益之調整,而並無重列可資比較資料。本集團預期將自二零一九年四月一日起採納該解釋。該修訂預期將不會對本集團之財務報表造成任何重大影響。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies

#### Investments in associates

An associate is an entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated statement of profit or loss and other comprehensive income of the Group. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

### 2.4 主要會計政策概要

#### 於聯營公司的投資

聯營公司指本集團擁有一般不少於20%股份投票權的長期權益，並可對其實施重大影響力的實體。重大影響力指參與被投資方財政及經營決策的權力，但非控制或聯合控制該等政策。

本集團於聯營公司的投資乃以權益會計法，按本集團分佔資產淨值減任何減值虧損，在綜合財務狀況表列賬。

若存有不相近之會計政策，本公司將作相應調整。

本集團應佔聯營公司收購後業績及其他全面收益於本集團綜合損益及其他全面收益表內列賬。此外，倘直接於聯營公司的權益確認一項變動，則本集團會視乎情況於綜合權益變動表確認應佔任何變動。本集團與其聯營公司進行交易所產生的未變現收益及虧損均予以對銷，並以本集團於聯營公司的投資為限，惟倘有證據顯示未變現虧損是由於所轉讓資產出現減值所致除外。因收購聯營公司產生之商譽計入本集團於聯營公司的投資的一部分。

倘對聯營公司的投資成為對合營公司的投資，或對合營公司的投資成為對聯營公司的投資，則不會重新計量留存權益，而是繼續按權益法將投資列賬。在所有其他情況下，若本集團失去對聯營公司的重大影響力，會按公平值計量及確認留存投資。失去對聯營公司的重大影響力時聯營公司的賬面值與留存投資公平值加出售所得款項之間的差額於損益確認。

倘於聯營公司之投資被歸類為持作出售，則根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽

業務合併採用收購法入賬。所轉讓代價按收購日期的公平值計量，即本集團對被收購方原擁有人所轉讓資產、本集團所承擔負債以及本集團為換取被收購方控制權所發行股權於收購日期之公平值總和。就各項業務合併，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益，即於被收購方中賦予持有人在清盤時按比例分佔資產淨值的現有所有權權益。非控股權益的所有其他組成部分乃按公平值計量。收購相關成本於產生時支銷。

本集團收購業務時根據按合同條款、收購日期的經濟狀況及相關條件所作適當分類及指定用途評估所接收財務資產及負債，其中包括分離被收購方主合約中的嵌入式衍生工具。

若業務合併分階段進行，則先前所持權益按收購日期公平值重新計量，產生的任何收益或虧損於損益確認。

收購方所轉讓的任何或然代價於收購日期按公平值確認。歸類為資產或負債的或然代價按公平值計量，公平值的變動於損益確認。歸類為權益之或然代價毋須重新計量，其後結算在權益中入賬。

商譽初始按成本計量，即所轉讓代價、已確認非控股權益數額以及本集團先前所持被收購方權益的公平值總額超出所收購可識別資產淨值及所承擔負債之差額。倘該代價及其他項目總和低於所收購資產淨值的公平值，則差額經重新評估後於損益確認為議價購買收益。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Business combinations and goodwill (continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽(續)

於初始確認後，商譽乃按成本減任何累計減值虧損計量。每年檢查商譽的賬面值有否減值，如出現任何事件或情況轉變而顯示賬面值可能減值，則會更頻繁地進行檢查。本集團於每年三月三十一日對商譽進行減值測試，就減值測試而言，業務合併所得的商譽自收購當日起分配至本集團的各個現金產生單位或各組現金產生單位(預期會產生合併協同效益)，而不論本集團其他資產或負債有否指定撥往該等單位或單位組別。

減值乃按評估商譽有關之現金產生單位(一組現金產生單位)可收回金額而釐定。倘現金產生單位(一組現金產生單位)之可收回金額低於賬面值，則確認減值虧損。已確認之商譽減值虧損並不會於較後期間撥回。

倘商譽被分配至現金產生單位(或一組現金產生單位)及該單位內之部分業務被出售，則於釐定出售之收益或虧損時，將出售業務有關之商譽計入業務賬面值。在此情況下出售之商譽，乃按出售業務與所保留現金產生單位部分之相對價值計量。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Fair value measurement

The Group measures its investment properties, debt investments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- |         |   |   |
|---------|---|---|
| Level 1 | — | based on quoted prices (unadjusted) in active markets for identical assets or liabilities   |
| Level 2 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable                              |

### 2.4 主要會計政策概要(續)

#### 公平值計量

本集團於各報告期末按公平值計量投資物業、債務投資及按公平值入賬之股權投資。公平值指於計量日市場參與者之間的有序交易中，就出售資產所收取之價格或轉讓負債所支付之價格。計量公平值時假設出售資產或轉讓負債之交易於資產或負債的主要市場或(在未有主要市場的情況下)最有利市場進行。主要或最有利市場須為本集團能參與的市場。假設市場參與者基於最佳經濟利益行事，資產或負債的公平值使用市場參與者為資產或負債定價所用假設計量。

非財務資產之公平值計量會計及市場參與者將資產用於最高增值及最佳用途或售予會將資產用於最高增值及最佳用途之另一名市場參與者而創造經濟利益的能力。

本集團針對不同情況使用不同估值方法，確保有足夠數據計量公平值，並盡量利用相關可觀察輸入數據，減少使用不可觀察輸入數據。

公平值於財務報表計量或披露之所有資產及負債，均基於對計量公平值整體而言屬重要之最低層輸入數據按下述公平值層級分類：

- |     |   |                                     |
|-----|---|-------------------------------------|
| 第一級 | — | 按同等資產或負債於活躍市場之報價(未經調整)              |
| 第二級 | — | 按公平值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值方法 |
| 第三級 | — | 按公平值計量而言屬重大的不可觀察最低級別輸入數據的估值方法       |

# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties, deferred tax assets and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

### 2.4 主要會計政策概要(續)

#### 公平值計量(續)

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(根據對計量公平值整體而言屬重大的最低層輸入數據)，釐定公平值層級之間是否出現轉移。

#### 非財務資產減值

倘出現減值跡象或有需要就資產(存貨、財務資產、投資物業、遞延稅項資產及分類為持作出售之非流動資產/出售組別除外)進行年度減值測試，則會估計資產之可收回金額。資產之可收回金額乃按資產或現金產生單位的使用價值及公平值扣減出售成本兩者中之較高者，並按個別資產釐定，除非該項資產所產生現金流入很大程度上未能獨立於其他資產或資產組合的現金流入，於此情況下，可收回金額則按資產所屬現金產生單位釐定。

減值虧損只會於資產賬面值超出其可收回金額時確認。於評估使用價值時，會使用可反映目前市場對貨幣時間價值及資產特定風險的評估之稅前折算率，將估計未來現金流量折算至現值。減值虧損於產生期間於損益中應列入與該減值資產相應的支出類別。

本集團於各報告期末評估有否跡象顯示以往確認減值虧損不再存在或可能已減少。倘出現上述跡象，則會估計可收回金額。當用以釐定資產可收回金額的估計有變時，方會撥回先前確認的除商譽外之資產減值虧損，惟撥回後的金額不可超過過往年度並無就該項資產確認減值虧損而釐定的賬面值(扣除任何折舊/攤銷後)。撥回的減值虧損乃於產生期間計入損益。



# Notes to Financial Statements

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

### 2.4 主要會計政策概要(續)

#### 關連方

在下列情況下，有關人士將被視為與本集團有關：

- (a) 有關人士為一名人士或該人士之關係密切家庭成員，而該人士
  - (i) 控制本集團或共同控制本集團；
  - (ii) 可對本集團發揮重大影響力；或
  - (iii) 為本集團或其母公司的主要管理人員成員之一；

或

- (b) 有關人士為適用任何以下條件的實體：
  - (i) 該實體與本集團屬同一集團的成員公司；
  - (ii) 該實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；
  - (iii) 該實體與本集團為同一第三方的合營企業；
  - (iv) 一實體為一第三方實體的合營企業，而另一實體為同一第三方實體的聯營公司；

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## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Related parties (continued)

(b) (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

#### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

### 2.4 主要會計政策概要(續)

#### 關連方(續)

(b) (續)

- (v) 該實體為本集團或屬本集團關連方的實體的僱員離職後福利計劃；
- (vi) 該實體為(a)項所識別人土控制或共同控制；
- (vii) 於(a)(i)項所識別人土對實體有重大影響或屬該實體(或該實體母公司)主要管理人員的其中一名成員；及
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

#### 物業、廠房及設備及折舊

物業、廠房及設備(除在建工程之外)乃按成本值減去累計折舊及任何減值虧損後列賬。倘物業、廠房及設備項目被分類為持作出售或屬分類為持作出售之出售組別其中一部分,則其不會計提折舊並按香港財務報告準則第5號入賬,誠如「持作出售之非流動資產及出售組別」的會計政策進一步詳述。物業、廠房及設備項目成本包括其購買價格及任何使資產達至營運狀況及地點作擬定用途的直接應佔成本。

物業、廠房及設備項目開始運作後產生之支出,如維修及保養費用等,一般於產生期間計入損益。倘符合確認標準,主要檢查之支出於資產賬面值中資本化為重置成本。倘物業、廠房及設備的重大部分須分段置換,則本集團確認該等部分為個別資產,具有特別可使用年期及相應計提折舊。

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	2% or over the terms of the relevant leases, whichever is shorter
Leasehold improvements	20–33 $\frac{1}{3}$ % or over the terms of the relevant leases
Plant and machinery	10–20%
Furniture and equipment	20–33 $\frac{1}{3}$ %
Motor vehicles	20%
Computer system	20–33 $\frac{1}{3}$ %

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents plant and machinery under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備及折舊(續)

折舊乃按每項物業、廠房及設備之估計可使用年期，採用直線法撇銷成本至其剩餘價值計算。就此所使用之主要折舊年率如下：

租賃土地及樓宇	2% 或按有關租賃年期 (以較短者為準)
租賃裝修	20–33 $\frac{1}{3}$ % 或按有關租賃年期
廠房及機器	10–20%
傢俬及設備	20–33 $\frac{1}{3}$ %
汽車	20%
電腦系統	20–33 $\frac{1}{3}$ %

倘一項物業、廠房及設備各部分的可使用年期並不相同，該項目各部分的成本將按合理基礎分配，每部分將分別計提折舊。剩餘價值、可使用年限及折舊方法至少於每個財政年度結算日進行檢討，並在需要時作出適當調整。

物業、廠房及設備項目(包括初始確認時之任何重大部份)於出售或預期使用或出售有關項目不會產生未來經濟利益時終止確認。於終止確認資產之年度內，在損益中確認的出售或報廢之收益或虧損，按有關資產銷售所得款項淨額與賬面值兩者間之差額確認。

在建工程指建造中之廠房及機器，其按成本值扣減任何減值虧損入賬且不作折舊。成本包括直接建造及成本及有關借貸資金在建造期內資本化的借貸成本。在建工程完工並達到預計可使用狀態時，重新分類至物業、廠房及設備之相應類別。

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use.

#### Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

### 2.4 主要會計政策概要(續)

#### 投資物業

投資物業乃持有土地及樓宇之權益(包括根據某一物業之經營租賃以其他方式符合投資物業定義之租賃權益),用以賺取租金收入及/或資本升值,而非用於貨物或服務之生產或供應或行政用途;或用於日常業務營運中銷售。該等物業初始按成本(包括交易成本)計量。初始確認後,投資物業以反映於報告期末之市場狀況之公平值列賬。

投資物業公平值變動產生之損益於其產生年度之損益中入賬。

因投資物業報廢或出售而產生之任何損益於報廢或出售年度之損益內確認。

倘投資物業轉撥為自置物業,進行後續會計處理之物業推定成本為其改變用途之日之公平值。

#### 持作出售之非流動資產及出售組別

倘非流動資產及出售組別的賬面值將主要透過一項銷售交易而非透過持續使用得以收回,該等非流動資產及出售組別則分類為持有出售。為此,該資產或出售組別必須在其當前情況下僅根據出售此類資產或出售組別的通常及慣用條款即可立即出售,並且出售必須極可能發生。所有分類為出售組別的附屬公司資產及負債重新歸類為持有出售,而不論本集團於出售後有否保留其前附屬公司的非控股股東權益。

分類為持有出售之非流動資產及出售組別(投資物業及財務資產除外)乃按其賬面值及公平值減銷售成本後餘額的較低者計量。分類為持有出售的物業、廠房及設備及無形資產不予折舊或攤銷。

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

#### Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

### 2.4 主要會計政策概要(續)

#### 無形資產(除商譽外)

單獨收購之無形資產於初始確認時按照成本進行計量。於業務合併時取得的無形資產成本為收購日期的公平值。無形資產之可使用年期分為有限使用年期或無限使用年期。有確定使用限期的無形資產其後在經濟可用年限內攤銷並對有跡象顯示可能減值之無形資產進行減值評估。有確定使用限期之無形資產的攤銷年限及攤銷方法至少需於每個財政年度結算日進行檢討。

#### 研究及開發成本

所有研究成本於產生時自損益表中扣除。

當進行開發新產品的項目時，只有當本集團能證實完成無形資產的技術屬可行使其可供使用或出售、具有完成產品的意圖和有使用或出售資產的能力、資產將會帶來未來經濟利益的方法、完成項目的可動用資源，以及於開發期間內能可靠地計量有關開支的能力，所產生的開支方會撥充資本及遞延入賬。不符合以上條件之產品開發開支於產生時支銷。

遞延開發成本按成本減任何減值損失列賬並以直線法按相關產品自其投產日期起計的不超過五至七年的商業年期攤銷。



# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

### 2.4 主要會計政策概要(續)

#### 租賃

凡資產所有權(法定業權除外)之絕大部份回報與風險轉移至本集團之租約，均列作融資租約。於融資租約生效日，租賃資產之成本乃按租約最低租金之現值撥充資本，並連同債務(不包括利息部份)一併入賬，以反映購買及融資。根據資本化融資租約持有之資產(包括融資租約中的土地租賃預付款項)均列作物業、廠房及設備，並按租約期或資產之預計可用年期(以較短者為準)計算折舊。此等租約之融資成本自損益扣除，以在租約期內提供固定分期支出費用率。

凡資產所有權之絕大部份回報及風險仍由出租方保留之租約，均列作經營租約。倘本集團為出租方，則本集團按經營租約出租之資產包含在非流動資產中，經營租約下應收之租金按租約年期以直線法計入損益。倘本集團為承租方，則經營租約下應付的租金在扣除已收出租方的任何優惠後，按租約年期以直線法於損益中扣除。

# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKFRS 9 applicable from 1 April 2018)

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 April 2018)" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)

##### 初始確認及計量

財務資產於初步確認時分類為其後按攤銷成本計量、以公平值計量且其變動計入全面收益，以及以公平值計量且其變動計入損益。

初始確認財務資產分類取決於財務資產的合約現金流特徵，以及本集團管理財務資產的業務模式。除並未包含重大融資組成部分的應收賬款或本集團已實行權宜措施不作調整重大融資組成部分影響的應收賬款外，本集團最初按其公平值計量財務資產，倘財務資產並非按公平值計入損益，則另外交易成本。並未包含重大融資組成部分的應收賬款或本集團已實行權宜措施的應收賬款按依照下文「收益確認(二零一八年四月一日起適用)」所載政策根據香港財務報告準則第15號釐定的交易價計量。

財務資產需要令現金流量僅為償還本金及未償還本金利息，方可分類為按攤銷成本計量或按公平值經其他全面收益入賬之財務資產。

本集團管理財務資產的業務模式指本集團如何管理其財務資產以產生現金流量。業務模式釐定現金流量是否因收取合約現金流量、出售財務資產或因前述兩者而引起。

所有以常規方式購買及出售的財務資產於交易日(即本集團承諾購買或出售該資產當日)確認。以常規方式購買或出售指需要於一般按規例或市場慣例設定的期限內交付資金的財務資產購買或出售。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at amortised cost (debt instruments)*

The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### *Financial assets at fair value through other comprehensive income (debt instruments)*

The Group measures debt investments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

##### 其後計量

財務資產的後續計量取決於其分類如下：

##### *按攤銷成本計量的財務資產(債務工具)*

倘符合以下兩項條件，則本集團會按攤銷成本計量財務資產：

- 財務資產乃於以持有財務資產為目標的業務模式內持有，旨在收取合約現金流量。
- 財務資產合約條款訂明於指定日期的現金流量僅可用作償還本金及未償還本金利息。

按攤銷成本計量的財務資產其後使用實際利率法計量，並可予減值。倘資產終止確認、修訂或減值，則收益及虧損會於損益確認。

##### *按公平值經其他全面收益入賬之財務資產(債務工具)*

倘符合以下兩項條件，則本集團會按公平值經其他全面收益入賬之債務投資：

- 財務資產乃於以持有作收取合約現金流量及出售為目標的標的業務模式內持有。
- 財務資產合約條款訂明於指定日期的現金流量僅可用作償還本金及未償還本金利息。

就按公平值經其他全面收益入賬之債務工具而言，利息收入、外匯重估及減值虧損或撥回於損益內確認，計算方式與計算按攤銷成本計量的財務資產者相同。餘下公平值變動於其他全面收益確認。於終止確認後，於其他全面收益確認的累計公平值變動回流至損益。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### Subsequent measurement (continued)

*Financial assets designated at fair value through other comprehensive income (equity investments)*

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

### 2.4 主要會計政策概要(續)

投資及其他財務資產(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

##### 其後計量(續)

*按公平值經其他全面收益入賬之財務資產(股權投資)*

於初始確認後，倘股權投資符合香港會計準則第32號金融工具：呈列項下的股權定義，且並非持作買賣，本集團可選擇不可撤回地將該股權投資分類為指定按公平值經其他全面收益入賬之股權投資。分類按個別工具基準而定。

該等財務資產的收益及虧損永不回流至損益。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則股息會於損益確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分財務資產成本則作別論，在此情況下，有關收益會入賬為其他全面收益。指定按公平值經其他全面收益入賬之股權投資無須進行減值評估。

##### *按公平值經損益表入賬之財務資產*

按公平值經損益表入賬之財務資產包括持作買賣財務資產、於初始確認後指定按公平值經損益表入賬之財務資產，或需要強制按公平值計量的財務資產。倘財務資產乃為於近期進行出售或購買而收購，則財務資產會分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非衍生工具指定為實際對沖工具，則作別論。現金流量並非僅可用作償還本金及未償還本金利息的財務資產分類為按公平值經損益表計量，而不論業務模式。儘管如上文所述債務工具可分類為按攤銷成本或按公平值經其他全面收益入賬，倘能夠消除或顯著減少會計錯配，則債務工具或會於初始確認時指定為按公平值經損益表入賬。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### Subsequent measurement (continued)

*Financial assets at fair value through profit or loss (continued)*

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

#### Investments and other financial assets (policies under HKAS 39 applicable before 1 April 2018)

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, available-for-sale investments and loans and receivables, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

##### 其後計量(續)

按公平值經損益表入賬之財務資產(續)

按公平值經損益表入賬之財務資產乃於綜合財務狀況表按公平值列賬，而公平值變動淨額則於損益確認。

該類別包括本集團並無不可撤回地選擇分類為按公平值經其他全面收益入賬之股權投資。分類為按公平值經損益表入賬之股權投資股息亦於付款權確立時在損益內確認為其他收入。有關股息的經濟利益可能會流向本集團，而股息的金額則可可靠計量。

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港會計準則第39號項下的政策)

##### 初始確認及計量

財務資產於初始確認時劃分為按公平值經損益表入賬之財務資產、可供出售投資以及貸款及應收款項(如適用)。財務資產進行初始確認時以公平值另加交易費用(直接歸屬於收購財務資產)計量，惟按公平值經損益表入賬之財務資產除外。

所有一般買賣之財務資產概於交易日(即本集團承諾買賣該資產之日)予以確認。一般買賣乃指遵循一般法規或市場慣例在約定時間內交付資產之財務資產買賣。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value presented in profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition (applicable before 1 April 2018)" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in profit or loss. The loss arising from impairment is recognised in profit or loss.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港會計準則第39號項下的政策)(續)

##### 其後計量

財務資產按其分類之其後計量如下：

*按公平值經損益表入賬之財務資產*  
按公平值經損益表入賬之財務資產包括持作買賣之財務資產及於初步確認時指定為按公平值經損益表入賬之財務資產。倘財務資產為於近期作出售目的而收購，則被分類為持作買賣的財務資產。

按公平值經損益表入賬之財務資產按公平值於綜合財務狀況表入賬，而公平值淨變動則於損益表呈列。該公平值淨變動並不包括該等財務資產之任何股息或賺取之利息，有關股息或利息乃根據下文「收益確認(二零一八年四月一日前適用)」一節所述政策確認。

於初步確認時指定為按公平值經損益表入賬之財務資產乃於初步確認日期且僅於香港會計準則第39號之條件獲達成後方予指定。

##### *貸款及應收款項*

貸款及應收款項指並非於活躍市場報價而具備固定或可釐定款項之非衍生財務資產。於初步計量後，該等資產其後以實際利率法按攤銷成本減任何減值撥備計量。攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分之費用或成本後計算。實際利率攤銷計入損益表之其他收入內。減值產生之虧損於損益表內確認。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Subsequent measurement (continued)

###### Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to profit or loss in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in profit or loss as other income in accordance with the policies set out for "Revenue recognition (applicable before 1 April 2018)" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港會計準則第39號項下的政策)(續)

##### 其後計量(續)

###### 可供出售財務投資

可供出售財務投資為於上市及非上市股權投資之非衍生財務資產。並無分類為持作買賣亦無指定為按公平值經損益表入賬之股權投資分類為可供出售股本投資。此類別債務證券為擬定無限期持有，並可因應流動資金的需求或市場狀況的變動而出售。

於初步確認後，可供出售財務投資隨後按公平值計量，未變現盈虧於該投資取消確認時方於可供出售投資重估儲備內確認為其他全面收益，屆時累計盈虧乃於損益表內其他收入確認，或至該投資釐定為減值，屆時累計盈虧乃自可供出售投資重估儲備重新分類至損益表內的其他收益或虧損。通過持有可供出售財務投資賺取之利息及股息分別作為利息收入和股息收入呈報，按照下文「收益確認(二零一八年四月一日前適用)」所載政策在損益表確認為「其他收入」。

倘非上市股權投資之公平值因以下原因而不能可靠計量：(a)該項投資之合理公平值估算範圍存在重大變動或(b)在評估公平值時未能合理評估及使用有關範圍內可能出現之多項估計，則該等投資以成本減任何減值虧損列賬。

本集團評估於短期內出售其可供出售財務資產之能力及意圖是否仍然合適。倘於罕見情況下因市場交投淡靜，本集團因而無法買賣有關財務資產，則倘管理層有能力並有意於可見將來持有該等財務資產或持有至到期日，本集團可選擇將該等資產重新分類。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Investments and other financial assets (policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Subsequent measurement (continued)

###### Available-for-sale financial investments (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss.

#### Derecognition of financial assets (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(自二零一八年四月一日起適用的香港會計準則第39號項下的政策)(續)

##### 其後計量(續)

###### 可供出售財務投資(續)

倘財務資產從可供出售類別重新分類，則重新分類當日的公平值賬面值為其新攤銷成本，之前於權益確認的該資產的收益或虧損採用實際利率法於剩餘投資年期內在損益攤銷。新攤銷成本與到期金額的任何差額亦採用實際利率於資產剩餘年期內攤銷。倘資產其後釐定為已減值，則計入權益的金額重新分類至損益。

#### 財務資產的終止確認(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)

財務資產(或一項財務資產的一部分或一組同類財務資產的一部分，如適用)主要在下列情況將終止確認(即自本集團之綜合財務狀況表移除)：

- 從該項資產取得現金流量的權利經已逾期；或
- 本集團轉讓從該項資產取得現金流量的權利，或已根據一項「轉付」安排，承擔在未有嚴重延緩的情況下，向第三方全額支付所收取的現金流量的責任；並(a)本集團已轉讓該項資產的絕大部份風險及回報；或(b)本集團並無轉讓或保留該項資產的絕大部份風險及回報，但已轉讓該項資產的控制權。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### **Derecognition of financial assets (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018) (continued)**

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### **Impairment of financial assets (policies under HKFRS 9 applicable from 1 April 2018)**

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### 2.4 主要會計政策概要(續)

#### **財務資產的終止確認(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)(續)**

本集團凡轉讓其從該項資產取得現金流量的權利或訂立轉付安排，其評估是否以及多大程度保留該項資產所有權的風險及回報。倘其並無轉讓或保留該項資產的絕大部份風險及回報，亦無轉讓該項資產的控制權，本集團繼續確認轉讓資產，以本集團之持續參與為限。在此情況下，本集團將確認相關負債。轉讓資產及相關負債以反映本集團所保留之權利與義務為基礎進行計量。

本集團以擔保形式就已轉讓資產作出持續參與，該已轉讓資產乃以該項資產之原賬面值及本集團可能需要支付之最高代價兩者之較低者計量。

#### **財務資產減值(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)**

本集團對並非按公平值經損益表入賬之所有債務工具確認預期信貸虧損撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押品的現金流量或組成合約條款的其他信貸增級。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Impairment of financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.4 主要會計政策概要(續)

#### 財務資產減值(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

##### 一般方法

預期信貸虧損分兩個階段進行確認。就自初步確認後的信貸風險並無重大變動之信貸風險而言，對於未來12個月之可能違約事件產生之信貸虧損作出預期信貸虧損撥備(12個月預期信貸虧損)。就自初步確認後的信貸風險已出現重大增加之該等信貸風險而言，須對預期於風險之餘下年期之信貸虧損作出虧損撥備，而不論違約時間(全期預期信貸虧損)。

於各報告日，本集團評估金融工具之信貸風險是否已自初步確認後大幅增加。於作出評估時，本集團將金融工具於報告日期發生違約風險與金融工具於初步確認日期發生違約風險進行比較，並考慮毋須過度耗費成本或努力而取得之合理且具支持之資料，包括過往及前瞻性資料。

就按公平值經其他全面收益入賬之債務投資而言，本集團應用低信貸風險簡化方法。於各報告日期，本集團利用毋須付出成本或精力即可獲得的所有合理及可靠資料評估債務投資是否被認為有低信貸風險。於作出該評估時，本集團重新評估債務投資的外部信貸評級。此外，當合約付款逾期30日時，本集團認為信貸風險大幅增加。

本集團將合約付款逾期90日的財務資產視作違約。然而，在若干情況下，當內部或外部資料反映，在沒有計及任何現有增信措施前，本集團不大可能悉數收到未償還合約款項，則本集團可認為財務資產違約。倘無法合理預期收回合約現金流量，則撇銷財務資產。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Impairment of financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

### 2.4 主要會計政策概要(續)

財務資產減值(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

#### 一般方法(續)

按公平值經其他全面收益入賬之債務投資及按攤銷成本列賬之財務資產須根據一般法作出減值並就計量預期信貸虧損於以下階段內分類，惟應用下文詳述之簡化法的貿易應收款項除外。

- 第一階段 — 自首次確認起信貸風險並無大幅增加且按等同於12個月預期信貸虧損之金額計量虧損撥備之金融工具
- 第二階段 — 自首次確認起信貸風險已大幅增加而並非為信貸減值財務資產及按等同於全期預期信貸虧損之金額計量虧損撥備之金融工具
- 第三階段 — 於報告日期為信貸減值(惟並非購買或最初信貸減值)及按等同於全期預期信貸虧損之金額計量虧損撥備之金融工具

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Impairment of financial assets (policies under HKFRS 9 applicable from 1 April 2018) (continued)

##### Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables that contain a significant financing component, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

#### Impairment of financial assets (policies under HKAS 39 applicable before 1 April 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

### 2.4 主要會計政策概要(續)

#### 財務資產減值(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)(續)

##### 簡化方法

就不包含重大融資組成部份或當本集團為權宜而不調整重大融資組成部份之影響之貿易應收款項而言，本集團於計算預期信貸虧損時應用簡化方法。根據該簡化方法，本集團並無追蹤信貸風險的變化，反而於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

就包含重大融資成分的貿易應收款項而言，本集團會計政策選擇採用簡化方法根據上述政策進行預期信貸虧損計量。

#### 財務資產減值(二零一八年四月一日前適用的香港會計準則第39號項下的政策)

本集團於各報告期末評估是否有客觀跡象表明一項財務資產或一組財務資產減值。倘在其初始確認後發生一個或多個事件致使該項財務資產或該組財務資產的估計未來現金流量受影響，並且該影響金額可以可靠預測時，則存在減值。減值跡象可能包括一個債務人或一組債務人出現重大財政困難，違約或拖欠支付利息或本金，有面臨破產之可能或進行其他財務重組以及有可觀察資料表明其估計未來現金流量有可計量的減少，如欠款或與違約相關的經濟狀況變動。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Impairment of financial assets (policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to profit or loss.

### 2.4 主要會計政策概要(續)

#### 財務資產減值(二零一八年四月一日前適用的香港會計準則第39號項下的政策)(續)

##### 以攤銷成本列賬之財務資產

對於以攤銷成本列賬之財務資產，本集團首先對個別重大財務資產是否個別存在減值進行評估，或對個別並不重大之財務資產進行集體評估。倘本集團釐定，進行個別評估的財務資產不存在客觀減值跡象，無論其金額是否重大，其應當包括在具有類似信用風險特性的財務資產組合內並集體進行減值評估。已個別進行減值評估並確認或持續確認減值虧損的資產，不會納入集體評估減值之列。

任何已識別之減值虧損金額按該資產之賬面值與估計未來現金流量(不包括尚未發生之未來貸方虧損)之現值兩者之差額計算。估計未來現金流量之現值按該財務資產之原實際利率(即初始確認時使用之實際利率)貼現。

資產之賬面值可透過使用撥備賬進行扣減，虧損金額則於損益確認。利息收入繼續就已扣減賬面值累計，而利率為計量減值虧損時貼現未來現金流量所用之利率。當預期款項於將來並不可能收回及所有抵押已變現或轉撥至本集團，則貸款與應收賬款連同任何相關的撥備將予撇銷。

倘在後續期間，在減值確認後發生致使估計減值虧損金額增加或減少的事項，則通過調整撥備賬以增加或減少先前確認的減值虧損。倘若之後收回撇銷款項，則收回之金額會計入損益。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Impairment of financial assets (policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is removed from other comprehensive income and recognised in profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss — is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity investments classified as available for sale are not reversed through profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Impairment losses on debt instruments are reversed through profit or loss if the subsequent increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

### 2.4 主要會計政策概要(續)

#### 財務資產減值(二零一八年四月一日前適用的香港會計準則第39號項下的政策)(續)

##### 可供出售財務投資

就可供出售財務投資而言，本集團於各報告期末評估有否客觀證據顯示一項或一組投資減值。

倘可供出售資產已減值，則其成本(扣除任何本金付款及攤銷)與現有公平值之差額，扣除任何先前已於損益確認之減值虧損，將自其他全面收益移除，並於損益確認。

倘股權投資分類為可供出售，客觀憑證包括一項投資公平值顯著或持續下降至低於其成本。「顯著」乃基於該投資的原始成本進行評估，而「持續」乃基於公平值低於其原始成本的期間。倘出現減值跡象，累計虧損 — 按先前於損益表確認的收購成本與該項投資扣減任何減值虧損後的現有公平值的差額計量 — 自其他全面收益剔除，並於損益表中確認。分類為可供出售權益投資的減值虧損並非透過損益撥回。減值後其公平值增加直接於其他全面收益確認。

「顯著」或「持續」下定義需要作出判斷。本集團評估(其中包括因素)某項投資之公平值低於其成本之持續時間或數額。

倘債務工具被列作可供出售，則評估減值的標準與按攤銷成本計值之財務資產所採用者相同。然而，減值之入賬金額乃按攤銷成本與現有公平值之差額，減以往在損益表確認之投資之任何減值虧損計量之累計虧損。未來利息收入就資產之已抵減賬面值持續按計量減值虧損時用作折現未來現金流量之利率累計。利息收入入賬為財務收入之一部份。倘債務工具之公平值隨後增加客觀上與在損益表確認減值虧損後發生之事件相關，則其減值虧損透過損益表撥回。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

**Financial liabilities (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018)**

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals and interest-bearing bank borrowings.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

##### *Loans and borrowings*

After initial recognition, interest-bearing bank and other borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

##### *Financial guarantee contracts (policies under HKFRS 9 applicable from 1 April 2018)*

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets (policies under HKFRS 9 applicable from 1 April 2018)"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

### 2.4 主要會計政策概要(續)

財務負債(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)

#### 初始確認及計量

財務負債於初步確認時被分類為貸款及借款及應付款項(如適用)。

所有財務負債以公平值初步確認，而貸款和借款及應付款項則會扣除直接歸屬之交易成本。

本集團之財務負債包括貿易應付款項、計入其他應付款項及應計費用之財務負債以及計息銀行借款。

#### 其後計量

財務負債按其分類之其後計量如下：

##### *貸款和借款*

於初步確認後，計息銀行及其他借款隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其收益及虧損在損益表內確認。

攤銷成本乃經計及收購之任何折讓或溢價，以及屬於實際利率組成部份之費用或成本後計算。實際利率攤銷額包含在損益表的融資成本中。

##### *財務擔保合約(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策)*

本集團發出的財務擔保合約為要求付款以彌償擔保持有人因指定債務人未能按照債務工具條款於到期時付款而招致的損失的合約。財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)根據「財務資產減值(自二零一八年四月一日起應用香港財務報告準則第9號之政策)」所載之政策釐定之預期信貸虧損撥備；及(ii)初始確認的金額減(若適用)累計確認收入金額。



# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Financial liabilities (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018) (continued)

##### Subsequent measurement (continued)

*Financial guarantee contracts (policies under HKAS 39 applicable before 1 April 2018)*

A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

#### Derecognition of financial liabilities (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

#### Offsetting of financial instruments (policies under HKFRS 9 applicable from 1 April 2018 and policies under HKAS 39 applicable before 1 April 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.4 主要會計政策概要(續)

財務負債(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)(續)

##### 其後計量(續)

*財務擔保合約(於二零一八年四月一日前應用香港會計準則第39號之政策)*

財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)償還報告期末的現有責任所需開支的最佳估計金額；及(ii)初始確認的金額減(若適用)累計攤銷。

財務負債的終止確認(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)

財務負債於相關責任解除或取消或屆滿時終止確認。

倘現有財務負債被同一貸款人以幾乎完全不同的條款提供的另一項負債替換，或現有負債的條款作出重大修訂，則上述交換或修訂視為終止確認原有負債及確認新負債處理，而各自賬面值的差額於損益表內確認。

金融工具抵銷(自二零一八年四月一日起適用的香港財務報告準則第9號項下的政策及二零一八年四月一日前適用的香港會計準則第39號項下的政策)

倘有抵銷已確認金額之現有可執行法定權利，且擬以淨額結算或同時變現該財務資產和清償該財務負債時，財務資產與財務負債可相互抵銷，並以相互抵銷後的淨額在綜合財務狀況表內列示。

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## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Treasury shares

Own equity instruments which are reacquired and held by the Company of the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of the Group's own equity instruments.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

#### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, bank balances and cash comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

#### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

### 2.4 主要會計政策概要(續)

#### 庫存股份

由本公司或本集團回購並持有的自身的權益工具(庫存股份)直接按成本計入權益。買入、賣出、發行或取消本集團自身的權益工具不在損益中確認收益或虧損。

#### 存貨

存貨按成本與可變現淨值兩者中較低者列賬。成本按加權平均基準釐定。如為在製品及製成品，則包括直接材料、直接勞工及按適當比例計算的製造費用。可變現淨值乃根據估計售價減去預期達致完成及出售時產生的任何估計成本計算。

#### 現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目，包括手頭現金以及活期存款，以及流動性強並易兌換為已知金額現金且所涉價值變動風險不高而一般自取得起三個月內到期的短期投資，減去作為本集團現金管理組成部份的按要求償還的銀行透支。

就綜合財務狀況表而言，銀行結餘及現金包括手頭現金以及銀行存款，包括用途不受限制之定期存款。

#### 撥備

倘因過往事件導致現時承擔責任(法定或推定責任)，且日後可能須流失資源以履行責任，並能可靠估計責任之數額，則確認撥備。

倘貼現之影響屬重大，就撥備確認之金額乃預期日後為履行有關責任所需開支於報告期末之現值。已折現現值金額隨時間流逝而有所增加，有關增幅會計入損益表之融資成本內。

# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

### 2.4 主要會計政策概要(續)

#### 所得稅

所得稅包括即期及遞延稅項。與損益外已確認項目有關的所得稅於損益外確認，如可於其他全面收益或直接於權益中確認。

即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局的金額計算，以截至報告期末已頒佈或大致頒佈的稅率(及稅法)為基礎及經考慮本集團經營所處國家的解釋及常用準則。

遞延稅項採用負債法，對所有於報告期末就資產及負債的計稅數額與用於財務報告的賬面值的不同而引致的暫時性差異作出撥備。

遞延稅項負債乃就所有應課稅暫時性差額確認，惟：

- 因業務合併以外的交易(交易當時並不影響會計溢利或應課稅溢利或虧損者)下首次確認的商譽或資產或負債所產生的遞延稅項負債；及
- 就與附屬公司及聯營公司投資相關的應課稅暫時性差額而言，惟倘撥回暫時性差額的時間可予控制，且暫時性差額可能不會於可見將來撥回。

所有可扣減暫時性差額及未動用稅項抵免與任何未動用稅務虧損結轉，均被確認為遞延稅項資產。倘可能具有應課稅溢利抵銷可扣減暫時性差額，以及可動用結轉之未動用稅項抵免及稅務虧損，則會確認遞延稅項資產，惟下述情況除外：

- 因有關可扣減暫時性差額之遞延稅項資產源自初次確認一項交易中之資產或負債，而有關交易(非為業務合併)進行時不會影響會計溢利或應課稅溢利或虧損；及

# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Income tax (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 2.4 主要會計政策概要(續)

#### 所得稅(續)

- 就與附屬公司及聯營公司投資相關的可扣減暫時性差額而言，遞延稅項資產僅在暫時性差額可能於可見將來撥回，及應課稅溢利可予動用抵銷暫時性差額時方予確認。

於各報告期末審閱遞延稅項資產之賬面值，並在不再可能有足夠應課稅溢利以動用全部或部份遞延稅項資產時，相應扣減該賬面值。未被確認之遞延稅項資產會於每個報告期末重新評估，並在成為可能有足夠應課稅溢利以收回全部或部份遞延稅項資產時予以確認。

遞延稅項資產及負債乃根據預計該遞延稅項資產變現時或遞延稅項負債清償時所適用的稅率計量，該稅率乃基於截至報告期末已頒佈或大致頒佈的稅率(及稅法)釐定。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一課稅實體或於各未來期間預期待有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同課稅實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

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## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Revenue recognition (applicable from 1 April 2018)

##### Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

(a) *Sale of Chinese and Western pharmaceutical and health food products*

Revenue from the sale of Chinese and Western pharmaceutical and health food products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the Chinese and Western pharmaceutical and health food products.

Some contracts for the sale of Chinese and Western pharmaceutical and health food products provide customers with rights of return. The rights of return give rise to variable consideration:

### 2.4 主要會計政策概要(續)

#### 收益確認(自二零一八年四月一日起適用)

##### 來自客戶合同之收入

來自客戶合同之收入於貨物或服務的控制權轉移至客戶時確認，金額反映本集團預期就交換該等貨物或服務而有權獲得的代價。

倘合約代價包含可變金額，則其根據本集團於就交換向客戶轉讓貨物或服務時將享有的代價金額進行估計。可變代價於合約開始時估計並受到限制，直至與可變金額相關的不確定性於其後解除時，有關累計已確認收入金額的重大收入撥回極可能不會產生時方可解除。

倘合約中包含為客戶提供超過一年轉移貨品或服務的重大融資利益之融資成分，則收入按應收金額之現值計量，並使用訂立合約時本集團與客戶的單獨融資交易中反映的貼現率貼現。倘合約中包含為本集團提供超過一年重大融資利益之融資成分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與承諾的貨品或服務轉移之間的期限為一年或以下的合約，交易價不會因重大融資成分之影響而調整，而是採用香港財務報告準則第15號可行的權宜之計。

(a) *中西藥及保健食品產品銷售*

銷售中西藥及保健食品產品之收益於資產控制權轉讓予客戶之時間點確認，通常為交付中西藥及保健食品產品之時。

部分中西藥及保健食品產品銷售合約為客戶提供退貨權。退貨權引發可變代價：



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## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Revenue recognition (applicable from 1 April 2018) (continued)

##### Revenue from contracts with customers (continued)

(a) *Sale of Chinese and Western pharmaceutical and health food products (continued)*

(i) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(ii) Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

### 2.4 主要會計政策概要(續)

#### 收益確認(自二零一八年四月一日起適用)(續)

##### 來自客戶合同之收入(續)

(a) 中西藥及保健食品產品銷售(續)

(i) 退貨權

就向客戶提供於指定期限內享有退回貨物權利的合約而言，採用預期估值法估計將不予以退回的貨物，原因為該方法最佳預測本集團將有權享有的可變代價金額。採用香港財務報告準則第15號有關限制估計可變代價的規定，以釐定可計入交易價內的可變代價金額。就預期將予退回的貨物而言，退款負債而非收入得以確認。退貨權資產(及相應調整銷售成本)亦就自客戶收回產品的權利確認。

(ii) 批量回扣

當若干客戶於期內購買的產品數目超過合約規定的限額時，本集團向該等客戶提供可追溯批量回扣。回扣抵銷客戶應付的金額。為估計預期未來回扣的可變代價，就單一數量限額的合約採用最可能的金額方法，而就超過一個數量限額的合約採用預期價值法。最能預測可變代價金額的所選方法主要由合同所載數量限額所影響。本集團應用限制可變代價估計的規定，並就預期未來回扣確認退款責任。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

## 2.4 Summary of Significant Accounting Policies (continued)

### Revenue recognition (applicable from 1 April 2018) (continued)

#### Revenue from contracts with customers (continued)

(a) *Sale of Chinese and Western pharmaceutical and health food products* (continued)

(iii) Loyalty points programme

The Group has a loyalty points programme, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

(b) *Provision of management and promotion services*

Revenue from the provision of management and promotion services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

#### Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

#### Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

## 2.4 主要會計政策概要(續)

### 收益確認(自二零一八年四月一日起適用)(續)

#### 來自客戶合同之收入(續)

(a) *中西藥及保健食品產品銷售* (續)

(iii) 忠誠獎賞計劃

本集團設有忠誠獎賞計劃，允許客戶積累可兌換免費產品的積分。由於忠誠度積分為客戶提供了兌換產品的權利，因此產生了單獨的履約責任。交易價格的一部分根據積分獨立銷售價格分配給授予客戶的忠誠度積分，並在兌換積分之前確認為合約負債。收益在客戶兌換產品時確認。在估計忠誠度積分獨立銷售價格時，集團考慮了客戶兌換積分的可能性。集團每季度更新其對將兌換積分的估計，並從收益中扣除任何對合約負債餘額的調整。

(b) *提供管理及宣傳服務*

提供管理及宣傳服務的收益於預定期間內以直線法確認，因為客戶同時收取及消耗本集團提供的利益。

#### 來自其他來源之收益

租金收入按時間比例基準於租期內確認。

#### 其他收入

利息收入根據實際利率法按應計基準以可將金融工具預期期限的估計未來現金回報準確折現為財務資產賬面淨值的比率計算。

股息收入在確定股東有權收取該款項，與股息相關的經濟利益很可能流入本集團且股息的金額能夠可靠計量時確認。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Revenue recognition (applicable before 1 April 2018)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) franchise fee income, on a straight-line basis over the franchise period;
- (c) management and promotion fee income and commission income when services are provided;
- (d) rental income, in the period in which the properties are let and on the straight-line basis over the lease terms;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (f) dividend income, when the shareholders' right to receive payment has been established.

#### Contract liabilities (applicable from 1 April 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### 2.4 主要會計政策概要(續)

#### 收益確認(二零一八年四月一日前適用)

當經濟利益有可能流入本集團，而收益能可靠地計量時，按下列基準確認收益：

- (a) 來自貨品銷售的收入，於所有權的重大風險及回報已轉歸買家時確認，惟本集團並無保留通常與所有權有關的管理權或售出貨品的有效控制權；
- (b) 特許權費收入，於特許權有效期內以直線法確認；
- (c) 管理及宣傳費收入以及佣金收入，於提供服務時確認；
- (d) 租金收入，於物業租出期間確認及在租期內按直線法入賬；
- (e) 利息收入，採用實際利息法，按應計基準，以將金融工具於預期年期或較短期間(如適用)的估計未來現金收入準確折算至財務資產賬面淨值的利率，予以計算；及
- (f) 股息收入，於股東收取付款之權利獲確立時確認。

#### 合約負債(自二零一八年四月一日前適用)

合約負債指本集團將貨品或服務轉至客戶之責任，而本集團會從客戶收取代價(或應付代價之金額)。倘客戶於本集團將貨品或服務轉至客戶前支付代價，則於作出付款或到期付款時(以較早者為準)確認合約負債。合約負債於本集團履行合約時確認為收益。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Right-of-return assets (applicable from 1 April 2018)

A right-of-return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned goods.

#### Refund liabilities (applicable from 1 April 2018)

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

#### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 30 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

### 2.4 主要會計政策概要(續)

#### 退貨權資產(自二零一八年四月一日起適用)

退貨權資產指本集團收回預期將由客戶退回的貨品的權利。該資產按退回貨品的前賬面值，減收回貨品的任何預期成本計量，包括退回貨品價值的任何潛在跌幅。本集團就預期退貨水平的任何修訂以及退回貨品價值的任何額外跌幅更新已記錄資產的計量。

#### 退款負債(自二零一八年四月一日起適用)

退款負債指退回已收(或應收)客戶的若干或全部代價的責任，並按本集團最終預期需退回予客戶的金額計量。本集團於各報告期末更新其退款負債估計(及交易價格的相應變動)。

#### 以股份為基礎之付款

為激勵和獎勵為本集團業務成就作出貢獻之合資格參與人員，本公司實行購股權計劃。本集團之僱員(包括董事)通過以股份為基礎之付款方式取得薪酬，而僱員通過提供服務作為權益工具之代價(「以權益結算之交易」)。

僱員進行之以權益結算之交易成本，參照其於授予日之公平值計量。公平值由外部評估師採用二項式定價模式釐定，進一步詳情載於財務報表附註30。

在滿足表現及/或服務條件之期間，於僱員福利開支確認以權益結算之交易成本並同時相應增加權益。在各報告期末至歸屬日期就以權益結算之交易確認之累計開支反映歸屬期屆滿之程度及本集團對最終歸屬之權益工具數量的最佳估計。於期內損益表扣除或計入之金額指於期初及期終確認之累計開支變動。

# Notes to Financial Statements

## 財務報表附註

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### 2.4 Summary of Significant Accounting Policies (continued)

#### Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

### 2.4 主要會計政策概要(續)

#### 以股份為基礎之付款(續)

釐定獎勵的授出日期公平值時，不會計及服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終將歸屬的權益工具數量的最佳估計。市場表現條件反映於授出日期公平值內。獎勵所附帶但並無相關服務要求的任何其他條件視為非歸屬條件。除非有另外的服務及／或表現條件，否則非歸屬條件反映於獎勵的公平值內，並將即時支銷獎勵。

基於未能達成非市場表現及／或服務條件而最終並無歸屬的獎勵不會確認開支。倘獎勵包括市場或非歸屬條件，交易視為歸屬，而不論市場或非歸屬條件是否達成，惟所有其他表現及／或服務條件須已達成。

倘以權益結算之獎勵之條款有所變更，則在達成獎勵原定條款情況下，所確認開支最少須達成猶如條款並無變更之水平。此外，倘任何變更導致變更當日以股份為基礎之付款之總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘若以權益結算之獎勵被註銷，應被視為已於註銷日期歸屬，而尚未就有關獎勵確認之任何開支，均應立刻確認。這包括非歸屬條件為本集團或僱員所控制但尚未達成之任何獎勵。然而，若授予新獎勵代替已註銷之獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵應被視為對原獎勵之變更，處理方法如前段所述。

計算每股盈利時，未行使購股權之攤薄影響反映為額外股份攤薄。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Other employee benefits

##### Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

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

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when 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 capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

### 2.4 主要會計政策概要(續)

#### 其他僱員福利

##### 退休金計劃

本集團根據《強制性公積金計劃條例》為合資格參與界定供款強制性公積金退休福利計劃(「強積金計劃」)的僱員經營一項強積金計劃。根據強積金計劃規則，須按僱員基本薪金的某個百分比作出供款，並於供款成為應付時在損益內扣除。強積金計劃的資產與本集團資產分開並由獨立管理基金持有。本集團所作僱主供款於向強積金計劃作出時全數歸屬予僱員。

本集團於中華人民共和國(「中國」)營業的附屬公司的僱員須參加由地方市政府經營的中央退休金計劃。該等附屬公司須按其工資成本的若干百分比向中央退休金計劃供款。根據中央退休金計劃規則，有關供款於成為應付時在損益內扣除。

#### 借貸成本

直接歸屬收購、建造或生產合資格資產(即須長時間準備方可作擬定用途或銷售之資產)之借貸成本，作為此等資產成本之一部分撥充資本。當資產已大致備妥作擬定用途或出售時，借貸成本將會停止撥充資本。為合資格資產取得之特定借貸在其尚未用於有關用途時作為短暫投資而賺取之投資收入於可作資本化之借貸成本內扣除。所有其他借貸成本在產生期間列為支出。借貸成本包括實體因借入資金所產生之利息及其他成本。

#### 股息

末期股息經股東於股東大會批准時確認為負債。

由於本公司之組織章程大綱及細則授予董事宣派中期股息之權力，故中期股息同時獲建議及宣派。因此，中期股息於建議及宣派時，即時確認為負債。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their profit or loss and other comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### 2.4 主要會計政策概要(續)

#### 外幣

該等財務報表以本公司的功能貨幣港元呈列。本集團內各實體自行釐定其各自的功能貨幣，而各實體的財務報表項目乃以該功能貨幣計量。本集團內各實體所記錄之外幣交易初步按其各自於交易日適用的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債，按有關功能貨幣於報告期末的適用匯率換算。因貨幣項目結算或兌換產生的差額均會於損益中確認。

以外幣按歷史成本計量的非貨幣項目，採用初始交易日期的匯率換算。以外幣按公平值計量的非貨幣項目，採用公平值計量當日的匯率換算。換算按公平值計量之非貨幣項目產生之收益或虧損之處理方式與確認該項目公平值變動之收益或虧損一致(即於其他全面收益或損益中確認其公平值收益或虧損之項目，其匯兌差額亦相應於其他全面收益或損益中確認)。

於釐定初步確認與預付代價相關之非貨幣資產或非貨幣負債終止確認時的有關資產、開支或收入之匯率時，初始交易日期為本集團初步確認因預付代價產生之非貨幣資產或非貨幣負債之日期。倘存在多筆預付款項或預收款項，則本集團會釐定每筆預付款項或預收款項之交易日期。

若干海外附屬公司及聯營公司的功能貨幣均為港元以外的貨幣。於報告期末，該等實體的資產與負債按報告期末的適用匯率換算為港元，其損益及其他全面收益則按年內的加權平均匯率換算為港元。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 2.4 Summary of Significant Accounting Policies (continued)

#### Foreign currencies (continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### 3. Significant Accounting Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

### 2.4 主要會計政策概要(續)

#### 外幣(續)

因此而產生的匯兌差額已於其他全面收益中確認並累計計入匯兌儲備。出售海外業務時，與該特定海外業務有關的其他全面收益部分於損益中確認。

任何因收購海外業務產生之商譽及任何由於收購所得之資產及負債賬面值之公平值調整均視為海外業務之資產及負債及以收市匯率換算。

就綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期的適用匯率換算為港元。海外附屬公司於整個年度產生的經常性現金流量則按年內的加權平均匯率換算為港元。

### 3. 主要會計估計

於編製本集團財務報表時，管理層須作出會影響收入、開支、資產及負債之呈報金額及其有關披露或然負債之披露之判斷、估計及假設。該等假設及估計之不明朗因素可能導致需要對未來有關資產或負債之賬面值作出重大調整。

#### 估計不明朗因素

下文為於報告期末有關日後的主要假設及其他主要估計的不明朗因素，其涉及導致下個財政年度對資產及負債賬面值作出重大調整的重大風險。

# Notes to Financial Statements

## 財務報表附註

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### 3. Significant Accounting Estimates (continued)

#### Estimation uncertainty (continued)

##### Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. Moreover, given that the Chinese pharmaceutical and health food products cash generating unit (the “Chinese pharmaceutical CGU”) was loss making during the year, the directors of the Company performed an impairment assessment on the goodwill of the Chinese pharmaceutical CGU. This requires an estimation of the value in use of the Chinese pharmaceutical CGU to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the Chinese pharmaceutical CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in note 15 to the financial statements.

##### Valuations of investment properties

Investment properties including commercial units in Hong Kong are revalued at the end of the reporting period on a market value, existing use basis by an independent professionally qualified valuer. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of the reporting period are used.

##### Impairment of non-financial non-current assets (other than goodwill)

The Group assesses whether there are any indicators of impairment of all non-financial non-current assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or the Chinese pharmaceutical CGU and the Western pharmaceutical and health food products cash-generating unit (the “Western pharmaceutical CGU”) (together, the “CGUs”) and choose a suitable discount rate in order to calculate the present value of those cash flows.

### 3. 主要會計估計(續)

#### 估計不明朗因素(續)

##### 商譽減值

本集團至少每年釐定商譽是否有所減值。此外，鑒於中藥及保健食品現金產生單位(「中藥現金產生單位」)於年內均錄得虧損，故本公司董事對各中藥現金產生單位之商譽進行減值評估。釐定時須估計獲分配商譽的中藥現金產生單位的使用價值。估計使用價值時，本集團須估計中藥現金產生單位所產生的預期日後現金流量，亦須選擇合適的貼現率，以計算該等現金流量的現值。進一步詳情載於財務報表附註15。

##### 投資物業估值

投資物業(包括位於香港之商業單位)於報告期末由獨立專業合資格估值師按市場價值及現有用途基準重新估值。有關估值乃基於若干假設，受限於不明朗性及可能與實際結果有很大出入。於作出估計時，有關判斷已考慮到活躍市場內類似物業的通行價格的資料，及使用主要以各報告期末的市場狀況為基礎的假設。

##### 非財務非流動資產(除商譽外)之減值

本集團在各報告期末評估全部非財務非流動資產是否有任何減值跡象。非財務資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘資產或現金產生單位之賬面值超過其可收回金額時，則存在減值，可收回金額為其公平值減銷售成本與其使用價值之較高者。公平值減銷售成本按類似資產公平交易中具約束力之銷售交易所得數據或可觀察市場價格減出售資產之增加成本計算。倘進行計算使用價值時，管理層須估計資產或中藥現金產生單位以及西藥及保健食品現金產生單位(「西藥現金產生單位」)(統稱「現金產生單位」)之預期未來現金流量，及選用合適之貼現率以計算該等現金流量現值。

# Notes to Financial Statements

## 財務報表附註

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### 3. Significant Accounting Estimates (continued)

#### Estimation uncertainty (continued)

#### Impairment of non-financial non-current assets (other than goodwill) (continued)

(i) *Investment in an associate*

As at 31 March 2019, the Group held a 29.06% interest in a listed associate, Easy One Financial Group Limited ("Easy One"), with a carrying amount of approximately HK\$324,062,000. As the market value of Easy One's shares held by the Group is significantly lower than the carrying amount of the Group's investment in Easy One, there was an impairment indicator on the Group's investment in Easy One.

Accordingly, the Group has performed an impairment assessment on its investment in Easy One using a value in use calculation to determine its recoverable amount. The value in use calculation was based on the discounted cash flow method which was complex and required management to use significant judgements and make assumptions which were affected by expected future market or economic conditions.

(ii) *Property, plant and equipment*

The carrying value of an item of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with the accounting policy as disclosed in note 2.4 to the financial statements. Given that both the Chinese pharmaceutical CGU and Western pharmaceutical CGU were loss-making during the year, the directors of the Company performed an impairment assessment of the property, plant and equipment relating to these CGUs to determine their recoverable amounts. The recoverable amount of an item of property, plant and equipment is calculated as the higher of its fair value less costs to sell and value in use, the calculations of which involve the use of estimates.

### 3. 主要會計估計(續)

#### 估計不明朗因素(續)

#### 非財務非流動資產(除商譽外)之減值(續)

(i) 於一間聯營公司之投資

於二零一九年三月三十一日，本集團於上市聯營公司易易壹金融集團有限公司(「易易壹」)中持有29.06%權益，賬面值約為324,062,000港元。由於本集團持有之易易壹股份之市值遠低於本集團於易易壹投資之賬面值，本集團於易易壹之投資有減值跡象。

因此，本集團對其於易易壹之投資進行減值評估，按使用價值方法計算其可收回金額。使用價格乃按折現現金流方法計算，此方法較為複雜並須由管理層作出受預測未來市場或經濟狀況影響之重大判斷及假設。

(ii) 物業、廠房及設備

倘事件或情況變化顯示賬面值可能無法根據財務報表附註2.4所披露之會計政策收回，則會檢討物業、廠房及設備項目之賬面值有否減值。鑒於中藥現金產生單位以及西藥現金產生單位之現金產生單位於年內均錄得虧損，本公司董事對與該等現金產生單位有關之物業、廠房及設備進行減值評估，以釐定其可收回金額。物業、廠房及設備項目之可收回金額按其公平值減出售成本及使用價值之較高者計算，計算時涉及使用估計。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 3. Significant Accounting Estimates (continued)

#### Estimation uncertainty (continued)

##### Valuation of financial instruments

When the fair values of financial assets recorded in the consolidated statement of financial position cannot be derived from active markets, their fair values are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of certain unobservable inputs as detailed in note 39 to the financial statements. Changes in assumptions about these factors could affect the reported fair values of financial instruments in the consolidated statement of financial position and the level of the instruments classified in the fair value hierarchy. Significant management judgements and estimates are required in determining the valuation of financial instruments which are categorised within Level 3 in the fair value hierarchy.

##### Impairment of debt investments at fair value through other comprehensive income

The measurement of impairment losses under HKFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining loss allowance for the expected credit losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, such as risks of default and loss given default, which can result in different levels of allowances.

The Group's expected credit loss calculations on debt investments are based on assumptions about risks of default and loss given default. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on credit risks of the debtors or comparable companies in the market, existing market conditions as well as forward-looking estimates (such as gross domestic product and market volatility) at the end of each reporting period. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

As at 31 March 2019, the Group had debt investments at fair value through other comprehensive income amounting to HK\$852,023,000. The related net reversal of impairment losses of financial assets amounting to HK\$80,353,000 was recognised in profit or loss during the year, and the related cumulative loss allowance amounting to HK\$101,781,000 was carried as at 31 March 2019. Further details of the Group's debt investments at fair value through other comprehensive income, and the key assumptions and inputs used for expected credit loss calculations are given in note 17 to the financial statements.

### 3. 主要會計估計(續)

#### 估計不明朗因素(續)

##### 金融工具之估值

當在綜合財務狀況表列賬之財務資產之公平值不能由交投活躍市場取得時，則使用多種估值技術(包括使用估值模式)釐定其公平值。該等模式之輸入值在可能情況下從可觀察市場取得，惟在不可行情況下，則須作出估計以釐定公平值。估計包括考慮財務報表附註39所詳述之若干不可觀察輸入值。有關該等因素之假設變動可能對綜合財務狀況表中的金融工具之已呈報公平值及該等工具在公平值等級中披露之等級造成影響。在釐定歸入公平值等級第三級的金融工具之估值時，需要管理層作出重大判斷及估計。

##### 按公平值經其他全面收益入賬之債務投資減值

香港財務報告準則第9號項下減值虧損的計量需要作出判斷，尤其是在釐定預期信貸虧損的虧損撥備及評估信貸風險大幅增加時估計未來現金流量的金額及時間。該等估計值受許多因素驅動，例如違約風險和違約虧損，這可能導致不同水平的撥備。

本集團之債務投資之預期信貸虧損計算乃根據有關違約風險及違約損失之假設。本集團根據債務人或市場上可資比較公司之信貸風險、現有市況及各呈報期結算日之前瞻性估計(例如國內生產總值及市場波幅)，使用判斷作出該等假設並選擇耗蝕計算之輸入數據。本集團之政策為於實際虧損經驗之情況下定期審閱其模型，並在必要時作出調整。

於二零一九年三月三十一日，本集團擁有按公平值經其他綜合收益入賬之債務投資852,023,000港元。於年內，財務資產減值虧損的相關撥回淨額80,353,000港元於損益確認，而相關累計虧損撥備101,781,000港元於二零一九年三月三十一日結轉。本集團按公平值經其他綜合收益入賬之債務投資的進一步詳情以及用於計算預期信貸虧損的主要假設和輸入數據載於財務報表附註17。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 4. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) production and sale of Chinese pharmaceutical and health food products — manufacturing, processing and sale of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of “Wai Yuen Tong” and a range of products manufactured using selected medicinal materials with traditional prescriptions, mainly in the PRC and Hong Kong;
- (b) production and sale of Western pharmaceutical and health food products — processing and sale of Western pharmaceutical products and personal care products under the brand names of “Madame Pearl’s” and “Pearl’s”, respectively; and
- (c) property investment — investment in commercial premises for rental income.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/(loss) before tax except that other income and gains, net, finance costs, fair value gains/(losses) on financial assets at fair value through profit or loss, net, head office and corporate income and expenses and share of profits and losses of associates are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

### 4. 營運分類資料

就管理而言，本集團按產品及服務分為各業務單位，並有三個可申報之營運分類如下：

- (a) 生產及銷售中藥及保健食品產品 — 主要於中國及香港製造、加工及銷售傳統中藥，包括以「位元堂」品牌出售之中藥產品，以及一系列以精選藥材配以傳統配方製成之產品；
- (b) 生產及銷售西藥及保健食品產品 — 加工及銷售「珮夫人」及「珮氏」品牌之西藥產品及個人護理產品；及
- (c) 物業投資 — 投資於商務物業以獲得租金收入。

管理層分開監控本集團營運分類之業績，旨在作出有關資源分配及表現評估之決定。分類表現按可報告分類之溢利／虧損作出評估，即計量經調整除稅前溢利／虧損。經調整除稅前溢利／虧損之計量與本集團除稅前溢利／(虧損)一致，惟其他收入及收益淨額、融資成本、按公平值經損益表入賬之財務資產之公平值收益／(虧損)淨額、總公司及企業收入及開支以及分佔聯營公司損益均不計入有關計量。

各分類間之銷售及轉撥乃經參考向第三方銷售所採用之售價並按當時現行市價進行。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 4. Operating Segment Information (continued)

#### Segment revenue and results

Year ended 31 March

### 4. 營運分類資料(續)

#### 分類收益及業績

截至三月三十一日止年度

		Production and sale of Chinese pharmaceutical and health food products		Production and sale of Western pharmaceutical and health food products		Property investment		Eliminations		Total	
		生產及銷售中藥及保健食品產品		生產及銷售西藥及保健食品產品		物業投資		對銷		總計	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Segment revenue:</b>	<b>分類收益：</b>										
Sales to external customers	銷售予外界客戶	624,744	700,217	115,953	135,888	10,746	9,676	-	-	751,443	845,781
Intersegment sales	分類間銷售	87	112	-	-	13,883	6,729	(13,970)	(6,841)	-	-
Total	總計	624,831	700,329	115,953	135,888	24,629	16,405	(13,970)	(6,841)	751,443	845,781
<b>Segment results</b>	<b>分類業績</b>	(64,924)	(54,526)	(75,419)	(52,853)	35,429	26,088	-	-	(104,914)	(81,291)
Other income and gains, net	其他收入及收益，淨額									115,671	124,002
Unallocated income/(expenses), net	未分配收入/(開支)，淨額									52,510	(26,239)
Finance costs	融資成本									(28,553)	(18,926)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net	按公平值經損益表入賬之財務資產之公平值收益/(虧損)，淨額									593	(17,800)
Share of profits and losses of associates	分佔聯營公司損益									46,387	(94,633)
Profit/(loss) before tax	除稅前溢利/(虧損)									81,694	(114,887)
Income tax expense	所得稅開支									(7,448)	(2,281)
Profit/(loss) for the year	年度溢利/(虧損)									74,246	(117,168)

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 4. Operating Segment Information (continued)

#### Other segment information

Year ended 31 March

### 4. 營運分類資料(續)

#### 其他分類資料

截至三月三十一日止年度

	Production and sale of Chinese pharmaceutical and health food products		Production and sale of Western pharmaceutical and health food products		Property investment		Unallocated		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>Other segment information:</b>	<b>其他分類資料：</b>									
Capital expenditure (note (i))	13,688	27,749	1,642	9,792	350,000	-	70	10	365,400	37,551
Depreciation	32,925	34,457	11,410	5,425	5,474	5,092	1,514	1,839	51,323	46,813
Fair value gains/(losses) of financial assets at fair value through profit or loss, net	-	-	-	-	-	-	593	(17,800)	593	(17,800)
Fair value gains on investment properties, net	-	-	-	-	17,445	23,356	-	-	17,445	23,356
Gain on early repayment of a debt investment at fair value through other comprehensive income	-	-	-	-	-	-	1,179	-	1,179	-
Impairment losses/(reversal of impairment losses) on financial assets, net	1,706	1,300	(980)	1,027	-	-	(83,493)	-	(82,767)	2,327
Impairment of goodwill	7,700	-	-	7,635	-	-	-	-	7,700	7,635
Impairment losses/(reversal of impairment losses) of items of property, plant and equipment	1,205	3,735	-	-	(2,700)	7,800	-	-	(1,495)	11,535
Allowance for obsolete inventories	6,170	1,298	3,284	3,542	-	-	-	-	9,454	4,840
Investments in associates	-	-	-	-	-	-	329,584	298,148	329,584	298,148
Share of profits and losses of associates, net	-	-	-	-	-	-	46,387	(94,633)	46,387	(94,633)

Note:

(i) Capital expenditure includes additions to investment properties and property, plant and equipment.

附註：

(i) 資本開支包括新增之投資物業及物業、廠房及設備。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 4. Operating Segment Information (continued)

#### Geographical information

##### (a) Revenue from external customers

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	557,749	606,449
Mainland China	中國內地	156,925	208,153
Macau	澳門	32,005	13,431
Others	其他	4,764	17,748
		<b>751,443</b>	845,781

The revenue information above is based on the locations of the customers.

上述收益資料乃按客戶所在地區劃分。

##### (b) Non-current assets

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	1,746,008	1,540,689
Mainland China	中國內地	98,504	113,083
Macau	澳門	395	231
		<b>1,844,907</b>	1,654,003

The non-current assets information above is based on the locations of the assets and excluded financial instruments and deferred tax assets.

上述非流動資產資料乃按資產所在地區劃分，且不包括金融工具及遞延稅項資產。

#### Information about major customers

During the years ended 31 March 2019 and 2018, no revenue from transactions with a single external customer amounted to 10% or more of the total revenue of the Group.

#### 有關主要客戶之資料

截至二零一九年及二零一八年三月三十一日止年度，並無來自與單一外界客戶交易之收益為本集團收益總額的10%或以上。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 5. Revenue and Other Income and Gains, Net

An analysis of the Group's revenue is as follows:

### 5. 收益及其他收入及收益，淨額

本集團之收益分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Revenue from contracts with customers</b>	<b>來自客戶合約之收益</b>		
Sale of goods	銷售貨物	<b>739,401</b>	835,166
Management and promotion services	管理及宣傳服務	<b>1,296</b>	939
<b>Revenue from other sources</b>	<b>來自其他來源之收益</b>		
Rental income from investment properties	投資物業之租金收入	<b>10,746</b>	9,676
		<b>751,443</b>	845,781

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 5. Revenue and Other Income and Gains, Net (continued)

#### Revenue from contracts with customers

#### (i) Disaggregated revenue information For the year ended 31 March 2019

Segments

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Type of goods or services</b>	<b>貨物或服務類別</b>			
Sale of goods	銷售貨物	623,448	115,953	739,401
Management and promotion services	管理及宣傳服務	1,296	-	1,296
Total revenue from contracts with customers	來自客戶合約之收益總額	624,744	115,953	740,697
<b>Geographical markets</b>	<b>地區市場</b>			
Hong Kong	香港	502,639	44,364	547,003
Mainland China	中國內地	95,716	61,209	156,925
Macau	澳門	23,891	8,114	32,005
Others	其他	2,498	2,266	4,764
Total revenue from contracts with customers	來自客戶合約之收益總額	624,744	115,953	740,697
<b>Timing of revenue recognition</b>	<b>收益確認時間</b>			
Goods transferred at a point in time	於某一時間點轉移貨物	623,448	115,953	739,401
Services transferred over time	隨時間經過轉移服務	1,296	-	1,296
Total revenue from contracts with customers	來自客戶合約之收益總額	624,744	115,953	740,697

### 5. 收益及其他收入及收益，淨額 (續)

來自客戶合約之收益

(i) 分拆收益資料  
截至二零一九年三月三十一日止年度  
分類

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 5. Revenue and Other Income and Gains, Net (continued)

#### Revenue from contracts with customers (continued)

##### (i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

For the year ended 31 March 2019

Segments

### 5. 收益及其他收入及收益，淨額 (續)

#### 來自客戶合約之收益 (續)

##### (i) 分拆收益資料 (續)

下文載列來自客戶合約之收益與分類資料所披露金額的對賬：

截至二零一九年三月三十一日

止年度

分類

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Revenue from contracts with customers</b>	來自客戶合約之收益			
External customers	外界客戶	624,744	115,953	740,697
Intersegment sales	分類間銷售	87	-	87
Segment revenue	分類收益	624,831	115,953	740,784
Intersegment adjustments and eliminations	分類間調整及對銷	(87)	-	(87)
Total revenue from contracts with customers	來自客戶合約之收益總額	624,744	115,953	740,697

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 5. Revenue and Other Income and Gains, Net (continued)

#### Revenue from contracts with customers (continued)

##### (i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

		2019 二零一九年 HK\$'000 千港元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	於報告期初計入合約負債之收益確認：	
Sale of goods	銷售貨物	7,434
Management and promotion services	管理及宣傳服務	-
		7,434

##### (ii) Performance obligations

The following information about the Group's performance obligations is summarised below:

#### *Sale of Chinese and Western pharmaceutical and health food products*

The performance obligation is satisfied upon delivery of the Chinese and Western pharmaceutical and health food products and payment is generally due within 7 to 120 days from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return which gives rise to variable consideration subject to constraint.

#### *Management and promotion services*

The performance obligation is satisfied as services are rendered. Management service contracts are for periods of one year or less, or are billed based on the time incurred.

### 5. 收益及其他收入及收益，淨額(續)

#### 來自客戶合約之收益(續)

##### (i) 分拆收益資料(續)

下表顯示於本報告期間收益確認之金額，其於報告期初計入合約負債，以及就過往期間完成之履約責任確認：

##### (ii) 履行責任

有關本集團履行責任的資料概述如下：

#### *銷售中西藥及保健食品產品*

於交付中西藥及保健食品產品時達成履約責任，且付款通常於交付後7至120日到期，惟新客戶除外，其通常須提前付款。部分合約向客戶提供退貨權，而其產生的可變代價須受限制。

#### *管理及宣傳服務*

履約責任隨著提供服務而履行。管理服務合約為期一年或以內，或於產生時計費。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 5. Revenue and Other Income and Gains, Net (continued) 5. 收益及其他收入及收益，淨額(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Other income</b>	<b>其他收入</b>		
Interest income on a loan receivable from an associate	應收一間聯營公司貸款之利息收入	4,203	6,464
Interest income on financial assets at fair value through profit or loss	按公平值經損益表入賬之財務資產之利息收入	349	-
Interest income on financial assets at fair value through other comprehensive income/available-for-sale investments	按公平值經其他全面收益入賬之財務資產/可供出售投資之利息收入	90,179	99,143
Interest income on bank deposits	銀行存款利息收入	1,208	1,028
Dividends from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss	來自按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產之股息	3,145	3,353
Sub-lease rental income	分租租金收入	13,075	12,964
Others	其他	2,333	1,050
		<b>114,492</b>	124,002
<b>Gains, net</b>	<b>收益，淨額</b>		
Gain on early repayment of a debt investment at fair value through other comprehensive income	提早償還按公平值經其他全面收益入賬之債務投資之收益	1,179	-
		<b>1,179</b>	-
Other income and gains, net	其他收入及收益，淨額	<b>115,671</b>	124,002



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 6. Profit/(Loss) before Tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

### 6. 除稅前溢利／(虧損)

本集團除稅前溢利／(虧損)於扣除／(計入)下列各項後入賬：

		2019 二零一九年	2018 二零一八年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK\$9,454,000 (2018: HK\$4,840,000))	確認為開支之存貨成本 (包括9,454,000港元之陳舊存貨撥備(二零一八年：4,840,000港元))	<b>449,915</b>	501,987
Depreciation	折舊 13	<b>51,323</b>	46,813
Research and development costs	研究及開發成本	<b>7,902</b>	15,705
Lease payments under operating leases in respect of land and buildings:	土地及樓宇經營租賃下的租賃付款：		
Minimum lease payments	最低租賃付款	<b>77,205</b>	101,544
Contingent rents	或然租金	<b>10,441</b>	13,296
Auditor's remuneration	核數師酬金	<b>6,000</b>	2,400
Employee benefit expense (excluding directors' remuneration (note 8)):	僱員福利開支 (不包括董事酬金(附註8))：		
Wages and salaries and other benefits	工資、薪金及其他福利	<b>163,315</b>	171,722
Pension scheme contributions	退休金計劃供款	<b>11,831</b>	11,550
		<b>175,146</b>	183,272
Foreign exchange differences, net	匯兌差額，淨額	<b>3,723</b>	2,610
Impairment losses/(reversal of impairment losses) on financial assets, net:	財務資產減值虧損／(減值虧損撥回)，淨額：		
Impairment losses of trade and bills receivables, net	貿易應收款項及應收票據之減值虧損，淨額	<b>726</b>	2,327
Reversal of impairment losses of debt investments at fair value through other comprehensive income, net	按公平值經其他全面收益入賬之債務投資減值虧損撥回，淨額	<b>(80,353)</b>	-
Reversal of impairment losses of loan and interests receivables, net	應收貸款及利息減值虧損撥回，淨額	<b>(3,140)</b>	-
		<b>(82,767)</b>	2,327

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 6. Profit/(Loss) before Tax (continued)

The Group's profit/(loss) before tax is arrived at after charging/(crediting): (continued)

### 6. 除稅前溢利／(虧損) (續)

本集團除稅前溢利／(虧損)於扣除／(計入)下列各項後入賬：(續)

			2019 二零一九年	2018 二零一八年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Gross rental income	租金收入總額	5	(10,746)	(9,676)
Less: direct outgoing expenses	減：直接支出		491	58
			<b>(10,255)</b>	(9,618)
Gain on bargain purchase of additional equity interests in an associate*	議價收購一間聯營公司之額外股權之收益*	16(b)	<b>38,026</b>	-
Loss on deemed partial disposal of equity interests in an associate*	視作出售一間聯營公司部分股權之虧損*	16(b)	-	52,170
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備之虧損		4	-
Impairment of goodwill**	商譽減值**	15	<b>7,700</b>	7,635
Impairment losses/(reversal of impairment losses) of items of property, plant and equipment, net**	物業、廠房及設備項目減值虧損／(減值虧損撥回)，淨額**	13	<b>(1,495)</b>	11,535

\* Gain on bargain purchase of additional equity interests in an associate for the year ended 31 March 2019 and loss on deemed partial disposal of equity interests in an associate for the year ended 31 March 2018 are included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income.

\*\* Impairment of goodwill and impairment losses/(reversal of impairment losses) of items of property, plant and equipment are included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

\* 截至二零一九年三月三十一日止年度議價收購一間聯營公司之額外股權之收益及截至二零一八年三月三十一日止年度視作出售一間聯營公司部分股權之虧損計入綜合損益及其他全面收益表內之「分佔聯營公司損益」。

\*\* 商譽減值及物業、廠房及設備項目減值虧損／(減值虧損撥回)計入綜合損益及其他全面收益表內之「其他開支」。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 7. Finance Costs

An analysis of finance costs is as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on bank borrowings 銀行借貸之利息	<b>28,553</b>	18,926

### 8. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") issued by the Stock Exchange, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fees 袍金	<b>756</b>	660
Other emoluments for executive directors: 執行董事之其他酬金：		
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	<b>15,200</b>	14,360
Performance-related bonuses* 按表現發放之相關花紅*	<b>2,308</b>	573
Pension scheme contributions 退休金計劃供款	<b>90</b>	72
	<b>17,598</b>	15,005
	<b>18,354</b>	15,665

\* Certain executive directors of the Company are entitled to bonus payments which are determined with reference to the Group's operating results, individual performance of the directors and comparable market statistics during the year.

### 7. 融資成本

融資成本的分析如下：

### 8. 董事酬金

根據聯交所頒佈的聯交所證券上市規則(「上市規則」、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第二部披露年內的董事酬金如下：

\* 本公司若干執行董事有權享有花紅，而花紅乃參考年內本集團經營業績、董事個別表現及可供比較之市場統計數字所釐定。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 8. Directors' Remuneration (continued)

The remuneration paid to executive directors and independent non-executive directors during the year was as follows:

### 8. 董事酬金(續)

年內，已付執行董事及獨立非執行董事之酬金如下：

		Salaries, allowances and benefits Fees	Performance- related bonuses	Pension scheme contributions	Total remuneration	
		薪金、津貼及 袍金	與表現 掛鈎之花紅	退休金 計劃供款	薪酬總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>2019</b>	<b>二零一九年</b>					
Executive directors:	執行董事：					
Mr. Tang Ching Ho	鄧清河先生	-	12,000	2,308	18	14,326
Mr. Chan Chun Hong, Thomas	陳振康先生	-	661	-	18	679
Ms. Tang Mui Fun	鄧梅芬女士	-	1,699	-	36	1,735
Ms. Tang Wai Man*	鄧蕙敏女士*	-	840	-	18	858
		-	15,200	2,308	90	17,598
Independent non-executive directors:	獨立非執行董事：					
Mr. Leung Wai Ho	梁偉浩先生	184	-	-	-	184
Mr. Siu Man Ho, Simon	蕭文豪先生	184	-	-	-	184
Mr. Cho Wing Mou	曹永牟先生	184	-	-	-	184
Mr. Li Ka Fai, David	李家暉先生	204	-	-	-	204
		756	-	-	-	756
Total	總計	756	15,200	2,308	90	18,354
<b>2018</b>	<b>二零一八年</b>					
Executive directors:	執行董事：					
Mr. Tang Ching Ho	鄧清河先生	-	12,000	500	18	12,518
Mr. Chan Chun Hong, Thomas	陳振康先生	-	661	28	18	707
Ms. Tang Mui Fun	鄧梅芬女士	-	1,699	45	36	1,780
		-	14,360	573	72	15,005
Independent non-executive directors:	獨立非執行董事：					
Mr. Leung Wai Ho	梁偉浩先生	160	-	-	-	160
Mr. Siu Man Ho, Simon	蕭文豪先生	160	-	-	-	160
Mr. Cho Wing Mou	曹永牟先生	160	-	-	-	160
Mr. Li Ka Fai, David	李家暉先生	180	-	-	-	180
		660	-	-	-	660
Total	總計	660	14,360	573	72	15,665

\* Ms. Tang Wai Man has been appointed as an executive director of the Company with effect from 1 April 2018.

\* 鄧蕙敏女士二零一八年四月一日獲委任本公司執行董事。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 8. Directors' Remuneration (continued)

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration for the years ended 31 March 2019 and 2018.

### 9. Five Highest Paid Employees

The five highest paid employees during the year included two (2018: two) directors, details of whose remuneration are disclosed in note 8 above. Details of the remuneration for the year of the remaining three (2018: three) non-director, highest paid employees are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,970	4,485
Discretionary performance related bonuses	按表現酌情發放之相關花紅	134	532
Pension scheme contributions	退休金計劃供款	50	53
		<b>3,154</b>	5,070

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

非董事最高薪人士之人數及酬金介乎以下範圍：

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	1	-
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	2



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 10. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

### 10. 所得稅

香港利得稅於年內按香港產生之估計應課稅溢利按稅率16.5%(二零一八年:16.5%)作出撥備。其他應課稅溢利之稅項已按本集團所經營的國家/司法權區的現行稅率計算。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current — Hong Kong	本期 — 香港		
Charge for the year	本年度支出	920	1,844
Under-provision/(over-provision) in prior years	過往年度不足/(超額) 之撥備	2,848	(1,207)
Current — other jurisdiction	本期 — 其他司法權區		
Charge for the year	本年度支出	-	569
Deferred taxation (note 28)	遞延稅項(附註28)	3,680	1,075
Total tax charge for the year	本年度稅項總支出	7,448	2,281

A reconciliation of the tax expense applicable to profit/(loss) before tax at the statutory/applicable rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

根據本公司及其大部份附屬公司所在司法權區的法定/適用稅率計算除稅前溢利/(虧損)適用的稅項開支與根據實際稅率計算的稅項開支對賬如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) before tax	除稅前溢利/(虧損)	81,694	(114,887)
Tax at the statutory/applicable tax rates of different countries/jurisdictions	按不同國家/司法權區之法定/ 適用稅率計算之稅項	11,104	(20,222)
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項作出 之調整	2,848	(1,207)
Profits and losses attributable to associates	聯營公司應佔之溢利及虧損	(7,654)	7,007
Income not subject to tax	毋須課稅收入	(35,704)	(24,951)
Expenses not deductible for tax	不可扣稅開支	16,606	24,113
Tax losses utilised from previous periods	運用過往期間之稅項虧損	(5,224)	(354)
Tax losses not recognised	未確認稅項虧損	25,445	17,855
Utilisation of deductible temporary differences previously not recognised	運用過往未確認之可扣稅 暫時差額	-	(257)
Deductible temporary differences not recognised	未確認之可扣稅暫時差額	247	537
Effect of tax concession	稅務優惠之影響	(220)	(240)
Tax charge at the Group's effective rate	以本集團實際稅率計算之稅項支出	7,448	2,281

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 10. Income Tax (continued)

The share of tax attributable to associates amounting to HK\$1,339,000 (2018: HK\$2,773,000) is included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income.

### 11. Dividends

The board of directors does not recommend the payment of any dividend in respect of the year ended 31 March 2019 (2018: Nil).

### 12. Earnings/(Loss) per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year of 1,248,141,518 (2018: 1,265,142,888).

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 March 2019 and 2018 in respect of a dilution as the impact of the share options outstanding had no dilutive effect on the basic earnings/(loss) per share amounts presented.

### 10. 所得稅(續)

分佔聯營公司之稅項1,339,000港元(二零一八年: 2,773,000港元), 已計入綜合損益及其他全面收益表內之「分佔聯營公司損益」。

### 11. 股息

董事會不建議就截至二零一九年三月三十一日止年度派付任何股息(二零一八年: 無)。

### 12. 母公司普通權益持有人應佔每股盈利/(虧損)

每股基本盈利/(虧損)金額乃根據母公司普通權益持有人應佔年內溢利/(虧損), 及年內已發行普通股的加權平均數數目1,248,141,518股(二零一八年: 1,265,142,888股)計算。

由於未行使之購股權對呈列的每股基本盈利/(虧損)金額並無攤薄效果, 故並無就攤薄對截至二零一九年及二零一八年三月三十一日止年度呈列的每股基本盈利/(虧損)金額作出調整。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Computer system 電腦系統 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost:</b>	<b>成本：</b>								
At 1 April 2017	於二零一七年四月一日	723,681	67,635	47,799	28,973	2,148	14,295	40,486	925,017
Additions	添置	137	8,252	5,643	4,539	-	948	18,032	37,551
Written off	撇銷	-	(20,119)	(99)	(11,308)	(7)	(1,862)	-	(33,395)
Transfer	轉讓	-	9,008	18,208	2,140	-	1,635	(30,991)	-
Exchange realignment	匯兌調整	5,894	764	-	66	44	5	-	6,773
At 31 March 2018 and 1 April 2018	於二零一八年 三月三十一日及 二零一八年四月一日	729,712	65,540	71,551	24,410	2,185	15,021	27,527	935,946
Additions	添置	5,460	4,562	2,175	2,136	-	345	722	15,400
Acquisitions of subsidiaries that are not a business (note 32)	收購非業務性質之 附屬公司(附註32)	259,000	-	-	-	-	-	-	259,000
Assets classified as held for sale	分類為持作出售之 資產	(69,000)	-	-	-	-	-	-	(69,000)
Written off	撇銷	-	(930)	-	-	-	-	-	(930)
Disposal	出售	-	(30)	(5)	(96)	-	-	-	(131)
Transfer	轉讓	-	3,810	23,484	397	-	-	(27,691)	-
Exchange realignment	匯兌調整	(8,420)	(1,446)	-	(128)	(62)	(86)	(33)	(10,175)
At 31 March 2019	於二零一九年 三月三十一日	916,752	71,506	97,205	26,719	2,123	15,280	525	1,130,110

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 13. Property, Plant and Equipment (continued)

### 13. 物業、廠房及設備(續)

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Computer system 電腦系統 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Accumulated depreciation and impairment:</b>	<b>累計折舊及減值：</b>								
At 1 April 2017	於二零一七年四月一日	27,691	36,083	6,719	20,815	434	9,788	-	101,530
Provided for the year	年度撥備	24,751	10,664	5,219	3,605	375	2,199	-	46,813
Written off	撇銷	-	(20,119)	(99)	(11,308)	(7)	(1,862)	-	(33,395)
Impairment	減值	7,800	3,735	-	-	-	-	-	11,535
Exchange realignment	匯兌調整	-	-	-	52	30	5	-	87
At 31 March 2018 and 1 April 2018	於二零一八年三月 三十一日及 二零一八年四月一日	60,242	30,363	11,839	13,164	832	10,130	-	126,570
Provided for the year	年度撥備	25,008	11,170	9,442	3,832	345	1,526	-	51,323
Assets classified as held for sale	分類為持作出售之 資產	(1,284)	-	-	-	-	-	-	(1,284)
Written off	撇銷	-	(930)	-	-	-	-	-	(930)
Disposal	出售	-	(30)	(1)	(96)	-	-	-	(127)
Impairment/(reversal of impairment)	減值/(減值撥回)	(2,700)	921	-	284	-	-	-	(1,495)
Exchange realignment	匯兌調整	(674)	(432)	-	(89)	(52)	(23)	-	(1,270)
At 31 March 2019	於二零一九年 三月三十一日	80,592	41,062	21,280	17,095	1,125	11,633	-	172,787
<b>Carrying amount:</b>	<b>賬面值：</b>								
At 31 March 2019	於二零一九年 三月三十一日	836,160	30,444	75,925	9,624	998	3,647	525	957,323
At 31 March 2018	於二零一八年 三月三十一日	669,470	35,177	59,712	11,246	1,353	4,891	27,527	809,376

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 13. Property, Plant and Equipment (continued)

At 31 March 2019, certain of the Group's land and buildings with a net carrying amount of HK\$398,893,000 (2018: HK\$142,666,000) were pledged to secure general banking facilities granted to the Group (note 27).

As at 31 March 2019, the Group had property, plant and equipment, before current year impairment, of HK\$1,019,679,000 (2018: HK\$804,068,000) relating to the cash-generating units of Chinese pharmaceutical and health food products, and Western pharmaceutical and health food products. As mentioned in note 3 to the financial statements, given that the two CGUs were loss-making during the year, an impairment assessment has been performed. For the purpose of impairment assessment of property, plant and equipment, each individual retail store is identified as a separate CGU. As a result of the impairment assessment, a reversal of impairment loss of HK\$2,700,000 (2018: an impairment loss of HK\$7,800,000) was recognised in respect of the leasehold land and buildings due to the increase in the recoverable amount of certain leasehold land and buildings. In addition, an impairment loss of HK\$1,205,000 (2018: HK\$3,735,000) was recognised in respect of the leasehold improvements of certain retail stores which continued to underperform during the year.

As at 31 March 2019, the aggregate recoverable amount of property, plant and equipment of a retail store of the Group for which impairment loss has been reversed during the year ended 31 March 2019 amounted to HK\$18,800,000. As at 31 March 2018, the aggregate carrying amount of property, plant and equipment of a retail store of the Group for which impairment loss has been recognised during the year ended 31 March 2018 amounted to HK\$17,000,000. The recoverable amount was determined based on the fair value less costs of disposal based on a market approach which took into account current prices of properties of similar locations and conditions and other unobservable inputs, and accordingly the fair value measurement was categorised within Level 3 of the fair value hierarchy.

### 13. 物業、廠房及設備(續)

於二零一九年三月三十一日，本集團賬面淨值398,893,000港元(二零一八年：142,666,000港元)之若干土地及樓宇，已為取得授予本集團之一般銀行信貸作出抵押(附註27)。

於二零一九年三月三十一日，本集團擁有與中藥及保健食品產品以及西藥及保健食品產品之現金產生單位有關之物業、廠房及設備(扣除本年度減值前)1,019,679,000港元(二零一八年：804,068,000港元)。如財務報表附註3所述，鑒於兩個現金產生單位於年內均錄得虧損，本集團已進行減值評估。就物業、廠房及設備之減值評估而言，各個零售店均被確定為獨立的現金產生單位。由於減值評估，已因若干租賃土地及樓宇的可收回金額增加而就租賃土地及樓宇確認減值虧損撥回2,700,000港元(二零一八年：減值虧損7,800,000港元)。此外，已就年內表現持續欠佳的若干零售店之租賃裝修確認減值虧損1,205,000港元(二零一八年：3,735,000港元)。

於二零一九年三月三十一日，本集團於截至二零一九年三月三十一日止年度撥回減值虧損的一間零售店的物業、廠房及設備之可收回總額為18,800,000港元。於二零一八年三月三十一日，本集團於年內確認減值虧損的一間零售店的物業、廠房及設備之賬面總值為17,000,000港元。可收回金額乃按照公平值減出售成本採用市場法釐定，並經考慮類似位置及條件之物業之當前價格及其他不可觀察輸入數據，因此公平值計量歸入公平值等級第三級。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 14. Investment Properties

### 14. 投資物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Carrying amount at beginning of year	年初賬面值	503,000	479,000
Accrued rent-free rental income	應計免租租金收入	(357)	644
Acquisitions of subsidiaries that are not a business (note 32)	收購非業務附屬公司 (附註32)	91,000	-
Net gains from fair value adjustments	公平值調整之收益淨額	17,445	23,356
		<b>611,088</b>	503,000
Less: included in assets classified as held for sale (note 24)	減：計入分類為持作出售之 資產(附註24)	<b>(53,088)</b>	-
Carrying amount at end of year	年末賬面值	<b>558,000</b>	503,000

All the Group's investment properties are commercial properties in Hong Kong. The investment properties were revalued by Asset Appraisal Limited, an independent professionally qualified valuer, at 31 March 2019. The finance department of the Group has a team that reviews the valuation performed by the independent valuer for financial reporting purposes and reports directly to senior management of the Company. Discussions of valuation processes and results are held between management and the valuer twice a year when the valuation is performed for interim and annual financial reporting. At the end of each reporting period, the finance department holds discussion with the independent valuer to verify major inputs to the independent valuation report. The finance department also assesses property valuation movements when comparing to the prior year valuation report.

The investment properties are leased to third parties under operating leases, further details of which are included in note 35(a) to the financial statements.

At 31 March 2019, the Group's investment properties with an aggregate carrying value of HK\$611,088,000 (2018: HK\$503,000,000) and certain rental income generated therefrom were pledged to secure the general banking facilities granted to the Group (note 27).

Further particulars of the Group's investment properties are included on page 275.

本集團所有投資物業均為香港商用物業。於二零一九年三月三十一日，投資物業由獨立專業且合乎資格的估值師——中誠達資產評估顧問有限公司重新估值。本集團財務部門包括有關團隊審閱獨立估值師就財務申報目的所進行的估值，並直接向本公司高級管理層報告。管理層與估值師於就中期及年度財務申報進行估值的年內，一年舉行兩次有關估值程序及結果的討論。於各報告期末，財務部門與獨立估值師進行商討，以核實獨立估值報告的主要輸入數據。財務部門亦與過往年度估值報告比較，評估物業估值變動。

投資物業乃以營運租賃形式出租予第三方，其進一步詳情載於財務報表附註35(a)。

於二零一九年三月三十一日，本集團抵押賬面總值為611,088,000港元（二零一八年：503,000,000港元）之投資物業及該等投資物業所得若干租金收入，以取得授予本集團之一般銀行信貸（附註27）。

本集團投資物業的進一步詳情載於第275頁。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 14. Investment Properties (continued)

#### Fair value hierarchy

The recurring fair value measurement for all the commercial properties of the Group uses significant unobservable inputs (Level 3).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2018: Nil).

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

### 14. 投資物業(續)

#### 公平值等級

本集團所有商用物業的經常性公平值計量均採用重大不可觀察輸入數據(第三級)。

年內，第一級與第二級之間之公平值計量概無轉移，亦無轉入或轉出第三級(二零一八年：無)。

歸類入第三級公平值等級的公平值計量之對賬：

		<b>Total</b> 總計 HK\$'000 千港元
Carrying amount at 1 April 2017	於二零一七年四月一日之賬面值	479,000
Accrued rent-free rental income	應計免租租金收入	644
Net gains from fair value adjustments recognised in profit or loss	已於損益確認的公平值調整之收益淨額	23,356
Carrying amount at 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日之賬面值	503,000
Accrued rent-free rental income	應計免租租金收入	(357)
Acquisitions of subsidiaries that are not a business (note 32)	收購非業務附屬公司(附註32)	91,000
Net gains from fair value adjustments recognised in profit or loss	已於損益確認的公平值調整之收益淨額	17,445
		611,088
Less: included in assets classified as held for sale (note 24)	減：計入分類為持作出售之資產(附註24)	(53,088)
Carrying amount at 31 March 2019	於二零一九年三月三十一日之賬面值	<b>558,000</b>

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 14. Investment Properties (continued)

#### Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	
			2019 二零一九年	2018 二零一八年
Commercial properties 商用物業	Direct comparison method 直接比較法	Price per square foot (HK\$) 每平方呎價格(港元)	<b>66,000 to 148,000</b> <b>66,000 至 148,000</b>	63,000 to 147,000 63,000 至 147,000

As at 31 March 2019 and 2018, the valuation of investment properties were based on the direct comparison method by reference to comparable market transactions and adjusted for differences in location and physical attributes.

A significant increase/(decrease) in the price per square foot in isolation would result in a significantly higher/(lower) fair value of the investment properties.

### 14. 投資物業(續)

#### 公平值等級(續)

以下為投資物業估值所採用之估值方法及主要輸入數據之概要：

於二零一九年及二零一八年三月三十一日，投資物業之估值乃採用直接比較法參考相若市場交易，並就所處位置及物理特徵之差異作出調整後釐定。

每平方呎價格大幅上升/(下降)，會導致投資物業公平值大幅增加/(減少)。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 15. Goodwill

### 15. 商譽

		HK\$'000 千港元
At 1 April 2017:	於二零一七年四月一日：	
Cost	成本	298,964
Accumulated impairment	累計減值	(283,629)
Net carrying amount	賬面淨值	15,335
Cost at 1 April 2017, net of accumulated impairment	二零一七年四月一日的成本， 扣除累計減值	15,335
Impairment during the year	年內減值	(7,635)
At 31 March 2018	於二零一八年三月三十一日	7,700
At 31 March 2018:	於二零一八年三月三十一日：	
Cost	成本	298,964
Accumulated impairment	累計減值	(291,264)
Net carrying amount	賬面淨值	7,700
Cost at 1 April 2018, net of accumulated impairment	二零一八年四月一日的成本， 扣除累計減值	7,700
Impairment during the year	年內減值	(7,700)
At 31 March 2019	於二零一九年三月三十一日	-
At 31 March 2019:	於二零一九年三月三十一日：	
Cost	成本	<b>298,964</b>
Accumulated impairment	累計減值	<b>(298,964)</b>
Net carrying amount	賬面淨值	-

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 15. Goodwill (continued)

#### Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the Chinese Pharmaceutical CGU (2018: the Chinese Pharmaceutical CGU and Western Pharmaceutical CGU) for impairment testing. The recoverable amounts of the CGUs were determined based on value in use calculations using cash flow projections based on financial budgets covering a five-year period approved by management. The pre-tax discount rates applied to the cash flow projections are as follows:

		2019 二零一九年	2018 二零一八年
Chinese Pharmaceutical CGU	中藥現金產生單位	11.0%	11.8%
Western Pharmaceutical CGU	西藥現金產生單位	N/A 不適用	11.8%

The cash flows beyond the five-year period were extrapolated using a steady growth rate of 3% (2018: 3%).

The carrying amount of goodwill allocated to Chinese Pharmaceutical CGU is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Chinese Pharmaceutical CGU	中藥現金產生單位	-	7,700

Assumptions were used in the value in use calculation of the CGUs for the years ended 31 March 2019 and 2018. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

**Forecasted growth rates** — The forecasted growth rates are based on historical operating results, expected market development as well as industry forecasts.

**Expected changes in selling prices and direct costs** — The expected amounts are based on historical operating records and expectation of future changes in the market.

### 15. 商譽(續)

#### 商譽減值測試

由業務合併所得之商譽已分配予中藥現金產生單位(二零一八年：中藥現金產生單位及西藥現金產生單位)以作減值測試。現金產生單位之可收回數額乃按使用價值計算法為基礎，根據管理層批准之五年期財務預算作出之現金流量預測釐定。現金流量預測適用的稅前貼現率如下：

超過五年期的現金流量乃按3%(二零一八年：3%)穩定增長率推斷。

分配至中藥現金產生單位之商譽之賬面值如下：

截至二零一九年及二零一八年三月三十一日止年度，計算現金產生單位使用價值時已使用假設。以下闡述管理層作出其現金流量預測以對商譽進行減值測試所依據的各主要假設：

**預測增長率** — 預測增長率乃根據歷史經營業績、預期市場發展及業內預測計算。

**銷售價及直接成本之預期變動** — 預期金額乃根據過往經營記錄及預期未來市場變動計算。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 15. Goodwill (continued)

#### Impairment testing of goodwill (continued)

Discount rates — The discount rates are based on estimates of the required rate of returns that reflect the current market assessment of the time value of money, general market risks and the risks specific to the CGUs.

During the year ended 31 March 2019, a full impairment of HK\$7,700,000 was made for the goodwill in the Chinese Pharmaceutical CGU as a result of the deteriorating economic environment and weakening consumption.

During the year ended 31 March 2018, a full impairment of HK\$7,635,000 was made for the goodwill in the Western Pharmaceutical CGU as a result of the increase in competition of products similar to the Group in the market, the postponement in the rollout of new products and significant capital investment in the Western Pharmaceutical CGU.

### 15. 商譽(續)

#### 商譽減值測試(續)

貼現率 — 貼現率乃根據估計反映當時貨幣時值、一般市場風險及現金產生單位特定風險之市場評估所需回報率計算。

於截至二零一九年三月三十一日止年度，由於經濟環境惡化及消費轉弱，本集團就中藥現金產生單位之商譽作出全數減值7,700,000港元。

於截至二零一八年三月三十一日止年度，由於市場上與本集團相類似產品的競爭增加、新產品的推出延遲及於西藥現金產生單位作出重大資本投資，本集團就西藥現金產生單位之商譽作出全數減值7,635,000港元。

### 16. Investments in Associates

		Notes	2019	2018
		附註	二零一九年	二零一八年
			HK\$'000	HK\$'000
			千港元	千港元
Cost of investments in associates:	於聯營公司之投資成本：	(a)		
Shares listed in Hong Kong, at cost	於香港上市之股份，按成本	(b)	<b>600,031</b>	585,241
Unlisted shares, at cost	非上市股份，按成本		<b>7,081</b>	4,331
Less: impairment losses recognised	減：已確認減值虧損		<b>(214,815)</b>	(214,815)
			<b>392,297</b>	374,757
Share of post-acquisition losses and other comprehensive income, net of dividends received	應佔收購後虧損及其他全面收益，扣除已收取股息		<b>(64,733)</b>	(78,111)
Share of other reserve	應佔其他儲備		<b>2,020</b>	1,502
			<b>329,584</b>	298,148

The Group's trade receivable balances with the associates are disclosed in note 19 to the financial statements.

本集團與聯營公司之貿易應收款項結餘已於財務報表附註19披露。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 16. Investments in Associates (continued)

Particulars of a material associate are as follows:

Name 公司名稱	Particulars of issued shares held 所持已發行股份 詳情	Place of incorporation/ registration and business 註冊成立/ 登記及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔 所有權權益比例	Principal activity 主要業務
Easy One*	Ordinary shares HK\$0.01 each	Cayman Islands/ Hong Kong	29.06 (Note (b))	Investment holding
易易壹*	每股面值0.01港元 之普通股	開曼群島/香港	29.06 (附註(b))	投資控股

\* Listed on the Main Board of the Stock Exchange. The principal activities of the subsidiaries of Easy One are the provision of financial service in Hong Kong and property development in the PRC. The financial statements of this associate are not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

Notes:

(a) Included in the cost of investments in associates is goodwill arising from the acquisition of Easy One. The movement in the cost of investment attributable to goodwill is set out below.

### 16. 於聯營公司之投資(續)

一間主要聯營公司之詳情如下：

\* 於聯交所主板上市。易易壹之附屬公司之主要業務為於香港提供金融服務及於中國的物業發展。該聯營公司之財務報表並未經香港安永會計師事務所或安永會計師事務所全球網絡的其他成員公司審核。

附註：

(a) 於聯營公司之投資成本包括收購易易壹產生之商譽。投資成本應佔商譽之變動載列如下。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	23,231	27,828
Deemed partial disposal of equity interests in Easy One	被視作部份出售易易壹之股本權益	-	(4,597)
At end of year	於年末	23,231	23,231

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 16. Investments in Associates (continued)

Notes: (continued)

(b) Year ended 31 March 2018

On 23 November 2017, Easy One and Kingston Securities Limited ("Kingston"), the placing agent, entered into a placing agreement, pursuant to which Easy One conditionally agreed to allot and issue, and Kingston conditionally agreed to place on a best effort basis, a maximum of 92,000,000 shares of Easy One to not less than six placees at the price of HK\$0.235 per placing share (the "2017 Easy One Placing"). The 2017 Easy One Placing was completed on 28 December 2017.

Upon completion of the 2017 Easy One Placing, the Group's equity interests in Easy One were diluted from 28.51% to 23.80% and an aggregate loss on deemed partial disposal of equity interests in Easy One of approximately HK\$52,170,000 was recognised by the Group for the year ended 31 March 2018 and included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income.

Year ended 31 March 2019

During the year ended 31 March 2019, the Group acquired a total of 29,300,000 shares of Easy One from the open market at an aggregate consideration of HK\$14,790,000, and the Group's equity interests in Easy One increased from 23.80% to 29.06%. As a result, an aggregate gain on bargain purchase of equity interests in Easy One of HK\$38,026,000 was recognised for the year ended 31 March 2019 and included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income.

### 16. 於聯營公司之投資(續)

附註：(續)

(b) 截至二零一八年三月三十一日止年度

於二零一七年十一月二十三日，易易壹與配售代理金利豐證券有限公司(「金利豐」)訂立配售協議，據此，易易壹有條件同意配及發行，而金利豐有條件同意按盡力基準以每股配售股份0.235港元之價格向不少於六位承配人配售最多92,000,000股易易壹股份(「二零一七年易易壹配售」)。二零一七年易易壹配售於二零一七年十二月二十八日完成。

待二零一七年易易壹配售完成後，本集團於易易壹之股權從28.51%攤薄至23.80%，本集團於截至二零一八年三月三十一日止年度確認視作出售易易壹部分股權之虧損總額約52,170,000港元，並計入綜合損益及其他全面收益表之「分佔聯營公司損益」。

截至二零一九年三月三十一日止年度

於截至二零一九年三月三十一日止年度，本集團於公開市場以總代價14,790,000港元收購合共29,300,000股易易壹股份，本集團於易易壹之股權由23.80%增加至29.06%。因此，截至二零一九年三月三十一日止年度之已確認識價收購易易壹股權的總收益38,026,000港元並計入綜合損益及其他全面收益表「分佔聯營公司損益」。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 16. Investments in Associates (continued)

Notes: (continued)

- (c) The following table illustrates the summarised financial information in respect of Easy One, a material associate of the Group, reconciled to the carrying amount in the consolidated financial statements:

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	1,189,073	1,376,039
Non-current assets	非流動資產	396,748	558,284
Current liabilities	流動負債	(473,671)	(729,108)
Non-current liabilities	非流動負債	(76,944)	(77,581)
Net assets	資產淨值	1,035,206	1,127,634
Reconciliation to the Group's interest in the associate:	本集團於聯營公司之權益對賬：		
Proportion of the Group's ownership	本集團擁有的權益比例	29.06%	23.80%
Group's share of net assets of the associate, excluding goodwill	本集團分佔聯營公司之資產淨值，不包括商譽	300,831	268,377
Goodwill on acquisition (less cumulative impairment)	收購之商譽(減累計減值)	23,231	23,231
Carrying amount of the investment at 31 March	於三月三十一日的投資賬面值	324,062	291,608

### 16. 於聯營公司之投資(續)

附註：(續)

- (c) 下表概括易易壹(本集團主要聯營公司之一)之財務資料，以及與綜合財務報表賬面值之對賬：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	收益	130,761	205,129
Profit/(loss) for the year	本年度溢利/(虧損)	53,097	(160,391)
Other comprehensive income/(loss) for the year	本年度其他全面收益/(虧損)	(119,267)	98,894
Total comprehensive loss for the year	本年度全面虧損總額	(66,170)	(61,497)
Dividend received	已收股息	-	-
Market value of the Group's investment at 31 March	於三月三十一日本集團投資之公平值	80,859	56,278

- (d) The following table illustrates the aggregate summarised financial information of the Group's associates that are not individually material:

- (d) 下表概括本集團聯營公司的非單項重大的匯總財務資料：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Share of the associates' profits/(losses) for the year	應佔聯營公司本年度溢利/(虧損)	(2,582)	1,470
Share of the associates' other comprehensive loss	應佔聯營公司其他全面虧損	(136)	-
Share of the associates' total comprehensive income/(loss)	應佔聯營公司全面收益/(虧損)總額	(2,718)	1,470
Dividend received	已收股息	1,054	-
Aggregate carrying amount of the Group's investments in associates	本集團於聯營公司之投資之總賬面值	5,522	6,540

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 17. Financial Assets at Fair Value through Other Comprehensive Income/Available-for-sale Investments

### 17. 按公平值經其他全面收益入賬之財務資產／可供出售投資

		2019		2018	
		二零一九年		二零一八年	
		HK\$'000		HK\$'000	
		千港元		千港元	
		Notes			
		附註			
<b>Financial assets at fair value through other comprehensive income</b>	<b>按公平值經其他全面收益入賬之財務資產</b>				
Listed equity investments, at fair value	上市股權投資，按公平值	(i), (iii)	<b>87,388</b>		-
Listed debt investments, at fair value	上市債務投資，按公平值	(iii), (iv)	<b>165,146</b>		-
Unlisted debt investment, at fair value	非上市債務投資，按公平值	(iii), (iv)	<b>686,877</b>		-
<b>Available-for-sale investments</b>	<b>可供出售投資</b>	(ii)			
Listed debt investment, at fair value	上市債務投資，按公平值		-		2,029
Unlisted debt investment, at fair value	非上市債務投資，按公平值		-		909,562
			<b>939,411</b>		911,591
Portion classified as current assets	分類為流動資產部分		<b>(710,788)</b>		-
Non-current portion	非流動部分		<b>228,623</b>		911,591

Notes:

- (i) The above equity investments are investments in companies listed on the Stock Exchange and were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year ended 31 March 2019, the Group received dividends in the amount of HK\$3,145,000 from the equity investments designated at fair value through other comprehensive income and recognised them in profit or loss.

- (ii) During the year ended 31 March 2018, the gross loss in respect of the Group's available-for-sale investments recognised in other comprehensive income amounted to HK\$6,263,000.

- (iii) At 31 March 2019, certain of the Group's equity investments and debt investments at fair value through other comprehensive income of HK\$65,430,000 and HK\$146,181,000, respectively, were pledged to secure general banking facilities granted to the Group (2018: Nil) (note 34).

附註：

- (i) 股權投資為對聯交所上市公司的投資，由於本集團認為該等投資屬於戰略性質，因此已不可撤銷地指定按公平值經其他全面收益入賬。

於截至二零一九年三月三十一日止年度，本集團自指定按公平值經其他全面收益入賬之股權投資收取3,145,000港元股息，並於損益中確認。

- (ii) 於截至二零一八年三月三十一日止年度，本集團的其他全面收益確認之可供出售投資之總虧損為6,263,000港元。

- (iii) 於二零一九年三月三十一日，本集團若干按公平值經其他綜合收益入賬之股權投資及債務投資分別65,430,000港元及146,181,000港元已作為本集團一般銀行融資的抵押(二零一八年：無)(附註34)。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 17. Financial Assets at Fair Value through Other Comprehensive Income/Available-for-sale Investments (continued)

Notes: (continued)

- (iv) Impairment assessment of debt investments at fair value through other comprehensive income

*Impairment under HKFRS 9 for the year ended 31 March 2019*

As at 31 March 2019, none of the debt investments were overdue (2018: Nil) and all the debt investments were categorised within Stage 1, except for an unlisted debt investment which was categorised within Stage 2, for the measurement of expected credit losses. An impairment analysis is performed at each reporting date by considering the expected credit losses, which are estimated by applying the probability of default approach with reference to risk of default and losses given default of the issuers or comparable companies. As at 31 March 2019, the probability of default applied ranged from 0.02% to 25.0% (1 April 2018: 0.02% to 38.0%) and the loss given default was estimated to be approximately 50.9% to 59.3% (1 April 2018: 52.6% to 59.3%).

The movements in the loss allowance for the impairment of debt investments at fair value through other comprehensive income are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	-	-
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	182,134	-
At beginning of year (restated)	於年初(經重列)	182,134	-
Reversal of impairment losses, net (note 6)	撥回減值虧損，淨額(附註6)		
Reversal upon redemption	於贖回後撥回	(43,554)	-
Changes in risk parameters	風險參數變動	(37,548)	-
New investments purchased	購買新投資	749	-
		(80,353)	-
At end of year	於年末	101,781	-

### 17. 按公平值經其他全面收益入賬之財務資產／可供出售投資(續)

附註：(續)

- (iv) 按公平值經其他全面收益入賬之債務投資之減值評估

*截至二零一九年三月三十一日止年度根據香港財務報告準則第9號之減值*

於二零一九年三月三十一日，概無債務投資逾期(二零一八年：無)，就預期信貸虧損的計量而言，所有債務投資均分類為第一階段，惟非上市債務投資分類為第二階段。於各報告日期透過考慮預期信貸虧損進行減值分析，而預期信貸虧損乃透過應用違約風險概率並參考違約風險和發行人或可比公司違約時的虧損進行估算。於二零一九年三月三十一日，違約概率介乎0.02%至25.0%(二零一八年四月一日：0.02%至38.0%)，估計違約虧損約為50.9%至59.3%(二零一八年四月一日：52.6%至59.3%)。

按公平值經其他全面收益入賬之債務投資之減值虧損撥備變動如下：



# Notes to Financial Statements

## 財務報表附註

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### 18. Inventories

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials and consumables	原料及消費品	49,770	27,755
Work in progress	半製成品	2,861	2,898
Finished goods	製成品	108,877	152,522
		<b>161,508</b>	183,175

### 18. 存貨

### 19. Trade and Bills Receivables

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項	97,323	112,456
Bills receivable	應收票據	-	640
Less: Accumulated impairment	減：累計減值	(5,113)	(1,663)
		<b>92,210</b>	111,433

### 19. 貿易應收款項及應收票據

The Group's trading terms with its retail customers are mainly cash on delivery whereas the trading terms with wholesale customers are mainly on credit. The credit period ranges from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's associates of HK\$13,871,000 (2018: HK\$7,480,000) which are repayable on credit terms similar to those offered to the major customers of the Group.

本集團與其零售客戶的貿易條款主要為貨到付款，而給予批發客戶的貿易條款主要為信貸。信貸期由7日至120日不等。各客戶均有最高信用限額且給予客戶的信用限額會定期檢閱。本集團對尚未結清的應收款項維持嚴密監控以將信貸風險減至最低。過期款項會由高級管理人員定期檢閱。基於以上所述及本集團的貿易應收款項涉及眾多不同客戶，故並無重大集中的信貸風險。

本集團並無就貿易應收款項結餘持有任何抵押品或其他信貸保證。貿易應收款項乃免息。本集團貿易應收款項包括應收本集團聯營公司款項13,871,000港元(二零一八年：7,480,000港元)，須按向本集團主要客戶提供的類似信貸條款償還。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 19. Trade and Bills Receivables (continued)

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 1 month	1個月以內	46,305	43,120
1 to 3 months	1至3個月	29,108	40,212
3 to 6 months	3至6個月	13,173	21,307
Over 6 months	超過6個月	3,624	6,154
		<b>92,210</b>	110,793

The movements in the loss allowance for impairment of trade receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	1,663	2,611
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	3,581	-
At beginning of year (restated)	於年初(經重列)	5,244	2,611
Impairment losses, net (note 6)	減值虧損，淨額(附註6)	726	2,327
Exchange realignment	匯兌調整	(199)	-
Amount written off as uncollectible	已撇銷之無法收回款項	(658)	(3,275)
At end of year	於年末	<b>5,113</b>	1,663

#### Impairment under HKFRS 9 for the year ended 31 March 2019

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

### 19. 貿易應收款項及應收票據 (續)

貿易應收款項於報告期末根據發票日期及扣除虧損撥備後之賬齡分析如下：

貿易應收款項之減值撥備變動如下：

截至二零一九年三月三十一日止年度根據香港財務報告準則第9號之減值

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於因就擁有類似虧損模式的多個客戶分部進行分組而逾期的日數計算(即按地理區域、產品類型、客戶類型和評級)。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。一般而言，倘逾期超過一年及並無可強制執行活動，將撇銷貿易應收款項。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 19. Trade and Bills Receivables (continued)

#### Impairment under HKFRS 9 for the year ended 31 March 2019 (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 March 2019

	Current 當前	Past due 逾期				Total 總計
		Within 1 month 少於1 個月	1 to 3 months 1至3 個月	3 to 6 months 3至6 個月	Over 6 months 超過6 個月	
Expected credit loss rate 預期信貸虧損率	0.5%	1%	1%	1%	77%	5%
Gross carrying amount (HK\$'000) 總賬面值 (千港元)	69,641	4,483	11,442	5,812	5,945	97,323
Expected credit losses (HK\$'000) 預期信貸虧損 (千港元)	319	38	82	72	4,602	5,113

#### Impairment under HKAS 39 for the year ended 31 March 2018

Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of HK\$22,518,000 which were past due at the end of the reporting period for which the Group had not provided for an impairment loss as the directors assessed that the balances would be recovered based on their settlement records. The Group did not hold any collateral over these balances.

Included in the above provision for impairment of trade receivables, which was measured based on incurred credit losses under HKAS 39, as at 31 March 2018, was a provision for individually impaired trade receivables of HK\$1,178,000 that were considered irrecoverable by management after consideration of the credit quality of those individual customers based on their settlement records. The Group did not hold any collateral over these balances.

### 19. 貿易應收款項及應收票據 (續)

截至二零一九年三月三十一日止年度根據香港財務報告準則第9號之減值(續)

下文載列本集團利用撥備矩陣得出的貿易應收款項的信貸風險資料：

於二零一九年三月三十一日

截至二零一八年三月三十一日止年度根據香港會計準則第39號之減值

本集團貿易應收款項結餘中包括總賬面值22,518,000港元，於報告期末已逾期之應收款項，基於彼等之付款記錄，董事評估有關結餘將可收回，故本集團並無作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。

於二零一八年三月三十一日，上述根據香港會計準則第39號的已產生信貸虧損計量的貿易應收款項減值撥備中包括個別減值貿易應收款項撥備1,178,000港元，管理層基於個別客戶的還款紀錄考慮彼等的信貸質素後，認為該等應收款項無法收回。本集團並無就該等結餘持有任何抵押品。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 19. Trade and Bills Receivables (continued)

#### Impairment under HKAS 39 for the year ended 31 March 2018 (continued)

An ageing analysis of trade receivables as at 31 March 2018 that were not individually nor collectively considered to be impaired under HKAS 39 is as follows:

		2018 二零一八年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	88,275
Less than 1 month past due	逾期少於1個月	11,142
1 to 3 months past due	逾期1至3個月	8,712
3 to 6 months past due	逾期3至6個月	1,508
Over 6 months past due	逾期超過6個月	1,156
		110,793

Receivables that were neither past due nor impaired related to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of customers that had a good track record with the Group. Based on past experience, the directors of the Company were of the opinion that no provision for impairment under HKAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

### 19. 貿易應收款項及應收票據 (續)

截至二零一八年三月三十一日止年度根據香港會計準則第39號之減值  
(續)

於二零一八年三月三十一日，根據香港會計準則第39號不被個別或共同視作減值的貿易應收款項賬齡分析如下：

未逾期亦未減值的應收款項與多名不同客戶有關，彼等近期並無違約記錄。

與多名客戶有關的已逾期但未減值的應收款項與本集團有良好往績記錄。根據過往經驗，本公司董事認為根據香港會計準則第39號毋須就該等結餘計提減值撥備，因為信貸質素並無重大變動，而該等結餘仍被視為可全數收回。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 20. Loan and Interests Receivables

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loan receivable, unsecured	應收貸款，無抵押	-	100,000
Interests receivables	應收利息	27,494	34,087
		27,494	134,087
Less: Impairment allowance	減：減值撥備	(3,463)	-
		24,031	134,087

At 31 March 2018, the loan receivable was stated at amortised cost with a principal amount of HK\$100,000,000 and an effective interest rate of 6.5% per annum with a maturity date in October 2018.

The carrying amount of the loan receivable approximated to its fair value. The loan has been fully repaid during the year.

The movements in the loss allowance for impairment of loan and interests receivables are as follows:

#### Impairment under HKFRS 9 for the year ended 31 March 2019

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	-	-
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	6,603	-
At beginning of year (restated)	於年初(經重列)	6,603	-
Reversal of impairment losses, net (note 6)	撥回減值虧損，淨額(附註6)	(3,140)	-
At end of year	於年末	3,463	-

於二零一八年三月三十一日，本金額為100,000,000港元之應收貸款按攤銷成本列賬，實際年利率為6.5厘，到期日為二零一八年十月。

應收貸款的賬面值與其公平值相若。貸款已於年內全數償還。

應收貸款及利息的減值虧損撥備變動如下：

截至二零一九年三月三十一日止年度根據香港財務報告準則第9號之減值

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 20. Loan and Interests Receivables (continued)

#### Impairment under HKFRS 9 for the year ended 31 March 2019 (continued)

As at 31 March 2019, none of the loan and interests receivables were overdue (2018: Nil) and all the balances were categorised within Stage 1, except for an interest receivable of an unlisted debt investment which was categorised within Stage 2, for the measurement of expected credit losses. An impairment analysis is performed at each reporting date by considering the expected credit losses, which are estimated by applying the probability of default approach with reference to the risks of default and losses given default of the borrowers or comparable companies. As at 31 March 2019, the probability of default applied ranged from 0.02% to 25.0% (1 April 2018: 0.02% to 38.0%) and the loss given default was estimated to be approximately 50.9% to 59.3% (1 April 2018: 52.6% to 59.3%).

#### Impairment under HKAS 39 for the year ended 31 March 2018

At 31 March 2018, all the loan and interests receivables were not past due, and not individually nor collectively considered to be impaired, and related to borrowers for whom there was no recent history of default. Based on past experience, the directors of the Company were of the opinion that no provision for impairment under HKAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

### 20. 應收貸款及利息(續)

#### 截至二零一九年三月三十一日止年度 根據香港財務報告準則第9號之 減值(續)

於二零一九年三月三十一日，概無應收貸款及利息逾期(二零一八年：無)，就預期信貸虧損的計量而言，所有結餘均分類為第一階段，惟一項非上市債務投資的應收利息分類為第二階段。於各報告日期透過考慮預期信貸虧損進行減值分析，而預期信貸虧損乃透過應用違約風險概率並參考違約風險和借款人或可比公司違約時的虧損進行估算。於二零一九年三月三十一日，違約概率介乎0.02%至25.0%(二零一八年四月一日：0.02%至38.0%)，估計違約虧損約為50.9%至59.3%(二零一八年四月一日：52.6%至59.3%)。

#### 截至二零一八年三月三十一日止年度 根據香港會計準則第39號之減值

於二零一八年三月三十一日，所有應收貸款及利息並無逾期，並無個別或共同被視為減值，且所涉借款人亦無近期違約紀錄。根據過往經驗，本公司董事認為，因信貸質素並無重大變動且該等結餘仍視為可悉數收回，故本公司董事認為毋須根據香港會計準則第39號就該等結餘作出減值撥備。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 21. Prepayments, Deposits and Other Receivables

### 21. 預付款項、按金及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Prepayments	預付款項	13,419	54,250
Deposits paid for the acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金款	3,499	36,929
Rental and other deposits	租金及其他按金	32,840	35,901
Other receivables	其他應收款項	14,844	8,002
Right-of-return assets	退貨權資產	3,398	-
		<b>68,000</b>	135,082
Impairment allowance	減值撥備	-	-
Less: Deposits classified as non-current assets	減：分類為非流動資產之按金款	<b>(21,702)</b>	(49,475)
Portion classified as current assets	分類為流動資產的部分	<b>46,298</b>	85,607

Deposits and other receivables mainly represent rental deposits, deposits with vendors and receivables from counterparties which have no history of default. The financial assets included in the above balances were not overdue and categorised in Stage 1 for the measurement of expected credit losses. Where applicable, an impairment analysis is performed at each reporting date by considering the probability of default and the timing and amount of future cash flows. Given the Group has not experienced any significant credit loss exposure in the past, the directors of the Company considered that the allowance for expected credit losses for these deposits and receivables is not significant.

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

按金及其他應收款項主要指租金按金、給予賣方之按金及來自沒有違約紀錄之交易對手之應收款項。計入上述結餘之財務資產並無逾期，並分類為計量預期信貸虧損之第一階段。於每個報告日期藉考慮違約概率及未來現金流量之時間及金額進行減值分析(如適用)。鑑於本集團過去未有面臨重大信貸虧損風險，本公司董事認為就該等按金及應收款項作出之預期信貸虧損撥備並不重大。

上述資產既未逾期亦未減值。計入上述結餘之財務資產與近期並無違約紀錄之應收款項有關。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 22. Financial Assets at Fair Value through Profit or Loss

### 22. 按公平值經損益表入賬之財務資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Listed equity investments at fair value	上市股權投資，按公平值	-	125,683
Unlisted mutual funds at fair value	非上市互惠基金，按公平值	1,886	1,910
Listed perpetual bonds at fair value	上市永續債券，按公平值	19,403	-
		<b>21,289</b>	127,593

The above investments at 31 March 2019 were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

The fair value of unlisted mutual funds is determined based on the quoted market prices provided by fund administrators with reference to prices derived from the over-the-counter market.

At the end of the reporting period, the financial assets at fair value through profit or loss that are denominated in USD, other than the functional currencies of the respective group entities, amounted to HK\$21,289,000 (2018: HK\$1,910,000).

At 31 March 2019, certain of the Group's financial assets at fair value through profit or loss of HK\$19,403,000 were pledged to secure general banking facilities granted to the Group (2018: Nil) (note 34).

於二零一九年三月三十一日，上述投資分類為按公平值經損益表入賬之財務資產，原因為本集團並無選擇經其他全面收益確認公平值收益或虧損。

非上市互惠基金之公平值乃根據由基金管理人提供之所報市價，參考自場外交易市場計算之價格後釐定。

於報告期末，以有關集團實體功能貨幣以外之貨幣美元計值之按公平值經損益表入賬之股權投資為21,289,000港元(二零一八年：1,910,000港元)。

於二零一九年三月三十一日，本集團若干按公平值經損益表入賬之財務資產19,403,000港元已作為本集團一般銀行融資的抵押(二零一八年：無)(附註34)。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 23. Bank Balances and Cash

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	149,209	260,864
Time deposits	定期存款	22,000	159,985
		<b>171,209</b>	420,849

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of six months or less depending on the immediate cash requirements of the Group, and earn interest at the effective short term time deposit rates ranging from 0.0001% to 1.59% (2018: 0.0001% to 1.12%) per annum. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of the bank balances and cash approximate to their fair values.

As at 31 March 2019, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$37,109,000 (2018: HK\$69,382,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

### 23. 銀行結餘及現金

銀行存款按根據每日銀行存款利率計算之浮動利率計息。短期定期存款之存款期為六個月或六個月以內，視本集團之即時現金需求而定，並按介乎0.0001%至1.59%（二零一八年：介乎0.0001%至1.12%）之實際短期定期存款年利率計息。銀行結餘及定期存款均存放於近期無違約歷史且信譽良好之銀行。銀行結餘及現金之賬面值與其公平值相若。

於二零一九年三月三十一日，本集團以人民幣（「人民幣」）計值之現金及銀行結餘為37,109,000港元（二零一八年：69,382,000港元）。人民幣不可自由兌換為其他貨幣。然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換為其他貨幣。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 24. Assets Classified as Held for Sale and Liabilities Directly Associated with the Assets Classified as Held for Sale

### 24. 分類為持作出售之資產及分類為持作出售資產直接相關之負債

		Notes 附註	2019 二零一九年 HK\$'000 千港元
<b>Assets classified as held for sale</b>			
Assets of a disposal subsidiary classified as held for sale	分類為持作出售之資產		
— Union Target	分類為持作出售之 出售一間附屬公司資產 — 越通	(i)	53,110
Non-current assets classified as held for sale	分類為持作出售之非流動資產		
— Property, plant and equipment	— 物業、廠房及設備	(ii)	67,716
			<b>120,826</b>
<b>Liabilities directly associated with the assets classified as held for sale</b>			
Liabilities of a disposal subsidiary classified as held for sale	分類為持作出售資產直接相關之負債		
— Union Target	分類為持作出售之 出售一間附屬公司負債 — 越通	(i)	361

Notes:

- (i) On 28 February 2019, the Group entered into a provisional sale and purchase agreement with independent third parties to dispose of the entire equity interests in Union Target and the shareholder loan owed to the Group at a consideration of HK\$53,088,000. The transaction was completed on 14 June 2019.

Further details of this disposal are set out in the Company's announcement dated 28 February 2019.

附註：

- (i) 於二零一九年二月二十八日，本集團與獨立第三方訂立臨時買賣協議，以代價53,088,000港元出售越通之全部股權及欠付本集團的股東貸款。該交易於二零一九年六月十四日完成。

該出售事項之進一步詳情載於本公司日期為二零一九年二月二十八日之公佈。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 24. Assets Classified as Held for Sale and Liabilities Directly Associated with the Assets Classified as Held for Sale (continued)

Notes: (continued)

(i) (continued)

The assets and liabilities of Union Target (excluding an inter-company loan and amounts due from group companies which are eliminated on consolidation) as at 31 March 2019 are as follows:

		Union Target 越通 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>	
Investment property	投資物業	53,088
Deposits	按金	22
Assets of a disposal subsidiary classified as held for sale	分類為持作出售之出售一間附屬公司資產	53,110
<b>Liabilities</b>	<b>負債</b>	
Other payables	其他應付款項	361
Liabilities of a disposal subsidiary classified as held for sale	分類為持作出售之出售一間附屬公司負債	361
Net assets directly associated with the disposal subsidiary	與出售附屬公司直接相關之資產淨值	52,749

(ii) On 28 March 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of a property classified as leasehold land and buildings included in property, plant and equipment at a consideration of HK\$102,800,000. The transaction was completed on 30 May 2019.

Further details of this disposal are set out in the Company's announcement dated 28 March 2019.

### 24. 分類為持作出售之資產及分類為持作出售資產直接相關之負債(續)

附註：(續)

(i) (續)

於二零一九年三月三十一日，越通的資產及負債(不包括於綜合賬目時對銷的公司間貸款及應收集團公司款項)如下：

(ii) 於二零一九年三月二十八日，本集團與獨立第三方訂立臨時買賣協議，以代價102,800,000港元出售計入物業、廠房及設備的分類為租賃土地及樓宇的物業。該交易於二零一九年五月三十日完成。

該出售事項之進一步詳情載於本公司日期為二零一九年三月二十八日之公佈。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 25. Trade Payables

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	貿易應付款項	<b>35,959</b>	60,177

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date is as follows:

貿易應付款項於報告期末根據發票日期之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 1 month	1個月以內	<b>14,923</b>	52,661
1 to 3 months	1至3個月	<b>6,547</b>	5,254
3 to 6 months	3至6個月	<b>7,608</b>	1,704
Over 6 months	超過6個月	<b>6,881</b>	558
		<b>35,959</b>	60,177

The trade payables are non-interest-bearing and have an average term of 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

貿易應付款項不計息，平均期限為30至60日。本集團已訂有財務風險管理政策，確保所有應付款項於指定信貸期限內支付。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 26. Other Payables and Accruals

### 26. 其他應付款項及應計費用

		Notes	2019	2018
		附註	二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
Receipts in advance	預收款項		10,398	12,987
Rental deposits received	已收租金按金		4,588	3,857
Contract liabilities	合約負債	(a)	7,098	-
Refund liabilities	退款負債		6,089	-
Other payables	其他應付款項	(b)	22,808	24,259
Accruals	應計費用		58,741	59,719
			109,722	100,822
Less: Portion classified as non-current liabilities	減：分類為非流動負債部分		(1,883)	(2,450)
Portion classified as current liabilities			107,839	98,372

Notes:

(a) Details of contract liabilities as at 31 March 2019 and 1 April 2018 are as follows:

附註：

(a) 於二零一九年三月三十一日及二零一八年四月一日的合約負債詳情如下：

		31 March 2019	1 April 2018
		二零一九年 三月三十一日 HK\$'000 千港元	二零一八年 四月一日 HK\$'000 千港元
<b>Short-term advances received from customers</b>	<b>向客戶收取的短期墊款</b>		
Sale of goods	銷售貨物	7,098	7,434

Contract liabilities include short-term advances received to deliver Chinese and Western pharmaceutical and health food products. The decrease in contract liabilities in 2019 was mainly due to the decrease in short-term advances received from customers in relation to the sale of goods at the end of the year.

合約負債包括所收取的交付中西藥及保健食品產品之短期墊款。於二零一九年合約負債的減少主要由於年末就銷售貨物而向客戶收取的短期墊款減少。

(b) Other payables are non-interest-bearing and are normally settled within one year. The carrying amounts of the above other payables approximate to their fair values.

(b) 其他應付款項不計息，通常在一年內結清。上述其他應付款項的賬面值與其公平值相若。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 27. Interest-Bearing Bank Borrowings

### 27. 計息銀行借貸

	2019 二零一九年			2018 二零一八年		
	Contractual interest rate (%) 合約利率 (%)	Maturity 年期	HK\$'000 千港元	Contractual interest rate (%) 合約利率 (%)	Maturity 年期	HK\$'000 千港元
<b>Current:</b> 即期：						
Bank loans — secured 銀行貸款 — 有抵押	<b>HIBOR+1.5</b> 香港銀行 同業拆息 +1.5厘	<b>On demand</b> 於接獲要求時	<b>150,000</b>	—	—	—
Bank loans — secured 銀行貸款 — 有抵押	<b>HIBOR+</b> <b>(1.56–1.65)</b> 香港銀行 同業拆息 + (1.56厘 –1.65厘)	<b>2019 – 2020</b> 二零一九年至 二零二零年	<b>82,290</b>	HIBOR+ (1.56–1.65) 香港銀行 同業拆息 + (1.56厘 –1.65厘)	2018 – 2019 二零一八年至 二零一九年	264,790
			<b>232,290</b>			264,790
<b>Non-current:</b> 非即期：						
Bank loans — secured 銀行貸款 — 有抵押	<b>HIBOR+1.56</b> 香港銀行 同業拆息 +1.56厘	<b>2026</b> 二零二六年	<b>619,937</b>	HIBOR+1.56 香港銀行 同業拆息 +1.56厘	2026 二零二六年	662,227
			<b>852,227</b>			927,017

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 27. Interest-Bearing Bank Borrowings (continued)

### 27. 計息銀行借貸(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Analysed into:	經分析為：		
Bank loans repayable:	按下列年期償還之銀行貸款：		
Within one year or on demand	一年內或於接獲要求時	<b>232,290</b>	264,790
In the second year	兩年內	<b>44,790</b>	42,290
In the third to fifth years, inclusive	三至五年內(包括首尾兩年)	<b>164,412</b>	151,869
Beyond five years	五年以上	<b>410,735</b>	468,068
		<b>852,227</b>	927,017

Notes:

- (a) Certain bank loans of the Group are secured by the Group's land and buildings (note 13) and investment properties (note 14), together with certain rental income generated therefrom, amounting to HK\$398,893,000 (2018: HK\$142,666,000) and HK\$611,088,000 (2018: HK\$503,000,000), respectively.
- (b) All bank loans of the Group bear interest at floating interest rates and are denominated in Hong Kong dollars.
- (c) The carrying amounts of the bank loans of the Group approximate to their fair values.

附註：

- (a) 本集團若干銀行貸款分別以本集團金額為398,893,000港元(二零一八年：142,666,000港元)之土地及樓宇(附註13)及611,088,000港元(二零一八年：503,000,000港元)之投資物業(附註14)，連同所產生之若干租金收入作抵押。
- (b) 本集團所有銀行貸款均以浮動利率計息以及港元列值。
- (c) 本集團之銀行貸款之賬面值與其公平值相若。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 28. Deferred Tax

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax liabilities

### 28. 遞延稅項

年內遞延稅項負債及資產之變動如下：

#### 遞延稅項負債

		Depreciation allowance in excess of related depreciation	Unrealised fair value gain on financial assets at fair value through profit or loss	Unrealised fair value gain on financial assets at fair value through other comprehensive income	Total
		超過相關折舊的折舊免稅額	按公平值經損益表入賬之財務資產之未變現公平值收益	按公平值經其他全面收益入賬之財務資產之未變現公平值收益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	2,511	3,359	-	5,870
Deferred tax charged to profit or loss during the year	年內於損益表扣除之遞延稅項	24,600	1,994	-	26,594
At 31 March 2018	於二零一八年三月三十一日	27,111	5,353	-	32,464
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	-	(5,353)	5,353	-
At 1 April 2018 (restated)	於二零一八年四月一日 (經重列)	27,111	-	5,353	32,464
Deferred tax charged to profit or loss during the year	年內於損益表扣除之遞延稅項	4,627	-	-	4,627
Deferred tax credited to other comprehensive income during the year	年內於其他全面收益計入之遞延稅項	-	-	(3,521)	(3,521)
At 31 March 2019	於二零一九年三月三十一日	<b>31,738</b>	<b>-</b>	<b>1,832</b>	<b>33,570</b>

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 28. Deferred Tax (continued)

#### Deferred tax assets

		Loss available for offsetting against future taxable profit 抵銷將來 應課稅盈利 之可用虧損 HK\$'000 千港元	Depreciation in excess of related depreciation allowance 超過相關折舊 免稅額的折舊 HK\$'000 千港元	Impairment on financial assets 財務資產減值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	9,608	4,098	55	13,761
Deferred tax credited to profit or loss during the year	年內於損益表計入之 遞延稅項	24,624	676	219	25,519
At 31 March 2018	於二零一八年 三月三十一日	34,232	4,774	274	39,280
Effect of adoption of HKFRS 9	採納香港財務報告準則 第9號的影響	-	-	49	49
At 1 April 2018 (restated)	於二零一八年四月一日 (經重列)	34,232	4,774	323	39,329
Deferred tax credited to profit or loss during the year	年內於損益表計入之 遞延稅項	592	180	175	947
At 31 March 2019	於二零一九年 三月三十一日	<b>34,824</b>	<b>4,954</b>	<b>498</b>	<b>40,276</b>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

就呈報目的而言，若干遞延稅項資產及負債已在綜合財務狀況表內抵銷。以下為本集團的遞延稅項結餘就財務報告目的而言作出的分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的 遞延稅項資產淨額	<b>10,122</b>	13,196
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的 遞延稅項負債淨額	<b>(3,416)</b>	(6,380)
		<b>6,706</b>	6,816

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 28. Deferred Tax (continued)

At the end of the reporting period, the Group has unused tax losses arising in Hong Kong and Macau of HK\$456,926,000 (2018: HK\$417,295,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has unused tax losses arising in the PRC of HK\$9,464,000 (2018: HK\$8,354,000) that will expire in one to five years for offsetting against future taxable profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

At 31 March 2019 and 2018, there were no significant temporary differences associated with investments in subsidiaries in the PRC for which deferred tax liabilities have not been recognised.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 28. 遞延稅項(續)

於報告期末，本集團有於香港及澳門產生之未動用稅項虧損為456,926,000港元(二零一八年：417,295,000港元)，可無限期用作抵銷出現虧損之公司之未來應課稅溢利。本集團亦有於中國產生之未動用稅項虧損9,464,000港元(二零一八年：8,354,000港元)，可用作抵銷未來應課稅溢利，並將於一至五年內屆滿。由於未來溢利來源不可預計，故此未有就有關虧損確認遞延稅項資產。

根據中國企業所得稅法，於中國成立之外商投資企業向海外投資者宣派之股息須繳付10%的預扣稅。該項規定於二零零八年一月一日起生效，適用於二零零七年十二月三十一日後賺取之盈利。倘中國與海外投資者所處司法權區訂有稅務條約，則可能適用較低預扣稅率。就本集團而言，適用稅率為10%。因此，本集團須就由其於中國成立之附屬公司就自二零零八年一月一日起產生之盈利分派之股息繳付預扣稅。

於二零一九年及二零一八年三月三十一日，概無與位於中國且其遞延稅項負債尚未確認之附屬公司之投資有關之重大暫時差額。

於本公司向其股東派付股息過程中並無附帶產生任何所得稅後果。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 29. Share Capital

#### Shares

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Authorised: 60,000,000,000 ordinary shares of HK\$0.01 each	法定： 60,000,000,000 股每股 0.01 港元 之普通股	<b>600,000</b>	600,000
Issued and fully paid: 1,231,642,888 (2018: 1,265,142,888) ordinary shares of HK\$0.01 each	已發行及繳足： 1,231,642,888 (二零一八年： 1,265,142,888) 股每股 0.01 港元 之普通股	<b>12,316</b>	12,651

During the year, the movements in the share capital and share premium account of the Company were summarised as follows:

年內，本公司股本及股份溢價之變動概述如下：

	Note	Number of shares in issue 已發行 股份數目	Issued capital 已發行 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017, 31 March 2018, and 1 April 2018					
		1,265,142,888	12,651	2,116,420	2,129,071
Cancellation of shares repurchased	(a)	(33,500,000)	(335)	(9,621)	(9,956)
At 31 March 2019		<b>1,231,642,888</b>	<b>12,316</b>	<b>2,106,799</b>	<b>2,119,115</b>

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 29. Share Capital (continued)

#### Shares (continued)

Note:

- (a) The Company purchased 33,500,000 of its shares on the Stock Exchange at a total consideration of HK\$9,956,000 during the year. The purchased shares were cancelled during the year ended 31 March 2019.

Details of the shares repurchased by the Company during the year ended 31 March 2019 are summarised below:

Month of repurchase 購回月份		Number of shares repurchased 購回股份數目	Highest price per share 每股最高價格 HK\$ 港元	Lowest price per share 每股最低價格 HK\$ 港元	Aggregate price 總價 HK\$'000 千港元
September 2018	二零一八年九月	24,000,000	0.300	0.275	7,000
October 2018	二零一八年十月	9,500,000	0.310	0.305	2,956
		<b>33,500,000</b>			<b>9,956</b>

#### Share options

Details of the Company's share option scheme are set out in note 30 to the financial statements.

### 29. 股本(續)

#### 股份(續)

附註：

- (a) 年內，本公司以總代價9,956,000港元於聯交所購買33,500,000股股份。該等已購買股份已於截至二零一九年三月三十一日止年度註銷。

本公司於截至二零一九年三月三十一日止年度購回的股份詳情概述如下：

#### 購股權

本公司之購股權計劃之詳情載於財務報表附註30。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 30. Share Option Scheme

The share option scheme adopted by the Company on 18 September 2003 (the "2003 Scheme") was terminated with the approval by the shareholders of the Company at the annual general meeting held on 22 August 2013 and a new share option scheme of the Company (the "2013 Scheme") was approved to be adopted by the shareholders of the Company on 22 August 2013. The 2013 Scheme will remain in force for a period of 10 years from that day, unless otherwise terminated earlier by shareholders in a general meeting. As a result, the Company can no longer grant any further options under the 2003 Scheme.

Upon the termination of the 2003 Scheme, no share options were granted thereunder but the subsisting share options granted prior to the termination will continue to be valid and exercisable during the prescribed exercise period in accordance with the terms of the 2003 Scheme.

The 2013 Scheme is for the primary purpose of providing incentives or rewards to selected eligible persons for their contribution or potential contribution to the Company and its subsidiaries.

Pursuant to the 2013 Scheme, the board of directors may grant options to directors and eligible employees of the Company or its subsidiaries to let them subscribe for shares in the Company at a consideration equal to the higher of the closing price of the shares of the Company on the Stock Exchange at the date of offer of grant and the average closing price of the shares of the Company on the Stock Exchange for the five trading days immediately preceding the date of grant of the options.

Options granted must be taken up within 30 days from the date of grant, upon payment of HK\$1. Options may be exercised at any time from the date of grant of the share options up to the tenth anniversary of the date of grant as determined by the directors at their discretion.

### 30. 購股權計劃

本公司在二零零三年九月十八日採納的購股權計劃(「二零零三年計劃」)於二零一三年八月二十二日舉行之股東週年大會上經本公司股東批准而終止，而本公司新購股權計劃(「二零一三年計劃」)已獲本公司股東於二零一三年八月二十二日批准採納。二零一三年計劃自該日起十年內有效，惟由股東於股東大會提早終止則作另論。因此，本公司不能再根據二零零三年計劃進一步授出任何購股權。

二零零三年計劃終止後，其項下概無授出任何購股權，惟在終止前已授出的現有購股權將繼續有效，並可根據二零零三年計劃之條款在指定行使期內行使。

二零一三年計劃主要旨在鼓勵或獎勵對本公司及其附屬公司作出貢獻或將可作出貢獻之選定合資格人士。

根據二零一三年計劃，董事會可向本公司或其附屬公司之董事及合資格僱員授出可認購本公司股份之購股權，代價相等於提呈授出購股權當日本公司股份於聯交所之收市價或緊接授出購股權當日前五個交易日本公司股份於聯交所之平均收市價之較高者。

授出之購股權須於授出日期起計30日內接納，於接納時須繳付1港元。購股權可自董事酌情釐定的授出日期起至授出日期滿10週年止期間隨時行使。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 30. Share Option Scheme (continued)

The maximum number of shares of the Company in respect of which options may be granted, when aggregated with any other share option scheme of the Company, shall not exceed 30% of the issued share capital of the Company from time to time excluding any shares issued upon the exercise of options granted pursuant to the 2013 Scheme. Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2013 Scheme shall not exceed 10% of the shares in issue as at the date of approval of the 2013 Scheme.

The total number of shares in respect of which options may be granted to an eligible person under the 2013 Scheme is not permitted to exceed 1% of the aggregate number of shares for the time being issued and issuable under the 2013 Scheme.

No share options were outstanding under the 2013 Scheme as at 31 March 2019 and 2018.

The following share options were outstanding under the 2013 Scheme during the year:

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均 行使價 HK\$ per share	購股權數目 '000 千份	加權平均 行使價 HK\$ per share	購股權數目 '000 千份
At beginning of year	於年初	14.226	39	13.350	47
Forfeited during the year	於年內沒收	7.420	(2)	9.079	(8)
Expired during the year	於年內屆滿	20.693	(20)	-	-
At end of year	於年末	7.420	17	14.226	39

There were no share options granted or exercised for the years ended 31 March 2019 and 2018.

There was no share-based payment recognised during the years ended 31 March 2019 and 2018.

### 30. 購股權計劃(續)

本公司可授出購股權涉及之股份數目上限，連同根據本公司任何其他購股權計劃授出之購股權所涉及之股份數目，不得超過本公司不時已發行股本之30%（不包括因行使根據二零一三年計劃授出之購股權而發行之任何股份）。不論上述各項，因行使根據二零一三年計劃授出惟尚未行使之所有購股權而可發行之股份，不得超過採納二零一三年計劃獲批准當日之已發行股份之10%。

根據二零一三年計劃可授予合資格人士之購股權所涉及之股份總數，不得超過根據二零一三年計劃當時已發行及可發行股份總數之1%。

於二零一九年及二零一八年三月三十一日，二零一三年計劃下並無尚未行使購股權。

根據二零零三年計劃，以下購股權於年內尚未行使：

截至二零一九年及二零一八年三月三十一日止年度，並無授出或行使任何購股權。

截至二零一九年及二零一八年三月三十一日止年度，概無已確認以股份為基礎的付款。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 30. Share Option Scheme (continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2019

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period* 行使期*
17	7.420	12.5.2011 to 11.5.2020 二零一一年五月十二日 至二零二零年五月十一日

2018

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period* 行使期*
20	20.693	8.1.2010 to 7.1.2019 二零一零年一月八日至 二零一九年一月七日
19	7.420	12.5.2011 to 11.5.2020 二零一一年五月十二日至 二零二零年五月十一日
39		

\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

購股權之行使價可於供股或紅股發行或本公司股本中發生其他類似的變動時予以調整。

At the end of the reporting period, the Company had 17,238 (2018: 39,170) share options outstanding under the 2003 Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 17,238 additional ordinary shares of the Company and additional share capital of HK\$172 (2018: HK\$392) and share premium of HK\$128,000 (2018: HK\$553,000) (before issue expenses).

於報告期末，本公司根據二零零三年計劃授出之購股權中，17,238份（二零一八年：39,170份）購股權尚未行使。根據本公司現行之股本架構，悉數行使尚未行使之購股權可導致額外發行17,238股本公司之普通股及增加股本172港元（二零一八年：392港元）及股份溢價128,000港元（二零一八年：553,000港元）（未扣除發行開支）。

At the date of approval of these financial statements, the Company had 17,238 share options outstanding under the 2003 Scheme, which represented approximately 0.001% of the Company's shares in issue at that date.

於該等財務報表獲批當日，本公司根據二零零三年計劃授出之購股權中，17,238份購股權尚未行使，佔本公司該日已發行之股份約0.001%。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 31. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 123 and 124 of the consolidated financial statements.

#### (i) Special reserve

The special reserve of the Group represents the difference between the nominal value of ordinary shares issued by the Company and the aggregate nominal value of the issued ordinary share capital of the subsidiaries acquired pursuant to a group reorganisation in 1995.

#### (ii) Contributed surplus

The contributed surplus represents the credits arising from the capital reduction effected by the Company less the amount utilised for the purpose of the bonus issue of shares by the Company.

#### (iii) Other reserve

The other reserve represents the Group's share of other reserve of its associate.

#### (iv) Reserve funds

Pursuant to the relevant laws and regulations in the PRC, a portion of the profits of the Company's subsidiaries in the PRC has been transferred to the reserve funds which are restricted to use.

### 31. 儲備

本集團於本年度及以往年度之儲備及其變動之金額呈列於綜合財務報表第123及124頁之綜合權益變動表中。

#### (i) 特別儲備

本集團之特別儲備指本公司已發行普通股之面值與根據一九九五年因集團重組所收購之附屬公司已發行普通股股本之總面值兩者之差額。

#### (ii) 實繳盈餘

實繳盈餘指本公司實行股本削減產生之盈餘減去本公司因紅股發行所使用之款額。

#### (iii) 其他儲備

其他儲備指本集團分佔其聯營公司之其他儲備。

#### (iv) 儲備基金

根據中國相關法律及法規，本公司於中國之附屬公司之部分溢利已轉撥至儲備基金，而儲備基金的使用受到限制。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 32. Acquisitions of Subsidiaries that are not a Business

### 32. 收購非業務性質之附屬公司

The net assets acquired by the Group during the year are as follows:

本集團於年內收購的資產淨值如下：

		Oriental Sino 東華	Precious Investments	Shiny World 光暉	Wang To	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Net assets acquired:	所收購之資產淨值：					
Property, plant and equipment	物業、廠房及設備	190,000	69,000	–	–	259,000
Investment properties	投資物業	–	–	52,000	39,000	91,000
Other receivables	其他應收款項	39	45	–	123	207
Tax recoverable	可收回稅項	–	–	–	34	34
Bank balances	銀行結餘	46	32	32	36	146
Other payables and accruals	其他應付款項及 應計費用	(2,850)	–	(386)	(300)	(3,536)
Tax payable	應付稅項	(13)	–	(30)	–	(43)
		187,222	69,077	51,616	38,893	346,808
Satisfied by:	由以下方式償付：					
Cash	現金	187,222	69,077	51,616	38,893	346,808

An analysis of the cash flows in respect of the acquisitions of Oriental Sino, Precious Investments, Shiny World and Wang To is as follows:

有關收購東華、Precious Investments、光暉及Wang To之現金流量分析如下：

		Oriental Sino 東華	Precious Investments	Shiny World 光暉	Wang To	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash consideration	現金代價	(187,222)	(69,077)	(51,616)	(38,893)	(346,808)
Deposits paid as at 31 March 2018	於二零一八年三月三十一日 支付的按金	19,000	6,900	5,200	3,900	35,000
Bank balances acquired	所收購之銀行結餘	46	32	32	36	146
Net outflow of cash and cash equivalents included in cash flows from investing activities for the year	計入年內來自投資活動之 現金流量的現金及 現金等值項目流出淨值	(168,176)	(62,145)	(46,384)	(34,957)	(311,662)
Transaction costs of the acquisition included in cash flows from operating activities	計入來自經營業務之 現金流量之收購事項 的交易成本	(187)	(69)	(52)	(39)	(347)
		(168,363)	(62,214)	(46,436)	(34,996)	(312,009)

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 32. Acquisitions of Subsidiaries that are not a Business (continued)

On 7 February 2018, the Group entered into a sale and purchase agreement with East Run Investments Limited, an indirectly wholly-owned subsidiary of Wang On Properties Limited (“WOP”), a 75% owned subsidiary of Wang On, in respect of the acquisition of the entire issued share capital of Oriental Sino, Precious Investments, Shiny World and Wang To (collectively, the “Target Companies”) and shareholder’s loans of the Target Companies owed to WOP at a total consideration of HK\$350,000,000. The transaction constituted a connected transaction of the Group and was completed on 25 April 2018.

Pursuant to the relevant sale and purchase agreement, the cash consideration was adjusted to HK\$346,808,000 based on the net asset value of the Target Companies as at 25 April 2018 (the date of completion).

The above acquisitions have been accounted for by the Group as acquisitions of assets as the entities acquired by the Group do not constitute a business.

### 32. 收購非業務性質之附屬公司 (續)

於二零一八年二月七日，本集團與宏安持有75%權益的附屬公司宏安地產有限公司（「宏安地產」）的間接全資附屬公司East Run Investments Limited訂立一份買賣協議，內容有關以總現金代價350,000,000港元收購東華、Precious Investments、光暉及Wang To（統稱「目標公司」）的全部已發行股本及目標公司欠付宏安地產之股東貸款。該交易構成本集團的關連交易，已於二零一八年四月二十五日完成。

根據相關買賣協議，現金代價根據目標公司於二零一八年四月二十五日（完成日期）的資產淨值調整至346,808,000港元。

由於本集團收購的實體並不構成業務，故本集團將上述收購入賬列為資產收購。

### 33. Note to the Consolidated Statement of Cash Flows Changes in liabilities arising from financing activities

### 33. 綜合現金流量表附註 融資活動產生之負債變動

		Bank borrowings 銀行借貸 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	759,307
Changes from financing cash flows	融資現金流量變動	167,710
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	927,017
Changes from financing cash flows	融資現金流量變動	(74,790)
At 31 March 2019	於二零一九年三月三十一日	<b>852,227</b>

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 34. Pledge of Assets

At 31 March 2019, the Group pledged certain of its financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, with an aggregate carrying amount of HK\$211,611,000 (2018: Nil) and HK\$19,403,000 (2018: Nil), respectively, as securities for general banking facilities granted to the Group. Details are included in note 17 and note 22, respectively, to the financial statements.

Details of the Group's bank borrowings which are secured by the assets of the Group are included in notes 13, 14 and 27 to the financial statements.

### 35. Operating Lease Arrangements

#### (a) As lessor

The Group leases its investment properties (note 14) and sub-leases its office premises under operating lease arrangements, with leases negotiated for terms ranging from one to four years. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2019, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	16,392	20,085
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	13,267	9,844
		<b>29,659</b>	29,929

### 34. 資產抵押

於二零一九年三月三十一日，本集團抵押其若干按公平值經其他全面收益入賬之財務資產及按公平值經損益表入賬之財務資產，總賬面值分別為211,611,000港元(二零一八年：無)及19,403,000港元(二零一八年：無)，作為本集團獲授一般銀行融資之擔保。詳情分別載於財務報表附註17及附註22。

以本集團資產作抵押之本集團銀行借貸詳情載於財務報表附註13、14及27。

### 35. 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租其投資物業(附註14)及分租其辦公物業，協定之租賃年期介乎一至四年。租賃條款一般要求租戶支付保證金，並定期根據當時之現行市況對租金進行調整。

於二零一九年三月三十一日，本集團根據與其租戶訂立之不可撤銷之經營租賃安排須於以下年期償還之未來應收最低租金總額如下：

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 35. Operating Lease Arrangements (continued)

#### (b) As lessee

The Group leases certain of its office properties and retail shops under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to six years.

Certain leases have contingent rental payable which is based on the turnover of the relevant retail shops. The contingent rent paid for the year was HK\$10,419,000 (2018: HK\$13,296,000).

At 31 March 2019, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	66,215	59,758
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	66,525	66,299
		<b>132,740</b>	126,057

### 36. Capital Commitments

In addition to the operating lease commitments detailed in note 35(b) above, the Group had the following capital commitments at the end of the reporting period:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未計提撥備：		
— Property, plant and equipment	— 物業、廠房及設備	2,503	2,575
Acquisition of subsidiaries	收購附屬公司	-	315,000
		<b>2,503</b>	317,575

### 35. 經營租賃安排(續)

#### (b) 作為承租人

本集團根據經營租賃安排租賃其若干辦公室物業及零售店舖。物業之租期議定為一至六年。

若干附有或然應付租金之租約乃根據有關零售店舖之營業額計算。年內已付或然租金10,419,000港元(二零一八年：13,296,000港元)。

於二零一九年三月三十一日，本集團根據不可撤銷經營租約須於以下年期償還之未來最低租金總額如下：

### 36. 資本承擔

於報告期末，除上文附註35(b)詳述之經營租賃承擔外，本集團之資本承擔如下：

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 37. Related Party Transactions

#### (a) Transactions with related parties

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Notes 附註				
	Wang On and its subsidiaries (other than the Group)	宏安及其附屬公司(除本集團外)		
	— Rental income earned by the Group*	— 本集團賺取的租金收入*	9,700	9,652
	— Rental expenses incurred by the Group	— 本集團產生的租金開支	2,068	9,482*
	— Management fee incurred by the Group	— 本集團產生的管理費	-	10
	— Sales of Chinese pharmaceutical products by the Group*	— 本集團銷售中藥產品*	6,855	9,379
	Associates	聯營公司		
	— Sales of Chinese pharmaceutical products by the Group	— 本集團銷售中藥產品	21,173	23,488
	— Rental income earned by the Group	— 本集團賺取的租金收入	1,445	2,044
	— Management and promotion fees earned by the Group	— 本集團賺取的管理費及宣傳費	1,081	1,107
	— Interest income on a loan earned by the Group	— 本集團賺取的貸款之利息收入	4,203	6,464

Notes:

- (i) The transactions were based on terms mutually agreed between the Group and the related parties.
- (ii) The sales to the related parties were made according to the published prices and conditions that the Group offered to its customers.
- (iii) The interest was charged by the Group on a loan advanced to Easy One which has been fully repaid during the year. Details of the terms of the relevant loan are set out in note 20 to the financial statements.
- \* These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

附註：

- (i) 該等交易乃根據本集團與關聯方相互協定之條款進行。
- (ii) 對相關方作出之銷售乃根據本集團向其客戶提供之已公佈價格及條件進行。
- (iii) 本集團就向易易壹授出之貸款收取利息，該貸款已於年內償還。相關貸款之條款之詳情載於財務報表附註20。
- \* 該等關聯方交易亦構成持續關連交易(定義見上市規則第14A章)。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 37. Related Party Transactions (continued)

#### (b) Compensation of key management personnel of the Group

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short term employment benefits	短期僱員福利	5,613	5,905
Post-employment benefits	離職後福利	84	71
<b>Total</b>	<b>總計</b>	<b>5,697</b>	<b>5,976</b>

The above compensation of key management personnel excludes the directors' remuneration, details of which are set out in note 8 to the financial statements.

### 37. 與關聯方之交易(續)

#### (b) 本集團主要管理人員之酬金

主要管理人員的以上酬金不包括董事酬金，董事酬金的詳情載於財務報表附註8。

### 38. Financial Instruments by Category

Except for financial assets at fair value through other comprehensive income, available-for-sale investments and financial assets at fair value through profit or loss, as disclosed in note 17 and note 22, respectively, to the financial statements, all other financial assets and liabilities of the Group as at 31 March 2019 are classified as financial assets and liabilities at amortised cost, respectively (2018: loans and receivables, and financial liabilities at amortised cost, respectively).

### 38. 按類別劃分的金融工具

除按公平值經其他全面收益入賬之財務資產、可供出售投資及按公平值經損益表入賬之財務資產(分別在財務報表附註17及附註22披露)外，本集團於二零一九年三月三十一日的所有其他財務資產及負債分類為按攤銷成本計量的財務資產及負債(二零一八年：分別為貸款及應收款項以及按攤銷成本計量的財務負債)。

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amount of the fair values of the Group's financial instruments, other than those carrying amounts that reasonably approximate to fair value, are as follows:

### 39. 金融工具之公平值及公平值等級

本集團金融工具(賬面值與公平值合理相若的金融工具除外)之賬面值及公平值如下：

		Carrying amounts 賬面值		Fair values 公平值	
		31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元
<b>Financial liabilities</b>	<b>財務負債</b>				
Interest-bearing bank borrowings	計息銀行借貸	852,227	927,017	852,227	927,017



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Management has assessed that the fair values of bank balances and cash, trade and bills receivables, trade payables, financial assets included in prepayments, deposits and other receivables, loan and interests receivables, financial liabilities included in other payables and accruals and the current portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the directors of the Company are responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the director and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the director. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 31 March 2019 was assessed to be insignificant.

### 39. 金融工具之公平值及公平值等級(續)

管理層已評估銀行結餘及現金、貿易應收款項及應收票據、貿易應付款項、計入預付款項、按金及其他應收款項之財務資產、應收貸款及利息、計入其他應付款項及應計費用之財務負債及計息銀行借貸之即期部分之公平值與其賬面值相若，主要原因是該等工具的到期時限較短。

本集團之財務部門由本公司董事帶領，負責就金融工具之公平值計量制定政策及程序。財務部門直接向董事及審核委員會匯報。於各報告日期，財務部門分析金融工具價值之動向，並決定估值中採用之主要輸入數據。董事審閱及批准估值，並與審核委員會每年就中期及年度財務申報進行兩次有關估值程序及結果的討論。

財務資產及負債之公平值以自願交易方在當前交易中(強迫或清盤出售除外)該工具可據此作交換之金額入賬。

公平值估計所採用的方法及假設載列如下：

計息銀行借貸的非流動部分之公平值乃以目前市面類似年期、信貸風險及剩餘期限的工具的利率經貼現預期未來現金流量計算。本集團於二零一九年三月三十一日就計息銀行借貸的不履約風險被評估為並不重大。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The fair values of listed equity investments, listed debt investments and listed perpetual bonds are based on quoted market prices, except for one investment which was determined based on the market approach with reference to the prices recently paid for similar assets and the market comparables due to the suspension of share trading of the relevant investment. The fair values of unlisted mutual funds are determined based on the quoted market prices provided by fund administrators with reference to prices derived from the over-the-counter market. The fair values of unlisted debt investments at fair value through other comprehensive income, which were previously classified as available-for-sale investments, have been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The directors of the Company believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

For the fair value of a listed equity investment designated at fair value through other comprehensive income which is suspended for trading, the market approach is adopted and enterprise value versus earnings before interest, tax, depreciation and amortisation ("EBITDA") ("EV-to-EBITDA"), discount for lack of control ("DLOC") and discount for lack of marketability ("DLOM") were used as inputs to the valuation model. For the fair value of the unlisted debt investment classified as financial assets at fair value through other comprehensive income, which were previously classified as available-for-sale investments, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model and has quantified this as a reduction in fair value using less favourable assumptions, and an increase in fair value using more favourable assumptions.

### 39. 金融工具之公平值及公平值等級(續)

上市股權投資、上市債務投資及上市永續債券之公平值乃按照市場報價釐定，惟一項投資之公平值參考近期就類似資產支付之價格及市場可比較數據按照市場法釐定，乃由於相關投資的股票暫停交易。非上市互惠基金之公平值乃參考場外交易市場價格按照基金管理人提供的市場報價釐定。過往分類為可供出售投資的按公平值經其他全面收益入賬之非上市債務投資使用貼現現金流量估值模型估算公平值，採用的假設並非由可觀察市價或利率支持。本公司董事相信，透過估值方法得出的估計公平值（記入綜合財務狀況表）及公平值的有關變動（記入損益及其他全面收益）乃屬合理，且為於報告期末的最適當價值。

暫停交易的指定按公平值經其他全面收益入賬之上市股權投資之公平值採用市場法釐定，估值模型所使用的輸入數據包括企業價值對除利息、稅項、折舊及攤銷前盈利（「EBITDA」）（「企業價值對EBITDA」）、缺乏控制權折讓（「DLOC」）及缺乏市場流通性折讓（「DLOM」）。就分類為按公平值經其他全面收益入賬之財務資產的非上市可供出售債務投資之公平值而言，管理層已估計採用合理可行替代方式作為估值模型輸入數據之潛在影響，並將其量化為公平值減少（採用不利假設）及公平值增加（採用更有利假設）。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 March 2019:

### 39. 金融工具之公平值及公平值等級(續)

以下為於二零一九年三月三十一日金融工具估值之重大不可觀察輸入數據概要及定量敏感度分析：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 幅度	Sensitivity of fair value to the input 公平值對輸入數據之敏感度
<b>As at 31 March 2019</b>				
<b>於二零一九年三月三十一日</b>				
A listed equity investment classified as financial assets at fair value through other comprehensive income and the share trading of which was suspended 分類為按公平值經其他全面收益入賬之財務資產且股票暫停交易之上市股權投資	Market approach 市場法	EV-to-EBITDA 企業價值對EBITDA	13.31 times 13.31倍	1% increase/(decrease) in EV-to-EBITDA would result in increase/(decrease) in fair value by HK\$45,000/ (HK\$53,000) 企業價值對EBITDA增加/(減少) 1%將令公平值增加/(減少) 45,000港元/(53,000港元)
		DLOC	16.7%	1% increase/(decrease) in DLOC would result in (decrease)/increase in fair value by (HK\$248,000)/HK\$261,000 DLOC增加/(減少) 1%將令公平值(減少)/增加 (248,000港元)/261,000港元
		DLOM	20.0%	1% increase/(decrease) in DLOM would result in (decrease)/increase in fair value by (HK\$248,000)/HK\$261,000 DLOM增加/(減少) 1%將令公平值(減少)/增加 (248,000港元)/261,000港元
Unlisted debt investment classified as financial assets at fair value through other comprehensive income 分類為按公平值經其他全面收益入賬之非上市債務投資	Discounted cash flow method 貼現現金流量法	Credit spread 信用息差	13.7%	1% increase/(decrease) in credit spread would result in (decrease)/increase in fair value by (HK\$3,899,000)/HK\$3,956,000 信用息差增加/(減少) 1%將令公平值(減少)/增加 (3,899,000港元)/3,956,000港元

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 March 2018:

### 39. 金融工具之公平值及公平值等級(續)

以下為於二零一八年三月三十一日金融工具估值之重大不可觀察輸入數據概要及定量敏感度分析：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 幅度	Sensitivity of fair value to the input 公平值對輸入數據之敏感度
<b>As at 31 March 2018</b>				
<b>於二零一八年三月三十一日</b>				
A listed equity investment classified as financial assets at fair value through profit or loss and the share trading of which was suspended 分類為按公平值經損益表入賬之財務資產且股票暫停交易之上市股權投資	Market approach 市場法	EV-to-EBITDA 企業價值對EBITDA	18.9 times 18.9 倍	1% increase/(decrease) in EV-to-EBITDA would result in increase/(decrease) in fair value by HK\$70,000/ (HK\$140,000) 企業價值對EBITDA 增加/(減少) 1% 將令公平值增加/(減少) 70,000 港元/(140,000 港元)
		DLOC	16.7%	1% increase/(decrease) in DLOC would result in (decrease)/ increase in fair value by HK\$209,000 DLOC 增加/(減少) 1% 將令公平值(減少)/增加 209,000 港元
		DLOM	10.2%	1% increase/(decrease) in DLOM would result in (decrease)/ increase in fair value by HK\$349,000 DLOM 增加/(減少) 1% 將令公平值(減少)/增加 349,000 港元
Unlisted available-for-sale debt investment 非上市可供出售債務投資	Discounted cash flow method 貼現現金流量法	Credit spread 信用息差	9.04%	1% increase/(decrease) in credit spread would result in (decrease)/increase in fair value by (HK\$12,699,000)/ HK\$13,003,000 信用息差增加/(減少) 1% 將令公平值(減少)/增加 (12,699,000 港元)/13,003,000 港元

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

As at 31 March 2019

### 39. 金融工具之公平值及公平值等級 (續)

#### 公平值等級

下表說明本集團金融工具之公平值計量等級：

#### 按公平值計量之資產：

於二零一九年三月三十一日

		Fair value measurement using 使用下列各項之公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產：				
Listed equity investments	上市股權投資	71,270	-	16,118	87,388
Listed debt investments	上市債務投資	165,146	-	-	165,146
Unlisted debt investment	非上市債務投資	-	-	686,877	686,877
Financial assets at fair value through profit or loss:	按公平值經損益表入賬之財務資產：				
Unlisted mutual funds	非上市互惠基金	-	1,886	-	1,886
Listed perpetual bonds	上市永續債券	19,403	-	-	19,403
		<b>255,819</b>	<b>1,886</b>	<b>702,995</b>	<b>960,700</b>

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Assets measured at fair value: (continued)

As at 31 March 2018

### 39. 金融工具之公平值及公平值等級 (續)

按公平值計量之資產：(續)

於二零一八年三月三十一日

		Fair value measurement using 使用下列各項之公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale investments:	可供出售投資：				
Listed debt investment	上市債務投資	2,029	–	–	2,029
Unlisted debt investment	非上市債務投資	–	–	909,562	909,562
Financial assets at fair value through profit or loss:	按公平值經損益表入賬 之財務資產：				
Listed equity investments	上市股權投資	102,163	–	23,520	125,683
Unlisted mutual funds	非上市互惠基金	–	1,910	–	1,910
		104,192	1,910	933,082	1,039,184



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 39. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The movements in fair value measurements in Level 3 during the years are as follows:

		HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	912,093
Transfer from Level 1 to Level 3 (Note)	第一級轉移至第三級(附註)	36,225
Imputed interest income recognised in profit or loss	於損益確認之估計利息收入	3,732
Loss recognised in profit or loss	於損益確認之虧損	(12,705)
Loss recognised in other comprehensive income	於其他全面收益確認之虧損	(6,263)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	933,082
Imputed interest income recognised in profit or loss	於損益確認之估計利息收入	5,125
Redemption of debt investments	贖回債務投資	(220,000)
Loss recognised in other comprehensive income	於其他全面收益確認之虧損	(15,212)
At 31 March 2019	於二零一九年三月三十一日	<b>702,995</b>

The Group did not have any financial liabilities measured at fair value as at 31 March 2019 and 2018.

Note:

The transfer from Level 1 to Level 3 was due to the suspension of share trading of an equity investment at fair value through profit or loss during the year ended 31 March 2018. The Group's policy is to recognise transfer into and transfer out of Level 3 as at the date of event on change in circumstances that caused the transfer.

### 39. 金融工具之公平值及公平值等級(續)

於以下年度，第三級公平值計量之變動如下：

於二零一九年及二零一八年三月三十一日，本集團並無按公平值計量之財務負債。

附註：

由第一級轉移至第三級乃由於一項按公平值經損益表入賬之股權投資於截至二零一八年三月三十一日止年度暫停股份買賣。本集團之政策為轉入第三級及自第三級轉出之日或狀況變動導致發生轉移之日確認有關轉入及轉出。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of net debt, which includes bank borrowings disclosed in note 27 to the financial statements, net of cash and cash equivalents and equity attributable to owners of the parent, comprising issued share capital, reserves and retained profits.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

#### a. Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, loan and interests receivables, financial assets included in prepayments, deposits and other receivables, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, bank balances and cash, trade payables, bank borrowings and financial liabilities included in other payables and accruals. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risks (currency risk, interest rate risk and price risk), liquidity risk and credit risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

### 40. 財務風險管理目標及政策

本集團管理其資本以確保本集團各實體可持續經營，同時透過優化債務及權益餘額盡量增加股東回報。本集團整體策略較去年維持不變。

本集團資本結構包括債務淨額(包括於財務報表附註27披露之銀行借貸)，扣除現金及現金等值項目以及母公司擁有人應佔權益，包括已發行股本、儲備及保留盈利。

本公司董事每半年審核資本結構。就有關審核而言，董事計及有關資本之成本及與各類別資本相關之風險。根據董事建議，本集團將透過發行新股份、購回股份及發行新債務或贖回現有債務，平衡其整體資本架構。

#### a. 財務風險管理目標及政策

本集團之主要金融工具包括貿易應收款項及應收票據、應收貸款及利息、計入預付款項、按金及其他應收款項之財務資產、按公平值經損益表入賬之財務資產、按公平值經其他全面收益入賬之財務資產、銀行結餘及現金、貿易應付款項、銀行借貸及計入其他應付款項及應計費用之財務負債。該等金融工具之詳情於相關附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及價格風險)、流動資金風險及信貸風險。如何減低該等風險之政策載列於下文。管理層管理及監察相關風險以確保及時有效實施適當措施。

本集團須承受之市場風險或其管理及計量有關風險之方式並無重大變動。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies (continued)

##### Market risks

##### (i) Currency risk

The Company and several subsidiaries of the Company have foreign currency sales and purchases and foreign currency bank deposits, which expose the Group to foreign currency risk. Approximately 2.4% (2018: 1.9%) of the Group's bank deposits are denominated in currencies other than the functional currencies of the group entities. Substantially all of the Group's sales are denominated in the relevant group entities' functional currencies, whilst almost 87.1% (2018: 84.0%) of the purchase costs are denominated in the relevant group entities' functional currencies.

The Group currently does not implement hedging activities to hedge against foreign currency exposure.

##### Sensitivity analysis

The Group is mainly exposed to the foreign exchange rate fluctuation of the foreign currencies stated above against the functional currencies of the respective group entities.

If the RMB exchange rate had increased/decreased by 5% and other variables were held constant, the Group's profit for the year ended 31 March 2019 would have decreased/increased by HK\$76,000 (2018: loss for the year would have increased/decreased by HK\$383,000).

The Group's exposures to currency risk of other currencies are considered insignificant by the directors and therefore no sensitivity analysis has been prepared.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 市場風險

##### (i) 貨幣風險

本公司及其多間附屬公司進行外幣買賣，以及外幣銀行存款，本集團因而面對外匯風險。本集團約2.4%（二零一八年：1.9%）銀行存款以集團實體功能貨幣以外之貨幣為單位。本集團幾乎所有銷售均以有關集團實體之功能貨幣為單位，而近87.1%（二零一八年：84.0%）購買成本以有關集團實體之功能貨幣為單位。

本集團現時並無實行對沖政策對沖外匯風險。

##### 敏感度分析

本集團主要面對上述外幣兌各集團實體功能貨幣之外匯波動風險。

倘人民幣匯率增加／減少5%而所有其他變數維持不變，本集團截至二零一九年三月三十一日止年度之溢利將減少／增加76,000港元（二零一八年：年內虧損將增加／減少383,000港元）。

董事認為本集團其他貨幣之貨幣風險並不重大，因此並無編製敏感度分析。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies (continued)

##### Market risks (continued)

##### (ii) Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank borrowings (see note 27 to the financial statements) and bank deposits (see note 23 to the financial statements) at prevailing market interest rates. The Group has not used any interest rate swaps to hedge its interest rate risk and will consider hedging significant interest rate risk should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of one to three months Hong Kong Interbank Offered Rate. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, management will consider hedging significant interest rate exposure should the need arise.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings and bank deposits at the end of the reporting period. The analysis is prepared assuming that the amount of liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險

本集團現金流量利率風險主要與浮息銀行借貸(見財務報表附註27)及按當前市場利率計息之銀行存款(見財務報表附註23)有關。本集團並未使用任何利率掉期以對沖其利率風險，並將於有需要時考慮對沖重大利率風險。

有關本集團財務負債利率風險之詳情載於本附註流動資金風險管理一節。本集團現金流量利率風險主要集中於一至三個月香港銀行同業拆息之波幅。本集團目前並無採用任何衍生合約以對沖利率風險。然而，管理人員會於有需要時考慮對沖重大利率風險。

##### 敏感度分析

以下敏感度分析乃根據浮息銀行借貸及銀行存款於報告期末面對之利率風險釐定。分析乃假設報告期末負債餘額於整個年度尚未償還而編製。向主要管理人員內部申報利率風險時採用50個基點增減，反映管理層對利率合理可能出現之變動之評估。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies (continued)

##### Market risks (continued)

##### (ii) Interest rate risk (continued)

If interest rates had increased/decreased by 50 basis points and all other variables were held constant, the Group's profit for the year ended 31 March 2019 would have decreased/increased by HK\$3,466,000 (2018: loss for the year would have increased/decreased by HK\$3,202,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

The Group's sensitivity to interest rates has increased during the current year mainly due to the decrease in variable-rate time deposits.

The Group's exposures to interest rate risk on bank balances are considered insignificant by the directors and therefore no sensitivity analysis has been prepared.

##### (iii) Price risk

The Group is exposed to price risk because the fair value of equity investments included in financial assets at fair value through other comprehensive income (2018: equity investments included in financial assets at fair value through profit or loss) is measured by reference to the prevailing market price. Details of equity investments included in financial assets at fair value through other comprehensive income and equity investments included in financial assets at fair value through profit or loss as at 31 March 2019 and 31 March 2018 are set out in note 17 and note 22, respectively, to the financial statements.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (ii) 利率風險(續)

倘利率增加／減少50個基點而所有其他變數維持不變，本集團截至二零一九年三月三十一日止年度之溢利將減少／增加3,466,000港元(二零一八年：年內虧損將增加／減少3,202,000港元)，主要源自本集團就浮息銀行借貸面對之利率風險。

本集團對利率之敏感度於本年度增加，主要由於浮息定期存款減少所致。

董事認為本集團面對之銀行結餘利率風險並不重大，故並無編製敏感度分析。

##### (iii) 價格風險

由於本集團計入按公平值經其他全面收益入賬之財務資產之股權投資(二零一八年：計入按公平值經損益表入賬之財務資產之股權投資)公平值乃參考當時市場價格計量，因此本集團面對價格風險。截至二零一九年三月三十一日及二零一八年三月三十一日止年度計入按公平值經其他全面收益入賬之財務資產之股權投資及計入按公平值經損益表入賬之財務資產之股權投資之詳情分別載於財務報表附註17及22。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies (continued)

##### Market risks (continued)

##### (iii) Price risk (continued)

The Group currently does not have a policy to hedge the price risk. However, management closely monitors such risk by maintaining a portfolio of investments with different risks.

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity investments included in financial assets at fair value through other comprehensive income (2018: equity investments included in financial assets at fair value through profit or loss) at the end of the reporting period. The analysis is prepared assuming that the amount outstanding at the end of the reporting period was outstanding for the whole year. A 10% (2018: 10%) increase or decrease is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in the prevailing market price.

If the market price of equity investments included in financial assets at fair value through other comprehensive income (2018: equity investments included in financial assets at fair value through profit or loss) had increased/decreased by 10% (2018: 10%) and all other variables were held constant, the Group's other comprehensive loss for the year ended 31 March 2019 would have decreased/increased by HK\$8,377,000 (2018: loss for the year would have decreased/increased by HK\$10,654,000).

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 市場風險(續)

##### (iii) 價格風險(續)

本集團目前並無政策以對沖價格風險。然而，管理人員透過維持具備不同風險之投資組合密切監察有關風險。

##### 敏感度分析

以下敏感度分析乃根據計入按公平值經其他全面收益入賬之財務資產之股權投資(二零一八年：計入按公平值經損益表入賬之財務資產之股權投資)於報告期末面對之風險釐定。分析乃假設於報告期末之未償還餘額於整個年度尚未支付而編製。10%(二零一八年：10%)增減為向主要管理人員內部申報價格風險採用之比率，反映管理層對當時市價合理可能出現之變動之評估。

若計入按公平值經其他全面收益入賬之財務資產之股權投資(二零一八年：計入按公平值經損益表入賬之財務資產之股權投資)之市價增加/減少10%(二零一八年：10%)而所有其他變數維持不變，本集團截至二零一九年三月三十一日止年度之其他全面虧損將減少/增加8,377,000港元(二零一八年：年內虧損將減少/增加10,654,000港元)。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies

(continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

##### Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates of all financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest cash flows are at floating rates, the undiscounted amount is derived from the interest rate at the end of the reporting period.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 流動資金風險

管理流動資金風險方面，本集團監控及維持管理層認為充裕之現金及現金等值項目水平，以為本集團營運提供資金及減低現金流量波動影響。管理人員監察銀行借貸運用，並確保遵從貸款契約。

##### 流動資金及利率風險表

下表詳列本集團財務負債尚餘合約年期。此表根據本集團最早須償還日期之財務負債未貼現現金流量編製。所有財務負債之到期日根據協定還款日期釐定。

下表包括利息及本金現金流量。如利息現金流量為浮息，未貼現金額則來自報告期末之利率。

		Weighted average interest rate	On demand or less than 1 year 按要求或 少於一年	1 to 5 years 一至五年	Over 5 years 五年以上	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount 賬面值
		加權平均利率 %	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>As at 31 March 2019</b>	<b>於二零一九年 三月三十一日</b>						
Trade payables	貿易應付款項	-	35,959	-	-	35,959	35,959
Other payables and accruals	其他應付款項 及應計費用	-	27,396	1,883	-	29,279	29,279
Bank borrowings — variable rates	銀行借貸 — 浮息	3.21	254,681	276,636	435,396	966,713	852,227
			318,036	278,519	435,396	1,031,951	917,465
<b>As at 31 March 2018</b>	<b>於二零一八年 三月三十一日</b>						
Trade payables	貿易應付款項	-	60,177	-	-	60,177	60,177
Other payables and accruals	其他應付款項 及應計費用	-	28,116	2,450	-	30,566	30,566
Bank borrowings — variable rates	銀行借貸 — 浮息	2.16	278,893	307,734	425,005	1,011,632	927,017
			367,186	310,184	425,005	1,102,375	1,017,760

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies

(continued)

##### Liquidity risks (continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

##### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In order to minimise the credit risk on trade receivables and prepayments, deposits and other receivables, the management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk is significantly reduced.

##### *Maximum exposure and year-end staging as at 31 March 2019*

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March 2019. For listed debt investments, the Group also monitors them by using external credit ratings. The amounts presented are gross carrying amounts for financial assets.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### 流動資金風險(續)

倘浮息之變化與報告期末所釐定該等利率之估計不同，則以上就非衍生財務負債之浮息工具計入之金額可予作出變動。

##### 信貸風險

本集團僅與經認可且信譽良好的第三方進行交易。本集團政策為所有希望能以信用方式進行交易的客戶需要適用信用認證程序。為減低貿易及其他應收款項之信貸風險，本集團管理人員已授權專責小組負責釐定信貸額、審批信貸及其他監察程序，以確保採取跟進措施收回逾期債項。此外，本集團於報告期末均檢討各個別應收款項之可收回數額，以確保已就不可收回數額作出足夠減值虧損撥備。就此，本公司董事認為信貸風險已大大減低。

##### *於二零一九年三月三十一日的最高風險及年結階段*

下表顯示基於本集團的信貸政策的信貸質素及最高信貸風險，主要基於逾期資料(除非其他資料可在毋須付出不必要成本或努力的情況下獲得)，及於二零一九年三月三十一日的年結階段分類。本集團亦利用外部信貸評級監察上市債務投資。所呈列金額指財務資產總賬面值。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies

(continued)

##### Credit risk (continued)

Maximum exposure and year-end staging as at 31 March 2019

(continued)

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

信貸風險(續)

於二零一九年三月三十一日的  
最高風險及年結階段(續)

		12-month ECLs		Lifetime ECLs		
		12個月		全期預期信貸虧損		
		預期信貸虧損		Simplified approach		
		Stage 1	Stage 2	Stage 3	approach	Total
		第一階段	第二階段	第三階段	簡化方法	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Debt investments at fair value through other comprehensive income — Aa to CCC	按公平值經其他全面收益入賬之債務投資 — Aa至CCC	165,146	686,877	-	-	852,023
Trade and bills receivables*	貿易應收款項及應收票據*	-	-	-	92,210	92,210
Loan and interests receivables	應收貸款及利息	3,704	20,327	-	-	24,031
Financial assets included in prepayments, deposits and other receivables — Normal**	計入預付款項、按金及其他應收款項之財務資產 — 正常**	51,183	-	-	-	51,183
Bank balances and cash	銀行結餘及現金	171,209	-	-	-	171,209
		<b>391,242</b>	<b>707,204</b>	<b>-</b>	<b>92,210</b>	<b>1,190,656</b>

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

\*\* The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

\* 就本集團應用簡化方法計算減值之貿易應收款項而言，根據撥備矩陣計算之資料於財務報表附註19披露。

\*\* 倘計入預付款項、按金及其他應收款項之財務資產尚未逾期及並無資料顯示財務資產自初始確認以來之信貸風險顯著增加，信貸質素被視為「正常」。否則，財務資產之信貸質素將被視為「存疑」。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### a. Financial risk management objectives and policies (continued)

##### **Credit risk** (continued)

*Maximum exposure as at 31 March 2018*

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligations by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group has a concentration of credit risk in an unlisted debt investment issued by CAP of HK\$686,877,000 (2018: HK\$909,562,000) as set out in note 17 to the financial statements. In addition, as at 31 March 2018, the Group had a concentration of credit risk in a loan advanced to Easy One of HK\$100,000,000, which has been fully repaid during the year ended 31 March 2019 as set out in note 20 to the financial statements. As CAP and Easy One are listed entities, the management of the Group reviews their published financial information regularly to ensure that the principal and interest are recoverable at the respective maturity dates.

Although the bank balances are concentrated on certain counterparties, the credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

### 40. 財務風險管理目標及政策 (續)

#### a. 財務風險管理目標及政策(續)

##### **信貸風險**(續)

*於二零一八年三月三十一日的最高風險*

於報告期末，本集團承擔之最高信貸風險來自各已確認財務資產於綜合財務狀況表所列賬面值，而倘交易對手未能履行責任，有關風險將會對本集團造成財務虧損。本集團信貸風險集中於中國農產品發行之一項非上市債務投資686,877,000港元(二零一八年：909,562,000港元)(載於財務報表附註17)。此外，於二零一八年三月三十一日，本集團信貸風險集中於墊付易易壹的貸款100,000,000港元，已於截至二零一九年三月三十一日止年度內全數償還(載於財務報表附註20)。由於中國農產品及易易壹為上市實體，本集團管理層定期審閱彼等已公佈之財務資料，確保有關本金及利息於各相關到期日可收回。

儘管銀行結餘集中於若干交易對手，惟由於交易對手為獲國際信貸評級機構給予高信貸評級之銀行，故流動資金之信貸風險有限。

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 40. Financial Risk Management Objectives and Policies (continued)

#### b. Capital management

The primary objective of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 2018.

The Group monitors capital using a net gearing ratio, which is net debt divided by equity attributable to equity holders of the Company. Net debt is calculated as the total of interest-bearing bank borrowings, less bank balances and cash. The gearing ratios as at the end of the reporting periods were as follows:

### 40. 財務風險管理目標及政策 (續)

#### b. 資本管理

本集團資本管理的主要目標是保障本集團持續經營的能力，及維持健康資本比例，為業務提供支持及將股東價值最大化。

本集團因應經濟環境的轉變對資本架構進行管理及調整。本集團可調整向股東派付股息、資本返還予股東或發行新股份。截至二零一九年及二零一八年三月三十一日止年度內，資本管理的目標、政策或程序概無出現變動。

本集團利用負債比率(本公司股權持有人應佔股權除以債務淨值)監控資本。債務淨額乃按計息銀行借貸總額減銀行結餘及現金計算得出。報告期末的負債比率如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest-bearing bank borrowings (note 27) 計息銀行借貸(附註27)	<b>852,227</b>	927,017
Less: Bank balances and cash (note 23) 減：銀行結餘及現金(附註23)	<b>(171,209)</b>	(420,849)
Net debt 債務淨額	<b>681,018</b>	506,168
Equity attributable to owners of the parent 母公司擁有人應佔權益	<b>2,444,118</b>	2,554,504
Gearing ratio 負債比率	<b>28%</b>	20%

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 41. Events after the Reporting Period

- (i) On 18 April 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of an investment property and a property classified as leasehold land and buildings included in property, plant and equipment at an aggregate consideration of HK\$60,500,000. The transaction was completed on 28 June 2019.

Further details of this disposal are set out in the Company's announcement dated 19 April 2019.

- (ii) On 30 April 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of the entire equity interests in Wang To and the shareholder loan owed to the Group at a consideration of HK\$47,000,000. The transaction is expected to be completed in July 2019.

Further details of this disposal are set out in the Company's announcement dated 30 April 2019.

- (iii) On 9 May 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of the entire equity interests in Shiny World and the shareholder loan owed to the Group at a consideration of HK\$52,800,000. The transaction is expected to be completed in August 2019.

Further details of this disposal are set out in the Company's announcement dated 9 May 2019.

As at the date of approval of these financial statements, the transactions have not been completed, it is not practicable to disclose further details about these transactions.

### 42. Comparative Amounts

Certain comparative amounts have been reclassified and re-presented to conform with the current year's presentation and disclosures.

### 41. 報告期後事項

- (i) 於二零一九年四月十八日，本集團與獨立第三方訂立一份臨時買賣合約，以出售一項投資物業及一項分類為計入物業、廠房及設備之租賃土地及樓宇之物業，總代價為60,500,000港元。該交易於二零一九年六月二十八日完成。

該出售事項之進一步詳情載於本公司日期為二零一九年四月十九日之公佈。

- (ii) 於二零一九年四月三十日，本集團與獨立第三方訂立一份臨時買賣協議，以出售Wang To之全部股權及欠付本集團的股東貸款，代價為47,000,000港元。該交易預期於二零一九年七月完成。

該出售事項之進一步詳情載於本公司日期為二零一九年四月三十日之公佈。

- (iii) 於二零一九年五月九日，本集團與獨立第三方訂立一份臨時買賣協議，以出售光暉之全部股權及欠付本集團的股東貸款，代價為52,800,000港元。該交易預期於二零一九年八月完成。

該出售事項之進一步詳情載於本公司日期為二零一九年五月九日之公佈。

於該等財務報表獲批當日，該等交易尚未完成，因此披露有關該等交易的進一步詳情並不實際可行。

### 42. 比較金額

已重新分類及重列若干比較金額以符合本年度的呈列及披露方式。



# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 43. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

### 43. 本公司財務狀況表

有關報告期末本公司財務狀況表之資料如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	-	-
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	<b>21,958</b>	-
		<b>21,958</b>	-
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Due from subsidiaries	應收附屬公司款項	<b>3,157,037</b>	2,959,091
Other receivables	其他應收款項	<b>608</b>	345
Financial assets at fair value through profit or loss	按公平值經損益表入賬之財務資產	-	43,299
Bank balances and cash	銀行結餘及現金	<b>21,668</b>	124,817
		<b>3,179,313</b>	3,127,552
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Due to subsidiaries	應付附屬公司款項	<b>884,184</b>	729,255
Other payables and accruals	其他應付款項及應計費用	<b>13,943</b>	4,282
		<b>898,127</b>	733,537
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	<b>2,281,186</b>	2,394,015
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>	<b>2,303,144</b>	2,394,015
<b>NON-CURRENT LIABILITY</b>	<b>非流動負債</b>		
Deferred tax liability	遞延稅項負債	<b>167</b>	4,739
Net assets	資產淨值	<b>2,302,977</b>	2,389,276
<b>EQUITY</b>	<b>權益</b>		
Issued capital	已發行股本	<b>12,316</b>	12,651
Reserves (note)	儲備(附註)	<b>2,290,661</b>	2,376,625
Total equity	總權益	<b>2,302,977</b>	2,389,276

**Tang Ching Ho**  
鄧清河  
Director  
董事

**Chan Chun Hong, Thomas**  
陳振康  
Director  
董事

# Notes to Financial Statements

## 財務報表附註

31 March 2019 二零一九年三月三十一日

### 43. Statement of Financial Position of the Company (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium	Special reserve	Contributed surplus	Share option reserve (note)	Fair value reserve (non-recycling)	Retained profits/ (accumulated losses)	Total
		股份溢價 HK\$'000 千港元	特別儲備 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	購股權儲備 (附註) HK\$'000 千港元	公平值儲備 (不可劃轉) HK\$'000 千港元	保留溢利/ (累計虧損) HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	2,116,420	(27,150)	275,693	383	-	420	2,365,766
Profit and total comprehensive income for the year	年度溢利及全面收益總額	-	-	-	-	-	10,859	10,859
Forfeiture of share options	購股權沒收	-	-	-	(51)	-	51	-
At 31 March 2018	於二零一八年三月三十一日	2,116,420	(27,150)	275,693	332	-	11,330	2,376,625
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號的影響	-	-	-	-	28,533	(28,533)	-
At 1 April 2018 (restated)	於二零一八年四月一日 (經重列)	2,116,420	(27,150)	275,693	332	28,533	(17,203)	2,376,625
Loss for the year	年度虧損	-	-	-	-	-	(58,523)	(58,523)
Other comprehensive loss for the year:	年度其他全面虧損:							
Change in fair value of financial assets at fair value through other comprehensive income	按公平值經其他全面收益 入賬之財務資產之 公平值變動	-	-	-	-	(17,820)	-	(17,820)
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	-	(17,820)	(58,523)	(76,343)
Shares repurchased and cancelled (note 29)	購回及註銷股份(附註29)	(9,621)	-	-	-	-	-	(9,621)
Forfeiture of share options	購股權沒收	-	-	-	(246)	-	246	-
At 31 March 2019	於二零一九年三月三十一日	<b>2,106,799</b>	<b>(27,150)</b>	<b>275,693</b>	<b>86</b>	<b>10,713</b>	<b>(75,480)</b>	<b>2,290,661</b>

Note: The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share capital when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited after the vesting period.

### 43. 本公司財務狀況表(續)

附註:

本公司儲備概要載列如下:

附註: 購股權儲備包括尚未行使之已授出購股權之公平值(進一步詳情載於財務報表附註2.4有關以股份為基礎之付款之會計政策)。倘相關購股權已行使,有關金額將會轉至股本,倘相關購股權逾期或於歸屬期後沒收,有關金額將會轉至保留溢利。

### 44. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 28 June 2019.

### 44. 批准刊發財務報表

財務報表已由董事會於二零一九年六月二十八日批准並授權刊發。

# Particulars of Properties

## 物業詳情

### Investment Properties

### 投資物業

Location 地址	Use 用途	Tenure 年期	Attributable interest of the Group 本集團之應佔權益
Shop B, G/F, Nos. 23–33 Shui Wo Street, Kwun Tong, Kowloon 九龍觀塘瑞和街23-33號地下B號舖	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
Shop G, 103 Hip Wo Street, Kwun Tong, Kowloon 九龍觀塘協和街103號G號舖	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
G/F, 581 Nathan Road, Mongkok, Kowloon 九龍旺角彌敦道581號地下	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
G/F, Bowring Building, No. 14 Bowring Street, Kowloon 九龍寶靈街14號寶靈大廈地下	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
Shop A, G/F, No. 76B To Kwa Wan Road, Kowloon 九龍土瓜灣道76B號地下A號舖	Commercial premises for rental 出租商用物業	Long term lease 長期租約	100%
Shop B, G/F, the Cockloft Yan Oi House, No. 237 Sha Tsui Road, No. 87 & 89 Chuen Lung Street, Tsuen Wan, New Territories 新界荃灣沙咀道237號及川龍街87及89號 仁愛樓地下B舖連閣樓	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
Shop B on Ground Floor, Nos. 106–108 Shau Kei Wan Road, Hong Kong 香港筲箕灣道106–108號地下B舖	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%
Shop 3 on Level 1, Jade Plaza, No. 3 On Chee Road, Tai Po, New Territories 新界大埔安慈路3號翠屏花園1樓3號舖	Commercial premises for rental 出租商用物業	Medium term lease 中期租約	100%

# Five Year Financial Summary

## 五年財務概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified/re-presented as appropriate, is set out below.

下文為本集團過往五個財政年度之業績與資產、負債及非控股權益摘要，乃摘錄自已公佈之經審核財務報表，並按下文所載作出適當重新分類／重新呈列。

### Results

### 業績

		Year ended 31 March 截至三月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
CONTINUING OPERATIONS	持續經營業務					
Revenue	收益	<b>751,443</b>	845,781	738,440	825,331	831,088
Profit/(loss) before tax from continuing operations	持續經營業務之除稅前溢利／(虧損)	<b>81,694</b>	(114,887)	(96,359)	29,066	120,778
Income tax credit/(expense)	所得稅抵免／(開支)	<b>(7,448)</b>	(2,281)	2,432	(3,839)	(17)
Profit/(loss) for the year from continuing operations	持續經營業務之本年度溢利／(虧損)	<b>74,246</b>	(117,168)	(93,927)	25,227	120,761
DISCONTINUED OPERATION	已終止業務					
Profit/(loss) for the year from a discontinued operation	已終止業務之本年度溢利／(虧損)	-	-	-	-	90
PROFIT/(LOSS) FOR THE YEAR	本年度溢利／(虧損)	<b>74,246</b>	(117,168)	(93,927)	25,227	120,851
Attributable to:	以下人士應佔：					
Owners of the parent	母公司擁有人	<b>74,627</b>	(115,581)	(93,303)	25,387	120,979
Non-controlling interests	非控股權益	<b>(381)</b>	(1,587)	(624)	(160)	(128)
		<b>74,246</b>	(117,168)	(93,927)	25,227	120,851

### Assets, Liabilities and Non-Controlling Interests

### 資產、負債及非控股權益

		At 31 March 於三月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	總資產	<b>3,454,670</b>	3,656,461	3,573,251	3,237,452	2,823,903
Total liabilities	總負債	<b>(1,006,581)</b>	(1,096,436)	(915,528)	(907,896)	(777,948)
		<b>2,448,089</b>	2,560,025	2,657,723	2,329,556	2,045,955
Equity attributable to owners of the parent	母公司擁有人應佔權益	<b>2,444,118</b>	2,554,504	2,651,791	2,322,490	2,038,729
Non-controlling interests	非控股權益	<b>3,971</b>	5,521	5,932	7,066	7,226
		<b>2,448,089</b>	2,560,025	2,657,723	2,329,556	2,045,955



Wai Yuen Tong Medicine Holdings Limited  
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