



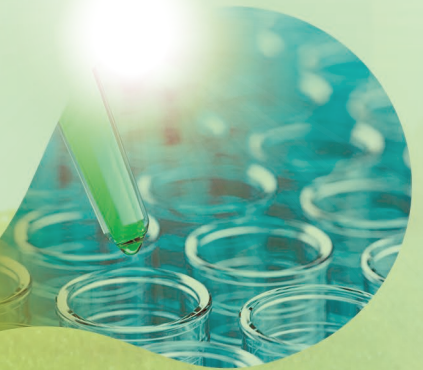
United Gene High-Tech Group Limited
聯合基因科技集團有限公司

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

(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock Code: 399 股份代號: 399

ANNUAL REPORT 2014 年報





CONTENTS

目錄

Corporate Information 公司資料	2
Chairman's Statement 主席報告	4
Management Discussion and Analysis 管理層討論及分析	6
Management Profile 管理層履歷	19
External Consultant Profile 外聘顧問履歷	22
Corporate Governance Report 企業管治報告	23
Report of the Directors 董事會報告	34
Independent Auditor's Report 獨立核數師報告	46
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	48
Consolidated Statement of Financial Position 綜合財務狀況表	50
Consolidated Statement of Changes in Equity 綜合權益變動表	52
Consolidated Statement of Cash Flows 綜合現金流量表	53
Notes to the Consolidated Financial Statements 綜合財務報表附註	56
Financial Summary 財務概要	148



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Lee Nga Yan

Guo Yi

Non-Executive Directors

Jiang Nian (*Chairman*)

Xiao Yan

Wu Yanmin

Independent Non-Executive Directors

Chen Weijun

Zhang Zhihong

Wang Rongliang

Audit Committee

Chen Weijun (*Chairman*)

Zhang Zhihong

Wang Rongliang

Remuneration Committee

Zhang Zhihong (*Chairman*)

Jiang Nian

Wang Rongliang

Nomination Committee

Zhang Zhihong (*Chairman*)

Jiang Nian

Wang Rongliang

HONORARY CHAIRMAN

Mao Yumin

COMPANY SECRETARY

Poon Hon Yin

LEGAL ADVISERS

Phillips Solicitors

3506, Tower 1, Lippo Centre

89 Queensway

Central, Hong Kong

董事會

執行董事

李雅欣

郭懿

非執行董事

蔣年(*主席*)

肖焱

鄔燕敏

獨立非執行董事

陳偉君

張志鴻

王榮樑

審核委員會

陳偉君(*主席*)

張志鴻

王榮樑

薪酬委員會

張志鴻(*主席*)

蔣年

王榮樑

提名委員會

張志鴻(*主席*)

蔣年

王榮樑

名譽主席

毛裕民

公司秘書

潘漢彥

法律顧問

Phillips 律師事務所

香港中環

金鐘道89號

力寶中心第一期3506室

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. 2111, 21/F.
West Tower Shun Tak Centre,
168-200 Connaught Road Central
Sheung Wan, Hong Kong

香港主要營業地點

香港上環
干諾道中168-200號
信德中心西座
21樓2111室

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

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

股份登記總處及過戶代理處

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

BRANCH SHARE REGISTRAR AND TRANSFER AGENT IN HONG KONG

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

香港股份登記分處及過戶代理處

卓佳登捷時有限公司
香港灣仔
皇后大道東183號
合和中心22樓

AUDITORS

Deloitte Touche Tohmatsu
35/F, One Pacific Place
88 Queensway
Hong Kong

核數師

德勤•關黃陳方會計師行
香港
金鐘道88號
太古廣場一期35樓

PRINCIPAL BANKER

The Hongkong and Shanghai Banking
Corporation Limited

主要往來銀行

香港上海滙豐銀行有限公司

STOCK CODE

399

股份代號

399

COMPANY WEBSITE

www.unitedgenegroup.com
www.irasia.com/listco/hk/unitedgene

公司網站

www.unitedgenegroup.com
www.irasia.com/listco/hk/unitedgene

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of United Gene High-Tech Group Limited (the "Company"), I hereby present to all shareholders of the Company (the "Shareholders") the audited consolidated financial results of the Company and its subsidiaries (the "Group") for the nine months ended 31 March 2014 (the "Financial Period").

For the Financial Period, the Group recorded revenue of HK\$29.7 million, an increase of 283.9% in revenue as compared to the revenues of HK\$7.7 million that was recorded during the previous twelve months ended 30 June 2013 (the "Previous Financial Year"). The increase in revenues was due to the fact that the trading segment was operational for nine months during the Financial Period, as compared to only one month of operation during the Previous Financial Year.

For the Financial Period, loss attributable to the owners of the Company was HK\$550.3 million, representing an increase of loss as compared to a loss of HK\$72.8 million in the Previous Financial Year. The increase in loss was primarily caused by significant impairments recognized during the period of HK\$285.8 million on the Group's investment in shares of Extrawell Pharmaceutical Holdings Limited ("Extrawell") and loss on the acquisition and subsequent fair market value change of the Group's investments in convertible bond issued by Extrawell for the amount of HK\$239.0 million.

OUTLOOK

During the Financial Period, the Company completed the Transaction I and partially completed Transaction II of a very substantial acquisition in which the Company acquired shares in Extrawell and convertible bonds issued by Extrawell. Extrawell is now an associate company of the Group, and henceforth the Group will share in the profits and losses of Extrawell.

各位股東：

本人謹代表聯合基因科技集團有限公司(「本公司」)之董事(「董事」)會(「董事會」)提呈予本公司所有股東(「股東」)有關本公司及其附屬公司(「本集團」)截至二零一四年三月三十一日止九個月(「本財政期間」)之經審核綜合財務業績。

本集團於本財政期間之營業額為29,700,000港元，較截至二零一三年六月三十日止過往十二個月(「上一個財政年度」)錄得之營業額7,700,000港元增加283.9%。營業額增加乃由於貿易分部於本財政年度經營九個月，而於上一個財政年度僅經營一個月。

於本財政期間，本公司擁有人應佔虧損為550,300,000港元，較上一個財政年度增加虧損72,800,000港元。虧損增加主要由期內就本集團於精優藥業控股有限公司(「精優」)股份之投資及收購虧損確認285,800,000港元之重大減值及本集團於精優發行之可換股債券之投資出現為數239,000,000港元之後續公平市值變動所致。

展望

於本財政期間，本公司完成之交易一並部分完成交易二，涉及收購精優股份及精優發行之可換股債券之非常重大收購。精優現時為本集團之聯營公司，自此本集團將分佔精優之溢利及虧損。

CHAIRMAN'S STATEMENT

主席報告

Other events that occurred during the Financial Period included the restructure of both the Group's genetic testing services and provision of health care services business segments. The exclusive rights related to genetic testing services in the PRC, Hong Kong and Macau were retained by the Group and the Group intends to franchise these exclusive rights in the future. The Group relinquished control of the health care centre to the minority shareholders of the Group and subsequently the companies that make up the health care centre were deconsolidated from the Group and instead have been classified as investments in associate. Management of the Group believes that the restructuring will allow the Group to focus its resources on more profitable corporate and business development opportunities.

On 26 June 2014, the Group published a circular regarding the Group's intended acquisition of control over an oral insulin medication owned by Extrawell. The management of the Group holds the view that the medication has strong business potential. The acquisition has not yet completed and is conditional upon certain conditions, as laid out in the circular, and in particular must be approved in the special general meetings that will be held on 15 and 16 July 2014 by Extrawell and the Company, respectively. Should the acquisition be completed, the Group intends to utilize its resources and expedite the commercialization of the medicine.

The Group anticipates a challenging business environment in the coming financial year and will continue to focus on improving profitability and exploring potential investment, partnership, and business development opportunities as necessary to enhance shareholder returns.

APPRECIATION

On behalf of all Board members, I would like to take this opportunity to express my gratitude to the Shareholders and business partners of the Group for their continued support and trust during the past years, and my most sincere appreciation to the Directors, management and staff at all levels for their dedication, hard work and contributions to the Group.

Jiang Nian
Chairman

Hong Kong, 30 June 2014

於本財政期間發生之其他事件包括重組本集團基因測試服務及提供健康管理服務業務分部。本集團已保留於中國、香港及澳門有關基因測試服務之獨家權利，而本集團擬於日後以特許形式授出該等獨家權利。本集團已放棄對該健康中心之控制權並轉交予本集團之少數股東，組成健康中心的公司隨後不再於本集團綜合入賬而分類為於聯營公司的投資。本集團管理層相信，重組將令本集團將其資源集中於更有利可圖之企業及業務發展機遇。

於二零一四年六月二十六日，本集團已就本集團擬收購精優所擁有之一種口服胰島素藥物之控制權而刊發通函。本集團管理層認為，該藥物擁有巨大業務潛力。收購尚未完成及須待通函載列之若干條件達成後方可作實，特別是須於精優及本公司將分別於二零一四年七月十五日及十六日舉行之股東特別大會上獲批准。倘收購完成，本集團擬動用其資源並加快該藥物的商業化。

本集團預期下一個財政年度之營商環境將充滿挑戰並將繼續致力提高收益及於必要時物色有潛力之投資、合作夥伴及業務發展機遇，以增加股東回報。

致謝

本人謹藉此機會代表全體董事會成員，對股東及本集團業務夥伴過去一年的恆久支持及信任表達謝意，本人亦謹此對董事、管理層與各級員工專心致志、勤勉工作及為本集團作出的貢獻，致以最真誠的謝意。

主席
蔣年

香港，二零一四年六月三十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GROUP RESULTS

Revenue from continuing operations of the Group for the Financial Period amounted to HK\$29.7 million, a significant improvement from the HK\$7.7 million revenue recorded in the Previous Financial Year. Loss attributable to the owners of the Company was HK\$550.3 million, an increase over the loss of HK\$72.8 million of the Previous Financial Year. The increase in loss was primarily caused by significant impairments recognized during the period of HK\$285.8 million on the Group's investment in shares of Extrawell and loss on the acquisition and subsequent fair market value change of the Group's investments in convertible bonds issued by Extrawell for the amount of HK\$239.0 million.

BUSINESS REVIEW

Continuing Operations

Distribution of genetic testing services

Since 13 December 2010, the Group has held permanent exclusive distribution rights for genetic testing services in the regions of the PRC, Hong Kong and Macau, permanent nonexclusive distribution rights for genetic testing services in other regions, and the right of use of certain logos on genetic testing services that are distributed by the Group.

During the Financial Period, revenue arising from the provision of genetic testing services decreased to approximately HK\$93,000 from HK\$4.6 million in the Previous Financial Year.

While the Group had put in considerable resources to adjust the segment's operations in order to target professional sales channels, the management of the Group has concluded that the results of the marketing efforts did not meet management's expectations. In view of this, the Board decided to dispose some of the Group's genetic testing assets in order to reduce the Group's operating costs and future commitments and liabilities. The Group retains the exclusive distribution rights of genetic testing and the already franchised distribution rights to two related parties, which will operate the segment.

集團業績

本集團之持續經營業務於本財政期間之營業額為29,700,000港元，較上一財政年度錄得之營業額7,700,000港元顯著增長。本公司擁有人應佔虧損為550,300,000港元，較上一財政年度虧損72,800,000港元有所增加。虧損增加主要由於期內就本集團於精優股份之投資及收購虧損確認285,800,000港元之重大減值及本集團於精優發行之可換股債券之投資出現為數239,000,000港元之後續公平市值變動所致。

業務回顧

持續經營業務

分銷基因測試服務

從二零一零年十二月十三日起，本集團擁有在中國、香港及澳門地區永久獨家分銷基因測試服務之權利、在其他地區之永久非獨家分銷基因測試服務之權利及就本集團分銷基因測試服務使用若干標誌之使用權。

於本財政期間，來自提供基因測試服務之營業額從上一財政年度4,600,000港元下跌至約93,000港元。

儘管本集團已投入大量資源調整分部業務以專注於專業銷售渠道，本集團管理層認為迄今為止的營銷活動成果並未達致管理層預期。有鑑於此，董事會決定出售本集團若干基因測試資產，以降低本集團的營運成本以及未來承擔及負債。本集團保留基因測試的獨家分銷權，並已向兩名關連方授出分銷權，彼等將營運該分部。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Distribution of bio-industrial products

The Group has held the exclusive distribution rights for the distribution of bone chips and fat in the PRC since 1 January 2010. The Group holds the rights for a period of 5 years, and these rights will be automatically renewed for an additional ten years, subject to any objection raised by the relevant parties on or before 31 December 2014.

There was no revenue arising from the distribution of bio-industrial products during both the Financial Period and Previous Financial Year.

Trading of beauty equipment and products

The Group commenced the trading of beauty equipment and products in June 2013. During the Financial Period, revenue from the trading segment was HK\$29.7 million (Previous Financial Year: HK\$3.2 million) with a profit margin of 1.55% (Previous Financial Year: 1.32%).

Investments in Extrawell

On 27 April 2013, the Company entered into a conditional sale and purchase agreement to acquire shares and convertible bonds of Extrawell. The Group's investments in Extrawell are sensitive to share price fluctuations of Extrawell's publicly traded shares and subject to impairment assessment in accordance with Hong Kong Accounting Standards.

During the Financial Period, the Group was required by Hong Kong Accounting Standards to impair its investments in the shares of and convertible bonds issued by Extrawell. A detailed discussion and explanation of the impairments are set out on pages 13 to 17 under the section titled Significant impairments.

Discontinued Operation

Provision of health care management services

During the Financial Period, revenue from the provision of health care management services operating segment increased to HK\$2.6 million, from HK\$2.3 million in the Previous Financial Year.

分銷生物產業產品

本集團自二零一零年一月一日起擁有在中國分銷骨粒及骨油之獨家分銷權利。本集團持有該等權利之期限為期五年，並將在相關訂約方並無於二零一四年十二月三十一日或之前提出任何異議之情況下自動續期十年。

於本財政期間及上一財政年度，分銷生物產業產品並無產生營業額。

美容設備及美容產品貿易

本集團於二零一三年六月開展美容設備及美容產品貿易業務。於本財政期間，該貿易分部之營業額為29,700,000港元（上一財政年度：3,200,000港元），而利潤率則為1.55%（上一財政年度：1.32%）。

於精優之投資

於二零一三年四月二十七日，本公司已訂立有條件買賣協議，以購買精優之股份及可換股債券。本集團於精優之投資對於精優之公開交易股份之股價波動較為敏感及須受限於根據香港會計準則作出之減值評估。

於本財政期間，香港會計準則規定，本集團於精優發行之股份及可換股債券之投資須減值。有關減值之詳細討論及解釋載於重大減值一節第13至第17頁。

已終止經營業務

提供健康管理服務

於本財政期間，提供健康管理服務經營分部之營業額從上一財政年度的2,300,000港元上升至2,600,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Despite improvements in revenue, the Group and minority shareholders of the health care centre held the view that the centre's operational performance was well below expectations. After careful deliberation, the Group and minority shareholders decided that a leadership change was needed in order to improve the centre's performance. Both the Group and minority shareholders agreed that the Group would relinquish control of Longmark (Shanghai) HealthCare Limited ("Longmark (Shanghai)")'s board of directors and allow the representative from the minority shareholders, who are based in Shanghai and thus able to closely manage its operations and expenditures, to lead the centre. As a result of this change in control, the companies of the health care centre, including Longmark (Shanghai) and 上海龍冠門診部有限公司 ("Longguan"), were deconsolidated from the Group and treated as investments in associates.

PROSPECTS

Distribution of genetic testing services

During the Financial Period, the Group disposed of a portion of its genetic testing assets in order to reduce the Group's operating costs and future commitments and liabilities. The Group retains the exclusive distribution rights of genetic testing and the already franchised distribution rights to two related parties, which will operate the segment.

The Group holds the view that the challenging regulatory environment in the PRC, as reflected in the circular issued on 9 February 2014 by the China Food and Drug Administration, will cause adverse impact on this business segment and its prospects.

The Group's proposed diagnostic centre continues to wait for further approval from the PRC government. The Group holds the view that the establishment of a PRC government recognized diagnostic centre will improve the Group's reputation and attract business partners and franchisees.

Distribution of bio-industrial products

CNL (Pinghu) Biotech Co. Ltd. ("CNL (Pinghu)") commenced the construction of the production plant, research and development workshop and office in December 2010. Since April 2012, CNL (Pinghu) has been a defendant to civil litigation in the PRC Courts concerning construction costs of the plant.

儘管營業額有所改善，本集團及健康中心的少數股東認為，中心的經營表現遠低於預期。經審慎商議，本集團及少數股東決定須更換管理層以改善中心的表現。本集團及少數股東議定本集團放棄對龍脈(上海)健康管理服務有限公司(「龍脈(上海)」)董事會的控制並且由少數股東的代表領導該中心。少數股東紮根於上海，因此能嚴格管理中心的經營及開支。由於上述控制權變動，健康中心之公司(包括龍脈(上海)及上海龍冠門診部有限公司(「龍冠」))將不再於本集團賬目中綜合入賬，並被視作於聯營公司的投資。

前景

分銷基因測試服務

於本財政期間，本集團出售其部份基因測試服務資產，以降低本集團的營運成本以及未來承擔及負債。本集團保留基因測試的獨家分銷權，並已向兩名關連方授出分銷權，彼等將營運該分部。

本集團認為，國家食品藥品監督管理總局於二零一四年二月九日發出的通知反映中國的監管環境充滿挑戰，將對該業務分部及其前景產生不利影響。

本集團籌建的醫療診斷中心仍待中國政府發出進一步批文。本集團認為，中國政府認可醫療診斷中心的設立將會提升本集團聲譽及可吸引業務夥伴及加盟商。

分銷生物產業產品

於二零一零年十二月，中荷(平湖)生物技術有限公司(「中荷(平湖)」)開始建設生產廠房、研發實驗室及辦公室。自二零一二年四月起，中荷(平湖)(作為被告方)一直牽涉中國法院受理的有關廠房的建造成本的民事訴訟。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The first judgment regarding this case was made on 20 December 2013 by 浙江省平湖市人民法院 (People's Court of Pinghu City, Zhejiang Province). The court based its judgment upon a valuation that was performed by a court appointed valuer. Both the Group and plaintiff appealed the verdict.

On 25 April 2014, the final verdict was reached and this final judgment upheld the initial ruling. The Group is liable to pay approximately RMB4.2 million, inclusive of interest, to the plaintiffs. Despite the Group and plaintiffs having received the final verdict, the premises of CNL (Pinghu) remain unlawfully occupied by the contractors. The Group continues to actively seek legal remedies and resolve this matter in the PRC's Courts, with a view to commence production as soon as possible.

Trading of beauty equipment and products

Trading contributes the majority of the Group's revenues. The major trading products of the Group are beauty equipment and beauty products. Rising GDPs and average incomes in many Asian developing countries are expected to create greater demand for this segment. As revenues and profit margins from trading have been relatively stable, the Group intends to develop the business further as market conditions permit and explore higher profit margin products.

Securities investment

Despite volatility in the global investment market, management of the Group holds the view that the global and Asian economic outlooks continue to improve. The management of the Group continues to actively review the performance of the Group's portfolio and source new investment products. The Group anticipates that after its acquisition of the Smart Ascent Limited ("SAL") and its subsidiaries as mentioned in the section of Significant investments, acquisition and disposals, the Group is likely to realise certain securities investments to fund the cost of research and development requirement of SAL's oral insulin medicine.

The Group will continue to explore other opportunities for further growth through strategic cooperation with world leading biotechnology enterprises in the aspects of business, product or technology. The Group strives to build a sound product portfolio which offers high profitability potential.

有關本案件的第一次判決已由浙江省平湖市人民法院於二零一三年十二月二十日作出。法院基於其委任的估值師所作估值作出判決。本集團及原告均已提出上訴。

最終裁決於二零一四年四月二十五日達成，而最終判決維持最初原判。本集團有責任向原告支付約人民幣4,200,000元(包括利息)。儘管本集團及原告已收到最終裁決，中荷(平湖)的物業仍被承包商非法佔用。本集團繼續積極尋求法律補救措施並於中國法庭上解決該事宜，以儘快開始生產。

美容設備及美容產品貿易

貿易佔本集團大部分營業額。本集團的主要貿易產品為美容設備及美容產品。預計亞洲眾多發展中國家的國內生產總值及平均收入攀升將創造出對該分部更大的需求。由於貿易之營業額及利潤相對穩定，故如市況允許，本集團擬進一步發展業務及開發高利潤產品。

證券投資

儘管全球投資市場出現波動，本集團管理層認為全球及亞洲經濟前景會持續改善。本集團管理層繼續積極檢討本集團組合表現並購買新投資產品。本集團預期，於重大投資、收購及出售一節所述收購進生有限公司(「進生」)及其附屬公司後，本集團可能會變現若干證券投資，以為應付進生口服胰島素藥品之研發成本需求提供資金。

本集團將繼續物色其他機遇，透過與全球領先的生物技術企業於業務、產品或技術方面的策略合作，實現進一步增長。本集團致力建立有巨大盈利潛力的完善產品組合。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Capital structure, Liquidity, Financial resources

Capital structure

財務回顧

資本架構、流動資金、財務資源

資本架構

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Authorised:	法定：		
50,000,000,000 ordinary shares of HK\$0.01 each	50,000,000,000股每股面值0.01港元之普通股	500,000	500,000
Issued and fully paid:	已發行及已繳足：		
1,136,193,024 ordinary shares of HK\$0.01 each (As at 30 June 2013: 840,693,024 ordinary shares of HK\$0.01 each)	1,136,193,024股每股面值0.01港元之普通股 (於二零一三年六月三十日：840,693,024股每股面值0.01港元之普通股)	11,362	8,407
		Number of shares issued 已發行股份數目	Share capital 股本 HK\$'000 千港元
As at 30 June 2013	於二零一三年六月三十日	840,693,024	8,407
Conversion of Convertible Bonds (note a)	轉換可換股債券(附註a)	265,500,000	2,655
Conversion of Convertible Bonds I (note b)	轉換可換股債券一(附註b)	30,000,000	300
As at 31 March 2014	於二零一四年三月三十一日	1,136,193,024	11,362

Notes:

- (a) During the period ended 31 March 2014, 265,500,000 new ordinary shares of the Company of HK\$0.01 each were issued upon the conversion of Convertible Bonds. Convertible Bonds with aggregate principal amount of HK\$106,200,000 were converted into 265,500,000 ordinary shares of the Company at a conversion price of HK\$0.4 per share respectively.
- (b) During the period ended 31 March 2014, 30,000,000 new ordinary shares of the Company of HK\$0.01 each were issued upon the conversion of Convertible Bonds I. Convertible Bonds I with aggregate principal amount of HK\$12,000,000 were converted into 30,000,000 ordinary shares of the Company at a conversion price of HK\$0.4 per share respectively.

附註：

- (a) 截至二零一四年三月三十一日止期間，本公司265,500,000股每股面值0.01港元之新普通股因轉換可換股債券而獲發行。本金總額為106,200,000港元之可換股債券分別按轉換價每股0.4港元兌換為本公司265,500,000股普通股。
- (b) 截至二零一四年三月三十一日止期間，本公司30,000,000股每股面值0.01港元之新普通股因轉換可換股債券一而獲發行。本金總額為12,000,000港元之可換股債券一分別按轉換價每股0.4港元兌換為本公司30,000,000股普通股。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity and financial resources

As at 31 March 2014, the Group had bank and cash balances of approximately HK\$192.4 million (30 June 2013: approximately HK\$355.3 million).

As at 31 March 2014, total borrowings of the Group were approximately HK\$52.2 million (30 June 2013: HK\$37.0 million) which consisted of the debt value of the Company's unconverted convertible bonds amounting to HK\$52.2 million (30 June 2013: consisted of the debt value of the Company's unconverted convertible bonds of approximately HK\$11.8 million, amount due to a shareholder of approximately HK\$15.1 million and loan from a non-controlling shareholder of approximately HK\$10.1 million).

The ratio of current assets to current liabilities of the Group was 20.54 as at 31 March 2014 compared to 7.74 as at 30 June 2013. The Group's gearing ratio as at 31 March 2014 was 0.09 (30 June 2013: 0.13) which has been calculated based on the Group's total liabilities of approximately HK\$69.3 million (30 June 2013: approximately HK\$63.7 million) and the Group's total assets of approximately HK\$741.5 million (30 June 2013: approximately HK\$508.0 million).

During the Financial Period, the Group invested in financial assets, consisting of time deposits and listed bonds that can be readily converted to cash at any time, with an aim to increase surplus cash. The Group places importance on security, short-term commitment and availability of the surplus cash and cash equivalents.

Significant investments, acquisition and disposals

On 17 March 2014, the Company entered into a conditional sale and purchase agreement to acquire 51% of the equity interest in SAL, the holding company that owns an oral insulin medicine that has completed part of A of Phase III clinical trials. As part of the agreement to acquire a controlling stake in SAL, the Group has agreed to pay for all expenditures of SAL related to the further research and development of the oral insulin medicine up to a maximum aggregate amount of HK\$600.0 million over the next 3 years. To the best knowledge of the Directors, the oral insulin medicine held by SAL is the likely the only oral insulin medication that has progressed to Phase III of clinical trials. The Group intends to complete the clinical trials related to the medicine and commercialize the medicine. The acquisition is conditional upon approvals at the Special General Meetings of Extrawell and the Company to be held on 15 and 16 July 2014, respectively, and the other condition precedents as stated in the Company's circular dated 26 June 2014.

流動資金及財務資源

於二零一四年三月三十一日，本集團之銀行及現金結餘為約192,400,000港元(二零一三年六月三十日：約355,300,000港元)。

於二零一四年三月三十一日，本集團之總借貸約為52,200,000港元(二零一三年六月三十日：37,000,000港元)，包括本公司之未轉換可換股債券之債務價值52,200,000港元(二零一三年六月三十日：包括本公司之未轉換可換股債券之債務價值約11,800,000港元、應付一名股東款項約15,100,000港元及來自一名非控股股東的貸款約10,100,000港元)。

本集團於二零一四年三月三十一日之流動資產對流動負債之比率為20.54，而於二零一三年六月三十日則為7.74。本集團於二零一四年三月三十一日之資本負債比率為0.09(二零一三年六月三十日：0.13)，而該項比率乃根據本集團之負債總額約69,300,000港元(二零一三年六月三十日：約63,700,000港元)及本集團之資產總額約741,500,000港元(二零一三年六月三十日：約508,000,000港元)計算。

在本財政期間內，本集團投資於金融資產，旨在增加盈餘現金。此金融資產包括定期存款和能隨時轉換為現金之上市債券，本集團重視盈餘現金及現金等價物之安全、短期承諾和可用性。

重大投資、收購及出售

於二零一四年三月十七日，本公司訂立有條件買賣協議以收購進生(擁有已完成第三期臨床試驗A段之口服胰島素藥品之控股公司)51%股權。按照收購進生控股權之協議，本集團同意支付有關進生於之後三年進一步研發口服胰島素藥品產生之所有開支，最高總金額為600,000,000港元。據董事所深知，進生擁有的口服胰島素藥品可能為已進行至臨床試驗第三期之唯一口服胰島素藥物療法。本集團擬完成有關該藥品之臨床試驗並商業化該藥品。收購須待精優及本公司分別於二零一四年七月十五日及十六日舉行之股東特別大會上批准及本公司日期二零一四年六月二十六日之通函所載的其他先決條件獲達成後，方可作實。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 27 April 2013, the Company, as purchaser, and Dr. Mao Yumin (“Dr. Mao”) and JNJ Investments Limited (“JNJ”), as vendors, entered into a conditional sale and purchase agreement dated 27 April 2013 (as supplemented and amended by supplemental agreements dated 7 May 2013, 30 August 2013 and 28 January 2014), pursuant to which the Company conditionally agreed to acquire and (i) JNJ and Dr. Mao have conditionally agreed to sell 450 million shares of Extrawell and convertible bonds in an aggregate principal amount of approximately HK\$321 million, with conversion rights to convert into 500 million shares of Extrawell at initial conversion price of HK\$0.6413 per share (subject to adjustments), issued by Extrawell respectively for an aggregate consideration of HK\$608 million; and (ii) Dr. Mao has conditionally agreed to sell the convertible bonds in an aggregate principal amount up to approximately HK\$257 million (the sum of the four batches), with conversion rights to convert into 400 million shares of Extrawell at initial conversion price of HK\$0.6413 per share (subject to adjustments), issued by Extrawell at an aggregate consideration of up to a maximum of HK\$256 million in four batches.

Dr. Mao is a connected person of the Company by virtue of being a controlling shareholder of the Company. JNJ is a connected person of the Company by virtue of its beneficial owner, being Dr. Mao. As such, the transactions constitute connected transactions of the Company under rule 14A.13(1)(a) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and shall be aggregated pursuant to Rule 14A.25 of the Listing Rules.

The completion of Transaction I took place on 25 October 2013 and 27 December 2013 with (i) an aggregate sum of HK\$120 million was paid in cash by the Company to Dr. Mao; (ii) convertible bonds of a principal amount of HK\$200 million were issued by the Company to Dr. Mao; and (iii) convertible bonds of a principal amount of HK\$288 million were issued by the Company to JNJ.

On 24 April 2014, all the conditions precedent for Transaction II took place. The first batch of Sale CB II convertible bonds, of a principal amount of approximately HK\$64 million, was received by the Company and the Company issued Convertible Bonds II, of a principal amount of HK\$64 million, to Dr. Mao.

於二零一三年四月二十七日，本公司（為買方）與毛裕民博士（「毛博士」）及JNJ Investments Limited（「JNJ」）（為賣方）訂立日期為二零一三年四月二十七日之有條件買賣協議（經日期為二零一三年五月七日、二零一三年八月三十日及二零一四年一月二十八日之補充協議補充及修訂），據此，本公司有條件同意收購而(i)JNJ及毛博士有條件同意出售精優450,000,000股股份，及本金總額約為321,000,000港元之可換股債券，附有轉換權可按最初轉換價每股0.6413港元（可予調整）兌換為500,000,000股精優股份，分別由精優發行，總代價為608,000,000港元；及(ii)毛博士有條件同意出售本金總額最高為257,000,000港元（四批之總金額）之可換股債券，附有轉換權可分四批按最初轉換價每股0.6413港元（可予調整）兌換為精優發行之400,000,000股精優股份，總代價最多為256,000,000港元。

毛博士為本公司控股股東，故彼為本公司之關連人士。JNJ為毛博士實益擁有，故為本公司之關連人士。因此，根據聯交所證券上市規則（「上市規則」）上市規則第14A.13(1)(a)條，該等交易構成本公司之關連交易並根據上市規則第14A.25條彙總計算。

交易一已於二零一三年十月二十五日及二零一三年十二月二十七日完成，其中(i)總金額120,000,000港元已由本公司以現金支付予毛博士；(ii)本公司透過向毛博士發行本金額為200,000,000港元之可換股債券支付；及(iii)本公司透過向JNJ發行本金額為288,000,000港元之相關可換股債券支付。

於二零一四年四月二十四日，交易二之所有先決條件已作實。本公司已收取本金額約64,000,000港元之第一批待售可換股債券二可換股債券，及本公司已向毛博士發行本金額為64,000,000港元之可換股債券二。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

With effect from 29 November 2013, the shareholders of Longmark (Shanghai) passed a resolution for the change of the composition of the board of directors for which the Group can appoint only one of Longmark (Shanghai)'s three directors, hence the Group controls 33.33% of the voting power over the board of directors. All decisions made during the shareholders' and board of directors' meetings require more than 51% of votes. As a result of the change in the composition of the board of directors, the Group is no longer in a position to exercise control over Longmark (Shanghai). Since then, Longmark (Shanghai) and Longguan ceased to be subsidiaries of the Group and became associates.

Save as disclosed above, the Group had no other significant investments, nor had it made any material acquisition or disposal of the Group's subsidiaries or associated companies during the Financial Period.

Significant impairments

Impairment of the investment in shares of Extrawell

During the Financial Period, the Group was required to assess its investment in shares of Extrawell for impairment as at the date of acquisition and end of each reporting period. In assessing impairment, the Company compared the recoverable amount of investment in shares of Extrawell (higher of value-in-use and fair market value less costs of disposal) with its carrying amount. Details of the impairment assessment and all related methodologies are set out in note 4 of the consolidated financial statements.

In preparing the value-in-use calculation, the Group assumed no cash inflows from Extrawell's manufacturing, trading and genetic development segments. The Group holds the views that the Group has no ability to force dividend payments from Extrawell; Extrawell has no history of dividend payment; the Group expects that Extrawell's operational cash inflows will be reinvested into its trading segment, which is a cash intensive business, to grow its revenues; and any dividends paid to the Group would make an immaterial difference in the valuation given the high discount rate used. Instead, the value-in-use calculation is derived from the projected value of Extrawell's oral insulin medication.

龍脈(上海)之股東通過一項有關變更董事會組成之決議案，自二零一三年十一月二十九日起生效，據此，本集團僅可委任龍脈(上海)三名董事中之其中一名。因此，本集團控制董事會會議33.33%之表決權。股東大會及董事會會議作出之所有決定須51%以上得票方可通過。由於董事會組成變動，本集團不再對龍脈(上海)行使控制權。自此，龍脈(上海)及龍冠不再為本集團附屬公司，而成為聯營公司。

除上文披露者外，於本財政期間，本集團並無其他重大投資、作出任何重大收購或出售本集團附屬公司或聯營公司之行為。

重大減值

於精優股份之投資減值

於本財政期間，本集團須對其於收購日期及各報告期間結束時於精優股份之投資進行減值評估。於評估減值時，本公司將於精優股份之投資之可收回金額(使用價值與公平市值減出售成本之較高者)與其賬面值比較。減值評估及所有相關方法之詳情載於綜合財務報表附註4。

於籌備計算使用價值時，本集團假設精優之生產、貿易及基因開發分部概無產生現金流入。本集團認為，本集團並無強制要求精優派付股息之能力且精優概無派付股息之歷史。本集團預計，精優之經營現金流入將會重新投資於其屬現金密集業務之貿易分部，以增加其營業額，而鑒於所採用的高貼現率，本集團獲派付之任何股息不會令估值出現重大差額。相反，使用價值乃按精優之口服胰島素藥物之預測價值計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 27 September 2013, the Group published a circular regarding a very substantial acquisition in which the Group acquired shares of and convertible bonds issued by Extrawell. At that date, the Company's value-in-use value of the investment in the shares of Extrawell amounted to approximately HK\$318 million which exceeded the market value of and consideration paid for the shares of Extrawell and therefore no impairment was recognized.

Since the completion of that transaction, the Group has sought to expand its pharmaceutical expertise in order to better monitor the oral insulin medicine being developed by Extrawell.

Hired at the end of October 2013, the Group's pharmaceutical expert assisted the Group in obtaining an invitation to connect with a prominent PRC research institute that is responsible for collecting and analyzing primary pharmaceutical manufacturing and prescription data in the PRC that is not normally publicly available. This research institute provides the statistics and data that are used by internationally recognized research and database institutes including McKinsey & Company and IMS Health. In February 2014, the Company interviewed the research institute and revised the assumptions that were used in determining the value-in-use value of shares of Extrawell with the most notable change causing an increase to commission expenses of an additional 8%.

In November 2013, Extrawell announced its interim results. The Group noted that Extrawell's research and development expenditures were relatively stable as compared to such expenses over the period of time when Extrawell had performed Part A of Phase III clinical trials. Given that Extrawell's 18 June 2013 circular stated that Extrawell had scheduled Part B of Phase III clinical trials to begin in July 2013 and Part B involves testing significantly greater number of patients, which are a notable cost component of the clinical trials, as compared to Part A, the expenditures incurred by Extrawell for research and development for the six months ended 30 September 2013 were significantly lower than the Company had anticipated. The Group then formed the view that it was likely that the lower expenditure was due to lower development activity by Extrawell.

於二零一三年九月二十七日，本集團就非常重大收購刊發通函，內容有關本集團收購精優之股份及發行之可換股債券。於當日，本公司於精優股份之投資之使用價值約為318,000,000港元，超過精優股份之市值及就此支付之代價，因此，並無確認減值。

自該交易完成後，本集團已尋求擴充其醫藥專業知識，以更好地監控精優開發之口服胰島素藥物。

本集團於二零一三年十月底聘用醫藥專家協助本集團獲取與一間負責於中國收集及分析原始醫藥製造及處方數據(其一般不可公開獲取)之著名中國研究機構開展交流之邀請。該機構提供包括 McKinsey & Company及IMS Health在內之國際認可研究及數據機構使用之統計資料及數據。於二零一四年二月，本公司接見該研究機構並及修訂用於釐定精優股份使用價值之假設，而作出之最明顯改動為導致佣金開支額外上升8%。

於二零一三年十一月，精優公佈其中期業績。本集團注意到，精優之研發開支與精優進行第三期臨床試驗A段期間之相關開支相比相對穩定。鑒於精優二零一三年六月十八日之通函陳述精優已安排於二零一三年七月開始第三期臨床試驗B段且B段涉及對數目遠較A段為多的病人進行測試(為臨床試驗的主要成本組成部分)，精優截至二零一三年九月三十日止六個月之研發產生之開支遠低於本公司預期。本集團因而認為，開支較低可能由於精優之開發活動較少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In December 2013, to verify the Company's view, the Group performed additional due diligence on the development and discussed the status of the clinical trials with doctors that are involved with the Phase III clinical trials at the Peking University People's Hospital. This led the Company to hold the view that the development schedule proposed by Extrawell would be postponed by one year. As a consequence of the one year delay, the value-in-use calculation was adjusted to reflect that revenues and related expenses would be incurred one year later and that both would be higher by approximately 4%, the assumed long-term PRC inflation. The revision of the development schedule and new information from the PRC research institute caused a decrease in the value-in-use value of the shares in Extrawell calculated at the end of the interim period to the amount of approximately HK\$216 million, which was lower than the market value of Extrawell's shares of approximately HK\$225 million as at 31 December 2013. As a result, the Company impaired the carrying value of its investment in shares of Extrawell to the market value for the six months ended 31 December 2013.

For the nine months ended 31 March 2014, the Group was required to assess for impairment in the investment in shares of Extrawell and the two major assumptions that were updated were the RMB and HK\$ exchange rates and anticipated future inflation rates. Both factors caused a decrease to the value-in-use value of the shares in Extrawell calculated at the end of the Financial Period to the amount of approximately HK\$182 million, which was lower than the market value of Extrawell's shares of approximately HK\$184.5 million as at 31 March 2014. Consequently, the Company impaired the carrying value of its investment in shares of Extrawell to the market value for the nine months ended 31 March 2014.

On 26 June 2014, the Company published a major transaction circular that contained a valuation report prepared by an independent valuer. The assumptions used to prepare the value-in-use calculation that was performed as at 31 March 2014 were consistently applied, as applicable, in the valuation report prepared by the independent valuer. The main difference between the valuation report prepared by the independent valuer and the value-in-use calculations performed by the Company is that the independent valuer assumed that the Company would acquire and direct the activities of SAL whereas the Company did not assume that would acquire and direct SAL as such conditional factors are not appropriate to include for the value-in-use calculation as at 31 March 2014.

於二零一三年十二月，為核實本公司之觀點，本集團對進展進行額外盡職審查並與參與於北京大學人民醫院進行之第三期臨床試驗之醫生討論第三期臨床試驗之狀況，結果令本公司認為，精優計劃之發展安排將會推遲一年。由於延遲一年，使用價值計算會作出調整以反映於一年後將會產生的收益及相關開支且兩者將上升約4%（假設中國長期通脹率）。發展安排修訂及來自中國研究機構之新資料令於中期期間末計算之精優股份使用價值進一步減少至約216,000,000港元，低於精優股份於二零一三年十二月三十一日之市值約225,000,000港元。因此，本公司將其於精優股份之投資之賬面值減值至截至二零一三年十二月三十一日止六個月之市值。

截至二零一四年三月三十一日止九個月，本集團須評估於精優股份之投資之減值並已更新兩項主要假設，即人民幣兌港元匯率及預期未來通脹率。兩個因素均導致於本財政年度末計算之精優股份使用價值減少至約182,000,000港元，低於精優股份於二零一四年三月三十一日之市值約184,500,000港元。因此，本公司將其於精優股份之投資之賬面值減值至截至二零一四年三月三十一日止九個月之市值。

於二零一四年六月二十六日，本公司刊發載有獨立估值師編製之估值報告之主要交易通函。本公司用於編製於二零一四年三月三十一日計算使用價值之假設貫徹使用（如適用）於獨立估值師編製之估值報告中。獨立估值師編製之估值報告與本公司進行使用價值計算之主要差別為獨立估值師假設本公司將取得及引導進生活動，但由於相關條件因素並不適用於包括於二零一四年三月三十一日之使用價值之計算，故本公司並無假設取得及引導進生。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Impairment of the investment in convertible bonds issued by Extrawell

During the Financial Period, the Group's investments in convertible bonds issued by Extrawell were impaired due to the changing market environment. Details key assumptions used to compute the value of Sale CB I, the convertible bonds of a principal amount of HK\$320,650,000 issued by Extrawell, are summarized below as at the 18 June 2013 circular and the time that the convertible bonds were acquired by the Group. The changes in the assumptions caused impairment in the value of the Group's investment in convertible bonds of Extrawell.

For the purpose of preparing the unaudited proforma financial information included in the circular dated 28 September 2013 to illustrate the financial impact of the acquisition of convertible bonds issued by Extrawell on the Groups financial position as at 31 December 2012 and the Group's financial performance and cash flows for the year ended 30 June 2012 as if the acquisition had taken place at 31 December 2012 and 1 July 2012 respectively, the valuation of the convertible bond were based on 1 July 2011, 30 June 2012 and 31 December 2012. The independent valuer inputted data as at these three dates into binomial models in estimating the fair value of the convertible bonds upon completion.

At 1 July 2011, the stock price used was HK\$0.63, exercise price used was HK\$0.641, discount rate used was 10.521%, risk free rate was 2.769%, expected bond period was 20.001 years, expected volatility was 65.762% and expected dividend yield was 0%. At 30 June 2012, the stock price used was HK\$0.475, exercise price used was HK\$0.641, discount rate used was 9.138%, risk free rate was 1.155%, expected bond period was 19.001 years, expected volatility was 66.000% and expected dividend yield was 0%. At 31 December 2012, the stock price used was HK\$0.60, exercise price used was HK\$0.641, discount rate used was 8.749%, risk free rate was 0.953%, expected bond period was 19.998 years, expected volatility was 65.100% and expected dividend yield was 0%.

精優發行之可換股債券投資減值

於本財政期間，由於市場環境變化，本集團於精優發行之可換股債券之投資存在減值。於二零一三年六月十八日刊發通函及本集團收購可換股債券時，計算待售可換股債券一，即由精優所發行本金額為320,650,000港元之可換股債券之價值使用之主要假設詳情概述如下。假設之變動導致本集團於精優可換股債券之投資之價值減值。

就編製載於日期為二零一三年九月二十八日之通函之未經審核備考財務資料以說明收購精優發行之可換股債券對本集團於二零一二年十二月三十一日之財務狀況及本集團於截至二零一二年六月三十日止年度之財務表現及現金流量之影響（猶如收購已分別於二零一二年十二月三十一日及二零一二年七月一日落實）而言，可換股債券之估值乃基於二零一一年七月一日、二零一二年六月三十日及二零一二年十二月三十一日之數據。獨立估值師於此三個日期將數據輸入二項式模式，以估計可換股債券於完成後之公平值。

於二零一一年七月一日，使用之股價為0.63港元，使用之行使價為0.641港元，使用之貼現率為10.521%，無風險利率為2.769%，預期債券期限為20.001年，預期波幅為65.762%及預期股息收益率為0%。於二零一二年六月三十日，使用之股價為0.475港元，使用之行使價為0.641港元，使用之貼現率為9.138%，無風險利率為1.155%，預期債券期限為19.001年，預期波幅為66.000%及預期股息收益率為0%。於二零一二年十二月三十一日，使用之股價為0.60港元，使用之行使價為0.641港元，使用之貼現率為8.749%，無風險利率為0.953%，預期債券期限為19.998年，預期波幅為65.100%及預期股息收益率為0%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Transaction I, where the Group acquired the convertible bonds issued by Extrawell, completed on 25 October 2013 and 31 December 2013. The assumptions used to calculate the fair value of the bonds were based on the inputs at 25 October 2013 and 31 December 2013.

At 25 October 2013, the stock price used was HK\$0.485, exercise price used was HK\$0.641, discount rate used was 17.980%, risk free rate was 2.420%, expected bond period was 19.724 years, expected volatility was 53.004% and expected dividend yield was 0%.

At 31 December 2013, the stock price used was HK\$0.495, exercise price used was HK\$0.641, discount rate used was 18.265%, risk free rate was 2.815%, expected bond period was 19.541 years, expected volatility was 52.967% and expected dividend yield was 0%.

Charges on the Group's assets

As at 31 March 2014, the Group and the Company did not have any charges on their assets (30 June 2013: Nil).

Contingent liabilities

The Directors were not aware of any significant contingent liabilities of the Group and the Company as at 31 March 2014 (30 June 2013: nil).

Litigation

Litigation of the Group and the Company as at 31 March 2014 are set out in note 33 to the consolidated financial statements.

Commitments

Commitments of the Group and the Company as at 31 March 2014 are set out in note 34 to the consolidated financial statements.

有關本集團收購精優發行之可換股債券之交易一已於二零一三年十月二十五日及二零一三年十二月三十一日完成。用作計算債券之公平值之假設乃基於二零一三年十月二十五日及二零一三年十二月三十一日之輸入數據。

於二零一三年十月二十五日，使用之股價為0.485港元，使用之行使價為0.641港元，使用之貼現率為17.980%，無風險利率為2.420%，預期債券期限為19.724年，預期波幅為53.004%及預期股息收益率為0%。

於二零一三年十二月三十一日，使用之股價為0.495港元，使用之行使價為0.641港元，使用之貼現率為18.265%，無風險利率為2.815%，預期債券期限為19.541年，預期波幅為52.967%及預期股息收益率為0%。

本集團資產抵押

於二零一四年三月三十一日，本集團及本公司並無任何資產抵押(二零一三年六月三十日：無)。

或然負債

截至二零一四年三月三十一日，董事並不知悉本集團及本公司有任何重大或然負債。(二零一三年六月三十日：無)

訴訟

本集團及本公司截至二零一四年三月三十一日之訴訟載於綜合財務報表附註33。

承擔

本集團及本公司截至二零一四年三月三十一日之承擔載於綜合財務報表附註34。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Foreign exchange exposure

The monetary assets and liabilities and businesses of the Group are mainly carried out and conducted in Hong Kong Dollars, Renminbi and United States Dollars. The Group maintains a prudent strategy in its foreign exchange risk management, with the foreign exchange risk being minimised through balancing the foreign currency monetary assets against foreign currency monetary liabilities, and foreign currency revenue against foreign currency expenditure. The Group did not use any financial instrument to hedge against foreign currency risk. The Group will monitor its foreign currency exposure closely and consider hedging foreign currency exposure should the need arise.

Number and remuneration of employees

As at 31 March 2014, the Group had 67 (30 June 2013: 41, from Continuing Operations) full-time employees, most of whom were working in the Company's subsidiaries in the PRC. It is the Group's policy that remuneration of the employees and Directors is in line with the market and commensurate with their responsibilities. Discretionary year-end bonuses are payable to the employees based on individual performance. Other employee benefits include medical insurance, retirement schemes, training programmes and education subsidies. Total staff costs including the Directors' remuneration for the Financial Period amounted to approximately HK\$11.0 million (Previous Financial Year: approximately HK\$10.5 million from Continuing Operations).

Segment information

Details of the segment information are set out in note 7 to the financial statements.

Lee Nga Yan

Executive Director

Hong Kong, 30 June 2014

外匯風險

本集團之貨幣資產及負債以及業務主要以港元、人民幣及美元進行。本集團對其外匯風險管理維持審慎策略，並透過對衝貨幣資產與貨幣負債以及外幣收益與外幣開支減低外匯風險。本集團並無使用任何金融工具對沖外幣風險。本集團將密切監察外幣風險，並將於有需要時考慮對沖外幣之風險。

僱員人數及薪酬

於二零一四年三月三十一日，本集團有67名(二零一三年六月三十日：41名，涉及持續經營業務)全職僱員，大部分均任職本公司於中國之附屬公司。本集團之政策乃僱員及董事之薪酬須與市場一致，並與彼等職責相符。酌情年末花紅乃根據個人表現而向僱員支付。其他僱員福利包括醫療保險、退休計劃、培訓課程及教育資助。於本財政期間之員工總成本(包括董事酬金)約為11,000,000港元(上一個財政年度：約10,500,000港元，涉及持續經營業務)。

分部資料

分部資料之詳情載於財務報表附註7。

李雅欣

執行董事

香港，二零一四年六月三十日

MANAGEMENT PROFILE

管理層履歷

EXECUTIVE DIRECTORS

Ms. Lee Nga Yan, aged 34, has been appointed as an executive Director with effect from 8 June 2011. Ms. Lee graduated from The Chinese University of Hong Kong in 2009 with a master's degree in business administration, majoring in finance. She also serves as a director of United Win Private Equity Management Limited, a healthcare and pharmaceutical investment management company which is substantially owned by Dr. Mao indirectly. Prior to joining the Company, Ms. Lee worked in the healthcare sector for the years from 2004 to 2007. Ms. Lee has extensive experience in the healthcare sector, particularly with respect to clinical consultancy, client management, operation and strategy execution.

Dr. Guo Yi, aged 33, was appointed as a non-executive Director in 8 June 2011 and has been re-designated as an executive Director with effect from 27 April 2012. He obtained a bachelor's degree in science, majoring in biology and a doctorate degree in science, majoring in genetics from the School of Life Sciences of Fudan University in 2003 and 2011 respectively. Since 2009, he has served as an assistant to the president of the group companies of United Gene Holdings Limited, a corporation owned by Dr. Mao and is in interest of the Company. Dr. Guo has extensive knowledge in the field of genetics. Since 2011, he has served as the director of Longmark (Shanghai), an associate company of the Group, and was appointed president starting from 2013.

NON-EXECUTIVE DIRECTORS

Ms. Jiang Nian, aged 60, has been appointed as a non-executive Director and chairman of the Company with effect from 21 December 2010 and 10 June 2011 respectively. Ms. Jiang graduated from 安徽廣播電視大學省直分校專科 (Junior College, Provincial Campus of Anhui Radio and Television University) in August 1986, majoring in Chinese Language and Literature. Ms. Jiang was the Associate Dean of the School of Life Sciences of Fudan University from June 2003 to April 2010. She also serves as an authorized representative of 聯合基因生物醫葯有限公司 (United Gene Biomedical Limited). She has extensive experience in general administrative management particularly in the field of genomic research.

執行董事

李雅欣小姐，34歲，自二零一一年六月八日起已獲委任為執行董事。二零零九年李小姐畢業於香港中文大學，取得工商管理碩士學位，主修財務。彼亦擔任聯盈股權投資管理有限公司（一間醫療及醫藥投資管理公司）之董事，此公司主要由毛博士間接擁有。加入本公司之前，李小姐於二零零四年至二零零七年期間曾任職於醫療行業。李小姐於醫療行業擁有廣泛經驗，特別於臨床諮詢、客戶管理、營運及策略執行方面。

郭懿博士，33歲，自二零一一年六月八日起已獲委任為本公司非執行董事，並自二零一二年四月二十七日起已獲調任為執行董事。彼分別於二零零三年及二零一一年取得復旦大學生命科學學院理學學士學位（主修生物科學）及理學博士學位（主修遺傳學）。彼從二零零九年起到由毛博士所擁有以及持有本公司權益之聯合基因科技有限公司之集團公司任職總裁助理。郭博士於基因行業擁有廣泛經驗。彼於二零一一年十二月六日獲委任為本集團之聯營公司龍脈（上海）健康管理服務有限公司之董事。彼自二零一一年起擔任本集團聯營公司龍脈（「上海」）之董事並自二零一三年起獲委任為總裁。

非執行董事

蔣年女士，60歲，分別自二零一零年十二月二十一日起及自二零一一年六月十日起已獲委任為非執行董事及本公司之主席。蔣女士於一九八六年八月畢業於安徽廣播電視大學省直分校漢語語言文學專科。蔣女士從二零零三年六月至二零一零年四月曾任復旦大學生命科學學院副院長。彼亦擔任聯合基因生物醫葯有限公司之授權代表。彼於一般行政管理方面擁有豐富經驗，特別是在基因組學研究領域上。

MANAGEMENT PROFILE

管理層履歷

Ms. Xiao Yan, aged 34, has been appointed as a non-executive Director with effect from 22 May 2012. Ms. Xiao graduated from the Shanghai University of Finance and Economics with a bachelor's degree in Accounting in 2007. Ms. Xiao has served as an administrative manager of the chief executive, Dr. Xie, in 聯合基因科技有限公司 (United Gene Technology Holdings Limited) since 2002. Ms. Xiao has extensive experience in medical services and general administration. From December 2011 to November 2012, she served as the finance manager of CNL (Pinghu), which is an indirectly owned subsidiary of the Company.

Ms. Wu Yanmin, aged 37, has been appointed as a non-executive Director with effect from 8 June 2011. Ms. Wu graduated from the School of Life Sciences, Shanghai University in 1999 with a bachelor's degree in biochemistry. Ms. Wu joined 聯合基因科技有限公司 (United Gene Technology Holdings Limited), a genetic engineering company substantially owned by Dr. Mao indirectly, in 2001 and was responsible for general administrative duties. Since 2006, Ms. Wu has served as an assistant to the chairman of United Gene Holdings Limited, and is responsible for assisting the chairman in handling various investment projects. Ms. Wu has extensive experience in general administrative and investment management. Starting from December 2012, she was appointed as the finance manager of CNL (Pinghu).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chen Weijun, aged 56, has been appointed as an independent non-executive Director with effect from 6 November 2009 and is the chairman of the audit committee of the Company. Ms. Chen is currently the manager in the business department of Shanghai Ruihe Certified Public Accountants Co., Ltd. She was formerly the finance supervisor of the companies indirectly owned by Dr. Mao from April 2001 to June 2003. She graduated from the Chinese Communist Party Central Party College and has been a registered accountant in the PRC since 2005. She has more than 30 years of experience in accounting, finance and audit services.

肖焱女士，34歲，自二零一二年五月二十二日起已獲委任為非執行董事。肖女士於二零零七年畢業於上海財經大學，取得會計學士學位。肖女士於二零零二年至今，擔任聯合基因科技有限公司行政總裁謝博士之行政經理。肖女士於醫療服務及一般行政方面擁有廣泛經驗。自二零一一年十二月至二零一二年十一月，彼擔任本公司之間接附屬公司中荷(平湖)之財務經理。

鄒燕敏女士，37歲，自二零一一年六月八日起已獲委任為非執行董事。鄒女士於一九九九年畢業於上海大學生命科學學院，取得生物化學學士學位。鄒女士於二零零一年加入聯合基因科技有限公司負責一般行政工作，此公司為一間基因科技公司，其股權主要由毛博士間接擁有。從二零零六年開始，鄒女士擔任聯合基因科技有限公司之董事長助理及負責協助董事長處理各類投資項目。鄒女士於一般行政及投資管理方面擁有廣泛經驗。自二零一二年十二月起，彼獲委任為中荷(平湖)之財務經理。

獨立非執行董事

陳偉君女士，56歲，自二零零九年十一月六日起已獲委任為獨立非執行董事，兼為本公司審核委員會主席。陳女士現為上海瑞和會計師事務所有限公司業務部經理。彼於二零零一年四月至二零零三年六月曾為毛博士間接擁有之公司之前任財務主管。彼畢業於中國共產黨中央黨校並自二零零五年起為中國註冊會計師。彼於會計、財務及核數服務方面擁有逾30年經驗。

MANAGEMENT PROFILE

管理層履歷

Dr. Zhang Zhihong, aged 74, has been appointed as an independent non-executive Director and is a member of the audit committee of the Company with effect from 8 June 2011. Dr. Zhang graduated from Fudan University majoring in biophysics in 1963 and obtained a doctorate degree in science from Kyoto University, Japan in 1988. From 1990 to 1991, Dr. Zhang was a senior visiting fellow at the medical school of Harvard University in the United States of America. From 1986 to 2000, Dr. Zhang undertook various senior positions at Fudan University, including the officer of the Department of Physiology and Biophysics and the associate dean of the School of Life Sciences. Dr. Zhang was the deputy chairman of the Biophysical Society of China from 1994 to 2002 and the chairman of the Shanghai Society of Biophysics from 2000 to 2008. Dr. Zhang has extensive knowledge and is highly regarded in the field of biophysics and physiology in China.

Mr. Wang Rongliang, aged 65, has been appointed as an independent non-executive Director with effect from 8 June 2011 and is a member of the audit committee of the Company. Mr. Wang graduated from 上海市商業一局職工大學 (Shanghai First Commercial Bureau Staff College) majoring in business and economics. He acted as a deputy manager of 上海七百集團廣告有限公司 (Shanghai 700 Group Advertising Company Limited) from 1996 to 2005. Mr. Wang has extensive experience in operation and administrative management.

MANAGEMENT

Mr. Poon Hon Yin, aged 48, has been appointed as the company secretary, financial controller and an authorised representative of the Company with effect from 14 May 2013. Mr. Poon is qualified as a Certified Public Accountant registered with the Hong Kong Institute of Certified Public Accountants and is also a fellow member of the Association of Chartered Certified Accountants. Mr. Poon has been a managing director of Probiz CPA Limited since 2006.

張志鴻博士，74歲，自二零一一年六月八日起已獲委任為獨立非執行董事及本公司審核委員會成員。張博士於一九六三年畢業於復旦大學，主修生物物理學，並於一九八八年取得日本京都大學理學博士學位。從一九九零年至一九九一年，張博士為美國哈佛醫學院高級訪問學者。張博士從一九八六年至二零零零年期間為復旦大學擔任不同高級職位，包括生理學與生物物理系主任及生命科學學院副院長。張博士於一九九四年至二零零二年曾為中國生物物理學會副理事長，及於二零零零年至二零零八年曾為上海生物物理學會理事長。張博士於中國生物物理學和生理學界擁有豐富知識，並受到很高的評價。

王榮樑先生，65歲，自二零一一年六月八日起已獲委任為獨立非執行董事，並為本公司審核委員會成員。王先生畢業於上海市商業一局職工大學，主修商業及經濟。彼從一九九六年至二零零五年曾為上海七百集團廣告有限公司之常務副經理。王先生於營運及行政管理方面擁有廣泛經驗。

管理層

潘漢彥先生，48歲，自二零一三年五月十四日起已獲委任為本公司之公司秘書、財務總監及授權代表。潘先生為香港會計師公會註冊執業會計師，亦為英國特許公認會計師公會之資深會員。潘先生自二零零六年起為溥思執業會計師有限公司之董事總經理。

EXTERNAL CONSULTANT PROFILE

外聘顧問履歷

RESEARCH AND DEVELOPMENT

Dr. Mao Yumin, aged 62, has been engaged as the chief scientific adviser and honorary chairman of the Company since 1 September 2010, responsible for providing advisory and consultancy services to the Group in relation to the research and development of its genetic testing products and other scientific technologies. Dr. Mao is a ultimate controlling shareholder of the Company. He was a member of the Consultant Committee of Fudan University, the dean of the School of Life Sciences and Institute of Genetics of Fudan University, and the director of State Key Laboratory of Genetic Engineering in Fudan University. Dr. Mao's main area of research focuses on biological and genetic engineering. Dr. Mao has accumulated extensive experiences in operations in the genomic research based industry.

研究及開發

毛裕民博士，62歲，自二零一零年九月一日起已獲聘任為本公司之首席科學顧問及名譽主席，負責向本集團提供與其基因檢測產品及其他科學技術的研究及開發有關之諮詢及顧問服務。毛博士是本公司之最終控股股東。彼曾任復旦大學校務委員會委員、復旦大學生命科學學院及遺傳學研究所院長、復旦大學遺傳工程國家重點實驗室主任。毛博士的主要研究領域集中於生物及遺傳基因工程上。毛博士在研究基因工程產業的營運上積累廣泛經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has adopted and complied with all the code provisions as set out in Appendix 14 to the Listing Rules (the “Code”) (and the new code provisions since 1 April 2012 when the amendments to the Code become effective) on the Stock Exchange for the Financial Period, except for the deviations discussed below.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding Directors’ securities transactions. All Directors have confirmed that they have fully complied with the Model Code throughout the Financial Period. No incident of non-compliance was noted by the Company in the Financial Period.

BOARD OF DIRECTORS

The composition of the Board during the Financial Period are set out below:

Executive Directors

Ms. Lee Nga Yan
Dr. Guo Yi

Non-executive Directors

Ms. Jiang Nian (*Chairman*)
Ms. Xiao Yan
Ms. Wu Yanmin

Independent non-executive Directors

Ms. Chen Weijun
Dr. Zhang Zhihong
Mr. Wang Rongliang

Further details of the composition of the Board are set out in the section headed “Management Profile” on pages 19 to 21.

企業管治常規

於本財政期間，本公司已採納及遵守聯交所上市規則附錄十四所載之一切守則條文（「守則」）（及由二零一二年四月一日守則修訂生效起遵守新守則條文），惟下文所述之偏離情況除外。

董事進行之證券交易

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易之行為守則。全體董事已確認，彼等於整個本財政期間已完全遵守標準守則。於本財政期間，本公司沒有注意到有任何不遵守此守則之事件。

董事會

本財政期間內，董事會組成載列如下：

執行董事

李雅欣小姐
郭懿博士

非執行董事

蔣年女士（主席）
肖焱女士
鄔燕敏女士

獨立非執行董事

陳偉君女士
張志鴻博士
王榮樑先生

董事會組成之更多詳情載於第19頁至第21頁「管理層履歷」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board considers the balance between executive Directors and non-executive Directors is adequate to safeguard the Shareholders' interests. Independent non-executive Directors can also provide the Group with diversified expertise and valuable experience. Their independent advice can bring independent judgment to the decision making of the Board and bring new ideas to the formulation of corporate strategy.

董事會認為執行董事及非執行董事之平衡足以保障股東之利益。獨立非執行董事亦可為本集團提供多樣化之專業知識及寶貴經驗。彼等之獨立建議有助於董事會決策時作出獨立判斷，為企業策略之制定帶來新思路。

The Directors oversee the financial performance and formulate business strategies and determine the corporate governance policy of the Group, as well as discuss on any significant matters relating to the Group at the Board meetings. Daily operational matters are delegated to the management of the Group. During the Financial Period, the Board held 16 meetings. The attendance of each member at the Board meeting is set out as follows:

董事負責監察本集團之財務業績及制定業務策略及釐訂企業管治政策，並於董事會會議上商討任何有關本集團之重大事宜。日常經營事務則委派予本集團管理層負責。本財政期間內，董事會曾舉行16次會議。各成員於董事會會議之出席記錄載列如下：

Directors		Meetings attended/ Total meetings as Directors
董事		出席會議次數/ 作為董事之會議總數
Executive Directors		
執行董事		
Ms. Lee Nga Yan	李雅欣小姐	16/16
Dr. Guo Yi	郭懿博士	16/16
Non-executive Directors		
非執行董事		
Ms. Jiang Nian (<i>Chairman</i>)	蔣年女士(主席)	16/16
Ms. Wu Yanmin	鄒燕敏女士	16/16
Ms. Xiao Yan	肖焱女士	16/16
Independent non-executive Directors		
獨立非執行董事		
Ms. Chen Weijun	陳偉君女士	16/16
Dr. Zhang Zhihong	張志鴻博士	16/16
Mr. Wang Rongliang	王榮樑先生	16/16

Code provision A.2.1

The position of chief executive officer remains vacant and the Company is looking for a suitable person to assume this role.

守則條文第A.2.1條

行政總裁之職位仍空置，本公司正物色合適人選擔任此職位。

CORPORATE GOVERNANCE REPORT

企業管治報告

INDUCTION AND PROFESSIONAL DEVELOPMENT

Directors' training

All Directors must keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. As such, briefings are provided and organised to ensure that newly appointed Directors are familiar with the role of the Board, their legal and other duties and responsibilities as Director as well as the business and corporate governance practices of the Group.

Pursuant to Code A.6.5 of the Code (which is effective from 1 April 2012), Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. For the period from 1 July 2013 to 31 March 2014, all Directors have participated in appropriate continuous professional development activities by ways of attending training or reading material relevant to the Company's business or to the Directors' duties and responsibilities.

NON-EXECUTIVE DIRECTORS

Code provision A.4.1

Code provision A.4.1 stipulates that non-executive Directors should be appointed for specific term and should be subject to re-election.

The Company has deviated from the Code provision A.4.1. The non-executive Directors and independent non-executive Directors were not appointed for specific term but are subject to retirement by rotation and re-election at least once every three years in accordance with the provision of the Company's bye-laws. As such, the Company considers that sufficient measures have been taken to serve the purpose of this Code provision.

The Directors believe that, despite the absence of specified term of non-executive Directors, the Directors are committed to representing the long-term interests of the Company and its shareholders as a whole.

入職培訓及專業發展

董事培訓

全體董事須不時瞭解彼等作為董事之集體責任，以及本集團之業務及活動。因此，本公司提供及安排簡介，以確保新委任董事瞭解董事會之角色、彼等作為董事之法律及其他職務及責任以及本集團之業務及企業管治常規。

根據守則第A.6.5條(自二零一二年四月一日起生效)，董事應參與持續專業發展，發展並更新彼等的知識及技能，以確保彼等繼續向董事會作出知情及相關之貢獻。自二零一三年七月一日起至二零一四年三月三十一日止期間內，全體董事已參與合適之持續專業發展活動，當中包括出席與本公司業務或與董事職務及職責相關之培訓或閱讀相關之材料。

非執行董事

守則條文第A.4.1條

守則條文第A.4.1條規定，非執行董事之委任應有特定任期，並須接受重選。

本公司已偏離守則條文第A.4.1條。非執行董事及獨立非執行董事之委任並無特定任期，惟須根據本公司之公司細則條文，至少每三年輪值告退一次並膺選連任。因此，本公司認為已採取足夠措施以符合該項守則條文目的。

董事相信，儘管非執行董事之委任並無指定任期，董事承諾致力代表本公司及其股東之整體長遠利益。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Company formulated written terms of reference for the remuneration committee of the Company (the “Remuneration Committee”) in accordance with the requirements of the Listing Rules. The Remuneration Committee was set up on 30 June 2008. The majority of the members of the Remuneration Committee shall be independent non-executive Directors.

The primary functions of the Remuneration Committee are as follows:

- (a) to advise the Shareholders on whether the terms of service contracts that require the Shareholder’s approval are fair and reasonable;
- (b) to make recommendation to the Board on the Group’s remuneration policy and structure;
- (c) to establish guidelines for recruitment of members of the senior management;
- (d) to determine the remuneration of members of the senior management; and
- (e) to formulate remuneration policy and make recommendations to the Board on annual remuneration review.

Remuneration of the Directors and senior management is reviewed and fixed by the Remuneration Committee, with reference to the market benchmarks and industry norms, and their duties and responsibilities in the Group, having regard to the expertise, performance and experience possessed by individual Directors.

薪酬委員會

本公司根據上市規則之規定以書面方式擬定本公司薪酬委員會(「薪酬委員會」)之職權範圍。薪酬委員會於二零零八年六月三十日成立，薪酬委員會之大部份成員應為獨立非執行董事。

薪酬委員會之主要職能如下：

- (a) 就須獲股東批准之服務合約條款是否屬公平合理向股東作出建議；
- (b) 就本集團之薪酬政策及架構向董事會提供推薦建議；
- (c) 就聘請高級管理層成員制訂指引；
- (d) 釐定高級管理層成員之薪酬；及
- (e) 制定薪酬政策及就年度薪酬檢討向董事會提供推薦建議。

董事及高級管理層之薪酬由薪酬委員會進行檢討，並經參考市場基準及業內標準，及彼等於本集團之職務及職責以及各董事之專業知識、表現及經驗後釐定。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Financial Period, the Remuneration Committee held 3 meetings. The attendance of each member at the committee meeting is set out as follows:

本財政期間內，薪酬委員會已舉行3次會議。各成員於委員會會議之出席記錄載列如下：

Directors		Meetings attended/ Total meetings as the committee member 出席會議次數/ 作為委員會成員之會議總數
董事		
Non-executive Director	非執行董事	
Ms. Jiang Nian	蔣年女士	3/3
Independent non-executive Directors	獨立非執行董事	
Dr. Zhang Zhihong <i>(chairman of the Remuneration Committee)</i>	張志鴻博士(薪酬委員會主席)	3/3
Mr. Wang Rongliang	王榮樑先生	3/3

NOMINATION COMMITTEE

The Company has established a nomination committee of the Company (the "Nomination Committee") on 16 March 2012. During the Financial Period, the Nomination Committee held 1 meeting. The attendance of each member of the committee meeting is set out as follow:

提名委員會

本公司已於二零一二年三月十六日成立本公司之提名委員會(「提名委員會」)。本財政期間內，提名委員會曾舉行1次會議，各成員於委員會會議之出席記錄載列如下：

During the Financial Period, the nomination committee adopted a board diversity policy that set out the Group's approach to diversify members of the Board and the Group holds the view that this board diversity policy will lead to a Board with diverse perspectives. Factors that will be considered in the assessment of the diversity of a Director's perspective include, but are not limited to, gender, age, culture, skill, knowledge, educational background and professional experience. Presently, the Board comprises of eight Directors, of which three are independent non-executive Directors, with significant diversity in gender, age, professional experience, educational and cultural background, skills, knowledge and length of service.

於本財政期間，提名委員會採納載有本集團董事會成員多元化方針之董事會成員多元化政策且本集團相信，董事會成員多元化政策將達致董事會多元化觀點。於評核董事觀點之多元化時考慮之因素，包括但不限於性別、年齡、文化、技能、知識及教育背景及專業經驗。目前，董事會由八名董事組成，其中三名為於性別、年齡、專業經驗、教育及文化背景、技能、知識及年資方面具明顯多元化之獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors		Meetings attended/ Total meetings as the committee member
董事		出席會議次數/ 作為委員會成員之會議總數
Non-executive Director	非執行董事	
Ms. Jiang Nian	蔣年女士	1/1
Independent non-executive Directors	獨立非執行董事	
Dr. Zhang Zhihong <i>(chairman of the Nomination Committee)</i>	張志鴻博士(提名委員會主席)	1/1
Mr. Wang Rongliang	王榮樑先生	1/1

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group. The auditor of the Company acknowledges its reporting responsibilities in the auditor's report on the consolidated financial statements for the Financial Period.

The Directors confirm that the preparation of the consolidated financial statements of the Group is in accordance with statutory requirements and applicable accounting standards. The Directors also confirm that the consolidated financial statements of the Group has been published in a timely manner.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubts upon the Company's ability to continue as a going concern.

AUDITORS' REMUNERATION

The Group's external auditors are Deloitte Touche Tohmatsu. For the Financial Period, the auditors of the Company had performed audit and non-audit services and their remuneration in respect of audit and non-audit services is HK\$1,850,000 and HK\$1,385,000 respectively.

董事及核數師對財務報表負有之責任

董事深知彼等有責任編製本集團之綜合財務報表。本公司核數師深知其於本財政期間綜合財務報表之核數師報告中負有申報責任。

董事確認本集團之綜合財務報表乃按照法定規定及適用會計準則編製。董事亦確認本集團已按時刊發綜合財務報表。

董事確認，於作出一切合理查詢後，就彼等所深知、所悉及所信，彼等並不知悉任何存在重大不確定因素之事件或情況或會對本公司之持續經營能力造成重大疑慮。

核數師酬金

本集團之外聘核數師為德勤•關黃陳方會計師行。於本財政期間，本公司之核數師已進行審核及非審核服務，彼等就審核及非審核服務之酬金分別為1,850,000港元及1,385,000港元。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the following corporate governance duties as required under the Code:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the board;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the Company's compliance with the code and disclosure in the corporate governance report (the "Corporate Governance Report").

AUDIT COMMITTEE

The Company formulated written terms of reference for the audit committee of the Company (the "Audit Committee") in accordance with the requirements of the Listing Rules. The Audit Committee is composed of three independent non-executive Directors. At least one of the members of the Audit Committee has appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules.

The primary functions of the Audit Committee are as follows:

- (a) to serve as a focal point for communication between the Directors and external auditors;
- (b) to assist the Board in fulfilling its responsibility by providing an independent review with the management of the accounting policies and practices adopted by the Group, and supervision of financial reporting, and monitoring and reviewing the effectiveness of the Group's internal control and the adequacy of the external audit;
- (c) to review the appointment of external auditors on an annual basis as well as to ensure continuing auditors independence; and

企業管治職能

董事會負責根據守則之規定履行下列企業管治職務：

- (a) 制訂及檢討本公司之企業管治政策及常規，並向董事會提供推薦建議；
- (b) 檢討及監察董事及高級管理層之培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- (d) 制訂、檢討及監察適用於僱員及董事之行為守則及合規手冊(如有)；及
- (e) 檢討本公司遵守守則之情況及審閱企業管治報告(「企業管治報告」)內之披露事項。

審核委員會

本公司根據上市規則之規定以書面方式擬定本公司審核委員會(「審核委員會」)之職權範圍。審核委員會由三名獨立非執行董事組成。審核委員會中至少一名成員具備上市規則所規定之合適專業資格或會計或相關財務管理專業知識。

審核委員會之主要職能如下：

- (a) 擔當董事與外聘核數師之間之重要溝通橋樑；
- (b) 與管理層一起就本集團採納之會計政策及常規提供獨立審閱、監督財務匯報，並監察及檢討本集團之內部監控成效以及外聘審核是否足夠，從而協助董事會履行其職責；
- (c) 每年審閱外聘核數師之委任，並確保核數師保持一貫獨立立場；及

CORPORATE GOVERNANCE REPORT

企業管治報告

(d) to develop and monitor the applications of the policies on the engagement of the external auditors to perform other professional services (other than tax-related services).

(d) 倘聘用外聘核數師提供其他專業服務(稅務相關服務除外)，制訂及監察政策之應用。

The Group's audited consolidated financial statements for the Financial Period have been reviewed by the Audit Committee.

審核委員會已審閱本集團於本財政期間之經審核綜合財務報表。

During the Financial Period, the Audit Committee held 2 meetings with the Company's external auditors to review the interim and annual financial statements. The attendance of each member of the Audit Committee at the committee meeting is set out as follows:

本財政期間內，審核委員會曾與本公司之外聘核數師舉行2次會議，以審閱中期及年度財務報表，審核委員會各成員於委員會會議之出席記錄載列如下：

Independent non-executive Directors

**Meetings attended/
Total meetings as
the committee member**
出席會議次數/
作為委員會成員之會議總數

獨立非執行董事

Ms. Chen Weijun (<i>Chairman</i>)	陳偉君女士(主席)	2/2
Dr. Zhang Zhihong	張志鴻博士	2/2
Mr. Wang Rongliang	王榮樑先生	2/2

INTERNAL CONTROL

The Directors have an overall responsibility for maintaining a sound and effective internal control system to safeguard the Shareholders' interests, and to review the effectiveness of such system regularly. The internal control system includes defined management structure with limits of authority set at various levels, which is designed to safeguard assets, ensure the maintenance of proper records, provide reliable financial information for internal use or publication, and ensure compliance with regulations. During the Financial Period, the Directors have reviewed the internal control procedures of the Group and consider the internal control system adequate.

內部監控

董事須負全責維持健全有效之內部監控系統，以保障股東之利益，並定期檢討該系統之成效。該內部監控系統包括釐清管理層架構，訂明各級權限，以保障資產、確保保留良好記錄、提供可靠財務資料供內部使用或刊發，並確保符合有關規例。於本財政期間內，董事已審閱本集團之內部監控程序，認為內部監控系統足夠。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

(i) Procedures for convening of an extraordinary general meeting and putting forward proposals at shareholders' meeting

Shareholders are encouraged to attend all annual general meetings. Pursuant to the bye-laws of the Company, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition (the "Written Requisition") to the Board or the Secretary of the Company at the principal place of business in Hong Kong of the Company (at Unit No. 2111, 21/F, West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong), to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

Pursuant to the bye-laws of the Company, an annual general meeting shall be called by a written notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a special resolution is to be considered shall be called by a written notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. Business day under the Listing Rules means any day on which the Stock Exchange is open for business of dealing in securities.

If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in accordance with the provision of Section 74(3) of the Companies Act 1981 of Bermuda.

股東通訊

(i) 召開股東特別大會及於股東大會上提呈建議之程序

建議股東出席所有股東週年大會。根據本公司之公司細則，於提交請求當日持有不少於十分之一有權於本公司股東大會上投票之本公司繳足股本之任何一名或多名股東，將隨時有權向董事會或公司秘書提交書面請求(「書面請求」)(本公司之香港主要營業地點，地址為香港上環干諾道中168-200號信德中心西座21樓2111室)要求董事會召開股東特別大會，以處理有關請求所指定之任何事項，而有關大會須於提交有關請求後兩(2)個月內舉行。

根據本公司之公司細則，股東週年大會須以不少於二十一(21)個完整日及不少於二十(20)個完整營業日之書面通知召開，而任何考慮通過特別決議案之股東特別大會須以不少於二十一(21)個完整日及不少於十(10)個完整營業日之書面通知召開。根據上市規則，營業日為聯交所開放進行證券交易業務之任何日子。

倘董事會未能於提交請求起計二十一(21)日內著手召開有關大會，該(該等)請求人本身可根據百慕達一九八一年公司法第74(3)條召開大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

(ii) Procedures for directing enquiries to the Company

To direct enquiries to the Board, Shareholders should submit his/her/its enquires in writing with contact details (including, your registered name, address and telephone number, etc.) to the Company Secretary at the following:

By post to the head office and principal place of business in Hong Kong at Unit No. 2111, 21/F, West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

Tel: (852) 2598 6818
Fax: (852) 2598 6628

(iii) Matters relating to share registration

For share registration related matters, such as share transfer and registration, change of name and address of Shareholders, loss of share certificates or dividend warrants, Shareholders can contact the Hong Kong branch share registrar and transfer office at the following:

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

Tel: (852) 2810 8185
Fax: (852) 2980 1333

(iv) Procedures for a shareholder to propose a person for election as a Director

Subject to the provisions of the Company's bye-laws, the Shareholders may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director.

Shareholder(s) may propose a person other than an existing Director of the Company for election as a Director at a general meeting. The Shareholder(s) must deposit a written notice (the "Notice") to the principal office of the Company in Hong Kong for the attention of the Company Secretary.

(ii) 向本公司作出查詢之程序

如欲向董事會作出查詢，股東應以書面方式向公司秘書提交查詢，並註明聯絡資料（包括閣下之登記姓名、地址及電話號碼等），提交查詢之方法如下：

郵寄至本公司之香港總辦事處及主要營業地點，地址為香港上環干諾道中168-200號信德中心西座21樓2111室。

電話：(852) 2598 6818
傳真：(852) 2598 6628

(iii) 有關股份登記之事宜

就股份過戶及登記、更改股東名稱及地址、遺失股票或股息單等股份登記之相關事宜而言，股東可聯絡香港股份登記及過戶分處，地址如下：

卓佳登捷時有限公司
香港灣仔
皇后大道東183號
合和中心22樓

電話：(852) 2810 8185
傳真：(852) 2980 1333

(iv) 股東提名人士參選董事之程序

根據本公司之公司細則之條文，股東可不時於股東大會上以普通決議案推選任何人士成為董事，以填補臨時空缺或作為新增董事。

股東可於股東大會上提名本公司現有董事以外之人士參選董事。股東必須將書面通知（「通知」）送交本公司之香港總辦事處，註明由公司秘書接收。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Shareholder(s) must prove his/her/their shareholding in the Company.

The Notice must be signed by the Shareholder(s) (other than a person to be proposed) and shall be accompanied by the following of information and documents:

- the full name and the contact information of the Shareholder(s);
- the contact details, age and the full name of the person proposed for election as a Director of the Company;
- biographical details of the person proposed for election as required by Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock of Exchange of Hong Kong Limited;
- letter of consent signed by the person proposed to be elected that he or she consents to be Director of the Company, if elected.

The Notice and the abovementioned information and documents must be lodged with the Company commencing from the day after dispatch of the notice of the general meeting and ending no later than seven (7) days prior to the date of such general meeting.

INVESTOR RELATIONS

The Company did not make any changes in its memorandum and articles of association during the Financial Period.

股東必須證明其於本公司之持股量。

通知必須由股東(獲提名之人士除外)簽署，並須附上以下資料及文件：

- 股東之全名及聯絡資料；
- 獲提名參選本公司董事人士之聯絡資料、年齡及全名；
- 香港聯合交易所有限公司證券上市規則第13.51(2)條所規定獲提名參選人士之履歷詳情；
- 獲提名參選人士所簽署之同意書，同意出任本公司董事(倘獲選)。

通知及上述資料及文件須於寄發大會通告當日起直至召開有關股東大會日期前不少於七(7)日止期間內送交本公司。

投資者關係

於本財政期間，本公司概無對組織章程大綱及細則作出任何變更。

REPORT OF THE DIRECTORS

董事會報告

The Directors hereby submit their report with the audited consolidated financial statements for the Financial Period.

PLACE OF INCORPORATION

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands and continued in Bermuda as an exempted company with limited liability in accordance with the Companies Act 1981 (as amended) of Bermuda. The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is Unit No. 2111, 21/F, West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

CHANGE OF FINANCIAL YEAR END DATE

As announced on 28 February 2014, the Company changed its financial year end date from 30 June to 31 March in order to conform to the financial year end date of its principal listed associate which is the Group's substantial investment. The current period financial statements cover a period of nine months from 1 July 2013 to 31 March 2014 and the comparative financial statements covered a period of twelve months from 1 July 2012 to 30 June 2013. The comparative figures are therefore not entirely comparable.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

RESULTS AND FINANCIAL POSITION

The results of the Group for the Financial Period are set out in the consolidated statement of profit and loss and other comprehensive income on pages 48 to 49. The Directors do not recommend the payment of a final dividend for the Financial Period.

The state of affairs of the Group as at 31 March 2014 are set out in the consolidated statement of financial position on pages 50 to 51.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the Financial Period in the property, plant and equipment of the Group are set out in note 17 to the consolidated financial statements.

董事謹此提呈本財政期間之報告及經審核綜合財務報表。

註冊成立地點

本公司根據開曼群島公司法(經修訂)於開曼群島註冊成立為獲豁免有限公司，並根據百慕達一九八一年公司法(經修訂)於百慕達作為獲豁免有限公司存續。其註冊辦事處之地址為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，而其香港主要營業地點為香港上環干諾道中168-200號信德中心西座21樓2111室。

更改財政年度結算日

如二零一四年二月二十八日之公告，本公司已將其財政年度結算日由六月三十日更改至三月三十一日，以與其主要上市聯營公司(本集團之主要投資)之財政年度結算日保持一致。本期間財務報表涵蓋自二零一三年七月一日至二零一四年三月三十一日止九個月期間，而比較財務報表涵蓋自二零一二年七月一日至二零一三年六月三十日止十二月期間。故比較數字不能完全具有可比性。

主要業務

本公司為一間投資控股公司。其附屬公司之主要業務載於綜合財務報表附註38。

業績及財務狀況

本集團於本財政期間之業績載於第48頁至第49頁之綜合損益及其他全面收益表。董事不建議派付於本財政期間之末期股息。

本集團於二零一四年三月三十一日之財務狀況載於第50頁至第51頁之綜合財務狀況表。

物業、廠房及設備

本集團之物業、廠房及設備於本財政期間內之變動詳情載於綜合財務報表附註17。

REPORT OF THE DIRECTORS

董事會報告

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

During the Financial Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SHARE CAPITAL

Details of the movements during the Financial Period in the share capital of the Company are set out in note 30 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the Financial Period are set out in the consolidated statement of changes in equity on page 52. There were no distributable reserves of the Company at 31 March 2014 (30 June 2013: nil).

CONVERTIBLE BONDS

Details of the convertible bonds are set out in note 29 to consolidated financial statements.

DIRECTORS

The Directors who held office during the Financial Period and up to the date of this annual report were:

Executive Directors

Ms. Lee Nga Yan
Dr. Guo Yi

Non-executive Directors

Ms. Jiang Nian (*Chairman*)
Ms. Xiao Yan
Ms. Wu Yanmin

Independent non-executive Directors

Ms. Chen Weijun
Dr. Zhang Zhihong
Mr. Wang Rongliang

In accordance with the bye-laws of the Company, Ms. Lee Nga Yan, Ms. Jiang Nian and Ms. Xiao Yan shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

購買、出售或贖回本公司之上市證券

於本財政期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

股本

本公司於本財政期間之股本變動詳情載於綜合財務報表附註30。

儲備

本集團於本財政期間之儲備變動詳情載於第52頁之綜合權益變動表。於二零一四年三月三十一日，本公司概無可分派儲備(二零一三年六月三十日：無)。

可換股債券

可換股債券之詳情載於綜合財務報表附註29。

董事

於本財政期間及截至本年報日期之在任董事如下：

執行董事

李雅欣小姐
郭懿博士

非執行董事

蔣年女士(*主席*)
肖焱女士
鄔燕敏女士

獨立非執行董事

陳偉君女士
張志鴻博士
王榮樑先生

根據本公司之公司細則，李雅欣小姐、蔣年女士及肖焱女士將於應屆股東週年大會上退任，惟彼等符合資格，故將提呈膺選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

No Director that proposed for re-election at the forthcoming annual general meeting had a service contract that was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management are set out on pages 19 to 21 of this annual report.

DIRECTORS' INTERESTS IN SHARES

As at 31 March 2014, none of the Directors nor their associates had any interests or short positions in any 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 under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 36 to the consolidated financial statements, no other contract of significance, to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Financial Period or at any time during the Financial Period, nor was there any other contract of significance in relation to the Group's business between the Company or any of the Company's subsidiaries and a controlling Shareholder or any of its subsidiaries.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the Financial Period.

董事服務合約

於應屆股東週年大會建議重選連任之董事概無訂有本集團不可於一年內不作賠償(法定賠償除外)而終止之服務合約。

董事及高級管理層之履歷詳情

董事及高級管理層之簡要履歷詳情載於本年報第19至第21頁。

董事於股份之權益

於二零一四年三月三十一日，概無董事或彼等之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)之任何股份、相關股份或債券中，擁有須根據證券及期貨條例第352條載入本公司存置之登記冊，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

董事及控股股東於重大合約之權益

除綜合財務報表附註36所披露者外，本公司或其任何附屬公司均並非在本財政期間終結時或本財政期間任何時間生效且董事於當中直接或間接擁有重大權益之其他重大合約之訂約方，本公司或本公司之任何附屬公司亦無與控股股東或其任何附屬公司訂立與本集團業務有關之任何其他重大合約。

管理合約

本財政期間，並無訂立或存續有關本公司之整體或任何主要部份業務之管理及行政之合約。

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 March 2014, the register of interests and short positions in the shares and underlying shares of the Company kept under Section 336 of the SFO showed that, the following entities had an interest or deemed interest of 5% or more in the issued share capital of the Company:

Long positions in the issued share capital of the Company

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一四年三月三十一日，根據證券及期貨條例第336條存置之本公司股份及相關股份之權益及淡倉登記冊所載，下列實體於本公司已發行股本中擁有或被視為擁有5%或以上權益：

於本公司已發行股本之好倉

Name of Shareholder 股東姓名／名稱	Capacity 身份	Number of shares/ underlying shares held 持有之股份／ 相關股份數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Dr. Mao Yumin (Note 1) 毛裕民博士(附註1)	Beneficial owner 實益擁有人	56,640,000	4.40%
	Interest of a controlled corporation 受控制法團之權益	307,351,350	23.87%
United Gene Holdings Limited (Note 1) 聯合基因控股有限公司(附註1)	Beneficial owner 實益擁有人	67,500,000	5.24%
	Interest of a controlled corporation 受控制法團之權益	239,851,350	18.63%
Dr. Xie Yi (Note 2) 謝毅博士(附註2)	Interest of a controlled corporation 受控制法團之權益	239,851,350	18.63%
Ease Gold Investment Limited (Note 2) (附註2)	Interest of a controlled corporation 受控制法團之權益	239,851,350	18.63%
Good Link Limited (Note 3) (附註3)	Interest of a controlled corporation 受控制法團之權益	239,851,350	18.63%
Victory Trend Limited (Note 3) (附註3)	Interest of a controlled corporation 受控制法團之權益	239,851,350	18.63%
Best Champion Holdings Limited (Note 4) 凱佳控股有限公司(附註4)	Beneficial owner 實益擁有人	61,650,000	4.79%
	Interest of a controlled corporation 受控制法團之權益	178,201,350	13.84%

REPORT OF THE DIRECTORS

董事會報告

Name of Shareholder 股東姓名／名稱	Capacity 身份	Number of shares/ underlying shares held 持有之股份／ 相關股份數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
China United Gene Investment Holdings Limited (Note 5) (附註5)	Beneficial owner 實益擁有人	178,201,350	13.84%
Chau Yiu Ting 周耀庭	Beneficial owner 實益擁有人	121,500,000	9.44%
Mak Siu Hang Viola (Note 6) 麥少嫻(附註6)	Interest of a controlled corporation 受控制法團之權益	81,045,000	6.30%
VMS Investment Group Limited (Note 6) 鼎珮投資集團有限公司(附註6)	Beneficial owner 實益擁有人	81,045,000	6.30%

Notes:

1. United Gene Holdings Limited is wholly-owned by Dr. Mao, which owns 33.50% equity interests of Best Champion Holdings Limited.
2. Ease Gold Investment Limited, is wholly-owned by Dr. Xie, which owns 33.50% equity interests of Best Champion Holdings Limited.
3. Victory Trend Limited, is owned as to 50% by Dr. Mao and as to 50% by Dr. Xie, which wholly owns Good Links Limited. Good Links Limited owns 33.00% equity interests of Best Champion Holdings Limited.
4. The equity interest of Best Champion Holdings Limited is owned as to 33.50%, 33.50% and 33.00% by United Gene Holdings Limited, Ease Gold Investment Limited and Good Links Limited, respectively.
5. China United Gene Investment Holdings Limited is owned as to 60% by Best Champion Holdings Limited.
6. VMS Investment Limited is wholly-owned by Mak Siu Hang.

Save as disclosed above, the Directors are not aware of any other relevant interests or short positions of 5% or more in the issued share capital of the Company as at 31 March 2014.

附註：

1. 聯合基因控股有限公司(由毛博士全資擁有)擁有凱佳控股有限公司之33.50%股權。
2. Ease Gold Investment Limited由謝博士全資擁有，而Ease Gold Investment Limited擁有凱佳控股有限公司之33.50%股權。
3. Victory Trend Limited由毛博士及謝博士分別擁有50%及50%，而Victory Trend Limited全資擁有Good Links Limited，而Good Links Limited擁有凱佳控股有限公司之33.00%股權。
4. 凱佳控股有限公司分別由聯合基因控股有限公司、Ease Gold Investment Limited及Good Links Limited擁有33.50%、33.50%及33.00%股權。
5. China United Gene Investment Holdings Limited由凱佳控股有限公司擁有60%股權。
6. 鼎珮投資集團有限公司由麥少嫻全資擁有。

除上文披露者外，於二零一四年三月三十一日，董事並不知悉佔本公司已發行股本5%或以上之任何其他相關權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation from each independent non-executive Director confirming his/her independence pursuant to rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

CONNECTED TRANSACTIONS

A summary of the related parties transactions entered into by the Group during the Financial Period is contained in note 36 to the consolidated financial statements.

The following transactions between certain connected parties (as defined in the Listing Rules) and the Group have been entered into during the Financial Period and/or are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with Chapter 14A of the Listing Rules.

(1) Connected transactions

On 27 April 2013, the Company, as purchaser, and Dr. Mao and JNJ, as vendors, entered into a conditional sale and purchase agreement dated 27 April 2013 (as supplemented and amended by a supplemental agreement dated 7 May 2013, a second supplemental agreement dated 30 August 2013 and a third supplement agreement dated 28 January 2014), pursuant to which the Company has conditionally agreed to acquire, and (i) Dr. Mao and JNJ have conditionally agreed to sell the convertible bonds issued by Extrawell in an aggregate principal amount of HK\$320,650,000 and 450,000,000 shares of Extrawell respectively, at an aggregate consideration of HK\$608,000,000; and (ii) Dr. Mao has conditionally agreed to sell the convertible bonds issued by Extrawell in an aggregate principal amount up to approximately HK\$257 million, at an aggregate consideration up to a maximum HK\$256,000,000, in four batches.

Dr. Mao is a connected person of the Company by virtue of being a controlling shareholder of the Company. JNJ is a connected person of the Company by virtue of its beneficial owner, being Dr. Mao. As such, the transactions constitute connected transactions of the Company under rule 14A.13(1) (a) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and shall be aggregated pursuant to Rule 14A.25 of the Listing Rules.

獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出之年度確認書，確認其獨立性。本公司認為全體獨立非執行董事均為獨立人士。

關連交易

本財政期間，本集團簽訂之關連人士交易摘要載於綜合財務報表附註36。

本財政期間，以下為若干關連人士(定義見上市規則)與本集團已訂立及/或正在進行的交易，如有需要，本公司已根據上市規則第14A章作出相關公告。

(1) 關連交易

於二零一三年四月二十七日，本公司(為買方)、毛博士及JNJ(為賣方)訂立日期為二零一三年四月二十七日之有條件買賣協議(經日期為二零一三年五月七日之補充協議、二零一三年八月三十日之第二份補充協議及二零一四年一月二十八日之第三份補充協議所補充及修訂)，據此，本公司已有條件地同意收購，及(i)毛博士及JNJ已有條件地同意分別出售精優發行之可換股債券，本金總額為320,650,000港元，以及450,000,000股精優股份，總代價為608,000,000港元；及(ii)毛博士有條件地同意出售精優發行之可換股債券，本金總額最多約257,000,000港元，總代價最高為256,000,000港元，而出售將分四批進行。

毛博士為本公司控股股東，故彼為本公司之關連人士。JNJ為毛博士實益擁有，故為本公司之關連人士。因此，根據聯交所證券上市規則(「上市規則」)第14A.13(1) (a)條，該等交易構成本公司之關連交易，並根據上市規則第14A.25條彙總計算。

REPORT OF THE DIRECTORS

董事會報告

On 31 December 2013, all the completion of Transaction I took place with (i) an aggregate sum of HK\$120 million was paid in cash by the Company to Dr. Mao upon Completion I; (ii) the Convertible Bonds I, of a principal amount of HK\$200 million, were issued to Dr. Mao; and (iii) the Convertible Bonds I, of a principal amount of HK\$288 million, were issued to JNJ.

On 24 April 2014, all the conditions precedent for Transaction II took place and the Sale CB II – First batch of convertible bonds, of a principal amount of HK\$64 million was received by the Company and the Company issued Convertible Bonds II, of a principal amount of HK\$64 million, to Dr. Mao.

(2) Continuing connected transactions

Since 31 August 2010, the Company has engaged Dr. Mao to provide advisory and consultancy services to the Group in relation to research and development of the Group's genetic testing products, and other scientific technologies. In this role, Dr. Mao is the Company's chief scientific adviser and receives a monthly service fee of HK\$37,500, that was adjusted to HK\$56,000 starting since January 2014. The previous agreement with Dr. Mao commenced 1 September 2010, for a period of three years, and was renewed 1 September 2013 for an additional period of three years, unless terminated earlier in accordance with the agreement.

On 17 March 2014, the Company and Extrawell entered into a conditional sale and purchase agreement where the Company agreed to purchase 51% of the equity interest in SAL from Extrawell for a consideration of HK\$780 million, which will be paid with cash of HK\$65 million and convertible bonds issued by the Company of HK\$715 million. As part of the agreement, the Group has agreed to cover the entirety of SAL's expenditures related to the furthering of its oral insulin medicine up to the amount of HK\$600 million from 2015 to 2017. Conditions of this agreement have been disclosed in the Company's circular dated 26 June 2014 and the acquisition is conditional, among other conditions, to the Special General Meetings held by Extrawell and the Company on 15 and 16 July 2014, respectively.

於二零一三年十二月三十一日，交易一已全面完成，其中(i)總金額120,000,000港元已於完成一後由本公司以現金支付予毛博士；(ii)本金額為200,000,000港元之可換股債券一已獲發行予毛博士；及(iii)本金額為288,000,000港元之可換股債券一已獲發行予JNJ。

於二零一四年四月二十四日，交易二之所有先決條件已作實及本公司已收取本金額64,000,000港元待售可換股債券二一第一批可換股債券，及本公司已向毛博士發行本金額為64,000,000港元之可換股債券二。

(2) 持續關連交易

自二零一零年八月三十一日起，本公司委聘毛博士向本集團提供與其基因檢測產品及其他科學技術的研究及開發有關之諮詢及顧問服務。就該角色而言，毛博士為本公司之首席科研顧問並收取服務酬勞每月37,500港元(自二零一四年一月起調整為56,000港元)。與毛博士訂立之先前協議自二零一零年九月一日開始生效，任期為三年，並於二零一三年九月一日獲重續，任期額外延長三年，惟根據協議被提早終止則除外。

於二零一四年三月十七日，本公司與精優訂立有條件買賣協議，本公司同意向精優購買進生51%的股權，代價為780,000,000港元，將以現金65,000,000港元及本公司發行之715,000,000港元之可換股債券支付。作為協議之一部分，本集團同意承擔進生自二零一五年至二零一七年進一步發展其口服胰島素藥品有關之全部開支，最高金額為600,000,000港元。該協議之條件已於本公司日期為二零一四年六月二十六日之通函內披露而收購須待(其中包括)精優及本公司分別於二零一四年七月十五日及十六日舉行股東特別大會後方可作實。

REPORT OF THE DIRECTORS

董事會報告

The aforesaid continuing connected transactions have been reviewed by the independent non-executive Directors. The independent non-executive Directors confirmed that the continuing connected transactions were entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on terms no less favourable to the Group than terms available from independent third parties; and
- (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The independent non-executive Directors have further confirmed that certain related party transactions except for the Continuing Supplies and the Distribution Arrangement (as disclosed in note 36 to the consolidated financial statements) which constituted connected transactions under the Listing Rules for the Financial Period, are exempted from the disclosure requirements in accordance with rule 14A.31 of the Listing Rules.

To the best knowledge of the Directors, there were no other connected transactions during the Financial Period.

上述持續關連交易已由獨立非執行董事審閱。獨立非執行董事確認持續關連交易之訂立乃：

- (a) 在本集團的日常和一般業務過程中進行；
- (b) 按不遜於本集團從獨立第三方獲得的條款進行；及
- (c) 根據規管相關交易之有關協議，按公平合理及符合本公司及股東整體利益之條款進行。

獨立非執行董事進一步確認，根據上市規則，本財政期間之若干關連人士交易(持續供應及分銷安排除外)(誠如綜合財務報表附註36所披露)構成關連交易，根據上市規則第14A.31條，該等交易獲豁免遵守披露規定。

就董事所深知，於本財政期間，概無進行其他關連交易。

REPORT OF THE DIRECTORS

董事會報告

INTERESTS IN COMPETITORS

During the Financial Period and up to the date of this report, other than those businesses of which the Directors were appointed as directors to represent the interests of such businesses, no Director is considered to have had an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to the Listing Rules.

EMOLUMENT POLICY

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

The emoluments of the Directors for the Financial Period are decided by the Board, having regard to the Group's operating results, their duties and responsibilities in the Group, individual performance and comparable market statistics, and have been reviewed by the Remuneration Committee during the Financial Period.

SHARE OPTION SCHEME

On 6 November 2009 (the "Adoption Date"), the Company adopted a share option scheme (the "Share Option Scheme") which, unless otherwise cancelled or amended, will remain in force for 10 years from the Adoption Date. After the refreshment of the Share Option Scheme on 3 November 2010, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme may not in aggregate exceed 1,216,450,806, being 10% of the Shares in issue of the Company as at 3 November 2010. The offer of a grant may be accepted upon payment of a nominal consideration of HK\$1 per acceptance.

於競爭業務之權益

本財政期間及截至本報告日期，根據上市規則，除董事獲委任為董事以代表業務權益之業務外，概無董事被視為於與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

薪酬政策

管理層會按本集團僱員之表現、資歷及能力制訂彼等之薪酬政策。

董事會經考慮本集團之營運業績、董事於本集團之職務及職責、彼等之個人表現及可資比較市場數據後釐定本財政期間之董事薪酬，並已由薪酬委員會於本財政期間審閱。

購股權計劃

於二零零九年十一月六日（「採納日期」），本公司已採納購股權計劃（「購股權計劃」），除非以其他方式註銷或修訂，否則，購股權計劃將於採納日期起維持有效十年。於二零一零年十一月三日購股權計劃更新後，因行使根據購股權計劃將予授出之所有購股權而可予發行之最高股份數目合共不得超過1,216,450,806股，即於二零一零年十一月三日本公司已發行股份之10%。每次接納授出須支付1港元之名義代價。

REPORT OF THE DIRECTORS

董事會報告

The exercise price of the share options granted under the Share Option Scheme is determined by the Board, but shall not be less than the highest of (i) the nominal value of the Shares; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; or (iii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the grant.

As at 31 March 2014, the Company had not granted any options to eligible persons of the Share Option Scheme and there were no outstanding share options under the Share Option Scheme.

Apart from the aforesaid, at no time during the Financial Period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors and substantial Shareholders or any of their associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

CHARITABLE DONATIONS

During the Financial Period, the Group did not make any charitable donation (2013: Nil).

根據購股權計劃授出購股權之行使價由董事會釐定，惟不得低於以下最高者：(i)股份之面值；(ii)股份於緊接授出日期前五個營業日在聯交所每日報價表之平均收市價；或(iii)股份於授出日期在聯交所每日報價表之收市價。

於二零一四年三月三十一日，本公司並無向購股權計劃之合資格人士授出任何購股權，亦無根據購股權計劃尚未行使之購股權。

除上述者外，於本財政期間任何時間，本公司或其任何附屬公司並無訂立任何安排，致使董事及主要股東或任何彼等之聯繫人士可透過收購本公司或任何其他法人團體之股份或債券而獲得利益。

優先購買權

本公司之公司細則或百慕達法例均無優先購買權條文，致使本公司有責任向現有股東按比例基準發售新股份。

慈善捐款

本財政期間，本集團並無作出任何慈善捐款(二零一三年：無)。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's total purchases and sales attributable to the Group's major suppliers and customers respectively during the Financial Period is as follows:

主要客戶及供應商

本財政期間，本集團主要供應商及客戶分別應佔本集團之採購總額及銷售總額之資料如下：

		Percentage of the Group's total
		應佔本集團總額之百分比
Purchases	採購	
– the largest supplier	– 最大供應商	100%
– five largest suppliers combined	– 五大供應商合計	100%
Sales	銷售	
– the largest customer	– 最大客戶	56%
– five largest customers combined	– 五大客戶合計	93%

At no time during the Financial Period had any of the Directors, their associates or any Shareholder (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) an interest in any of the Group's five largest suppliers or customers.

本財政期間任何時間，任何董事、彼等之聯繫人士或任何股東（據董事所知，擁有本公司已發行股本5%以上之權益者）概無於本集團任何五大供應商或客戶中擁有權益。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Directors believe that the number of securities of the Company which are in the hands of the public is above the relevant prescribed minimum percentage under the Listing Rules.

充足公眾持股量

根據本公司可公開獲得之資料及據董事所知，於本報告日期，董事相信由公眾人士持有之本公司證券數目高於上市規則相關規定之最低百分比。

COMMITMENTS

Details of commitments of the Group are set out in note 34 to the consolidated financial statements.

承擔

本集團承擔之詳情載於綜合財務報表附註34。

LITIGATIONS AND CONTINGENT LIABILITIES

Details of the litigation and contingent liabilities are set out in note 33 to the consolidated financial statements.

訴訟及或然負債

訴訟及或然負債之詳情載於綜合財務報表附註33。

REPORT OF THE DIRECTORS

董事會報告

EVENTS AFTER THE REPORTING PERIOD

Details of significant event occurring after the reporting period are set out in note 37 to the consolidated financial statements.

CORPORATE GOVERNANCE

Details of the Corporate Governance Report of the Company are set out on pages 23 to 33 of this report.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the five years ended 31 March 2014 is set out on page 148 of this report.

AUDITORS

The auditors of the Company were previously ANDA Certified Public Accountants and ANDA CPA Limited, for the years ended 30 June 2008 to 2010 and 30 June 2011 to 2012, respectively.

Deloitte Touche Tohmatsu was appointed as the auditor of the Company in 2013 upon the retirement of ANDA CPA Limited.

The consolidated financial statements for the Financial Period have been audited by Deloitte Touche Tohmatsu, who will retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting.

On behalf of the Board

Jiang Nian

Chairman

Hong Kong, 30 June 2014

報告期後事項

報告期後發生之重大事項詳情載於綜合財務報表附註37。

企業管治

本公司之企業管治報告詳情載於本報告第23頁至第33頁。

財務概要

本集團截至二零一四年三月三十一日止五個年度之業績及資產與負債概要載於本報告第148頁。

核數師

本公司先前之核數師為安達會計師事務所，其任期分別為截至二零零八年至二零一零年六月三十日止及截至二零一一年至二零一二年六月三十日止年度。

德勤•關黃陳方會計師行於安達會計師事務所退任後於二零一三年獲委任為本公司之核數師。

本財政期間之綜合財務報表已由德勤•關黃陳方會計師行審核，而其將於應屆股東週年大會上退任，惟符合資格，將提呈膺選連任。

代表董事會

蔣年

主席

香港，二零一四年六月三十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

TO THE MEMBERS OF UNITED GENE HIGH-TECH GROUP LIMITED

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

We have audited the consolidated financial statements of United Gene High-Tech Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 48 to 147, which comprise the consolidated statement of financial position as at 31 March 2014, 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 nine months period from 1 July 2013 to 31 March 2014, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致聯合基因科技集團有限公司 全體股東

(於開曼群島註冊成立及於百慕達存續之有限公司)

本行已審核第48頁至第147頁所載聯合基因科技集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其內容涵蓋於二零一四年三月三十一日之綜合財務狀況表；自二零一三年七月一日至二零一四年三月三十一日九個月期間之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表；以及重大會計政策概要及其他說明資料。

董事就綜合財務報表須承擔之責任

貴公司之董事有責任根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編撰並真實公平地呈列綜合財務報表，以及作出董事認為就編撰綜合財務報表而言屬必需之內部監控，致使綜合及公司財務報表之編撰並無重大錯誤陳述(不論由欺詐或錯誤引致)。

核數師之責任

根據百慕達公司法第90章，本行有責任按本行之審核就此等綜合財務報表發表意見，並僅向全體股東作出報告，除此以外別無其他目的。本行不會就本報告內容向任何其他人士負責或承擔任何責任。本行乃按香港會計師公會頒佈之香港核數準則進行核數工作。該等準則要求本行遵守道德規範，並規劃及執行核數工作，以合理確定綜合財務報表是否存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2014, and of its loss and cash flows for the nine months period from 1 July 2013 to 31 March 2014 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
30 June 2014

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該實體編撰及真實公平地呈列綜合財務報表相關之內部監控，以設計切合當時情況之適當審核程序，而並非就實體之內部監控成效發表意見。審核亦包括評價董事所採用之會計政策是否合適及所作出之會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

本行相信，本行所獲得之審核憑證充分，並就本行之審核意見提供合理依據。

意見

本行認為，綜合財務報表已根據香港財務報告準則真實公平地反映 貴集團於二零一四年三月三十一日之財務狀況以及其自二零一三年七月一日至二零一四年三月三十一日九個月期間之虧損及現金流量，並已遵照香港公司條例之披露規定妥為編製。

德勤•關黃陳方會計師行
執業會計師

香港
二零一四年六月三十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

		Notes 附註	1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	收益	7	29,744	7,747
Cost of sales and services	銷售及服務成本		(30,316)	(3,339)
Gross (loss) profit	(毛損)毛利		(572)	4,408
Other income	其他收入	8	4,867	7,056
Other gains and losses, net	其他收益及虧損淨額	8	(512,013)	(429)
Selling expenses	銷售開支		(201)	(1,284)
Administrative expenses	行政開支		(26,266)	(44,136)
Impairment loss on intangible assets	無形資產之減值虧損		-	(2,274)
Other expenses	其他開支		(14,061)	(10,369)
Share of results of associates	分佔聯營公司業績	19	(3,987)	-
Finance costs	財務費用	9	(5,105)	(165)
Loss before tax	稅前虧損		(557,338)	(47,193)
Income tax credit	所得稅抵免	10	-	10
Loss for the period/year from continuing operations	持續經營業務之期內／年內虧損	12	(557,338)	(47,183)
Discontinued operation	已終止經營業務			
Profit (loss) for the period/year from discontinued operation	已終止經營業務之期內／年內溢利(虧損)	11	140	(42,474)
Loss for the period/year	期內／年內虧損		(557,198)	(89,657)
Other comprehensive (expense) income:	其他全面(開支)收益:			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目:			
Fair value changes of available-for-sale financial assets	可供出售金融資產之公平值變動		530	(214)
Reclassification adjustments upon disposal of available-for-sale financial assets	出售可供出售金融資產後作出重新分類調整		116	55
Exchange differences on translation of foreign operation	換算海外業務之匯率差額		(65)	911
Reclassification adjustments for the cumulated exchange reserve upon disposal/loss of control of subsidiaries	出售／失去附屬公司控制權後就累計匯兌儲備作出之重新分類調整		(1,306)	-
			(725)	752
Items that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益之項目:			
Gain on revaluation on land and buildings	土地及樓宇重估收益		2,023	1,992
Deferred taxation arising on revaluation of land and buildings	土地及樓宇重估產生之遞延稅項		(506)	(492)
			1,517	1,500

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

	Note 附註	1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Other comprehensive income for the period/year	期內／年內其他全面收益	792	2,252
Total comprehensive expense for the period/year	期內／年內全面開支總額	(556,406)	(87,405)
(Loss) profit for the period/year attributable to owners of the Company:	本公司擁有人應佔期內／年內(虧損)溢利：		
– from continuing operations	– 來自持續經營業務	(555,495)	(45,270)
– from discontinued operation	– 來自已終止經營業務	5,148	(27,569)
		(550,347)	(72,839)
Loss for the period/year attributable to non-controlling interests:	非控股權益應佔期內／年內虧損：		
– from continuing operations	– 來自持續經營業務	(1,843)	(1,913)
– from discontinued operation	– 來自已終止經營業務	(5,008)	(14,905)
		(6,851)	(16,818)
		(557,198)	(89,657)
Total comprehensive expense for the period/year attributable to:	以下人士應佔期內／年內全面開支總額：		
Owners of the Company	本公司擁有人	(549,555)	(70,724)
Non-controlling interests	非控股權益	(6,851)	(16,681)
		(556,406)	(87,405)
		HK cents	HK cents
		港仙	港仙
Loss per share	每股虧損		
From continuing and discontinued operations	來自持續及已終止經營業務	16	
Basic	基本	(50.58)	(9.38)
Diluted	攤薄	(50.58)	(9.38)
From continuing operations	來自持續經營業務		
Basic	基本	(51.06)	(5.83)
Diluted	攤薄	(51.06)	(5.83)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

		Notes 附註	31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	37,259	41,856
Interests in associates	於聯營公司的權益	19	184,500	–
Investments in convertible bonds	於可換股債券的投資	20	208,940	–
Available-for-sale financial assets	可供出售金融資產	23	–	101,182
			430,699	143,038
Current assets	流動資產			
Inventories – finished goods	存貨 – 製成品		61	74
Trade receivables	貿易應收賬款	21	11,411	3,204
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	1,125	5,211
Available-for-sale financial assets	可供出售金融資產	23	105,871	1,258
Bank balances and cash	銀行結餘及現金	24		
– cash and cash equivalents	– 現金及現金等價物		192,351	235,253
– other bank balances	– 其他銀行結餘		–	120,000
			310,819	365,000
Current liabilities	流動負債			
Trade payables	貿易應付賬款	25	4,817	3,155
Accruals and other payables	應計費用及其他應付款項		10,318	15,772
Receipt in advance from customer	預收客戶款項		–	6,212
Amount due to a shareholder	應付一名股東款項	26	–	15,079
Loan from a non-controlling shareholder of a subsidiary	來自附屬公司一名非控股股東的貸款	27	–	6,910
			15,135	47,128
Net current assets	流動資產淨額		295,684	317,872
Total assets less current liabilities	總資產減流動負債		726,383	460,910

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2014 於二零一四年三月三十一日

		Notes 附註	31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	29	52,228	11,825
Deferred tax liabilities	遞延稅項負債	28	1,934	1,585
Loan from a non-controlling shareholder of a subsidiary	來自附屬公司一名非控股股東的貸款	27	-	3,138
			54,162	16,548
NET ASSETS	資產淨額		672,221	444,362
Capital and reserves	資本及儲備			
Share capital	股本	30	11,362	8,407
Reserves	儲備		651,010	444,930
Equity attributable to owners of the Company	本公司擁有人應佔權益		662,372	453,337
Non-controlling interests	非控股權益		9,849	(8,975)
TOTAL EQUITY	權益總額		672,221	444,362

The financial statements on pages 48 to 147 were approved by the Board of Directors on 30 June 2014 and are signed on its behalf by:

載於第48頁至第147頁之財務報表已由董事會於二零一四年六月三十日批准，並由以下董事代表簽署：

Jiang Nian

蔣年

Director

董事

Lee Nga Yan

李雅欣

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

		Share capital	Share premium account	Convertible bonds equity reserve	Investment revaluation reserve	Property revaluation reserve	Others reserve	Statutory reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價賬	可換股債券權益儲備	投資重估儲備	物業重估儲備	其他儲備	法定儲備	外幣兌換儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2012	於二零一二年七月一日	121,645	726,123	-	624	1,395	3,607	1,319	3,323	(538,788)	319,248	11,319	330,567
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(72,839)	(72,839)	(16,818)	(89,657)
Other comprehensive (expense) income for the year	年內其他全面(開支)收益	-	-	-	(159)	1,500	-	-	774	-	2,115	137	2,252
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	(159)	1,500	-	-	774	(72,839)	(70,724)	(16,681)	(87,405)
Issue of rights shares	發行供股	36,494	43,792	-	-	-	-	-	-	-	80,286	-	80,286
Share re-organisation	股份重組	(150,232)	-	-	-	-	-	-	-	150,232	-	-	-
Recognition of equity component of convertible bonds	確認可換股債券之權益部分	-	-	117,416	-	-	-	-	-	-	117,416	-	117,416
Issue of shares upon conversion of convertible bonds	可換股債券轉換時發行股份	500	19,242	(17,657)	-	-	-	-	-	-	2,085	-	2,085
Transaction costs attributable to issuance of shares	歸屬於發行股份之交易費用	-	(2,914)	-	-	-	-	-	-	-	(2,914)	-	(2,914)
Partial disposal of a subsidiary without loss of control (note 32)	出售一間附屬公司部分權益(並無失去控制權)(附註32)	-	-	-	-	-	7,940	-	-	-	7,940	(3,613)	4,327
At 30 June 2013	於二零一三年六月三十日	8,407	786,243	99,759	465	2,895	11,547	1,319	4,087	(461,395)	453,337	(8,975)	444,362
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	(550,347)	(550,347)	(6,851)	(557,198)
Other comprehensive income (expense) for the period	期內其他全面收益(開支)	-	-	-	646	1,517	-	-	(1,371)	-	792	-	792
Total comprehensive income (expense) for the period	期內全面收益(開支)總額	-	-	-	646	1,517	-	-	(1,371)	(550,347)	(549,555)	(6,851)	(556,406)
Derecognised upon loss of control of subsidiaries (note 11)	於失去附屬公司之控制權時終止確認(附註11)	-	-	-	-	-	-	-	-	-	-	11,817	11,817
Transfer upon disposal of subsidiaries	於出售附屬公司時轉撥	-	-	-	-	-	-	(972)	-	972	-	-	-
Waiver of loans to a non-wholly owned subsidiary	豁免非全資附屬公司貸款	-	-	-	-	-	(7,407)	-	-	-	(7,407)	7,407	-
Partial disposal of a subsidiary without loss of control (note 32)	出售一間附屬公司部分權益(並無失去控制權)(附註32)	-	-	-	-	-	-	-	-	-	-	6,451	6,451
Recognition of equity component of convertible bonds	確認可換股債券之權益部分	-	-	753,428	-	-	-	-	-	-	753,428	-	753,428
Issue of shares upon conversion of convertible bonds	可換股債券轉換時發行股份	2,955	115,245	(105,631)	-	-	-	-	-	-	12,569	-	12,569
At 31 March 2014	於二零一四年三月三十一日	11,362	901,488	747,556	1,111	4,412	4,140	347	2,726	(1,010,770)	662,372	9,849	672,221

Notes:

- (a) As stipulated by the relevant laws and regulations of the People's Republic of China (the "PRC"), before distribution of the net profit each year, the Group's subsidiaries established in the PRC shall set aside 10% of its net profit after taxation to the statutory reserve. The reserve can only be used, upon approval by the board of directors of these PRC established subsidiaries and by the relevant authority, to offset accumulated losses or increase capital. During the nine months ended 31 March 2014 and the year ended 30 June 2013, there was no transfer from retained profits to the statutory reserve since the Group's PRC subsidiaries incurred net loss.
- (b) Remittance outside the PRC of retained profits of the subsidiaries established in the PRC is subject to approval of the local authorities and the availability of foreign currencies generated and retained by these subsidiaries.

附註：

- (a) 按照中華人民共和國(「中國」)的相關法律及法規所訂明，每年分派淨利潤前，在中國設立的本集團附屬公司須自其稅後純利撥出10%至法定儲備。法定儲備僅可用於抵銷累計虧損或增資，並須得到此等在中國設立之附屬公司之董事會及有關政府當局核准後方可使用。於截至二零一四年三月三十一日止九個月及截至二零一三年六月三十日止年度，由於本集團之中國附屬公司均錄得虧損淨額，故並無任何金額從保留盈利轉撥至法定儲備。
- (b) 於中國成立之附屬公司之保留溢利之境外股款須經當地政府批准及視乎此等附屬公司能否產生及保留之外幣可能性。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before tax	稅前虧損		
Continuing operations	持續經營業務	(557,338)	(47,193)
Discontinued operation	已終止經營業務	122	(42,524)
		(557,216)	(89,717)
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,200	10,460
Amortisation of intangible assets	無形資產攤銷	-	1,334
Impairment of intangible assets	無形資產減值	-	6,808
Impairment of property, plant and equipment	物業、廠房及設備減值	-	16,457
Impairment loss on interest in an associate	於聯營公司權益之減值虧損	285,815	-
Loss on acquisition of investments in convertible bonds	收購可換股債券投資之虧損	204,493	-
Change in fair value of derivative components of investments in convertible bonds	可換股債券投資之衍生部份之公平值變動	34,511	-
Gain on disposal of subsidiaries	出售附屬公司之收益	(12,998)	-
Gain on loss of control of subsidiaries	失去附屬公司控制權之收益	(11,280)	-
Share of results of associates	分佔聯營公司業績	3,987	-
Loss on written off/disposals of property, plant and equipment	撇銷/出售物業、廠房及設備之虧損	76	1,545
Interest income	利息收入	(3,242)	(1,445)
Interest income of available-for-sale financial asset	可供出售金融資產之利息收入	(3,091)	(4,645)
Net loss on disposal of available-for-sale financial assets	出售可供出售金融資產之虧損淨額	116	55
Finance costs	財務費用	5,368	938
Operating cash flows before working capital changes	營運資本變動前之經營現金流量	(48,261)	(58,210)
(Increase) decrease in inventories	存貨(增加)減少	(13)	83
Increase in trade receivables	貿易應收賬款增加	(8,116)	(3,135)
Decrease in prepayment, deposits and other receivables	預付款項、按金及其他應收款項減少	1,249	12,443
Increase in trade payables	貿易應付賬款增加	1,634	2,604
Increase in accruals and other payables and receipt in advance from customer	應計費用及其他應付款項及預收客戶款項增加	3,350	8,779
CASH USED IN OPERATIONS AND NET CASH USED IN OPERATING ACTIVITIES	經營所用之現金及經營活動所用之現金淨額	(50,157)	(37,436)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	2,291	1,445
Interest received from available-for-sale financial assets	可供出售金融資產產生之已收利息	3,091	4,645
Withdrawal of restricted bank balances	收回有限制銀行結餘	-	227
Decrease (increase) in other bank balances	其他銀行結餘減少(增加)	120,000	(120,000)
Purchases of property, plant and equipment	購買物業、廠房及設備	(559)	(5,283)
Purchases of available-for-sale financial assets	購買可供出售金融資產	(13,131)	(15,041)
Acquisition of investments in convertible bonds	收購可換股債券投資	(120,000)	-
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	787	-
Proceeds on disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	10,230	10,854
Net cash outflows upon disposal/loss of control of subsidiaries (notes 11 and 31)	出售/失去附屬公司控制權之現金流出淨額(附註11及31)	(1,951)	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES	投資活動所得(所用)之現金淨額	758	(123,153)
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(263)	(773)
Proceeds from issuance of rights shares	發行供股產生之所得款項	-	80,286
Transaction costs of issuance of shares	發行股份之交易費用	-	(2,914)
Proceeds from issuance of convertible bonds	發行可換股債券之所得款項	-	133,000
Transaction costs of issuance of convertible bonds	發行可換股債券之交易費用	-	(1,839)
Capital contribution from a non-controlling shareholder	來自一名非控股股東注資	6,451	4,327
Repayment of other borrowing	其他借貸還款	-	(4,907)
Advance from a shareholder	來自一名股東之墊款	-	17,057
Repayment to a shareholder	向一名股東之還款	-	(1,978)
Loan from a non-controlling shareholder of a subsidiary	來自一間附屬公司非控股股東的貸款	-	3,138
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	6,188	225,397

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(43,211)	64,808
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/ YEAR	期/年初現金及現金等價物	235,253	169,815
EFFECT ON FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動影響	309	630
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/ YEAR, represented by cash and cash equivalents	期/年末現金及現金等價物，指現金及現金等價物	192,351	235,253

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. On 1 March 2013, the Company has been deregistered in the Cayman Islands and continued in Bermuda as an exempted company with limited liability under the laws of Bermuda. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business in Hong Kong is situated at Unit No. 2111, 21/F, West Tower Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

The functional currency of the Company is Hong Kong dollar ("HK\$"), which is the same as the presentation currency of the consolidated financial statements.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

As set out in the announcement of the Company issued on 28 February 2014, the financial year end date of the Company was changed from 30 June to 31 March to align the Company's financial year end date with that of the Company's principal listed associate which is the Group's substantial investment. Accordingly, the consolidated financial statements for current accounting period cover a period of nine months from 1 July 2013 to 31 March 2014. The corresponding comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover a twelve-month period from 1 July 2012 to 30 June 2013 and therefore may not be comparable with amounts shown for the current period.

1. 一般資料

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限責任公司。於二零一三年三月一日，本公司撤銷於開曼群島之註冊地位，並根據百慕達法例以獲豁免有限責任公司之形式於百慕達存續。本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。其香港主要營業地點位於香港上環干諾道中168-200號信德中心西座21樓2111室。

本公司為投資控股公司。其附屬公司之主要業務載於綜合財務報表附註38。

本公司之功能貨幣為港元（「港元」），即綜合財務報表之呈報貨幣。

2. 綜合財務報表編製基準

如本公司於二零一四年二月二十八日發佈之公告所載，本公司之財政年度結算日已由六月三十日更改為三月三十一日，以使本公司之財政年度結算日與本公司之主要上市聯營公司（本集團之主要投資）之財政年度結算日一致。因此，本會計期間之綜合財務報表涵蓋二零一三年七月一日至二零一四年三月三十一日止九個月期間。綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及相關附註所示之相應比較數額涵括自二零一二年七月一日至二零一三年六月三十日止十二個月期間，故未必可與本期間所示之數額比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Application of new and revised HKFRSs

In the current period, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current period:

Amendments to HKFRSs	Annual improvements to HKFRSs 2009 – 2011 cycle
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 27 (as revised in 2011)	Separate financial statements
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine

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

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In the current period, the Group has applied for the first time HKFRS 10, HKFRS 11, HKFRS 12, and HKAS 28 (as revised in 2011) together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance. HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

採納新訂及經修訂之香港財務報告準則

於本期間，本集團首次應用下列由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則：

香港財務報告準則(修訂本)	香港財務報告準則二零零九年至二零一一年週期之年度改進
香港財務報告準則第7號(修訂本)	披露—抵銷金融資產及金融負債
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)	綜合財務報表、聯合安排及其他實體權益披露：過渡指引
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	聯合安排
香港財務報告準則第12號	披露於其他實體之權益
香港財務報告準則第13號	公平值計量
香港會計準則第19號(二零一一年經修訂)	僱員福利
香港會計準則第27號(二零一一年經修訂)	獨立財務報表
香港會計準則第28號(二零一一年經修訂)	於聯營公司及合營公司之投資
香港(國際財務報告詮釋委員會)–詮釋第20號	露天礦場於生產階段之剝採成本

除下文所述者外，於本期間應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響。

綜合、聯合安排、聯營公司及披露之新訂及經修訂準則

於本期間，本集團已首次應用香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號及香港會計準則第28號(二零一一年經修訂)連同有關過渡指引之香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號(修訂本)。香港會計準則第27號(二零一一年經修訂)不適用於本集團，因其僅涉及獨立財務報表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised Standards on consolidation, joint arrangements, associates and disclosures (Continued)

The impact of the application of these standards is set out below.

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK(SIC) Int – 12 “Consolidation – Special purpose entities”. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

The Directors reviewed and assessed the Group’s investees in accordance with the requirements of HKFRS 10. The Directors concluded that there was no material impact to the Group’s consolidated financial statements for the adoption of HKFRS 10.

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements regarding interests in associates (please see note 19 for details).

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

綜合、聯合安排、聯營公司及披露之新訂及經修訂準則(續)

應用該等準則的影響載列如下。

應用香港財務報告準則第10號的影響

香港財務報告準則第10號取代香港會計準則第27號「綜合及單獨財務報表」有關綜合財務報表之部份及香港(常務詮釋委員會)詮釋第12號「合併—特殊目的實體」。香港財務報告準則第10號更改控制權的定義，因此投資者可於(a)對被投資企業擁有權力，(b)對所參與被投資企業的可變回報的承擔風險或擁有權利，及(c)有能力運用其權力影響回報時，控制被投資企業。投資者須符合上述三個準則方可控制被投資企業。控制先前定義為有權監管實體的財務及經營政策以自其業務取得利益。香港財務報告準則第10號已加入額外指引解釋投資者控制被投資企業之事宜。

董事根據香港財務報告準則第10號的規定審閱及評估本集團的被投資企業。董事認為採納香港財務報告準則第10號不會對本集團的綜合財務報表產生重大影響。

應用香港財務報告準則第12號的影響

香港財務報告準則第12號為一項新披露準則，適用於對附屬公司、合營安排、聯營公司及／或未綜合結構實體擁有權益之實體。一般而言，應用香港財務報告準則第12號使綜合財務報表中有關於聯營公司之權益的披露更為全面(有關詳情請參閱附註19)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised Standards on consolidation, joint arrangements, associates and disclosures (Continued)

HKFRS 13 Fair value measurement

The Group has applied HKFRS 13 for the first time in the current period. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to few exceptions.

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2013 comparative period (please see note 6 for the 2014 disclosure). Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」) (續)

綜合、聯合安排、聯營公司及披露之新訂及經修訂準則(續)

香港財務報告準則第13號公平值計量

本集團於本期間首次應用香港財務報告準則第13號。香港財務報告準則第13號確立有關公平值計量的單一指引及披露。香港財務報告準則第13號之範圍廣泛：香港財務報告準則第13號之公平值計量規定應用於其他香港財務報告準則規定或允許公平值計量及有關公平值計量披露之金融工具項目及非金融工具項目，惟若干情況除外。

香港財務報告準則第13號將資產之公平值界定為在現時市場狀況下於計量日期在一個主要(或最有利的)市場按有序交易出售一項資產將收取之價格(或倘為釐定負債之公平值，則為轉讓負債時將支付之價格)。根據香港財務報告準則第13號，不論該價格是否直接可觀察或使用另一項估值方法作出估計，公平值為平倉價格。此外，香港財務報告準則第13號載有更廣泛的披露規定。

香港財務報告準則第13號須按未來適用法應用。根據香港財務報告準則第13號之過渡性條文，本集團並無就二零一三年比較期間作出香港財務報告準則第13號所規定之任何新披露(有關二零一四年披露請參閱附註6)。除額外披露外，應用香港財務報告準則第13號對綜合財務報表所確認之金額並無任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities ¹
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations ⁶
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ⁶
Amendments to HKAS 19	Defined benefit plans: Employee contributions ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures ³
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ¹
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets ¹
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting ¹
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle ⁴
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle ²
HKFRS 9	Financial instruments ³
HKFRS 14	Regulatory deferral accounts ⁵
HK(IFRIC) – INT 21	Levies ¹

- ¹ Effective for annual periods beginning on or after 1 January 2014.
- ² Effective for annual periods beginning on or after 1 July 2014.
- ³ Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
- ⁴ Effective for annual periods beginning on or after 1 July 2014, with limited exceptions.
- ⁵ Effective for first annual HKFRS financial statements beginning on or after 1 January 2016.
- ⁶ Effective for annual periods beginning on or after 1 January 2016.

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早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10號、 香港財務報告準則第12號及 香港會計準則第27號 (修訂本)	投資實體 ¹
香港財務報告準則第11號 (修訂本)	收購於合營業務之權益之會計法 ⁶
香港會計準則第16號及 香港會計準則第38號 (修訂本)	折舊及攤銷可接納方式之分類 ⁶
香港會計準則第19號 (修訂本)	界定福利計劃：僱員供款 ²
香港財務報告準則第9號及 香港財務報告準則第7號 (修訂本)	香港財務報告準則第9號之強制性 生效日期及過渡性披露 ³
香港會計準則第32號 (修訂本)	抵銷金融資產及金融負債 ¹
香港會計準則第36號 (修訂本)	非金融資產之可收回金額披露 ¹
香港會計準則第39號 (修訂本)	衍生工具之更替及對沖會計之延續 ¹
香港財務報告準則 (修訂本)	香港財務報告準則二零一零年至 二零一二年週期之年度改進 ⁴
香港財務報告準則 (修訂本)	香港財務報告準則二零一一年至 二零一三年週期之年度改進 ²
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第14號	監管遞延賬目 ⁵
香港(國際財務報告詮釋 委員會)–詮釋第21號	徵費 ¹

- ¹ 於二零一四年一月一日或之後開始之年度期間生效。
- ² 於二零一四年七月一日或之後開始之年度期間生效。
- ³ 可供採用一強制性生效日期將於落實香港財務報告準則第9號之未完成部分後決定。
- ⁴ 於二零一四年七月一日或之後之開始年度期間生效，有限例外情況除外。
- ⁵ 就於二零一六年一月一日或之後開始之首份年度香港財務報告準則財務報表生效。
- ⁶ 於二零一六年一月一日或之後開始之年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具

於二零零九年頒佈之香港財務報告準則第9號引入金融資產分類及計量之新規定。香港財務報告準則第9號其後於二零一零年修訂，包括金融負債分類及計量以及終止確認之規定，並於二零一三年進一步修訂，包括對沖會計處理方法之新規定。

香港財務報告準則第9號之主要規定描述如下：

- 符合香港會計準則第39號「金融工具：確認及計量」範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，為收集合約現金流量之業務模式內所持有，以及合約現金流量僅為償還本金及尚未償還本金所產生利息為目的之債務投資，一般於其後會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資均於其後報告期間結束時按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇以於其他全面收益呈列股本投資(並非持作買賣)之其後公平值變動，而一般僅於損益內確認股息收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 Financial instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The Directors anticipate that the adoption of HKFRS 9 in the future may have a significant impact on the amounts reported in respect of the Group’s financial assets. Regarding the Group’s financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The Directors do not anticipate that the application of the other new and revised HKFRSs will have a material impact on the consolidated financial statements.

3. 採納新訂及經修訂之香港財務報告準則(「香港財務報告準則」)

(續)

香港財務報告準則第9號金融工具

(續)

- 就指定為按公平值計入損益之金融負債之計量而言，香港財務報告準則第9號規定金融負債信貸風險變動導致該負債公平值變動之金額於其他全面收益呈列，除非於其他全面收益確認該負債之信貸風險變動影響會導致或擴大於損益之會計錯配。金融負債信貸風險變動導致金融負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益之金融負債公平值變動全部金額於損益呈列。

董事預計，日後採納香港財務報告準則第9號，可能會對本集團金融資產之呈報金額造成重大影響。就本集團金融資產而言，於完成詳細審閱前就有關影響作出合理估計屬不切實際。

董事預計，應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

4. 重大會計政策

綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則編製。此外，綜合財務報表已就聯交所證券上市規則及香港公司條例之規定作出適當披露。

誠如下文會計政策所解釋，除若干物業及金融工具乃按重估金額或公平值計量外，綜合財務報表乃按歷史成本編製。歷史成本一般以貨品或服務作交換之代價公平值為基準。

公平值為於計量日期在市場參與者之間在有序交易中出售一項資產而將收取或轉讓一項負債而將支付之價格（無論該價格為直接可觀察或採用另一估值技巧估計而得出）。在估計一項資產或負債之公平值時，本集團考慮資產或負債之特徵（倘市場參與者會於計量日期在為資產或負債定價時考慮該等特徵）。於該等綜合財務報表中就計量及／或披露而言之公平值乃按此基準釐定，惟香港財務報告準則第2號範圍內之股份付款交易、香港會計準則第17號範圍內之租賃交易及與公平值有部分類似但並非公平值之計量，如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4. 重大會計政策(續)

此外，就財務報告而言，公平值計量乃根據公平值計量之輸入數據之可觀察程度及輸入數據對公平值計量整體之重要性而分為第一、二及三級，詳情如下：

- 第一級輸入數據是於計量日期實體可獲得之活躍市場上相同資產或負債之報價(不作調整)；
- 第二級輸入數據是第一級所包括報價以外，就資產或負債可直接或間接觀察之輸入數據；及
- 第三級輸入數據是就資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司所控制之實體(其附屬公司)之財務報表。當本公司：

- 其可對被投資對象行使權力；
- 其自參與被投資對象之業務獲得或有權獲得可變回報；及
- 有能力使用其權力影響其回報金額。

倘有事實及情況顯示上文所列三項控制權要素之一項或以上出現變動，則本集團會重新評估其是否對被投資對象擁有控制權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period/year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

4. 重大會計政策(續)

綜合基準(續)

附屬公司綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，於期內／年內收購或出售附屬公司之收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司當日為止。

損益及其他全面收益之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

因應需要對附屬公司之財務報表作出調整，致使其會計政策與本集團會計政策所採用者一致。

所有集團內公司間之資產及負債、權益、收支及現金流量(與本集團成員公司間之交易有關)均於綜合賬目時全數對銷。

本集團對現有附屬公司擁有權權益之變動

本集團對現有附屬公司擁有權權益之變動如並無導致本集團失去對該附屬公司之控制權，將作為權益交易入賬。本集團之權益及非控股權益之賬面值將予以調整，以反映彼等於附屬公司之相關權益之變動。非控股權益所調整之款額與所付或所收代價之公平值兩者之間的差額，均直接於權益確認並歸屬本公司擁有人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

4. 重大會計政策(續)

綜合基準(續)

本集團對現有附屬公司擁有權權益之變動(續)

倘本集團失去附屬公司之控制權，則收益或虧損會於損益確認，並按(i)所收代價之公平值及任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益之先前賬面值間之差額計算。於失去控制權當日在前附屬公司保留之任何投資之公平值，根據香港會計準則第39號被視為其後入賬初步確認之公平值，或(如適用)初步確認於聯營公司之投資成本。

業務合併

收購業務乃以收購法入賬。業務合併所轉讓代價按公平值計量，乃按本集團所轉讓資產、所產生對被收購人之前擁有人之負債及作為交換以控制被收購人而發行之股權於收購日期之總和計算。收購相關成本一般於產生時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

4. 重大會計政策(續)

綜合基準(續)

於收購日期，所收購可識別資產及所承擔負債按其價值予以確認，惟：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債已分別根據香港會計準則第12號所得稅及香港會計準則第19號僱員福利確認及計量；
- 涉及被收購人以股份為基礎之付款安排或為取代被收購人以股份為基礎之付款安排而訂立之本集團以股份為基礎之付款安排之負債或股本工具按香港財務報告準則第2號以股份支付款項於收購日期予以計量；及
- 按香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作待售之資產(或出售類別)按該準則予以計量。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，則本集團呈報未完成會計處理之項目之臨時數額。該等臨時數額會於計量期間(見上文)內調整，或確認額外資產或負債，以反映所取得於收購當日已存在而據所知可能影響該日已確認款額之相關事實與情況之新資訊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

4. 重大會計政策(續)

於聯營公司之投資

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指有權參與被投資對象之財務及經營政策決策，但並無控制或共同控制該等政策。

聯營公司之業績及資產與負債採用權益會計處理法計入綜合財務報表。用於權益會計法之聯營公司之財務報表，乃採用與本集團在類似交易及相若情況下事項所用之統一會計政策編製。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表中確認，隨後就確認本集團應佔聯營公司損益及其他全面收入予以調整。倘若本集團應佔聯營公司虧損相等於或超過本集團於該聯營公司之權益(包括實質上構成本集團於聯營公司投資淨額一部分之任何長期權益)，則本集團不再確認其應佔進一步虧損。額外虧損乃予以確認，惟僅以本集團已產生法定或推定責任或代表該聯營公司作出之付款為限。

於聯營公司之投資乃自投資對象成為聯營公司當日起按權益法入賬。收購於聯營公司之投資時，投資成本超出本集團應佔該投資對象之可識別資產及負債之公平值淨額之任何數額確認為商譽，並計入該投資之賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates (Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

4. 重大會計政策(續)

於聯營公司之投資(續)

本集團應用香港會計準則第39號之規定決定是否有必要就本集團於聯營公司的投資確認任何減值虧損。如有必要，該項投資（包括商譽）之全部賬面值將根據香港會計準則第36號「資產減值」作為單獨資產透過比較其可收回金額（使用價值與公平值減出售成本兩者之較高者）與其賬面價值進行減值測試。所確認的任何減值虧損均構成投資賬面值之一部分。該減值虧損之任何撥回乃根據香港會計準則第36號確認，惟應以之後該項投資增加之可收回金額為限。

收益確認

收益按已收或應收代價之公平值計量，乃於正常業務過程中就已售貨品及已提供服務所應收取之款項（扣除折扣及銷售相關稅項）。

銷售貨品之收益於貨品交付及擁有權移交，並且已符合下列所有條件時確認：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團並無保留一般與擁有權有關之銷售貨品持續管理權或實際控制權；
- 銷售收益金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易產生或將產生之成本能夠可靠地計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Revenue from the provision of genetic testing services and the provision of health care management services is recognised when the related services have been provided to the customers.

Revenue from the distribution of bio-industrial products and trading of beauty equipment and products is recognised when the goods are delivered and titles have passed to the customers.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Property, plant and equipment

Property, plant and equipment including leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost or fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost or fair value of items of property, plant and equipment, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

4. 重大會計政策(續)

收益確認(續)

來自提供基因測試服務及提供健康管理服務之收入於提供相關服務予客戶時予以確認。

來自分銷生物產業產品及買賣美容設備及美容產品之收益於向客戶交付貨物及轉讓所有權時予以確認。

金融資產之利息收入於經濟利益將有可能流入本集團及收益金額能可靠地計量時確認。利息收入就未償還本金額及適用實際利率按時間基準累計，有關利率為於金融資產之預計年期將估計日後所收現金準額折算至該資產於初始確認時之賬面淨值之利率。

物業、廠房及設備

物業、廠房及設備(包括持有作用於生產或供應貨品或服務之租賃土地及樓宇，或行政用途)按成本或公平值減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

物業、廠房及設備項目會以直線法在其估計使用年期內對其成本或公平值減去殘值後確認折舊。估計使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

Leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

Any revaluation increase arising from revaluation of leasehold land and buildings is recognised in other comprehensive income and accumulated in property revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on revaluation of an asset is recognised in profit or loss to the extent that it exceeds the balance, if any, on the property revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to accumulated losses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

4. 重大會計政策(續)

物業、廠房及設備(續)

持作生產或供應貨品或服務或持作行政用途之租賃土地及樓宇，按重估金額於綜合財務狀況表列賬，即於重估日期之公平值減其後任何累計折舊及任何累計減值虧損。本集團會定期進行重估，使賬面值不會與使用報告期間結算日公平值所釐定者出現重大差異。

重估租賃土地及樓宇產生的任何重估增值會於其他全面收益確認及累計至物業重估儲備，惟撥回同一資產先前已於損益確認之重估減值情況則除外。在此情況下，有關增值將計入損益內，惟以先前扣除之減值為限。重估資產產生之賬面值減少會於損益確認，惟以其超出該資產先前所作重估之物業重估儲備餘額(如有)為限。其後出售或報廢該經重估資產時，應佔重估盈餘會轉撥至累計虧損。

當出售時或當繼續使用資產預期不會產生任何未來經濟利益時，物業、廠房及設備項目撤除確認。處置或報廢一項物業、廠房及設備項目產生的損益，應按銷售所得款項與該資產賬面值之間的差額予以確定，並計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss, unless the relevant asset is carried at a revalued amount under other standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

4. 重大會計政策(續)

有形及無形資產(商譽除外)之減值虧損

於報告期末，本集團檢討其有限可使用年期之有形及無形資產之賬面值，以釐定有否跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位(「現金產生單位」)之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可識別合理及一致分配基準之最小組別現金產生單位。

無限可使用年期之無形資產及未可供使用之無形資產至少每年及於出現可能減值之跡象時進行減值測試。

可收回金額為公平值(減銷售成本)與使用價值兩者中之較高值。於評估使用價值時，乃以反映目前市場對金錢時間價值及資產於估計未來現金流量調整前之獨有風險之稅前折算率折算估計未來現金流量至其現值。

倘估計資產(或現金產生單位)之可收回金額少於其賬面值，資產(或現金產生單位)之賬面值被削減至其可收回金額。減值虧損即時於損益確認為開支，惟有關資產以另一準則按重估金額列賬則除外，於此情況下，減值虧損作為於該準則下之重估減幅處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment losses on tangible and intangible assets other than goodwill (Continued)

When allocating an impairment loss to individual assets within a CGU, the carrying amount of an individual asset should not be reduced below the highest of its fair value less cost to sell (if measurable), its value in use (if determinable), and zero. If this results in an amount being allocated to an asset which is less than its pro rata share of the impairment loss, the excess is allocated to the remaining assets within the CGU on a pro rata basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Retirement benefit costs

Payments to state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

4. 重大會計政策(續)

有形及無形資產(商譽除外)之減值虧損(續)

當減值虧損被分配至現金產生單位內個別資產時，個別資產的賬面值不能減少至低於公平值減出售成本(如可計量)、使用價值(如可釐訂)與零三者間之較高者。如被分配至個別資產的金額低於其按比例作出分配之減值虧損時，超出之金額會按比例被分配至現金產生單位內的其他資產。

倘減值虧損於其後撥回，則該項資產(或現金產生單位)之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出假設過往年度並無就該項資產(或現金產生單位)確認減值虧損原應釐定之賬面值。減值虧損撥回即時確認為收益，惟有關資產以另一準則按重估金額列賬則除外，於此情況下，減值虧損撥回作為於該準則下之重估增幅處理。

租賃

當租賃轉讓之條款將擁有權所產生之絕大部分風險及回報轉移至承租人時，該等租賃被分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人

經營租賃款項於租期內按直線法確認為開支。

退休福利成本

國家管理退休福利計劃及強制性公積金計劃之供款，於僱員提供服務而有權獲得有關供款時支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

4. 重大會計政策(續)

政府補助金

除非能合理確定本集團將符合有關附帶條件及將會收取有關補助金，否則政府補助金不予確認。

政府補助金是作為支出或已發生的虧損補償、或是以給予本集團即時的財務支援為目的而發放，無未來相關成本，在應收期間內於損益中確認。

外幣

於編製各集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易按交易日期之通用匯率折算為其功能貨幣(即該實體經營之主要經濟環境之貨幣)記錄。於報告期末，以外幣列值之貨幣項目按該日之通用匯率重新換算。按公平值以外幣列值之非貨幣項目則按釐定公平值當日之匯率換算。以外幣及按歷史成本計量之非貨幣項目不會重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額，於其產生期間在損益中確認。重新換算以公平值列賬的非貨幣項目產生的匯兌差額計入期間之損益，惟因重新換算有關收益及虧損直接於其他全面收益中確認之非貨幣項目時所產生之匯兌差額則除外，於該等情況下，其匯兌差額亦直接於其他全面收益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period/year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests are not recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

4. 重大會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於各報告期末之適用匯率換算為本集團之列賬貨幣(即港元)，而其收入及開支乃按期內/年內之平均匯率進行換算。所產生之匯兌差額(如有)乃於其他全面收益中確認並於權益中外幣換算儲備項下累計(歸屬非控股權益(如適用))。

就出售附屬公司部分權益(並無引致本集團失去對該附屬公司之控制權)，則按比例將累計匯兌差額重新歸屬至非控股權益，且不在損益內確認。

借貸成本

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售之合資格資產所產生之直接借貸成本，計入該等資產之成本中，直至該等資產已大致上可供其擬定用途或銷售。在特定借貸撥作合資格資產之支出前暫時用作投資所賺取之投資收入，須從合資格資本化之借貸成本中扣除。

所有其他借貸成本按其產生期間在損益中確認及計入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'loss before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable loss. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 重大會計政策(續)

稅項

所得稅開支為現行應繳稅項及遞延稅項之總額。

現行應繳稅項根據期間／年度應課稅溢利計算。稅項溢利與綜合損益及其他全面收益表內呈報之「除稅前虧損」兩者之差異乃基於前者並計入其他年度之應課稅或可扣減收支項目，亦計入毋須課稅或不獲扣減之項目所致。本集團之現行稅項負債乃按已於報告期末訂定或大致訂定之稅率計算。

遞延稅項乃就綜合財務報表內資產及負債賬面值與計算稅項虧損所用之相應稅基間之臨時性差異而確認。遞延稅項負債一般按所有應課稅之臨時性差異予以確認。遞延稅項資產則一般按可能會出現可用以抵銷該等可扣減之臨時性差異之應課稅溢利而就所有可扣減臨時性差異予以確認。倘若臨時性差異乃基於商譽或初步確認(業務合併之情況下除外)不影響應課稅溢利或會計溢利之交易中之其他資產及負債而引致，則有關資產及負債不予確認。

遞延稅項負債乃按於附屬公司及聯營公司之投資所引致之應課稅臨時性差異確認，惟若本集團可控制臨時性差異撥回及臨時性差異有可能未必於可見未來之情況下撥回除外。與該等投資相關之可扣減臨時性差異所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用臨時性差異之益處，且預計於可見將來可以撥回時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The carrying amount of a deferred tax asset is reviewed at the end of the 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 asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4. 重大會計政策(續)

稅項(續)

遞延稅項資產之賬面值乃於報告期末作出審閱，並會調低至再無足夠應課稅溢利恢復全部或部分資產。

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用之稅率計算。所根據之稅率(及稅法)乃於報告期末已訂定或大致訂定。

遞延稅項負債及資產的計量反映本集團於報告期末，將依據所預計將要收回或償還其資產及負債賬面值之方式之稅務後果。

即期及遞延稅項於損益中確認，惟倘遞延稅項與在其他全面收益中確認或直接於權益中確認之項目有關則除外，於此情況下，即期及遞延稅項亦會分別於其他全面收益或直接於權益中確認。

存貨

存貨乃按成本值或可變現淨值兩者較低者列賬。存貨成本乃按先入先出法計算。可變現淨值指存貨估計售價減完成之全部估計成本及銷售所需成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified into the following categories: financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and so determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

4. 重大會計政策(續)

撥備

當本集團因過往事件而承擔現行法律或推定責任，本集團可能需要履行該責任並且就責任的金額作出可靠估算，則確認撥備。撥備乃按於報告期末對履行現有責任所需代價之最佳估計，並計及責任之風險及不確定性而計量。倘撥備採用履行現有責任之估計現金流量計量，則其賬面值為該等現金流量之現值(倘對金額時間值影響重大)。

金融工具

倘集團實體成為工具合約條文之訂約方，則於綜合財務狀況表中確認金融資產及金融負債。

金融資產及金融負債最初按公平值計量。因收購或發行金融資產及金融負債而直接產生之交易成本於初步確認時計入金融資產或金融負債(按適用)之公平值或自金融資產及金融負債(按適用)之公平值扣除。

金融資產

本集團之金融資產分為包括按公平值計入損益(「按公平值計入損益」)之金融資產、貸款及應收款項以及可供出售金融資產。分類視乎金融資產之性質及目的，並據此於初步確認時決定。所有日常買賣之金融資產以交易日基礎確認及終止確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

實際利息法

實際利息法乃計算金融資產之攤銷成本以及相關期間利息收入分配之方法。實際利率乃於初步確認時按金融資產之預計年期或適用的較短期間準確折現估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用、交易成本及其他溢價或折讓)至賬面淨值之利率。

收入乃按債務工具之實際利息法基準確認。(分類為按公平值於損益列賬之財務資產除外)，其利息收入計入盈虧淨額。

按公平值計入損益之金融資產

持作買賣或指定為按公平值計入損益之金融資產將分類為按公平值計入損益。

金融資產分類為持作買賣，倘：

- 購入的主要目的為於短期內出售；或
- 於初始確認時其為由本集團共同管理的已識別金融工具組合的一部分，並於近期有實際的短期獲利特點；或
- 其為一種並不能作為指定及有效對沖工具的衍生工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the 'other gains and losses, net' line item. Fair value is determined in the manner described in note 6.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益之金融資產(續)

金融資產(持作買賣的金融資產除外)可於下列情況下於初始確認時指定為按公平值計入損益:

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性;或
- 該金融資產構成一組金融資產或金融負債或金融資產及金融負債組合的一部分,而根據本集團制定的風險管理或投資策略,該項資產的管理及績效乃以公平值為基礎進行評估,且有關分組之資料乃按此基準向內部提供;或
- 其構成包含一項或多項嵌入式衍生工具的合約的一部分,而香港會計準則第39號金融工具:確認及計量允許將整個組合合約(資產或負債)指定為按公平值計入損益。

按公平值計入損益之金融資產乃按公平值計量,而重新計量產生的任何盈虧於損益確認。於損益確認的盈虧淨額包括就金融資產所賺取的任何股息或利息列入「其他收益及虧損」。公平值乃按附註6所述的方式釐定。

嵌入式衍生工具

非衍生主合約嵌入之衍生工具,如符合衍生工具之定義、其風險及特質與該等主合約並非緊密相關,且該等主合約亦非按公平值計入損益計量,則當作獨立衍生工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Investments in convertible bonds

The component parts of the convertible instruments are classified separately as debt component and conversion option derivative.

At the date of acquisition of investments in convertible bonds, the fair value of the debt and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible instruments is carried at amortised cost using the effective interest method. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible investments are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible instruments using the effective interest method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables and bank balances) are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

於可換股債券的投資

可換股工具的組成部份單獨分類為債務部份及換股權衍生工具。

於收購於可換股債券的投資日期，債務及衍生工具部份的公平值均按公平值確認。於隨後期間，可換股工具的債務部分乃以實際利率法按攤銷成本列賬。換股權衍生工具乃按公平值計量，而公平值的變動乃於損益內確認。

有關發行可換股工具的交易成本按其公平值相關比例分配到債務及衍生工具部份。有關衍生工具部份的交易成本即時於損益扣除。有關債務部份的交易成本包含於債務部份的賬面金額，並採用實際利率法於可換股工具的年期攤銷。

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款之非衍生金融資產，於初步確認後，貸款及應收款項(包括貿易應收賬款、其他應收款項及銀行結餘)採用實際利息法，以攤銷成本減任何已識別減值虧損計量(見下文有關金融資產減值之會計政策)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. The Group designated investments in bonds as available-for-sale financial assets on initial recognition of those items.

Debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產乃指定或未有劃分為透過損益按公平值計算之金融資產、貸款及應收款項或持至到期投資之非衍生工具。於初步確認該等項目時，本集團將債券投資指定為可供出售金融資產。

由本集團持有分類為可供出售並在活躍市場內買賣之債務證券，於各報告期末按公平值計量。有關使用實際利率法計算的利息收入之可供出售貨幣金融資產之賬面值變動。可供出售金融資產之賬面值的其他變動於其他全面收益內確認，並於投資重估儲備欄目下累計。當投資被出售或確認出現減值時，過往於投資重估儲備中累積之累計盈虧會重新分類至損益(見下文有關金融資產減值虧損之會計政策)。

金融資產減值

金融資產於各報告期末評估是否有減值跡象。倘有客觀證據證明初步確認金融資產後發生之一項或多項事件令金融資產之估計未來現金流量已受到影響，則金融資產被視為減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial Instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就貸款及應收款項而言，客觀減值證據可包括：

- 發行人或交易對手遇到嚴重財政困難；或
- 違約，例如逾期或拖欠利息及本金還款；或
- 借款人有可能破產或進行財務重組；或
- 因出現財政困難導致該金融資產失去活躍市場。

貿易應收賬款及資產等被評估為非個別減值之若干金融資產類別，額外按整體基準進行減值評估。應收款項組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與應收款項逾期有關之全國或地方經濟狀況明顯改變。

就按攤銷成本列賬之金融資產而言，減值虧損金額按該資產之賬面值與按金融資產之原先實際利率折現之估計未來現金流量之現值間之差額確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When the trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

For available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

所有金融資產之減值虧損(貿易應收賬款除外)會直接於金融資產之賬面值中作出扣減，有關賬面值乃透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益中確認。倘貿易應收賬款被視為不可收回，則於撥備賬內撇銷。其後收回先前已撇銷之金額將計入損益。

當可供出售金融資產被視作減值時，之前於其他全面收益中確認之累計盈虧，將於該期間作出減值時重新分類到損益。

就按攤銷成本計量之金融資產而言，倘減值虧損之金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

就可供出售債務投資而言，倘投資公平值之增加在客觀上與確認減值虧損後發生之事件有關，則減值虧損可於其後透過損益予以撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Other Financial liabilities

Other financial liabilities including trade payables, other payables, amount due to a shareholder and loan from a non-controlling shareholder of a subsidiary are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策(續)

金融工具(續)

金融負債及股本工具

集團實體發行之債務及股本工具乃根據合同安排之內容與金融負債及股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃證明集團於扣減所有負債後在實體之資產中擁有剩餘權益之任何合同。本集團發行之股本工具按收取之所得款項扣除直接發行成本記錄。

實際利率法

實際利率法乃計算金融負債之攤銷成本及按有關期間攤分利息支出之方法。實際利率乃將估計日後現金付款(包括構成實際利率、交易成本及其他溢價或折讓的不可分割部分之所有已付或已收費用)按金融負債之預期年限或較短期間(倘合適)準確折現至初步確認時的賬面淨值之利率。

利息支出按實際利率基準確認。

其他金融負債

其他金融負債(包括貿易應付賬款及其他應付款項、應付一名股東貸款及來自附屬公司非控股股東之貸款)其後使用實際利率法按攤銷成本計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds containing liability and equity components, and early redemption option, if applicable

Convertible bonds issued by the Group that contain both liability (together with the early redemption option which is closely related to the host liability component, if applicable) and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

On initial recognition of convertible bonds issued by the Company, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the convertible bonds into equity, is included in equity (convertible bonds equity reserve).

On initial recognition of the convertible bonds issued for acquisitions, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts and the conversion option component is recognised at fair value and included in equity (convertible notes equity reserve).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the embedded option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds equity reserve will be released to the accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

4. 重大會計政策(續)

金融工具(續)

金融負債及股本工具(續)

可換股債券包括負債及權益部分及提前贖回權(倘適用)

本集團所發行包含負債(連同與主負債部分關係緊密之提早贖回期權, 倘適用)及換股權部分的可換股債券, 乃於初步確認時根據所訂立合約安排內容以及金融負債及股本工具的定義, 獨立分類為相關項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股本工具方式結清的可換股權乃股本工具。

初步確認本公司發行之可換股債券, 負債部分的公平值乃按類似不可轉換債務的現行市場利率釐定。發行可換股債券的所得款項總額與撥往負債部分的公平值的差額(代表讓持有人將可換股債券轉換為權益的換股權)應列入權益(可換股債券權益儲備)內。

於初步確認就收購發行之可換股債券時, 負債部分之公平值乃按類似不可轉換債務之現行市場利率釐定, 換股權部分乃按公平值確認並計入權益(可換股票據權益儲備)內。

於隨後期間, 可換股債券的負債部分乃以實際利率法按攤銷成本列賬。權益部分(代表可將負債部分轉換為本公司普通股的換股權)將保留於可換股債券權益儲備內, 直至該嵌入式換股權獲行使為止(於此情況下, 可換股債券權益儲備的結餘將轉撥至股份溢價)。倘換股權於到期日尚未行使, 可換股債券權益儲備的結餘將解除至累計虧損。換股權獲轉換或到期後不會於損益中確認任何盈虧。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds containing liability and equity components, and early redemption option, if applicable (Continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重大會計政策(續)

金融工具(續)

金融負債及股本工具(續)

可換股債券包括負債及權益部分及提前贖回權(倘適用)(續)

發行可換股債券的交易成本，按所得款項總額分配比例撥往負債及權益部分。權益部分的交易成本於權益中直接扣除。負債部分的交易成本計入負債部分的賬面值，並以實際利率法於可換股債券期限內攤銷。

終止確認

僅在獲取金融資產所產生現金流量的合同權利到期，或在將金融資產及該資產所有權上幾乎所有的風險和報酬轉讓給另一個實體的情況下，本集團才終止確認一項金融資產。

一旦全面終止確認金融資產，該資產的賬面值與收到及應收的代價與已在其他全面收益中確認並在權益中累計的累計盈虧之和之間的差額會在損益中確認。

僅在本集團的義務已經履行、解除或到期時，本集團才終止確認金融負債。終止確認的金融負債的賬面值與支付及應付的代價之間的差額會在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

Significant influence over Longmark (Shanghai) HealthCare Limited

As disclosed in note 32, the Group's interest in Longmark (Shanghai) decreased from 62.5% to 50.02% after capital injection by Mr. Xie Yi in August 2013. The Group considered that it still have control over Longmark (Shanghai). Pursuant to the changes of memorandum and articles of associations of Longmark (Shanghai) on 29 November 2013 as detailed in note 11, 東龍脈(上海)健康管理服務有限公司("East Longmark"), a wholly-owned subsidiary of the Group, can only appoint one out of the three directors in the board of directors of Longmark (Shanghai) and all the shareholders and board of directors' resolutions of Longmark (Shanghai) require 51% votes to pass. The Directors are of the opinion that the Group lost control over Longmark (Shanghai) as a result of these changes effected on 29 November 2013 and only has significant influence over Longmark (Shanghai) by virtue of the contractual right to appoint one out of the three directors in the board of directors of Longmark (Shanghai) and all shareholders and board of directors' resolutions require 51% votes to pass.

5. 重大會計判斷及估計不確定因素的主要來源

於應用本集團會計政策(見附註4所述)時,當其依據無法從其他渠道獲得時,董事便須就資產和負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他被視為相關的因素作出,因此,實際結果或會有別於該等估計。

有關估計及相關假設須持續予以檢討。倘會計估計的修訂僅影響作出修訂的期間,則有關修訂會在該期間確認,而倘修訂對現時及未來期間均有影響,則須在作出修訂的期間及未來期間確認。

應用會計政策時之重大判斷

對龍脈(上海)健康管理服務有限公司之重大影響力

如附註32所披露,於謝毅先生於二零一三年八月注資後,本集團於龍脈(上海)的權益由62.5%減至50.02%。本集團認為其仍對龍脈(上海)擁有控制權。根據如附註11所詳述龍脈(上海)組織章程大綱及細則於二零一三年十一月二十九日之變動,本集團之全資附屬公司東龍脈(上海)健康管理服務有限公司(「東龍脈」)僅能委任龍脈(上海)董事會三名董事中的其中一名且龍脈(上海)之所有股東及董事會決議案須獲得超過51%的贊成票方能通過。董事認為,本集團因二零一三年十一月二十九日生效的該等變動而失去龍脈(上海)的控制權且僅透過可委任龍脈(上海)董事會三名董事中的其中一名的合同權利而對龍脈(上海)擁有重大影響力,而所有股東及董事會決議案須獲得超過51%的贊成票方能通過。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

Significant influence over Extrawell Pharmaceutical Holdings Limited (“Extrawell”)

Note 19 describes that Extrawell is an associate of the Group although the Group only owns 18.83% ownership interest in Extrawell. The Group has significant influence over Extrawell by virtue of the potential voting right upon full exercise of the conversion rights attaching to the convertible bonds of that company.

Key sources of estimation uncertainty

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

The following are 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.

Allowance for bad and doubtful debts

The allowance for bad and doubtful debts of the Group is estimated based on the evaluation of collectability and aging analysis of individual trade debts performed by the management. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

5. 重大會計判斷及估計不確定因素的主要來源(續)

應用會計政策時之重大判斷(續)

對精優藥業控股有限公司(「精優」)之重大影響力

如附註19所述，儘管本集團僅擁有精優18.83%的所有權，但精優為本集團之聯營公司。由於悉數行使精優可換股債券附帶之轉換權後之潛在投票權，本集團對精優有重大影響力。

估計不確定性之主要來源

以下為董事於應用本集團會計政策過程中所作出並對綜合財務報表所確認金額有最大影響的關鍵估計，涉及估計的判斷(見下文)除外。

下文載列於報告期末所作出有關未來之主要假設及估計不確定因素之其他主要來源，並具有相當風險導致須於下個財政年度之內就資產及負債之賬面值作出重大調整。

呆壞賬撥備

本集團的呆壞賬撥備乃基於管理層作出的個別貿易債務的可收回性評估及賬齡分析而估計。於評估該等應收款項最終變現價值時，須作出大量判斷，包括每個客戶現有的信譽及過往還款記錄。倘本集團客戶的財務狀況惡化，導致其還款能力減值，則或須作出額外撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. An impairment loss is recognised for the amount by which the recoverable amount of property, plant and equipment is lower than its carrying amount. For the twelve months ended 30 June 2013, impairment loss of HK\$16,457,000 was recognised for property, plant and equipment based on the impairment assessment performed by management. It is possible that actual outcomes may be different from assumptions, having a material impact on the carrying amount of property, plant and equipment in the period when such estimate is revised. As at 31 March 2014, the carrying amount of property, plant and equipment are approximately HK\$37,259,000 (30 June 2013: HK\$41,856,000).

Fair value of investments in convertible bonds

The fair value of embedded conversion option of convertible bonds invested by the Group are calculated using valuation techniques. Valuation techniques are certified by independent and recognised international business valuers before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. Valuation models established by valuers make the maximum use of market inputs and rely as little as possible on the Group's specific data. The model involves estimates on time to expiration, risk free rate, share price volatility and others. As at 31 March 2014, the carrying amount of the embedded conversion option of convertible bonds invested by the Group is HK\$195,695,000.

Should any of the estimates be revised, it may lead to a material change to the fair value of the investments in convertible bonds.

5. 重大會計判斷及估計不確定因素的主要來源(續)

估計不確定性之主要來源(續)

物業、廠房及設備之減值

物業、廠房及設備於發生事件或環境出現改變，反映該等資產之賬面值超過其可收回金額時，檢討是否有減值。倘物業、廠房及設備之可收回金額低於其賬面值，則將差額確認為減值虧損。於截至二零一三年六月三十日止十二個月，根據管理層作出之減值評估，已就物業、廠房及設備確認減值虧損16,457,000港元。實際結果有可能有別於假設，而倘對有關估計作出修訂，則可能在作出該項修訂期間內對物業、廠房及設備之賬面值造成重大影響。於二零一四年三月三十一日，物業、廠房及設備之賬面值約為37,259,000港元(二零一三年六月三十日：41,856,000港元)。

可換股債券投資之公平值

本集團投資之可換股債券之嵌入式換股權之公平值乃採用估值法計算。估值法經獨立知名國際商業估值師於估值前核實並予以調整，以確保得出數據反映市況。估值師確定之估值模式會充分利用市場輸入數據而盡量少依賴本集團之特定數據。該模式涉及到期前之估計、無風險利率、股價波動及其他因素。於二零一四年三月三十一日，本集團投資之可換股債券之嵌入式換股權之賬面值為195,695,000港元。

倘估計出現任何修訂，則可能導致可換股債券投資之公平值出現重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

6. 金融工具

金融工具類別

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益的金融資產	195,695	–
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	217,058	359,903
Available-for-sale financial assets	可供出售金融資產	105,871	102,440
Financial liabilities	金融負債		
Amortised cost	攤銷成本	67,095	55,879

Financial risk management objectives and policies

The Group's major financial instruments include investments in convertible bonds, available-for-sale financial assets, trade receivables, other receivables, bank balances, trade payables, other payables, amount due to a shareholder, loan from a non-controlling shareholder of a subsidiary and convertible bonds. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include interest rate risk, credit risk and liquidity risk and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group's fair value interest rate risk primarily relate to debt component of convertible bonds held by the Group, available-for-sale financial assets and the liability component of convertible bonds issued by the Company as set out in notes 20, 23 and 29 respectively.

財務風險管理目標及政策

本集團之主要金融工具包括可換股債券投資、可供出售金融資產、貿易應收賬款、其他應收款項、銀行結餘、貿易應付賬款、其他應付款項、應付一名股東款項、來自一間附屬公司非控股股東的貸款及可換股債券。該等金融工具之詳情於有關附註披露。與該等金融工具有關之風險包括利率風險、信貸風險及流動資金風險，而有關如何緩減該等風險的政策載列於下文。管理層管理及監察該等風險，以確保適時及有效地制訂合適的措施。

市場風險

利率風險

本集團之公平值利率風險主要與本集團持有之可換股債券之債務部分、可供出售金融資產及本公司已發行之可換股債券之負債部分有關，分別載於附註20、23及29。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

The Group's available-for-sale financial assets are measured at fair value at the end of the reporting period, which are affected by the market interest rate. Therefore, the fair values of the Group's available-for-sale financial assets are exposed to fair value interest rate risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. The management considers the Group's exposure to fair value interest rate risk is minimal taking into account the minimal fluctuation on market interest rate. Accordingly, no sensitivity analysis is presented.

The Group's cash flow interest rate risk primarily relates to variable-rate bank balances (see note 24 for details). The management considers the Group's exposure to future cash flow interest rate risk is minimal taking into account the minimal fluctuation on market interest rate. Accordingly, no sensitivity analysis is presented.

Price risk on conversion option embedded in convertible bonds held by the Group

The Group is required to estimate the fair value of the conversion option embedded in the convertible bonds held by the Group at the end of the reporting period with changes in fair value to be recognised in profit or loss as long as the convertible bonds are outstanding. The fair value adjustment will be affected either positively or negatively, amongst others, by the changes in share price and its volatility of the convertible bonds issuer.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

本集團之可供出售金融資產按公平值於報告期末計量，受市場利率影響。因此，本集團之可供出售金融資產之公平值面臨公平值利率風險。管理層維持風險程度不一之投資組合，以管理該風險。管理層認為，經考慮市場利率波幅微小，本集團面臨之公平值利率風險並不重大，因此並無呈列敏感度分析。

本集團之現金流量利率風險主要與以浮動利率計息之銀行結餘(詳情見附註24)有關。經考慮市場利率的輕微波動後，管理層認為本集團承受未來現金流量利率之風險甚微。因此，概無呈列敏感度分析。

嵌入本集團持有之可換股債券之轉換權有關之價格風險

本集團須於報告期末估計嵌入本集團持有之可換股債券之轉換權的公平值，只要可換股債券尚未兌換，公平值變動將於損益內確認。公平值調整將受(其中包括)可換股債券發行人之股價變動及其波幅的正面或負面影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Price risk on conversion option embedded in convertible bonds held by the Group (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to the change of share price and its volatility of the convertible bonds issuer at the reporting date.

If the share prices of the convertible bonds issuer had been 5% higher/lower and all other variables were held constant, the Group's post-tax loss for the nine months ended 31 March 2014 would be increase/decrease by HK\$10,346,000, as a result of changes in fair value of conversion option embedded in the convertible bonds held by the Group.

If the volatility of share prices of the convertible bonds issuer had been 5% higher/lower and all other variables were held constant, the Group's post-tax loss for the nine months ended 31 March 2014 would be increase/decrease by HK\$388,000, as a result of changes in fair value of conversion option embedded in the convertible bonds held by the Group.

In management's opinion, the sensitivity analyses are unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of the conversion options embedded in the convertible bonds involves multiple variables and certain variables are interdependent.

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, available-for-sale financial assets and bank balances for current period and prior year.

As at 31 March 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

6. 金融工具(續)

財務風險管理目標及政策(續)

嵌入本集團持有之可換股債券之轉換權有關之價格風險(續)

敏感度分析

下述敏感度分析乃根據可換股債券發行人於報告日期所面臨的股價變動及其波幅釐定。

倘可換股債券發行人之股價增加／減少5%，而所有其他變量保持不變，本集團截至二零一四年三月三十一日止九個月之稅後虧損將增加／減少10,346,000港元，乃由於嵌入本集團持有的可換股債券之轉換權之公平值變動所致。

倘可換股債券發行人的股價波幅高於／低於5%，而所有其他變量保持不變，本集團截至二零一四年三月三十一日止九個月之稅後虧損將增加／減少388,000港元，乃由於嵌入本集團持有的可換股債券之轉換權之公平值變動所致。

管理層認為，由於購入可換股債券之轉換權的公平值估值所用的定價模式涉及多項變數而若干變數相互依賴，因此，敏感度分析不能反映固有市場風險。

信貸風險

本集團之信貸風險主要來自本期及去年之貿易及其他應收款項、可供出售金融資產及銀行結餘。

於二零一四年三月三十一日，本集團所面對之最大信貸風險(會因交易對方未能履行責任而令本集團承擔財政損失)為綜合財務狀況表列載之各項已確認之金融資產之賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

In order to minimise the credit risk, management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, management reviews the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, management considers that the Group's credit risk is significantly reduced.

The credit risk on the Group's bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The credit risk on available-for-sale financial assets is limited because the issuers are listed companies in Hong Kong and overseas with high credit ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group has concentration of credit risk as 65% and 35% (30 June 2013: 59% and 40%) of the trade receivables were due from the Group's two largest customers as at 31 March 2014, which are privately owned offshore trading companies. Management of the Group considered that the credit risks of trade receivables are insignificant after considering the historical timely settlement records of these customers.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition to issuance of new shares, the Group also relies on convertible bonds as a significant source of liquidity for the nine months ended 31 March 2014.

6. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

為盡量減低信貸風險，本集團管理層已委任專責釐定信貸限額、信貸批核及其他監察程序之團隊。此外，管理層會定期審閱各個別貿易債務之可收回金額，以確保就無法收回債務確認足夠減值虧損。有鑑於此，管理層認為本集團之信貸風險已大為減低。

由於交易對方為國際信貸評級機構評定為高信貸評級之銀行，故本集團銀行結餘之信貸風險有限。

可供出售金融資產之信貸風險有限，原因是發行人為香港及海外上市公司，具備國際信貸評級機構給予高度信貸評級。

除存於幾家獲高信貸評級之銀行之流動資金面臨集中信貸風險外，由於截至二零一四年三月三十一日貿易應收賬款中分別65%和35%（二零一三年六月三十日：59%及40%）為本集團應收兩大客戶（其為私營境外貿易公司）的款項，因此本集團亦面對信貸集中之風險。本集團管理層認為，考慮到該等客戶過往按時結算之記錄後，貿易應收賬款之信貸風險並不重大。

流動資金風險

於管理流動資金風險時，本集團監察及維持一定水平之現金及現金等價物，而管理層視該水平足以為本集團之業務提供資金，以及減少現金流量波動之影響。於截至二零一四年三月三十一日止九個月，除發行新股份外，本集團亦倚賴可換股債券作為流動資金之主要來源。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table details the Group's contractual maturity for its non-derivative financial liabilities based on the agreed repayment dates. The table includes both interest and principal cash flows.

Liquidity risk tables

	Weighted average interest rate	On demand or less than 1 month	1 – 3 months	3 months to 1 year	1 year to 5 year	Over 5 year	Total undiscounted cash flows	Carrying amount at 31.3.2014
	加權平均利率	按要或 少於一個月	一至三個月	三個月至一年	一年至五年	超過五年	未貼現現金 流量總計	於二零一四年 三月三十一日之 賬面值
	%	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
31 March 2014								
Non-derivative financial liabilities								
Trade payables	-	2,939	1,878	-	-	-	4,817	4,817
Other payables	-	10,050	-	-	-	-	10,050	10,050
Convertible bonds	23.44	-	-	17	27	482,834	482,878	52,228
		12,989	1,878	17	27	482,834	497,745	67,095
	Weighted average interest rate	On demand or less than 1 month	1 – 3 months	3 months to 1 year	1 year to 5 year	Over 5 year	Total undiscounted cash flows	Carrying amount at 30.6.2013
	加權平均利率	按要或 少於一個月	一至三個月	三個月至一年	一年至五年	超過五年	未貼現現金 流量總計	於二零一三年 六月三十日之 賬面值
	%	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
30 June 2013								
Non-derivative financial liabilities								
Trade payables	-	-	3,155	-	-	-	3,155	3,155
Other payables	-	2,511	13,261	-	-	-	15,772	15,772
Amount due to a shareholder	-	15,079	-	-	-	-	15,079	15,079
Convertible bonds	25.74	-	-	113	565	113,452	114,130	11,825
Loan from a non-controlling shareholder of a subsidiary	6.65	-	-	7,160	3,556	-	10,716	10,048
		17,590	16,416	7,273	4,121	113,452	158,852	55,879

6. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

下表詳述本集團之非衍生金融負債之合約到期日(以協定還款日期為依據)。該表包括利息及本金現金流量。

流動資金風險表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

6. 金融工具(續)

財務風險管理目標及政策(續)

根據經常性基準按公平值計量之本集團金融資產之公平值

本集團之若干金融資產乃於報告期末按公平值計量。下表列載有關釐定該等金融工具公平值之方法(尤其是所使用之估值技巧及輸入數據), 以及根據公平值計量輸入值之可觀察程度將公平值計量分類之公平值架構級別(第一至第三級)之資料。

Financial assets	Fair value as at 31 March 2014 於二零一四年三月三十一日之公平值	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
金融資產	公平值	公平值架構級別	估值技巧及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
Available-for-sale financial assets 可供出售金融資產	Listed bonds – HK\$105,871,000 上市債券 – 105,871,000港元	Level 1 第一級	Quoted bid prices in an active market 於活躍市場所報的買入價	N/A 不適用	N/A 不適用
Conversion options embedded in Sale CB-I (as defined in note 20) classified as financial asset of fair value through profit or loss in the consolidated statement of financial position.	Assets – HK\$195,695,000	Level 3	Binominal model The fair value is estimated based on risk free rate and share price (from observable market data), volatility of the share price of Extrawell and dividend yield and exercise price.	Volatility of the share price of Extrawell, determined by reference to the historical share price of Extrawell.	The higher the volatility of the share price of Extrawell, the higher the fair value. (Note)
嵌入於綜合財務狀況表內分類為按公平值計入損益金融資產之待售可換股債券(定義見附註20)之換股權。	資產 – 195,695,000港元	第三級	二項式模式 公平值乃基於無風險利率、股價(來自可觀察市場數據)、精優股價波幅、股息收益率及行使價估計。	精優之股價波幅乃經參考精優歷史股價釐定。	精優股價波幅越大, 公平值越高。(附註)

Note: Sensitivity analysis on the change of the volatility of share price of the convertible bonds issuer at the reporting date is disclosed under section headed market risk of note 6.

附註: 於報告日期對可換股債券發行人股價波動之變動之敏感度分析披露於附註6市場風險一節。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

There is no transfer between different levels of the fair value hierarchy for the nine months ended 31 March 2014 and twelve months ended 30 June 2013.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Reconciliation of Level 3 fair value measurements of derivative financial instruments included in investments in convertible bonds

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元
Acquisition	收購	230,206
Total loss in profit or loss	損益中之虧損總額	(34,511)
At 31 March 2014	於二零一四年三月三十一日	195,695

All the total loss recognised in profit or loss relates to the conversion options embedded in Sale CB-I (as defined in note 20) held at the end of the current reporting period which is included in "other gains and losses, net".

6. 金融工具(續)

財務風險管理目標及政策(續)

根據經常性基準按公平值計量之本集團金融資產之公平值(續)

截至二零一四年三月三十一日止九個月及截至二零一三年六月三十日止十二個月，不同公平值架構等級之間概無任何轉移。

董事認為，按攤銷成本於綜合財務報表記賬之金融資產及金融負債之賬面值與其公平值相若。

計入可換股債券投資之衍生金融工具之第三級公平值計量之對賬表

所有於損益賬確認之虧損總額與嵌入當前報告期間結束時持有之待售可換股債券一(定義見附註20)之換股權有關，同時計入「其他收益及虧損淨額」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

7. REVENUE AND SEGMENT INFORMATION

Revenue for the period/year from continuing operations represents the fair value of amounts received and receivable for goods sold or services rendered by the Group to outside customers, less discounts and related taxes for the period/year, and is analysed as follows:

7. 收益及分部資料

來自持續經營業務之期/年內收益指就本集團向外界客戶售出貨品或提供服務之已收及應收款項之公平值，已扣除期/年內之折扣及相關稅項，並分析如下：

		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		二零一三年 七月一日至 二零一四年 三月三十一日	二零一二年 七月一日至 二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Provision of genetic testing services	提供基因測試服務	93	4,563
Trading of beauty equipment and products	美容設備及產品貿易	29,651	3,184
		29,744	7,747

The Group has four reportable and operating segments as follows:

- (a) provision of genetic testing services in the PRC and Hong Kong
- (b) distribution of bio-industrial products in the PRC
- (c) trading of beauty equipment and products in Hong Kong
- (d) securities investment in Hong Kong and outside Hong Kong

本集團有以下四個呈報及營運分部：

- (a) 於中國及香港提供基因測試服務
- (b) 於中國分銷生物產業產品
- (c) 於香港進行美容設備及產品貿易
- (d) 於香港及香港境外之證券投資

The Group's reportable and operating segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

本集團的呈報及營運分部是提供不同產品及服務的策略性業務單位。該等分部受個別管理，因各業務所需的技術及市場策略不同。

An operating segment regarding the provision of health care management services was discontinued in November 2013. The segment information reported below does not include any amounts for the discontinued operation.

有關提供健康管理服務之經營分部已於二零一三年十一月終止經營。下文呈報之分部資料並不包括已終止經營業務之任何金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

7. REVENUE AND SEGMENT INFORMATION 7. 收益及分部資料(續)

(Continued)

The accounting policies of the operating segments are the same as those described in note 4.

經營分部之會計政策與附註4所述者相同。

Segment (loss) profit represents the loss incurred by or profit earned from each segment without allocation of corporate and other expenses and other income, gains and losses, net. Segment assets are allocated other than corporate assets, interests in associates, investments in convertible bonds, restricted bank balances and bank balances and cash. Segment liabilities are allocated other than corporate liabilities, amount due to a shareholder and convertible bonds.

分部(虧損)溢利指在並無分配企業與其他開支及其他收入、收益及虧損淨額之情況下，各分部產生之虧損或賺取之溢利。分配分部資產時並無計及企業資產、於聯營公司之權益、可換股債券投資、受限制銀行結餘及銀行結餘與現金；而分配分部負債時並無計及企業負債、應付一名股東款項及可換股債券。

		Provision of genetic testing services		Distribution of bio-industrial products		Trading of beauty equipment and products		Securities investment		Total	
		提供基因測試服務		分銷生物產業產品		美容設備及產品貿易		證券投資		總計	
		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
		二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年	二零一四年	二零一三年
		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
Continuing operations	持續經營業務										
Nine months ended 31 March 2014 and twelve months ended 30 June 2013	截至二零一四年三月三十一日止九個月及截至二零一三年六月三十日止十二個月										
Revenue from external customers	來自外界客戶之收入	93	4,563	-	-	29,651	3,184	-	-	29,744	7,747
Segment (loss) profit	分部(虧損)溢利	(12,129)	(26,898)	(2,361)	(3,485)	459	42	2,901	4,590	(11,130)	(25,751)
Additional disclosures for operating segments:	經營分部之額外披露資料:										
Additions to property, plant and equipment	添置物業、廠房及設備	431	8	4	-	-	-	-	-	435	8
Interest income	利息收入	-	-	-	-	-	-	3,091	4,645	3,091	4,645
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,016	1,363	806	1,044	3	-	-	-	2,825	2,407
Amortisation of intangible assets	無形資產攤銷	-	-	-	24	-	-	-	-	-	24
Impairment loss on intangible assets	無形資產減值虧損	-	2,000	-	274	-	-	-	-	-	2,274
Income tax credit	所得稅抵免	-	-	-	10	-	-	-	-	-	10
At 31 March 2014 and 30 June 2013	於二零一四年三月三十一日及二零一三年六月三十日										
Segment assets	分部資產	1,148	2,705	36,660	35,228	11,392	3,207	105,871	102,440	155,071	143,580
Segment liabilities	分部負債	241	12,833	9,190	4,955	4,885	3,092	-	-	14,316	20,880

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

7. REVENUE AND SEGMENT INFORMATION 7. 收益及分部資料(續)

(Continued)

Reconciliation of reportable segment loss, assets and liabilities:

呈報分部虧損、資產及負債對賬：

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Segment loss	分部虧損		
Total segment loss	分部虧損總額	(11,130)	(25,751)
Corporate and other expenses	企業及其他開支	(31,194)	(22,520)
Share of results of associates	分佔聯營公司業績	(3,987)	-
Unallocated other income, gains and losses, net	未分配其他收入、 收益及虧損淨額	(511,027)	1,088
Consolidated loss for the period/year from continuing operations	來自持續經營業務之期/ 年內綜合虧損	(557,338)	(47,183)
		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Assets	資產		
Total segment assets	分部資產總額	155,071	143,580
Assets relating to discontinued operation	有關已終止經營業務之資產	-	7,597
Interests in associates	於聯營公司之權益	184,500	-
Investments in convertible bonds	可換股債券投資	208,940	-
Corporate and other assets	企業及其他資產	193,007	356,861
Consolidated total assets	綜合資產總額	741,518	508,038
Liabilities	負債		
Total segment liabilities	分部負債總額	14,316	20,880
Liabilities relating to discontinued operation	有關已終止經營業務之負債	-	29,456
Convertible bonds	可換股債券	52,228	11,825
Corporate and other liabilities	企業及其他負債	2,753	1,515
Consolidated total liabilities	綜合負債總額	69,297	63,676

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Geographical information

The Group's operations are principally located in Hong Kong and the PRC. The Group's revenue from continuing operations from external customers based on location of operations and information about its non-current assets (excluding financial instruments and interests in associates) and additions to property, plant and equipment by geographical location of the assets are as follows:

		Additions to property, plant and equipment		Revenue		Non-current assets (excluding financial instruments and interests in associates)	
		添置物業、 廠房及設備		收入		非流動資產(不包括金融工具 及於聯營公司之權益)	
		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013	1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013	31.3.2014	30.6.2013
		二零一三年 七月一日 至二零一四年 三月三十一日	二零一二年 七月一日 至二零一三年 六月三十日	二零一三年 七月一日 至二零一四年 三月三十一日	二零一二年 七月一日 至二零一三年 六月三十日	二零一四年 三月三十一日	二零一三年 六月三十日
		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
Hong Kong	香港	82	42	29,651	3,204	103	679
The PRC	中國	477	14,489	93	4,543	37,156	41,177
		559	14,531	29,744	7,747	37,259	41,856

Interests in associates was excluded from geographical information disclosure as the Group's major associate, Extrawell, has several principal places of operations and businesses.

地理資料

本集團之業務主要位於香港及中國。本集團按經營所在地劃分之來自外界客戶之持續經營業務收入以及其按資產所在地理位置分類之非流動資產(不包括金融工具及於聯營公司之權益)及添置物業、廠房及設備資料如下:

由於本集團主要聯營公司精優擁有多個主要營業地點及業務，故地理資料披露中並未計及於聯營公司之權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

7. REVENUE AND SEGMENT INFORMATION 7. 收益及分部資料(續)

(Continued)

Information about major customers

Revenue from customers of the corresponding period/year contributing over 10% of the total revenue are as follows:

有關主要客戶資料

相關期間／年度貢獻超過總收益10%客戶之收益如下：

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Customer A ¹	客戶甲 ¹	–	4,450
Customer B ²	客戶乙 ²	17,974	1,892
Customer C ²	客戶丙 ²	11,677	1,292

¹ Revenue from provision of genetic testing services.

² Revenue from trading of beauty equipment and products.

¹ 產生自提供基因測試服務之收益。

² 產生自買賣美容設備及產品之收益。

8. OTHER INCOME/OTHER GAINS AND LOSSES, NET 8. 其他收入／其他收益及虧損淨額

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Other income	其他收入		
<i>Continuing operations</i>	<i>持續經營業務</i>		
Interest income from bank	銀行利息收入	789	1,430
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	3,091	4,645
Sundry income	雜項收入	5	33
Refund of business tax (Note)	營業稅退稅(附註)	31	948
Effective interest income from investment in convertible bonds	來自可換股債券投資之實際利息收入	951	–
		4,867	7,056

Note: During the nine months ended 31 March 2014 and twelve months ended 30 June 2013, the PRC government authorities have granted a business tax refund to a former subsidiary of the Company, 聯合基因(上海)健康管理服務有限公司 (“United Gene (Shanghai)”), for the provision of genetic testing services in the PRC. United Gene (Shanghai) was disposed by the Group on 23 December 2013.

附註：於截至二零一四年三月三十一日止九個月及截至二零一三年六月三十日止十二個月，中國政府當局已批准向本公司前附屬公司聯合基因(上海)健康管理服務有限公司(「聯合基因(上海)」)就於中國提供基因測試服務退還營業稅。本集團於二零一三年十二月二十三日出售聯合基因(上海)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

8. OTHER INCOME/OTHER GAINS AND LOSSES, NET (Continued) 8. 其他收入／其他收益及虧損淨額(續)

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Other gains and losses, net	其他收益及虧損淨額		
<i>Continuing operations</i>	<i>持續經營業務</i>		
Gain on disposal of subsidiaries	出售附屬公司之收益	12,998	-
Change in fair value of derivative components of investments in convertible bonds (Note 20)	可換股債券投資之衍生部份之公平值變動(附註20)	(34,511)	-
Loss on acquisition of investments in convertible bonds (Note 20)	收購可換股債券投資之虧損(附註20)	(204,493)	-
Impairment loss on interest in an associate (Note 19)	於聯營公司權益之減值虧損(附註19)	(285,815)	-
Net loss on disposal of available-for-sale financial assets	出售可供出售金融資產之虧損淨額	(116)	(55)
Net foreign exchange loss	外幣兌換虧損淨額	-	(374)
Loss on written off/disposals of property, plant and equipment	撇銷／出售物業、廠房及設備之虧損	(76)	-
		(512,013)	(429)

9. FINANCE COSTS

9. 財務費用

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Continuing operations	持續經營業務		
Effective interest expense on convertible bonds (Note 29)	可換股債券實際利息開支(附註29)	5,105	165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

10. INCOME TAX CREDIT

10. 所得稅抵免

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Continuing operations	持續經營業務		
Deferred tax (Note 28)	遞延稅項(附註28)	-	10

No Hong Kong Profits Tax has been made for the nine months ended 31 March 2014 as the assessable profit generated by the group companies operating in Hong Kong were wholly absorbed by tax losses brought forward and there was no assessable profit for the twelve months ended 30 June 2013.

於香港營運之集團公司所產生之應課稅溢利已由承前稅務虧損悉數抵銷，故於截至二零一四年三月三十一日止九個月並無繳納香港利得稅，且於截至二零一三年六月三十日止十二個月並無應課稅溢利。

No PRC income tax has been made for the nine months ended 31 March 2014 and twelve months ended 30 June 2013 as the group companies operating in the PRC did not generate assessable profit.

由於在中國營運的集團公司並無產生應課稅利潤，因此截至二零一四年三月三十一日止九個月及及截至二零一三年六月三十日止十二個月概無繳納任何中國所得稅。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

10. INCOME TAX CREDIT (Continued)

The income tax credit for the period/year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅抵免(續)

期/年內所得稅抵免與綜合損益及其他全面收益表之除稅前虧損對賬如下：

		1.7.2013 to 31.3.2014 二零一三年 七月一日 至二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 二零一二年 七月一日 至二零一三年 六月三十日 HK\$'000 千港元
Loss before tax (from continuing operations)	除稅前虧損 (來自持續經營業務)	(557,338)	(47,193)
Tax at the domestic income tax rate of 25%	按本地所得稅稅率25% 計算之稅項	139,335	11,798
Tax effect of expense not deductible for tax purpose	就稅務不可扣減之開支之 稅務影響	(136,301)	(2,514)
Tax effect of income not taxable for tax purpose	就稅務不應課稅之收入之 稅務影響	197	730
Tax effect of tax loss not recognised	未確認稅務虧損之稅務影響	(4,072)	(10,004)
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	841	-
Income tax credit	所得稅抵免	-	10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

11. DISCONTINUED OPERATION/LOSS OF CONTROL OF SUBSIDIARIES

On 29 November 2013, Dr. Mao, 吉林精優長白山藥業有限公司("Jilin Extrawell") and Mr. Xie Yi, the shareholders of Longmark (Shanghai), passed a resolution for the changes of the company's memorandum and articles of associations with regard to the composition of the board of directors for which the Group can appoint only one of Longmark (Shanghai)'s three directors with effect from 29 November 2013, hence the Group controls 33.33% of the voting power over the board of directors. In addition, the revisions made on 29 November 2013 to the memorandum and articles of associations of Longmark (Shanghai) also requires all decisions made during the shareholders' and board of directors' meetings of Longmark (Shanghai) to have 51% of votes to pass. As a result of the change in the composition of the board of directors and the percentage of voting in shareholders' and board of directors' meetings, the Group is no longer in a position to exercise control over Longmark (Shanghai). Since then, Longmark (Shanghai) and its wholly owned subsidiary Longguan (collectively referred to as "Longmark (Shanghai) Group"), which carried out all of the Group's provision of health care management services, ceased to be subsidiaries of the Group and became associates. Accordingly the Group's operating segment regarding provision of health care management services is presented as discontinued operation.

The profit (loss) for the period/year from the discontinued provision of health care management services operating segment is set out below. The comparative figures in the statement of profit or loss and other comprehensive income have been restated to present the health care management services operation as a discontinued operation.

11. 已終止經營業務／失去附屬公司控制權

於二零一三年十一月二十九日，毛博士、吉林精優長白山藥業有限公司(「吉林精優」)及龍脈(上海)之股東謝毅先生通過一項就董事會組成而變更公司組織章程大綱及章程細則之決議案，據此，自二零一三年十一月二十九日起，本集團僅可委任龍脈(上海)三名董事中的其中一名。因此，本集團控制董事會33.33%的表決權。此外，於二零一三年十一月二十九日，對龍脈(上海)之組織章程大綱及章程細則所作修訂亦規定，龍脈(上海)之股東大會及董事會會議作出之所有決定須51%以上得票方可通過。由於董事會組成及股東大會及董事會會議之投票比例發生變動，本集團不再對龍脈(上海)行使控制權。自此，龍脈(上海)及其全資附屬公司龍冠(統稱為龍脈(上海)集團，其為本集團全面經營提供健康管理服務業務)不再為本集團附屬公司，而成為聯營公司。因此，本集團提供健康管理服務的經營分部呈列為已終止經營業務。

已終止經營之提供健康管理服務經營分部之期／年內溢利(虧損)載列如下。損益及其他全面收益表之比較數字已予重列，以呈列作為已終止經營業務的健康管理服務業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

11. DISCONTINUED OPERATION/LOSS OF CONTROL OF SUBSIDIARIES (Continued)

11. 已終止經營業務/失去附屬公司控制權(續)

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Loss from provision of health care management services for the period/year	期/年內提供健康管理服務之虧損	(11,140)	(42,474)
Gain on loss of control of subsidiaries	失去附屬公司控制權之收益	11,280	-
		140	(42,474)

The results of the provision of health care management services for the current period and preceding year were as follows:

本期間及過往年度提供健康管理服務之業績如下：

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Revenue	營業額	2,557	2,303
Cost of services	服務成本	(8,116)	(14,720)
Other income	其他收入	28	210
Other gains and losses	其他收益及虧損	-	(1,545)
Selling expenses	銷售開支	(837)	(232)
Administration expenses	行政開支	(4,527)	(5,540)
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	-	(16,457)
Impairment loss on intangible assets	無形資產之減值虧損	-	(4,534)
Other expense	其他開支	-	(1,236)
Finance costs	財務費用	(263)	(773)
Loss before taxation	稅前虧損	(11,158)	(42,524)
Income tax credit	所得稅抵免	18	50
Loss for the period/year	期/年內虧損	(11,140)	(42,474)
Loss for the period/year attributable to:	期/年內虧損歸屬：		
Owners of the Company	本公司擁有人	(6,132)	(27,569)
Non-controlling interests	非控股權益	(5,008)	(14,905)
		(11,140)	(42,474)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

11. DISCONTINUED OPERATION/LOSS OF CONTROL OF SUBSIDIARIES (Continued)

Loss for the period/year from discontinued operation include the following:

		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		於二零一三年 七月一日至 二零一四年 三月三十一日	於二零一二年 七月一日至 二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation and amortisation	折舊及攤銷	2,330	6,654
Employee benefit expenses	僱員福利開支	3,568	8,147
Loss on written off/disposals of property, plant and equipment	撇銷／出售物業、 廠房及設備之虧損	-	1,545

During the period, Longmark (Shanghai) Group paid HK\$6,789,000 (twelve months ended 30 June 2013: HK\$6,405,000) and HK\$1,892,000 (twelve months ended 30 June 2013: HK\$3,179,000) in respect of the Group's net operating cash flows, investing activities respectively and contributed HK\$6,424,000 (twelve months ended 30 June 2013: HK\$13,347,000) in respect of the Group's financing activities.

11. 已終止經營業務／失去附屬公司控制權(續)

已終止經營業務之期／年內虧損包括以下：

於期內，龍脈(上海)集團就本集團的經營現金流量淨額及投資活動分別支付6,789,000港元(截至二零一三年六月三十日止十二個月：6,405,000港元)及1,892,000港元(截至二零一三年六月三十日止十二個月：3,179,000港元)以及就本集團融資活動支付6,424,000港元(截至二零一三年六月三十日止十二個月：13,347,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

11. DISCONTINUED OPERATION/LOSS OF CONTROL OF SUBSIDIARIES (Continued)

The net liabilities of Longmark (Shanghai) Group at the date of loss of control were as follows:

Analysis of assets and liabilities over which control was lost:

失去控制權之資產及負債分析：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1,431
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	2,220
Inventories	存貨	28
Bank balances and cash	銀行結餘及現金	1,845
Trade payables	貿易應付賬款	(64)
Accruals and other payables	應計費用及其他應付款項	(3,649)
Amount due to a shareholder	應付一名股東款項	(15,197)
Loan from a non-controlling shareholder of a subsidiary	來自附屬公司一名非控股股東之貸款	(10,121)
Deferred tax liabilities	遞延稅項負債	(144)
Net liabilities disposed of	出售之負債淨額	(23,651)

Gain on loss on control of subsidiaries:

失去附屬公司控制權之收益：

Net liabilities disposed of	出售之負債淨額	23,651
Non-controlling interests (49.98% share of net assets in Longmark (Shanghai) Group)	非控股權益(應佔龍脈(上海)集團淨資產49.98%)	(11,817)
Cumulative exchange differences in respect of the net liabilities of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiaries	就失去附屬公司控制權而由權益重新分類至損益之附屬公司負債淨額有關之累計匯兌差額	(554)
Gain on loss of control of subsidiaries	失去附屬公司控制權之收益	11,280

Cash outflow arising on loss of control of subsidiaries:

失去附屬公司控制權而產生之現金流出：

Bank balances and cash disposed of	出售之銀行結餘及現金	(1,845)
------------------------------------	------------	---------

In view of the continuous loss-making operation, the Directors hold the view that the fair value of the retained interest in Longmark (Shanghai) Group is zero.

由於持續虧損經營，董事認為龍脈(上海)集團保留權益之公平值為零。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

12. LOSS FOR THE PERIOD/YEAR

12. 期／年內虧損

		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		於二零一三年 七月一日至 二零一四年 三月三十一日	於二零一二年 七月一日至 二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Loss for the period/year from continuing operations has been arrived at after charging the following:	來自持續經營業務之期／年內虧損乃扣除下列各項後達致：		
Auditor's remuneration	核數師酬金	1,850	780
Amortisation of intangible assets (including in cost of sales and services)	無形資產之攤銷（包括銷售及服務成本）	–	24
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,870	3,806
Rental expense for premises under operating leases	經營租賃下之物業租金支出	3,277	6,312
Cost of inventories recognised as an expense	確認為開支之存貨成本	28,788	3,344
Provision for litigation and legal costs (included in other expenses)	訴訟及法律成本撥備（包括其他開支）	3,800	7,788
Staff costs inclusive of directors' emoluments	包括董事酬金在內之員工成本		
Salaries, bonus and other benefits	薪金、花紅及其他福利	9,010	8,664
Retirement benefits scheme contributions	退休福利計劃供款	1,946	1,865
		10,956	10,529

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

13. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the eight (twelve months ended 30 June 2013: eight) Directors were as follows:

13. 董事酬金

已付或應付八名(截至二零一三年六月三十日止十二個月：八名)董事之酬金如下：

Name of Directors 董事姓名	Directors' fee 董事袍金 HK\$'000 千港元	Salaries and other benefits	Retirement benefit scheme contributions	Total 總額 HK\$'000 千港元
		薪金及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	
Lee Nga Yan 李雅欣	–	545	11	556
Guo Yi 郭懿	35	139	30	204
Chen Weijun 陳偉君	50	–	–	50
Xiao Yan 肖焱	35	76	19	130
Jiang Nian 蔣年	35	216	–	251
Zhang Zhihong 張志鴻	35	–	–	35
Wang Rongliang 王榮樑	35	–	–	35
Wu Yanmin 鄒燕敏	35	66	28	129
Total for the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月總額	260	1,042	88	1,390
Lee Nga Yan 李雅欣	–	520	15	535
Guo Yi 郭懿	40	278	9	327
Chen Weijun 陳偉君	60	–	–	60
Xiao Yan 肖焱	45	115	4	164
Jiang Nian 蔣年	40	223	–	263
Zhang Zhihong 張志鴻	40	–	–	40
Wang Rongliang 王榮樑	40	–	–	40
Wu Yanmin 鄒燕敏	40	116	5	161
Total for the twelve months ended 30 June 2013 截至二零一三年六月三十日止十二個月總額	305	1,252	33	1,590

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

13. DIRECTORS' EMOLUMENTS (Continued)

No Directors waived any emoluments in current period and prior year.

During current period and prior year, no emoluments were paid by the Group to the Directors as an inducement to join or upon joining the Group.

14. EMPLOYEES' EMOLUMENTS

The five highest paid individuals in the Group during the year included two (twelve months ended 30 June 2013: two) Directors whose emolument is reflected in the analysis presented above. The emoluments of the remaining three (twelve months ended 30 June 2013: three) individuals are set out below:

13. 董事酬金(續)

於本期及去年，概無董事放棄酬金。

於本期及去年，本集團並無向任何董事支付酬金，作為彼等加入或於加入本集團時之獎勵。

14. 僱員酬金

年內，本集團五名最高薪人士包括兩名(截至二零一三年六月三十日止十二個月：兩名)董事，彼等之酬金於上表分析中反映。其餘三名(截至二零一三年六月三十日止十二個月：三名)人士之酬金載列如下：

		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		於二零一三年 七月一日至 二零一四年 三月三十一日	於二零一二年 七月一日至 二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries and other benefits	基本薪金及其他福利	935	1,478
Retirement benefit scheme contributions	退休福利計劃供款	145	115
		1,080	1,593

The emoluments fell within the following band:

酬金介乎以下範圍：

		Number of individuals	
		人數	
		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		於二零一三年 七月一日至 二零一四年 三月三十一日	於二零一二年 七月一日至 二零一三年 六月三十日
Nil - HK\$1,000,000	零 - 1,000,000港元	3	3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

15. DIVIDENDS

The Directors do not recommend the payment of a dividend for the nine months ended 31 March 2014 (twelve months ended 30 June 2013: nil).

15. 股息

董事並不建議派發截至二零一四年三月三十一日止九個月之股息(截至二零一三年六月三十日止十二個月：無)。

16. LOSS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

16. 每股虧損

來自持續及已終止經營業務

本公司擁有人應佔每股基本及攤薄虧損乃以下數據為基準計算：

Loss

虧損

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Loss for the purposes of basic and diluted loss per share (Loss for the period/year attributable to owners of the Company)	就計算每股基本及攤薄虧損之虧損(本公司擁有人應佔期/年內虧損)	(550,347)	(72,839)

Number of shares

股份數目

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損之普通股加權平均數	1,088,018	776,742

The weighted average numbers of ordinary shares for the calculation of the basic and diluted loss per share for the twelve months ended 30 June 2013 have been adjusted to reflect the impact of the rights issue in August 2012 and the impact of the share consolidation in January 2013.

計算截至二零一三年六月三十日止十二個月之每股基本及攤薄虧損使用之普通股加權平均數已作出調整，反映於二零一二年八月進行供股及於二零一三年一月進行股份合併之影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

16. LOSS PER SHARE (Continued)

From continuing and discontinued operations (Continued)

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds as their assumed conversion would decrease the loss per share for the current period and prior year.

From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Loss figures are calculated as follows:	虧損數字乃按以下計算：		
Loss for the period/year attributable to owners of the Company	本公司擁有人應佔期／年內虧損	(550,347)	(72,839)
Less: Profit (loss) for the period/year from discontinued operation	減：已終止經營業務之期／年內溢利(虧損)	(5,148)	27,569
Loss for the purpose of basic and diluted loss per share from continuing operations	就計算來自持續經營業務之每股基本及攤薄虧損之虧損	(555,495)	(45,270)

The denominators used are the same as those detailed above for both basic and diluted loss per share.

From discontinued operation

Basic and diluted earnings per share for the discontinued operation is HK\$0.48 cent per share (twelve months ended 30 June 2013: basic and diluted loss per share of HK\$3.55 cents per share), which is based on the profit for the period from the discontinued operation of HK\$5,148,000 (twelve months ended 30 June 2013: loss for the year of HK\$27,569,000) and the denominators detailed above for both basic and diluted loss per share.

16. 每股虧損(續)

來自持續及已終止經營業務(續)

計算每股攤薄虧損時，並無假設本公司之未轉換可換股債券被轉換，因為假如該等可換股債券被轉換，會減少本期及去年之每股虧損。

來自持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄虧損按以下數據計算：

		1.7.2013 to 31.3.2014 於二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元	1.7.2012 to 30.6.2013 於二零一二年 七月一日至 二零一三年 六月三十日 HK\$'000 千港元
Loss figures are calculated as follows:	虧損數字乃按以下計算：		
Loss for the period/year attributable to owners of the Company	本公司擁有人應佔期／年內虧損	(550,347)	(72,839)
Less: Profit (loss) for the period/year from discontinued operation	減：已終止經營業務之期／年內溢利(虧損)	(5,148)	27,569
Loss for the purpose of basic and diluted loss per share from continuing operations	就計算來自持續經營業務之每股基本及攤薄虧損之虧損	(555,495)	(45,270)

所採用之分母與上文詳述之計算每股基本及攤薄虧損時所採用者一致。

來自已終止經營業務

根據來自已終止經營業務之期內溢利 5,148,000 港元(截至二零一三年六月三十日止十二個月：年內虧損 27,569,000 港元)及上文詳述之用作每股基本及攤薄虧損之分母，來自已終止經營業務之每股基本及攤薄盈利為每股 0.48 港仙(截至二零一三年六月三十日止十二個月：每股基本及攤薄虧損為 3.55 港仙)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold land and buildings 租賃土地及 樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST OR VALUATION		成本或估值			
At 1 July 2012	於二零一二年七月一日	33,121	21,709	2,596	57,426
Additions	添置	-	14,137	394	14,531
Revaluation surplus	重估盈餘	1,012	-	-	1,012
Written off	撇銷	-	(1,545)	-	(1,545)
Exchange differences	匯兌差額	764	662	67	1,493
At 30 June 2013	於二零一三年 六月三十日	34,897	34,963	3,057	72,917
Additions	添置	-	559	-	559
Revaluation surplus	重估盈餘	1,263	-	-	1,263
Written off/disposal	撇銷/出售	-	(473)	(1,565)	(2,038)
Disposal/loss of control of subsidiaries	出售/失去附屬公司控 制權	-	(31,400)	(403)	(31,803)
Exchange differences	匯兌差額	211	295	25	531
At 31 March 2014	於二零一四年三月 三十一日	36,371	3,944	1,114	41,429
ACCUMULATED DEPRECIATION AND IMPAIRMENT		累計折舊及減值			
At 1 July 2012	於二零一二年七月一日	-	4,347	539	4,886
Charge for the year	本年度支出	980	8,874	606	10,460
Eliminated on revaluation	重估對銷	(980)	-	-	(980)
Impairment for the year	年內減值	-	16,457	-	16,457
Exchange differences	匯兌差額	-	216	22	238
At 30 June 2013	於二零一三年 六月三十日	-	29,894	1,167	31,061
Charge for the period	期內支出	760	3,752	688	5,200
Eliminated on revaluation	重估對銷	(760)	-	-	(760)
Eliminated on written off/disposal	撇銷/出售時對銷	-	(363)	(812)	(1,175)
Eliminated on disposal/loss of control of subsidiaries	出售/失去附屬公司 控制權時對銷	-	(30,296)	(76)	(30,372)
Exchange differences	匯兌差額	-	203	13	216
At 31 March 2014	於二零一四年三月 三十一日	-	3,190	980	4,170
CARRYING AMOUNTS		賬面值			
At 31 March 2014	於二零一四年三月 三十一日	36,371	754	134	37,259
At 30 June 2013	於二零一三年 六月三十日	34,897	5,069	1,890	41,856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

17. PROPERTY, PLANT AND EQUIPMENT 17. 物業、廠房及設備(續)

(Continued)

The analysis of the cost or valuation of the above assets is as follows:

上述資產之成本或估值分析如下：

		Leasehold land and buildings 租賃土地及 樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 31 March 2014	於二零一四年 三月三十一日				
At cost	成本	–	3,944	1,114	5,058
At valuation	估值	36,371	–	–	36,371
		36,371	3,944	1,114	41,429
As at 30 June 2013	於二零一三年 六月三十日				
At cost	成本	–	34,963	3,057	38,020
At valuation	估值	34,897	–	–	34,897
		34,897	34,963	3,057	72,917

Property, plant and equipment are depreciated on its cost/revaluated amount less their residual values on a straight-line basis at the following rates per annum:

物業、廠房及設備以直線法按以下比率每年將其成本／重新估值減餘值折舊：

Leasehold land and buildings 租賃土地及樓宇	The shorter of the lease terms and 30 years 租期及三十年(以較短者為準)
Plant and machinery 廠房及機器	3 - 10 years 三至十年
Motor vehicles 汽車	3 - 8 years 三至八年

The leasehold land and buildings of the Group were revalued on 31 March 2014 by an independent professional qualified valuer, Roma Appraisals Limited, an independent qualified professional valuer not connected with the Group, at approximately HK\$36,371,000 (30 June 2013: HK\$34,897,000).

本集團之租賃土地及樓宇於二零一四年三月三十一日由獨立專業估值師羅馬國際評估有限公司(為與本集團並無關連之獨立專業合資格估值師)重估, 估值約為36,371,000港元(二零一三年六月三十日: 34,897,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

17. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The fair value of the leasehold land and buildings were determined based on the depreciated replacement costs approach. The value of the leasehold land and buildings are based on an estimate of the market value for existing use of the land, plus current cost of replacement of the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimization. There has been no change to the valuation technique during the year.

One of the key unobservable inputs used in valuing the building was the replacement costs of HK\$2,260 per square meter. A slight increase in the replacement costs used would result in an increase in the fair value measurement of the building, and vice versa.

The fair value measurement of leasehold land and building is grouped into Level 3 and there were no transfers into or out of level during the period/year.

If the leasehold land and buildings had not been revalued, they would have been included in the consolidated financial statements at historical cost less accumulated depreciation of HK\$29,079,000 (30 June 2013: HK\$29,839,000).

The leasehold land and buildings were located in the PRC under medium-term lease.

Due to the financial performance of provision of health care management services was worse than previously expected, the Directors conducted an impairment assessment of the Group's plant and machinery, which are used for provision of health care management services for the twelve months ended 30 June 2013. The relevant assets have been allocated to the CGU that engages in the provision of health care management services business ("Unit A") for the purpose of impairment assessment. Details of impairment assessment is set out in note 18.

17. 物業、廠房及設備(續)

租賃土地及樓宇之公平值根據折舊重置成本法釐定。租賃土地及樓宇之價值乃基於土地現時用途之估計市值，加上現有構築物之當前置換成本，再減去物質損耗扣減及所有相關形式之報廢及優化。年內，估值技巧並未發生變動。

重置成本每平方米2,260港元為對樓宇進行估值時採用之不可觀察關鍵輸入數據之一。所採用重置成本之輕微增加將導致樓宇公平值計量增加，反之亦然。

租賃土地及樓宇之公平值計量屬第三級，且於期／年內各級別並無轉入或轉出。

倘租賃土地及樓宇並無重估，則按歷史成本減累計折舊29,079,000港元(二零一三年六月三十日：29,839,000港元)計入綜合財務報表。

租賃土地及樓宇位於中國，根據中期租賃持有。

由於提供健康管理服務的財務表現遜於先前預期，董事就本集團廠房及機器(其於截至二零一三年六月三十日止十二個月用於提供健康管理服務)進行減值評估。就減值評估而言，相關資產已被分配至從事提供健康管理服務業務(「單位甲」)的現金產生單位。減值評估的詳情載於附註18。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

18. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Impairment testing on provision of health care management services segment

During the twelve months ended 30 June 2013, as the result of the unexpected unfavourable performance in the provision of health care management services segment, management conducted an impairment assessment of segmented assets. For the purpose of impairment testing, intangible assets and property, plant and equipment related to health care management were allocated to a CGU Unit A. A CGU is considered to be impaired when its recoverable amount declines below its carrying amount. The recoverable amount is the higher of value in use and fair value less costs to sell. The carrying amounts of the assets allocated to Unit A are as follows:

		Carrying amounts before impairment 減值前之 賬面值 HK\$'000 千港元	Impairment loss 減值虧損 HK\$'000 千港元	Carrying amounts after impairment 減值後之 賬面值 HK\$'000 千港元
Intangible assets	無形資產	4,534	4,534	-
Property, plant and equipment	物業、廠房及設備	21,855	16,457	5,398
		26,389	20,991	5,398

For the twelve months ended 30 June 2013, an impairment loss of HK\$20,991,000 has been recognised for Unit A as the recoverable amount of Unit A is less than the carrying amount. The impairment loss is allocated to reduce the carrying amount of assets of Unit A.

18. 物業、廠房及設備及無形資產之減值評估

提供健康管理服務分部之減值測試

於截至二零一三年六月三十日止十二個月，由於提供健康管理服務分部的表現未如預期般理想，故管理層已對分部資產進行減值評估。就減值測試而言，有關健康管理之無形資產及物業、廠房及設備，已分配至單一現金產生單位單位甲。倘現金產生單位之可收回金額下跌至低於其賬面值，則現金產生單位被視為減值。可收回金額為使用價值與公平值減銷售成本兩者中之較高值。分配至單位甲之資產賬面值如下：

截至二零一三年六月三十日止十二個月，由於單位甲於之可收回金額低於賬面值，故已就單位甲確認減值虧損20,991,000港元。分配減值虧損之目的，在於削減單位甲資產之賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

18. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (Continued)

Impairment testing on provision of health care management services segment (Continued)

The recoverable amount is the higher of fair value less costs to sell and value in use. The recoverable amount of Unit A had been determined based on a value in use calculation. The recoverable amount was based on certain similar key assumptions. The value in use calculation used cash flow projections based on financial budgets approved by management covering a five-year period and at a discount rate of 17.83%. The cash flows beyond the five-year period are extrapolated using a steady 2% growth rate. The growth rate is based on the relevant industry growth forecasts and average long-term growth rate for the relevant industry. The key assumptions for the value in use calculation are those regarding the discount rate, growth rate and budgeted gross margin and revenue during the budget period which had been determined based on past performance and management's expectations for the market development. The impairment loss during the twelve months ended 30 June 2013 is mainly attributable to the keen competition in the industry and the unexpected unfavourable performance of provision of health care management services in the PRC.

Impairment testing on distribution of bio-industrial products segment

During the twelve months ended 30 June 2013, as the distribution of bio-industrial products segment continued to incur segment losses, the management decided to fully impair the related intangible assets of HK\$274,000. Property, plant and equipment, consisting of leasehold land and building, was revaluated as at 30 June 2013 to the amount of HK\$34,897,000. Accordingly, no impairment on the relevant tangible assets has been recognised during the year.

18. 物業、廠房及設備及無形資產之減值評估(續)

提供健康管理服務分部之減值測試(續)

可收回金額為公平值減銷售成本及使用價值之較高者。單位甲之可收回金額乃按使用價值計算釐定。可收回金額乃基於若干類似主要假設。使用價值利用基於管理層批准之財政預算(涵蓋五年期間)之現金流量預測及17.83%之貼現率計算。五年期以外之現金流量使用穩定之2%增長率推算。該增長率乃基於有關行業增長預測及有關行業之平均長期增長率。使用價值計算之主要假設涉及基於過往業績表現及管理層對市場發展之預測釐定之於預算期間之貼現率、增長率及預算毛利率及收入。於截至二零一三年六月三十日止十二個月錄得減值虧損，主要因為於中國業內競爭激烈及提供健康管理服務表現較預期遜色。

分銷生物產業產品分部之減值測試

於截至二零一三年六月三十日止十二個月，由於分銷生物產業產品分部持續產生分部虧損，管理層決定就相關無形資產274,000港元作出全面減值。物業、廠房及設備(包括租賃土地及樓宇)於二零一三年六月三十日進行重估，所得出的金額為34,897,000港元。因此，年內概無就相關有形資產確認減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

18. IMPAIRMENT ASSESSMENT ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (Continued)

Impairment testing on provision of genetic testing services segment

The intangible assets of provision of genetic testing services segment were tested for impairment annually as they have indefinite lives as the Group can use the rights permanently. For the purpose of impairment testing on intangible assets with indefinite useful life, the recoverable amount of the intangible assets with indefinite useful life has been determined based on a value in use calculation. The value in use calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period and a discount rate of 19.83%. The cash flows beyond the 5-year period are extrapolated with zero growth rate. The growth rate is based on the relevant industry growth forecasts and average long-term growth rate for the relevant industry. The recoverable amount of the intangible assets is estimated to be lower than the carrying amount of the intangible assets and, accordingly, impairment losses on intangible assets of HK\$2 million have been recognised to profit or loss during the twelve months ended 30 June 2013.

19. INTERESTS IN ASSOCIATES

On 27 April 2013, the Company entered into the conditional sale and purchase agreement to acquire 450,000,000 ordinary shares of Extrawell, a listed company in Hong Kong, of par value HK\$0.01 each from JNJ Investments Limited, 33.33% and 33.33% beneficially owned by Dr. Mao and Mr. Xie Yi, respectively, shareholders of the Company, at a consideration of HK\$288 million, which is satisfied by issuance of convertible bonds in the principal amount of HK\$288 million by the Company. On 25 October 2013, since all conditions precedent to the abovementioned acquisition have been fulfilled, the acquisition of Extrawell was completed on 25 October 2013, of which 370,000,000 ordinary shares of Extrawell was acquired by issuance of convertible bonds in the principal amount of HK\$236.8 million, and the remaining 80,000,000 ordinary shares of Extrawell were acquired on 27 December 2013 by issuance of convertible bonds in the principal amount of HK\$51.2 million.

18. 物業、廠房及設備及無形資產之減值評估(續)

提供基因測試服務分部的減值測試

提供基因測試服務分部的無形資產已進行年度減值測試，由於彼等具無限年期，故本集團可永久使用相關權利。為對具無限可使用年期的無形資產進行減值測試，具無限可使用年期的無形資產的可收回款項乃按使用價值計量法釐定。使用價值計量法根據經管理層批准的為期五年及貼現率為19.83%的財政預算採用現金流量預計。五年期後現金流量乃按零增長率推測。增長率乃根據相關行業增長預測及相關行業的平均長期增長率計算。預期無形資產的可收回款項將低於無形資產的賬面值，因此，無形資產的減值虧損2,000,000港元已於截至二零一三年六月三十日止十二個月的損益確認。

19. 於聯營公司的權益

於二零一三年四月二十七日，本公司訂立有條件買賣協議，自JNJ Investments Limited(分別由本公司股東毛博士及謝毅先生實益擁有33.33%及33.33%)收購精優(一間香港上市公司)450,000,000股每股面值0.01港元之普通股，代價為288,000,000港元。該款項由本公司發行本金額為288,000,000港元之可換股債券支付。於二零一三年十月二十五日，由於上文所述收購的先決條件均獲達成，收購精優已於二零一三年十月二十五日完成，其中370,000,000股精優普通股乃透過發行本金額為236,800,000港元之可換股債券購得，而餘下80,000,000股精優普通股乃透過發行本金額為51,200,000港元之可換股債券於二零一三年十二月二十七日購得。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

19. INTERESTS IN ASSOCIATES (Continued)

As at 31 March 2014, the Directors are in the process of carrying out the purchase price allocation for the acquisition of Extrawell. Accordingly, the interest in Extrawell is at, and the Group's application of equity method accounting are based on, provisional values subject to the finalisation of the valuation.

As detailed in note 11, as a result of the change in the composition of the board of directors and the percentage of voting in shareholders' and board of directors' meetings, the Group is no longer in a position to exercise control over Longmark (Shanghai). Since then, Longmark (Shanghai) and its wholly-owned subsidiary, Longguan, ceased to be subsidiaries of the Group and become associates.

19. 於聯營公司的權益(續)

於二零一四年三月三十一日，本公司董事正就收購精優之購買價進行分配。因此，於精優之權益及本集團應用會計權益法乃按暫定價值列賬，須待估值後確定。

如附註11所詳述，由於董事會組成及於股東大會及董事會會議之表決權比例出現變動，本集團不再對龍脈(上海)行使控制權。自此，龍脈(上海)及其全資附屬公司龍冠不再為本集團附屬公司，而成為聯營公司。

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Cost of investments in associates	聯營公司投資成本		
– Listed in Hong Kong (Note a)	– 於香港上市(附註a)	474,302	–
– Unlisted	– 未上市	–	–
Share of post-acquisition losses and other comprehensive expense	應佔收購後虧損及其他全面開支	(3,987)	–
Impairment loss on interests in associates (Note b)	於聯營公司權益之減值虧損(附註b)	(285,815)	–
		184,500	–
Fair value of listed investments	上市投資之公平值	184,500	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

19. INTERESTS IN ASSOCIATES (Continued)

Notes:

- (a) The cost of investment in Extrawell represents the aggregate of (i) the fair value of the Convertible Bonds I with principal amount of HK\$236.8 million issued by the Company on 25 October 2013 for the acquisition of 370 million ordinary shares of Extrawell amounted to HK\$387,160,000; and (ii) the fair value of the Convertible Bonds I with principal amount of HK\$51.2 million issued by the Company on 27 December 2013 for the acquisition of 80 million ordinary shares of Extrawell amounted to HK\$87,142,000.
- (b) During the nine months ended 31 March 2014, the Group recognised an impairment loss on acquisition of an associate of approximately HK\$253,802,000 in profit or loss which is resulted from differences between the total of the fair value of convertible bonds of HK\$387,160,000 and HK\$87,142,000 as at 25 October 2013 and 27 December 2013 respectively, and the fair value of interest in Extrawell of HK\$220,500,000 as determined by the share price of Extrawell at respective dates. As at 31 March 2014, the Directors have performed impairment assessment with reference to the fair value as determined by the share price of Extrawell as the recoverable amount of the interest in Extrawell and considered the recoverable amount of Extrawell was lower than its carrying amount. Accordingly, impairment loss of HK\$32,013,000 was recognised in the profit or loss.

Details of each of the Group's associates at the end of the reporting period are as follows:

Name of associates 聯營公司名稱	Place of incorporation/ 註冊成立/ 經營地點	Principal place of operation 主要營業地點	Class of shares held 所持股份類別	Proportion of voting power held by the Company		Proportion of nominal value of issued capital held by the Company		Principal activity 主要業務
				31.3.2014 二零一四年 三月三十一日	30.6.2013 二零一三年 六月三十日	31.3.2014 二零一四年 三月三十一日	30.6.2013 二零一三年 六月三十日	
Extrawell Pharmaceutical Holdings Limited	Bermuda	PRC	Ordinary shares	18.83%	N/A	18.83%	N/A	Development, manufacture and sale of pharmaceutical products
精優藥業控股有限公司	百慕達	中國	普通股	18.83%	不適用	18.83%	不適用	開發、製造及銷售醫藥產品
Longmark (Shanghai)	PRC	PRC	Registered capital	50.02%	N/A	50.02%	N/A	Provision of health care management services
龍脈(上海)	中國	中國	註冊股本	50.02%	不適用	50.02%	不適用	提供健康管理服務
上海龍冠門診部有限公司	PRC	PRC	Registered capital	50.02%	N/A	50.02%	N/A	Provision of health care management services
上海龍冠門診部有限公司	中國	中國	註冊股本	50.02%	不適用	50.02%	不適用	提供健康管理服務

19. 於聯營公司的權益(續)

附註：

- (a) 精優投資成本指(i)本公司為收購精優370,000,000股普通股(作價387,160,000港元)而於二零一三年十月二十五日所發行本金額為236,800,000港元的可換股債券一的公平值；及(ii)本公司為收購精優80,000,000股普通股(作價87,142,000港元)而於二零一三年十二月二十七日所發行本金額為51,200,000港元的可換股債券一的公平值的總額。
- (b) 截至二零一四年三月三十一日止九個月，本集團於損益賬確認收購一間聯營公司之減值虧損約253,802,000港元，乃因可換股債券分別於二零一三年十月二十五日及二零一三年十二月二十七日之公平值387,160,000港元及87,142,000港元之總額與根據精優於相關日期之股價釐定之精優權益之公平值220,500,000港元之差額而產生。於二零一四年三月三十一日，董事已參考根據精優股價釐定為於精優權益之可收回款項之公平值進行減值評估，並認為精優之可收回款項低於其賬面值。因此，已於損益賬確認32,013,000港元之減值虧損。

本集團各聯營公司於報告期末的詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

19. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information in respect of the Group's material associate, Extrawell, is set out below. The summarised financial information below represents amounts shown in the Extrawell's consolidated financial statements prepared in accordance with HKFRSs.

19. 於聯營公司的權益(續)

有關本集團重大聯營公司精優之財務資料概要載列如下。下文所載財務資料概要指根據香港財務報告準則編製之精優之綜合財務報表所列款項。

		31.3.2014
		二零一四年
		三月三十一日
		HK\$'000
		千港元
Current assets	流動資產	234,006
Non-current assets	非流動資產	1,036,014
Current liabilities	流動負債	116,599
Non-current liabilities	非流動負債	250,942
Non-current assets include the following:	非流動資產包括下列項目：	
Intangible assets	無形資產	816,875
		26.10.2013 to
		31.3.2014
		二零一三年
		十月二十六日至
		二零一四年
		三月三十一日
Revenue	收益	81,061
Loss and total comprehensive expense for the period	期內虧損及全面開支總額	21,176
The above profit for the period includes the following:	上述期內溢利包括以下：	
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	11,952

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

19. INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the above summarised consolidated financial information to the carrying amount of the interest in Extrawell recognised in the consolidated financial statements.

19. 於聯營公司的權益(續)

上文所載綜合財務資料概要與於綜合財務報表確認之精優權益賬面值之對賬。

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元
Net assets of Extrawell	精優之資產淨值	902,479
Less: Equity component of the convertible bonds issued by Extrawell	減：精優發行之可換股債券之權益部分	(414,371)
		488,108
Proportion of the Group's ownership interest in Extrawell	本集團於精優之擁有權益比例	18.83%
The Group's share of net assets of Extrawell	本集團應佔精優資產淨值	91,911
Goodwill	商譽	124,602
Impairment loss on interests in associates	於聯營公司權益之減值虧損	(32,013)
Carrying amount of the Group's interest in Extrawell as an associate	本集團於聯營公司精優之權益之賬面值	184,500

Information of associates that are not individually material

個別而言並不重大之聯營公司之資料

		1.7.2013 to 31.3.2014 二零一三年 七月一日至 二零一四年 三月三十一日 HK\$'000 千港元
The Group's share of loss and total comprehensive expense for the period	本集團應佔期內虧損及全面開支總額	-
Carrying amount of the Group's interests in these associates	本集團於該等聯營公司權益之賬面值	-
The unrecognised share of loss of an associate for the period	期內未確認之應佔聯營公司虧損	(4,342)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

20. INVESTMENTS IN CONVERTIBLE BONDS

On 27 April 2013, the Company entered into the conditional sale and purchase agreement to acquire (i) convertible bonds issued by Extrawell in an aggregate principal amount of HK\$320,650,000 ("Sale CB-I") from Dr. Mao at an aggregate consideration of HK\$320 million ("Consideration I"); and (ii) convertible bonds issued by Extrawell in an aggregate principal amount up to HK\$256.2 million ("Sale CB-II"), in four batches, from Dr. Mao at an aggregate consideration up to a maximum amount of HK\$256 million ("Consideration II"), in four batches. Consideration I is satisfied by cash consideration of HK\$120 million and issuance of convertible bonds in the principal amount of HK\$200 million by the Company. Consideration II will be satisfied by issuance of convertible bonds in the principal amount of HK\$256 million in four batches by the Company.

The Sale CB-I and Sale CB-II (collectively referred to as the "Sale CBs") are zero coupon convertible bonds, with a maturity date of twentieth anniversary of the issue date and are denominated in HK\$. The Sale CBs entitle the bond holders to convert them into shares of Extrawell at any time during the period commencing from the date of issuance up to the seventh business day prior to the maturity of the Sale CBs, at the conversion price per share of HK\$0.6413, subject to anti-dilutive clauses.

The acquisition of Sale CB-I was completed on 25 October 2013. On initial recognition, the fair value of the debt component of HK\$12,294,000 is determined using the prevailing market interest rate of similar non-convertible debts and is carried at amortised cost subsequently. The effective interest rate is 18.33%. The fair value of the embedded conversion option of HK\$230,206,000 and HK\$195,695,000 as at the acquisition date of 25 October 2013 and 31 March 2014 respectively are calculated using the Binomial Model and taking into account the dilution effect of the conversion of the convertible bonds. The inputs into the model were as follows:

20. 可換股債券投資

於二零一三年四月二十七日，本公司訂立有條件買賣協議，以(i)自毛博士收購精優發行本金總額為320,650,000港元的可換股債券(「待售可換股債券一」)，總代價為320,000,000港元(「代價一」)；及(ii)自毛博士分四批收購精優分四批發行本金總額最高為256,200,000港元的可換股債券(「待售可換股債券二」)，總代價最高為256,000,000港元(「代價二」)(分四批)。代價一由本公司通過現金代價120,000,000港元及發行本金額為200,000,000港元之可換股債券支付。代價二將由本公司通過分四批發行本金額為256,000,000港元之可換股債券支付。

待售可換股債券一及待售可換股債券二(統稱「待售可換股債券」)為零息可換股債券，到期日為發行日期起計二十週年當日，以港元計值。待售可換股債券賦予債券持有人權利自發行日期起直待售可換股債券到期日前第七個營業日內隨時將可換股債券兌換為精優股份，轉換價為每股股份0.6413港元，須受反攤薄條款限制。

收購待售可換股債券一已於二零一三年十月二十五日完成。於初步確認時，債務部分之公平值12,294,000港元乃按類似不可轉換債務的現行市場利率釐定並隨後按攤銷成本列賬。實際利率為18.33%。於收購日期二零一三年十月二十五日及二零一四年三月三十一日分別為230,206,000港元及195,695,000港元之嵌入式換股權之公平值乃使用二項式模式計算且計及兌換可換股債券之攤薄影響。輸入該模式之參數如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

20. INVESTMENTS IN CONVERTIBLE BONDS 20. 可換股債券投資(續)

(Continued)

		25 October 2013 二零一三年 十月二十五日	31 March 2014 二零一四年 三月三十一日
Stock price	股價	HK\$0.485港元	HK\$0.415港元
Exercise price	行使價	HK\$0.6413港元	HK\$0.6413港元
Discount rate	貼現率	17.98%	18.33%
Risk-free rate (Note a)	無風險利率(附註a)	2.42%	2.81%
Expected volatility (Note b)	預期波幅(附註b)	53.00%	63.95%
Expected dividend yield (Note c)	預期股息收益率(附註c)	0.00%	0.00%

Notes:

- (a) The rate was determined with reference to the yields of Hong Kong government bonds and treasury bills as at the date of valuation.
- (b) Based on the historical price volatility of Extrawell over the bond period.
- (c) Estimated regarding the historical dividend payout of Extrawell.

附註：

- (a) 該利率乃參考於估值日期香港政府債券及庫券的孳息率釐定。
- (b) 基於債券期間精優的過往價格波幅。
- (c) 就精優的過往股息派付估計。

During the period ended 31 March 2014, the Group recognised (i) loss on acquisition of investments in convertible bonds of approximately HK\$204,493,000 in profit or loss which is resulted from differences between the fair value of Consideration I of HK\$446,993,000 and the fair value of investments in convertible bonds of HK\$242.5 million as at 25 October 2013; and (ii) subsequent decrease in fair value of the derivative component of investments in convertible bonds of HK\$34,511,000 as at 31 March 2014.

截至二零一四年三月三十一日止期間，本集團於損益賬確認(i)收購可換股債券投資之虧損約204,493,000港元，主要由於於二零一三年十月二十五日，代價一公平值446,993,000港元與可換股債券投資之公平值242,500,000港元間之差額；及(ii)可換股債券投資之衍生部分之公平值於二零一四年三月三十一日進一步減少34,511,000港元。

As at 31 March 2014, the carrying amounts of the debt and the derivative components of the investments in convertible bonds are HK\$13,245,000 and HK\$195,695,000 respectively. The acquisition of the first batch of Sale CB-II was completed on 24 April 2014.

於二零一四年三月三十一日，債務及可換股債券投資衍生部份之賬面值分別為13,245,000港元及195,695,000港元。收購第一批待售可換股債券一於二零一四年四月二十四日完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

21. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 180 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

As at 31 March 2014 and 30 June 2013, the following is an aged analysis of trade receivables, presented based on the invoice dates, which approximated the respective revenue recognition dates at the end of the reporting period.

		31.3.2014 於二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 於二零一三年 六月三十日 HK\$'000 千港元
30 days or less	30日或以下	3,138	3,184
31 to 60 days	31至60日	1,894	–
61 to 90 days	61至90日	3,223	–
91 to 180 days	91至180日	3,136	–
Over 181 days	181日以上	20	20
		11,411	3,204

As at 31 March 2014, included in the Group's trade debtors is an aggregate carrying amount of HK\$3,156,000 (30 June 2013: HK\$20,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

Aging of trade receivables which are past due but not impaired.

		31.3.2014 於二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 於二零一三年 六月三十日 HK\$'000 千港元
30 days or less	30日或以下	3,136	–
Over 90 days	90日以上	20	20
		3,156	20

21. 貿易應收賬款

本集團與客戶之交易條款大部份以信貸方式進行，信貸期通常介乎30至180日不等。每名客戶均設有最高信貸限額。新客戶一般須預先付款。本集團致力嚴格控制未收回之應收款項，高級管理層會定期審閱逾期餘款。

於二零一四年三月三十一日及二零一三年六月三十日，根據發票日期(與有關收入於報告期末之確認日期相若)呈列之貿易應收賬款之賬齡分析如下。

於二零一四年三月三十一日，本集團貿易應收賬款中賬面值合共為3,156,000港元(二零一三年六月三十日：20,000港元)的款項於報告日期已逾期，而本集團尚未就此作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。

已逾期但未減值之貿易應收賬款之賬齡。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES 22. 預付款項、按金及其他應收款項

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Rental, management fee and other deposits	租金、管理費及其他按金	736	2,184
Deposits paid	已付按金	167	160
Others	其他	222	2,867
Total	總計	1,125	5,211

23. AVAILABLE-FOR-SALE FINANCIAL ASSETS 23. 可供出售金融資產

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
Bonds at fair value	以公平值計量之債券		
Listed in Hong Kong	於香港上市	15,181	16,558
Listed outside Hong Kong	於香港以外上市	90,690	85,882
		105,871	102,440
Analysed as	按以下分析		
Current	流動	105,871	1,258
Non-current	非流動	-	101,182
Total	總計	105,871	102,440

The fair values of these listed bonds are based on market bid prices at the end of each reporting period.

此等上市債券的公平值是根據各報告期末的市場買盤價釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

24. BANK BALANCES AND CASH

Bank balances and cash comprise cash and bank balances held by the Group with original maturity of three months or less and carry interest at prevailing deposit rates which range from 0.01% to 0.72% (30 June 2013: 0.01% to 1.49%) per annum and no other bank balance is for investment purpose as at 31 March 2014 (30 June 2013: HK\$120 million).

25. TRADE PAYABLES

The aging analysis of trade payables, based on the invoice date at the end of the reporting period, is as follows:

		31.3.2014 二零一四年 三月三十一日 HK\$'000 千港元	30.6.2013 二零一三年 六月三十日 HK\$'000 千港元
30 days or less	30日或以下	3,047	3,092
31 to 60 days	31日至60日	1,770	-
61 to 180 days	61日至180日	-	63
		4,817	3,155

The average credit period on purchase of goods normally range from 60 days to 90 days.

26. AMOUNT DUE TO A SHAREHOLDER

At 30 June 2013, the amount was unsecured, interest-free and repayable on demand. The amount was derecognised during the nine months ended 31 March 2014 upon the loss of control of subsidiaries (details set out in note 11).

27. LOAN FROM A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The loan was unsecured, carried fixed interest at 6.65% per annum and was repayable from 29 May 2014 onwards by installments. At 30 June 2013, amount of HK\$3,138,000 was required to be repaid after twelve months from the end of the reporting period and accordingly, the amount was classified as non-current. The amount was derecognised during the nine months ended 31 March 2014 upon the loss of control of subsidiaries (details set out in note 11).

24. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及銀行結餘，原到期日為三個月或更短時間，按現有存款利率計息，利率介乎每年0.01%至0.72%（二零一三年六月三十日：0.01%至1.49%），於二零一四年三月三十一日，概無用作投資之其他銀行結餘（二零一三年六月三十日：120,000,000港元）。

25. 貿易應付賬款

於報告期末，貿易應付賬款按發票日期呈列之賬齡分析如下：

購買貨品之平均信貸期通常介乎60日至90日。

26. 應付一名股東款項

於二零一三年六月三十日，相關款項為無抵押、免息及須按要求償還。截至二零一四年三月三十一日止九個月，該款項於失去附屬公司控制權時終止確認（詳見附註11）。

27. 來自附屬公司非控股股東之貸款

該貸款為無抵押，按固定年利率6.65%計息，以及由二零一四年五月二十九日起分期償還。於二零一三年六月三十日，3,138,000港元之款項須於報告期末起計十二個月後償還。據此，該款項被分類為非即期。於截至二零一四年三月三十一日止九個月失去附屬公司控制權時，該款項被取消確認（詳見附註11）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

28. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised by the Group and the movement thereon during the current period and prior years.

28. 遞延稅項負債

以下為本集團確認之主要遞延稅項負債及其於本期間及先前年度之變動。

		Intangible assets and revaluation of leasehold land and buildings 無形資產及重估 租賃土地及樓宇 HK\$'000 千港元	Rental expenses under lease term 根據租賃期之 租賃開支 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2012	於二零一二年七月一日	909	211	1,120
Charged to other comprehensive income	於其他全面收益扣除	492	–	492
Credited to profit or loss	計入損益	(10)	(50)	(60)
Exchange differences	匯兌差額	29	4	33
At 30 June 2013	於二零一三年六月三十日	1,420	165	1,585
Charged to other comprehensive income	於其他全面收益扣除	506	–	506
Credited to profit or loss	計入損益	–	(18)	(18)
Eliminated upon loss of control of subsidiaries	於失去附屬公司控制權時 對銷	–	(144)	(144)
Exchange differences	匯兌差額	8	(3)	5
At 31 March 2014	於二零一四年三月三十一日	1,934	–	1,934

Starting from 1 January 2008, the tax law of the PRC requires payment of withholding tax upon the distribution of profits earned by the PRC subsidiaries to the foreign shareholders. No deferred tax has not been provided for in the consolidated financial statements in respect of the temporary differences attributable to such profits generated by subsidiaries (30 June 2013: HK\$3,848,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

由二零零八年一月一日起，中國稅法規定，分派中國附屬公司賺取之溢利予境外股東時，須支付預扣稅。在綜合財務報表中，並無就附屬公司產生之該等溢利有關之臨時差異(二零一三年六月三十日：3,848,000港元)計提遞延稅項撥備，因為本集團可控制撥回臨時差異之時間，亦有可能在可見將來，臨時差異將不會撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

28. DEFERRED TAX LIABILITIES (Continued)

At 31 March 2014, the Group had estimated unused tax losses of HK\$41,875,000 (30 June 2013: HK\$111,161,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. Included in unrecognised estimated tax losses are losses of HK\$36,849,000 (30 June 2013: HK\$102,773,000) that will expire in 5 years from the year of origination. Other losses may be carried forward indefinitely.

29. CONVERTIBLE BONDS

Pursuant to the placing agreement and subscription agreement entered on 18 February 2013, the Company issued convertible bonds ("Convertible Bonds") with coupon rate of 0.1% per annum and an aggregate principal amount of HK\$133 million at par on 11 June 2013. The Convertible Bonds mature on the tenth anniversary of the date of issue.

The Convertible Bonds entitle the bond holders to convert them into shares of the Company at any time within 10 years from the date of issue of the convertible bonds, at the conversion price per share of HK\$0.4, subject to anti-dilution clauses.

If the Convertible Bonds have not been converted, they will be redeemed at par on the tenth anniversary of the date of issue. The Company is allowed at any time since the date of issue to the maturity date, to redeem all or part of the outstanding convertible bonds at par any time from the date of issuance together with interest accrued to the date fixed for redemption by giving not less than 14 business days' notices to the bond holders.

The Convertible Bonds are issued in HK\$. The convertible bonds contain two components, liability (together with embedded derivative for early redemption right by the Company which is closely related to the host debt) and equity components. On 11 June 2013, the fair value of the liability component was HK\$13,938,000, which has been determined by the discounted cashflow approach using the prevailing market interest rate of similar non-convertible bonds and taking into account the credit risk of the Company. The equity component is HK\$119,062,000, which is the difference between the proceeds received and the fair value of the liability component. Transaction costs of HK\$193,000 and HK\$1,646,000 are allocated to the liability and equity components respectively.

28. 遞延稅項負債(續)

於二零一四年三月三十一日，本集團估計有未動用稅項虧損41,875,000港元(二零一三年六月三十日：111,161,000港元)，可用作抵銷日後溢利。由於未能預測日後溢利流量，故並無就有關稅項虧損確認遞延稅項資產。未確認估計稅項虧損包括36,849,000港元(二零一三年六月三十日：102,773,000港元)之虧損，將由產生年度起計五年後屆滿。其他虧損可無限期結轉。

29. 可換股債券

根據二零一三年二月十八日訂立之配售協議及認購協議，本公司於二零一三年六月十一日按面值發行票面年息率0.1%之可換股債券(「可換股債券」)，本金總額為133,000,000港元。可換股債券於發行日期起計十週年當日到期。

可換股債券賦予債券持有人權利，於發行可換股債券日期後十年內隨時將可換股債券兌換為本公司股份，轉換價為每股股份0.4港元，須受反攤薄條款限制。

倘可換股債券未獲轉換，則將於發行日期起計十週年當日按票面值予以贖回。本公司獲准於發行日期至到期日期間任何時間，按發行日期後任何時間之票面值連同截至所設贖回日期為止的應計利息贖回全部或部分未償還之可換股債券，惟須向債券持有人發出不少於十四個營業日之書面通知。

可換股債券以港元發行。可換股債券包括負債(連同與主負債緊密相連並附有本公司可行使提前贖回權利的嵌入式衍生工具)及權益兩個部份。於二零一三年六月十一日，負債部份之公平值為13,938,000港元，乃透過貼現現金流量法，利用類似非可換股債券的現行市場利率釐定，並計及本公司之信貸風險。權益部份為119,062,000港元(乃所收取之所得款項及負債部份之公平值之差額)。交易成本193,000港元及1,646,000港元已分別分配至負債及權益部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

29. CONVERTIBLE BONDS (Continued)

The effective interest rate of the liability component of the convertible bonds is 25.74%.

During the nine months ended 31 March 2014, Convertible Bonds with aggregate principal amounts of HK\$106.2 million (twelve months ended 30 June 2013: aggregate principal amount of HK\$20 million) were converted into ordinary shares of the Company.

The movement of liability component of the Convertible Bonds for the period/year is set out below:

29. 可換股債券(續)

可換股債券負債部份之實際利率為25.74%。

截至二零一四年三月三十一日止九個月，本金總額為106,200,000港元(截至二零一三年六月三十日止十二個月：本金總額為20,000,000港元)之可換股債券已轉換為本公司普通股。

期／年內可換股債券之負債部份之變動列載如下：

		Principal amount 本金額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 1 July 2012	於二零一二年七月一日	—	—
Issuance of convertible bonds	發行可換股債券	133,000	13,938
Direct transaction cost	直接交易成本	—	(193)
Interest charge (Note 9)	利息開支(附註9)	—	165
Conversion to ordinary shares	轉換為普通股	(20,000)	(2,085)
As at 30 June 2013	於二零一三年六月三十日	113,000	11,825
Interest charge (Note 9)	利息開支(附註9)	—	362
Conversion to ordinary shares	轉換為普通股	(106,200)	(11,334)
As at 31 March 2014	於二零一四年三月三十一日	6,800	853

As disclosed in Notes 19 and 20, the Company issued convertible bonds in an aggregate principal amount of HK\$436.8 million and HK\$51.2 million respectively on 25 October 2013 and 27 December 2013 (collectively referred to as "Convertible Bonds I") for the acquisition of Sale CB-I and 450 million ordinary shares of Extrawell. The Convertible Bonds I with zero coupon rate maturing on the tenth anniversary of the date of issue. The effective interest rates of the liability component of the convertible bonds are ranging from 23.42% to 23.52% per annum.

如附註19及20所披露，本公司已於二零一三年十月二十五日及二零一三年十二月二十七日發行本金總額分別為436,800,000港元及51,200,000港元的可換股債券(統稱「可換股債券一」)，以收購待售可換股債券一一及450,000,000股精優普通股。可換股債券一之票面年息率為零，於發行日期起計十週年當日期到。可換股債券負債部份的實際年利率介乎23.42%至23.52%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

29. CONVERTIBLE BONDS (Continued)

The Convertible Bonds I entitle the bond holders to convert them into shares of the Company at any time within 10 years from the date of issue of the Convertible Bonds I, at the conversion price per share of HK\$0.4, subject to anti-dilution clauses.

If the Convertible Bonds I have not been converted, they will be redeemed at par on the tenth anniversary of the date of issue.

The Convertible Bonds I are issued in HK\$. The fair values of the liability component were HK\$42,886,000 and HK\$4,981,000 for the Convertible Bonds I issued by the Company at 25 October 2013 and 27 December 2013 respectively, which has been determined by the discounted cashflow approach using the prevailing market interest rate of similar non-convertible bonds and taking into account the credit risk of the Company. The fair values of the conversion option of HK\$671,267,000 and HK\$82,161,000 classified as equity component for the Convertible Bonds I issued by the Company at 25 October 2013 and 27 December 2013 respectively are calculated using the Binomial Model. The inputs into the model were as follows:

		Date of issue of principal amount of HK\$436,800,000 本金額 436,800,000港元 的發行日期	Date of issue of principal amount of HK\$51,200,000 本金額 51,200,000港元 的發行日期
Stock price	股價	HK\$0.91港元	HK\$0.99港元
Exercise price	行使價	HK\$0.40港元	HK\$0.40港元
Discount rate	貼現率	26.12%	26.24%
Risk-free rate (Note a)	無風險利率(附註a)	1.83%	2.32%
Expected volatility (Note b)	預期波幅(附註b)	86.71%	85.53%
Expected dividend yield (Note c)	預期股息收益率(附註c)	0.00%	0.00%

29. 可換股債券(續)

可換股債券一賦予債券持有人權利，於發行可換股債券日期後十年內隨時將可換股債券兌換為本公司股份，轉換價為每股股份0.4港元，須受反攤薄條款限制。

倘可換股債券一未獲轉換，則將於發行日期起計十週年當日按票面值予以贖回。

可換股債券一以港元發行。本公司分別於二零一三年十月二十五日及二零一三年十二月二十七日發行之可換股債券一的負債組成部分的公平值為42,886,000港元及4,981,000港元，乃採用類似非可換股債券的現行市場利率按貼現現金流量法釐定，並已計及本公司的信貸風險。本公司分別於二零一三年十月二十五日及二零一三年十二月二十七日發行的可換股債券一的轉換權的公平值為671,267,000港元及82,161,000港元(分類為權益部分)，乃採用二項式模式計算。輸入模式之數據如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

29. CONVERTIBLE BONDS (Continued)

Notes:

- (a) The rate was determined with reference to the yields of Hong Kong government bonds and treasury bills as at the date of valuation.
- (b) Based on the historical price volatility of the Company over the bond period.
- (c) Estimated regarding the historical dividend payout of the Company.

During the period ended 31 March 2014, Convertible Bonds I with aggregate principal amounts of HK\$12 million were converted into ordinary shares of the Company.

The movement of liability component of Convertible Bonds I for the period is set out below:

29. 可換股債券(續)

附註：

- (a) 該利率乃參考於估值日期香港政府債券及庫券的孳息率釐定。
- (b) 基於債券期間本公司的過往價格波幅。
- (c) 根據本公司的過往股息派付估計得出。

截至二零一四年三月三十一日止期間，本金總額為12,000,000港元之可換股債券一已轉換為本公司普通股。

期內可換股債券一之負債部份之變動列載如下：

		Principal amount 本金額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 1 July 2012 and 30 June 2013	於二零一二年七月一日及 二零一三年六月三十日	-	-
Issuance of Convertible Bonds I	發行可換股債券一	488,000	47,867
Interest charge (Note 9)	利息開支(附註9)	-	4,743
Conversion to ordinary shares	轉換為普通股	(12,000)	(1,235)
31 March 2014	二零一四年三月三十一日	476,000	51,375

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

30. SHARE CAPITAL

30. 股本

			Number of shares 股數 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股			
Authorised:	法定：			
At 1 July 2012	於二零一二年七月一日	0.01	50,000,000	500,000
Decrease upon share consolidation (Note b)	股份合併後減少(附註b)		(47,500,000)	-
		0.2	2,500,000	500,000
Increase upon share re-organisation (Note c)	股份重組後增加(附註c)		47,500,000	-
At 30 June 2013 and 31 March 2014	於二零一三年六月三十日 及二零一四年三月三十一日	0.01	50,000,000	500,000
Issued:	已發行：			
At 1 July 2012	於二零一二年七月一日	0.01	12,164,508	121,645
Issue of rights shares (Note a)	發行供股股份(附註a)	0.01	3,649,352	36,494
Share consolidation (Note b)	股份合併(附註b)		(15,023,167)	-
		0.2	790,693	158,139
Share re-organisation (Note c)	股份重組(附註c)		-	(150,232)
		0.01	790,693	7,907
Conversion of convertible bonds (Note d)	轉換可換股債券(附註d)	0.01	50,000	500
At 30 June 2013	於二零一三年六月三十日	0.01	840,693	8,407
Conversion of convertible bonds (Note e)	轉換可換股債券(附註e)	0.01	295,500	2,955
At 31 March 2014	於二零一四年 三月三十一日		1,136,193	11,362

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

30. SHARE CAPITAL (Continued)

Notes:

- (a) On 8 August 2012, the Company allotted and issued 3,649,352,000 shares by way of rights issue at a subscription price of HK\$0.022 per rights share on the basis of three rights shares for every ten shares held.
- (b) On 19 January 2013, the Company performed a share consolidation involving every 20 issued and unissued shares of par value of HK\$0.01 each be consolidated into 1 consolidated share of HK\$0.20 each. The number of authorised shares decreased from 50,000,000,000 to 2,500,000,000 while the amount remains at HK\$500,000,000.
- (c) On 25 March 2013, a share re-organisation was carried out that (1) the par value of each issued consolidated share was reduced from HK\$0.20 to HK\$0.01 through the cancellation of the paid-up capital to the extent of HK\$0.19 on each share, and (2) immediately following the capital reduction, each authorised but unissued consolidated share will be sub-divided into 20 new shares with a par value of HK\$0.01 each.
- (d) On 17 June 2013 and 26 June 2013, 10 million and 40 million new ordinary shares of the Company of HK\$0.01 each were issued respectively upon the conversion of convertible bonds. Convertible bonds with aggregate principal amount of HK\$4 million and HK\$16 million were converted into 10 million and 40 million ordinary shares of the Company at a conversion price of HK\$0.4 per share respectively.
- (e) During the nine months ended 31 March 2014, 265.5 million and 30 million new ordinary shares of the Company of HK\$0.01 each were issued upon the conversion of Convertible Bonds and Convertible Bonds I respectively. Convertible Bonds I with aggregate principal amount of HK\$106.2 million and HK\$12 million were converted into 265.5 million and 30 million ordinary shares of the Company at a conversion price of HK\$0.4 per share respectively.

All the shares issued during the nine months ended 31 March 2014 and twelve months ended 30 June 2013 rank pari passu with the then issued shares of the Company in all respect.

30. 股本(續)

附註：

- (a) 於二零一二年八月八日，本公司以供股方式，按每持有十股可獲發三股供股股份的基準，配發及發行3,649,352,000股股份，認購價為每股供股股份0.022港元。
- (b) 於二零一三年一月十九日，本公司進行股份合併，每二十股每股面值0.01港元的已發行及未發行股份合併為一股面值0.20港元的合併股份。法定股份數目由50,000,000,000股減至2,500,000,000股，而股本仍然是500,000,000港元。
- (c) 於二零一三年三月二十五日，本公司進行股份重組，以使：(1)每股已發行合併股份的面值，由每股0.20港元減至每股0.01港元，方式為註銷每股繳足股本中之0.19港元；及(2)緊隨股本削減後，每股法定但未發行的合併股份分拆為20股新股份，每股面值0.01港元。
- (d) 於二零一三年六月十七日及二零一三年六月二十六日，於轉換可換股債券後，分別發行10,000,000股及40,000,000股每股面值0.01港元之本公司新普通股。可換股債券之本金總額分別為4,000,000港元及16,000,000港元，已轉換為10,000,000股及40,000,000股本公司普通股，轉換價為每股0.4港元。
- (e) 截至二零一四年三月三十一日止九個月期間，於轉換可換股債券及可換股債券一後，分別發行265,500,000股及30,000,000股每股面值0.01港元的本公司新普通股。可換股債券及可換股債券一之本金總額分別為106,200,000港元及12,000,000港元，已轉換為265,500,000股及30,000,000股本公司普通股，轉換價為每股0.4港元。

於截至二零一四年三月三十一日止九個月及截至二零一三年六月三十日止十二個月發行之所有股份在所有方面與其時已發行之股份具有相同地位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

31. DISPOSAL OF SUBSIDIARIES

On 23 December 2013, the Group entered into a sale agreement with a director of a subsidiary of the Company, a connected person as defined by the Listing Rules, to dispose of the entire equity interest held by the Group in Perfect Allied Holdings Limited ("Perfect Allied") at a consideration of HK\$1,000. The disposal was completed on 23 December 2013. The net liabilities of Perfect Allied and its subsidiaries (the "Perfect Allied Group") at the date of disposal were as follows:

31. 出售附屬公司

於二零一三年十二月二十三日，本集團與本公司附屬公司一名董事（根據上市規則界定為關連人士）訂立銷售協議，以代價1,000港元出售本集團所持Perfect Allied Holdings Limited（「Perfect Allied」）全部權益。出售已於二零一三年十二月二十三日完成。於出售日期，Perfect Allied及其附屬公司（「Perfect Allied集團」）之負債淨額如下：

		HK\$'000 千港元
Consideration received	已收代價	
Cash consideration received by the Group	本集團已收現金代價	1
Analysis of assets and liabilities over which control was lost:	失去控制權之資產及負債分析如下：	
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	771
Bank balances and cash	銀行結餘及現金	107
Accruals and other payables	應計費用及其他應付款項	(12,015)
Net liabilities disposed of	出售之負債淨額	(11,137)
Gain on disposal of subsidiaries	出售附屬公司之收益	
Consideration received	已收代價	1
Net liabilities disposed of	出售之負債淨額	11,137
Cumulative exchange differences in respect of the net liabilities of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiaries	就失去附屬公司控制權而由權益重新分類至損益之附屬公司負債淨額有關之累計匯兌差額	1,860
Gain on disposal of subsidiaries	出售附屬公司之收益	12,998
Net Cash outflow on disposal of subsidiaries	出售附屬公司之現金流出淨額	
Net cash inflow arising from disposal:	出售產生之現金流入淨額：	
Consideration received in cash	已收現金代價	1
Less: bank balances and cash disposed of	減：已出售之銀行結餘及現金	(107)
		(106)

The Perfect Allied Group contributed insignificant cash flows to the Group.

Perfect Allied集團為本集團貢獻之現金流量並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

32. PARTIAL DISPOSAL OF A SUBSIDIARY WITHOUT LOSS OF CONTROL

On 25 April 2013, a capital injection agreement (the "Injection Agreement") entered into between (i) East Longmark (ii) Jilin Extrawell, and (iii) Mr. Xie Yi, a shareholder of the Company. Prior to the Injection Agreement, Longmark (Shanghai) was owned by East Longmark and Jilin Extrawell as to 80% and 20% respectively. Pursuant to the Injection Agreement, Mr. Xie Yi would inject capital of RMB7,490,000 (equivalent to approximately HK\$9,437,000) into Longmark (Shanghai), representing 37.47% of its equity interest after injection. During the year ended 30 June 2013, amount of RMB3,500,000 (equivalent to approximately HK\$4,327,000) was received, representing 21.88% equity interest after injection and East Longmark and Jilin Extrawell had 62.50% and 15.62% equity interests respectively in Longmark (Shanghai). The difference between the consideration received and the carrying amount of the interest acquired by Mr. Xie Yi of HK\$7,940,000 was credited to equity under the heading of other reserve. In August 2013, a further capital injection of RMB3,990,000 (equivalent to approximately HK\$6,451,000) was made by Mr. Xie Yi. Equity interests held by East Longmark and Jinlin Extrawell in Longmark (Shanghai) decreased to 50.02% and 12.51% respectively.

32. 出售一間附屬公司部分權益(並無失去控制權)

於二零一三年四月二十五日，(i)東龍脈(ii)吉林精優及(iii)本公司股東謝毅先生訂立注資協議(「注資協議」)。於注資協議前，龍脈(上海)由東龍脈及吉林精優分別擁有80%及20%。根據注資協議，謝毅先生將向龍脈(上海)注資人民幣7,490,000元(相當於約9,437,000港元)，佔注資後其股權之37.47%。於截至二零一三年六月三十日止年度，已收取人民幣3,500,000元(相當於約4,327,000港元)，佔注資後其股權之21.88%，而東龍脈及吉林精優分別擁有龍脈(上海)62.50%及15.62%的股權。已收代價與謝毅先生收購之權益之賬面值之差額為7,940,000港元，已計入權益中之其他儲備項下。於二零一三年八月，謝毅先生進一步注資人民幣3,990,000元(相當於約6,451,000港元)。東龍脈及吉林精優於龍脈(上海)持有之股權分別減少至50.02%及12.51%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

33. CONTINGENT LIABILITIES AND LITIGATION

Litigation concerning 中荷(平湖)生物技術有限公司 CNL (Pinghu) Biotech Co. Ltd. in the PRC

On 17 April 2012, a writ of summons was issued by 江蘇瑞峰建設集團有限公司 (Jiangsu Ruifeng Construction Group Co., Limited) ("Jiangsu Ruifeng") in the PRC as the plaintiff against CNL (Pinghu), an indirect non-wholly owned subsidiary of the Company, as the defendant in relation to the disputes arising from the consideration and completion of construction services under the construction contracting services agreement dated 8 October 2010, the construction agreement dated 17 December 2010 and the supplemental agreement dated 8 March 2011 (collectively referred to as the "Construction Agreements") entered into between CNL (Pinghu) and Jiangsu Ruifeng, to claim the outstanding construction cost of RMB13,150,000, the related interests and litigation costs of the case. Pursuant to the Construction Agreements, the total construction costs was RMB16,675,000. Jiangsu Ruifeng had issued invoices amounting to RMB29,126,000 in relation to the construction work they performed. The aggregated invoice amount was substantially different from the contracted amount. CNL (Pinghu) only settled the amount of RMB16,601,000 and was recorded as the cost of buildings as at 30 June 2012. On 24 April 2012, Jiangsu Ruifeng obtained a civil ruling against CNL (Pinghu), pursuant to which a bank deposit of RMB15,000,000 or equivalent amount of assets of CNL (Pinghu) were to be frozen, but the actual amount frozen was HK\$222,000 as at 30 June 2012, which was significantly lower than the amount stated in the civil ruling. The frozen balance was released during the year ended 30 June 2013. On 14 January 2013, an independent construction consulting company, which was appointed by Pinghu District Court, issued a statement certifying the total construction cost incurred would be in a range between RMB15,093,000 (equivalent to approximately HK\$19,142,000) and RMB18,766,000 (equivalent to HK\$23,801,000). According to the relevant legal opinion dated 29 July 2013, the possibility for Pinghu District Court for adopting the construction cost of RMB18,766,000 is higher. On 20 December 2013, the 浙江省平湖市人民法院 (People's Court of Pinghu City, Zhejiang Province*) delivered a further civil ruling, pursuant to which, CNL (Pinghu) shall, after the said civil ruling came into force, pay to Jiangsu Ruifeng, among other things, a fee of RMB3,309,000 (equivalent to approximately HK\$4,197,000) for the construction services rendered. CNL (Pinghu) filed an application to appeal to 浙江省嘉興市中級人民法院 (the Intermediate People's Court of Jiaxing City, Zhejiang Province). On 25 April 2014, 浙江省嘉興市中級人民法院 upheld the original ruling of 浙江省平湖市人民法院 and the Company was required to pay approximately RMB 4,223,000 (equivalent to approximately HK\$5,333,000) to Jiangsu Ruifeng. Total provision has been made by the Group in this regard as at 31 March 2014.

33. 或然負債及訴訟

於中國有關中荷(平湖)生物技術有限公司之訴訟

於二零一二年四月十七日，江蘇瑞峰建設集團有限公司(「江蘇瑞峰」)(作為原告)於中國向本公司之間接非全資附屬公司中荷(平湖)(作為被告)發出傳票令狀，內容有關由中荷(平湖)與江蘇瑞峰於二零一零年十月八日訂立之建造承包服務協議、於二零一零年十二月十七日訂立之建造協議及於二零一一年三月八日訂立之補充協議(統稱「建造協議」)項下之代價及完成建造服務所引起之爭議，江蘇瑞峰向中荷(平湖)索償人民幣13,150,000元之未支付建造款項、相關利息及案件之訴訟成本。根據建造協議，建造總成本為人民幣16,675,000元。江蘇瑞峰就其進行之建造工程發出發票，金額為人民幣29,126,000元。發票總額與合約金額出現重大差異。中荷(平湖)僅支付人民幣16,601,000元，並於二零一二年六月三十日記錄作建築成本。於二零一二年四月二十四日，江蘇瑞峰已取得針對中荷(平湖)之民事裁定，據此，中荷(平湖)之銀行存款人民幣15,000,000元或等同金額之資產將被凍結，惟於二零一二年六月三十日，被凍結之實際金額為222,000港元，其大幅低於民事裁定所列之金額。被凍結結餘於截至二零一三年六月三十日止年度解凍。於二零一三年一月十四日，一間獨立建築顧問公司獲平湖區法院委任，發出一份聲明，證明建築總成本介乎人民幣15,093,000元(相當於約19,142,000港元)與人民幣18,766,000元(相當於23,801,000港元)之間。根據法律顧問於二零一三年七月二十九日的意見，平湖區法院採納建築總成本人民幣18,766,000元的可能性較高。於二零一三年十二月二十日，浙江省平湖市人民法院發出進一步民事裁定，據此，中荷(平湖)須於民事裁定生效後向江蘇瑞峰支付(其中包括)就所提供的建造服務之費用人民幣3,309,000元(相當於約4,197,000港元)。中荷(平湖)向浙江省嘉興市中級人民法院申請上訴。於二零一四年四月二十五日，浙江省嘉興市中級人民法院維持浙江省平湖市人民法院之原來判決，而本公司須向江蘇瑞峰支付約人民幣4,223,000元(相當於約5,333,000港元)。本集團已於二零一四年三月三十一日就此計提撥備總額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

34. COMMITMENTS

Operating lease commitments

As at 30 March 2014, the total future minimum lease payments of the Group under non-cancellable operating leases are payable as follows:

		31.3.2014	30.6.2013
		二零一四年 三月三十一日	二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Future aggregate minimum lease payments under operating leases in respect of leasehold land and buildings	根據租賃土地及樓宇之經營租賃支付之未來最低租賃款項總額		
– within one year	– 一年內	2,270	12,712
– in the second to fifth years inclusive	– 第二至第五年 (包括首尾兩年)	4,488	31,059
		6,758	43,771

Operating lease payments represent rentals payable by the Group for certain of its offices, laboratory and staff quarter. Leases are negotiated for an initial term of 6 years and rentals are fixed over the lease terms.

Capital commitments

As at 31 March 2014 and 30 June 2013, the Group has no capital commitment contracted but not provided for.

Other commitments

The Group had other commitments of RMB4,500,000 (equivalent to approximately HK\$5,683,000) at 31 March 2014 (30 June 2013: RMB6,000,000 (equivalent to approximately HK\$7,345,000)) in relation to the obligations and responsibility for the prize and administration cost of the Tan Jia Zhen Life Sciences Prize undertaken by the Shanghai Biopharmaceutical Industry Association (the "SBIA"), the administrator of the Tan Jia Zhen Life Sciences Prize, pursuant to the Tan Jia Zhen Life Sciences Prize Sponsorship agreement.

34. 承擔

經營租賃承擔

於二零一四年三月三十一日，本集團根據不可撤銷經營租賃而須支付之未來最低租賃款項總額如下：

經營租賃款項指本集團就其若干辦公室、實驗室及員工宿舍須支付之租金。所磋商之租賃初步年期為六年，租賃期內之租金固定不變。

資本承擔

於二零一四年三月三十一日及二零一三年六月三十日，本集團概無已訂約但未撥備之資本承擔。

其他承擔

於二零一四年三月三十一日，本集團的其他承擔為人民幣4,500,000元（相當於約5,683,000港元）（二零一三年六月三十日：人民幣6,000,000元（相當於約7,345,000港元）），該款項涉及上海市生物醫藥行業協會（「SBIA」，為談家楨生命科學獎之承辦單位）根據談家楨生命科學獎設獎單位協議，就談家楨生命科學獎之獎項及行政成本承擔之負債及責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

35. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group and each employee employed in Hong Kong are required to make a contribution of 5% on the employees' monthly relevant income with a maximum monthly contribution of HK\$1,250 per person (the maximum monthly contribution is HK\$1,000 per person before 1 June 2013).

The PRC employees of the Group are members of a state-managed retirement benefit scheme operated by the local government. The Group is required to contribute a specific percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

During nine months ended 31 March 2014, the Group made total contributions to the retirement benefits schemes of HK\$1,946,000 (twelve months ended 30 June 2013: HK\$1,865,000) for continuing operations. Included in the total contributions made, HK\$48,000 (twelve months ended 30 June 2013: HK\$43,000) is contribution made for Hong Kong employees.

35. 退休福利計劃

本集團為全體香港合資格僱員設立強制性公積金計劃。該計劃之資產透過受信託人控制之基金與本集團之資產分開持有。本集團及每名香港合資格僱員均須按僱員每月有關收入之5%供款，每月供款上限為每人1,250港元(二零一三年六月一日前之每月供款上限為每人1,000港元)。

本集團中國僱員為地區政府營運之國營退休福利計劃之成員。本集團須按僱員之薪金成本的指定百分比比率向該退休福利計劃供款，作該等福利之資金。本集團於該退休福利計劃下之唯一責任為作出特定供款。

截至二零一四年三月三十一日止九個月，本集團就持續經營業務之退休福利計劃供款總額為1,946,000港元(截至二零一三年六月三十日止十二個月：1,865,000港元)。供款總額包括就香港僱員所作供款48,000港元(截至二零一三年六月三十日止十二個月：43,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

36. RELATED PARTY TRANSACTIONS

Dr. Mao and Mr. Xie Yi have beneficial interest in the shares of the Company. In addition, they have joint control of a company which has shareholding of the Company giving it significant influence over the Company. Apart from the amount due to a shareholder and loan from a non-controlling shareholder of a subsidiary as disclosed in the consolidated statement of financial position and/or notes 26 and 27, the Group has entered into the following related party transactions:

36. 關連人士交易

毛博士及謝毅先生於本公司股份中擁有實益權益。此外，彼等共同控制一間擁有本公司股權並對本公司擁有重大影響力的公司。除綜合財務狀況表及／或附註26及27披露之應付一名股東之款項及來自一間附屬公司之非控股股東之貸款外，本集團已進行以下關連人士交易：

		1.7.2013 to 31.3.2014	1.7.2012 to 30.6.2013
		二零一三年 七月一日至 二零一四年 三月三十一日	二零一二年 七月一日至 二零一三年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Provision of genetic testing services to the related parties (Note)	提供基因測試服務予關連人士(附註)	-	255
Genetic testing services income received and receivable from the related parties (Note)	基因測試服務已收及應收關連人士收入(附註)	-	20
Service fee expense paid and payable to Dr. Mao, a shareholder of the Company	已付及應付予本公司股東毛博士之服務費開支	393	450
Genetic testing data handing expenses to a related party (Note)	就提交予一名關連人士的基因測試數據開支(附註)	-	410
Interest expense paid and payable to a non-controlling shareholder of a subsidiary	已付及應付予附屬公司非控股股東之利息開支	263	589
Tan Jia Zhen Life Sciences Prize Sponsorship paid on behalf of United Gene Holdings Limited ("UGHL") (Note)	代表聯合基因科技有限公司(「UGHL」)支付談家楨生命科學獎設獎(附註)	1,895	1,855
Key management compensation:	主要管理層之報酬：		
Short-term employee benefits	短期僱員之福利	1,302	1,557
Post-employment benefits	離職後福利	88	33
		1,390	1,590

Note: The related parties are ultimately beneficial owned and controlled by Dr. Mao, who is also a shareholder of the Company.

附註：關連人士由本公司之股東毛博士最終實益擁有及控制。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

36. RELATED PARTY TRANSACTIONS (Continued)

On 22 May 2012, the Company has entered into the Tan Jia Zhen Life Sciences Prize Sponsorship agreement with (i) UGHL, a connected person of the Company; and (ii) SBIA, pursuant to which UGHL assign the rights and obligations of the Tan Jia Zhen Life Sciences Prize to the Company and the Company is committed to provide an aggregate amount of RMB4,500,000 (equivalent to approximately HK\$5,683,000) at 31 March 2014 (30 June 2013: RMB6,000,000 (equivalent to approximately HK\$7,345,000)) for the grant of the Tan Jia Zhen Life Sciences Prize together with the administrative cost for the coming six years and the continuous responsibility for the administration of the Tan Jia Zhen Life Sciences Prize undertaken by the SBIA.

37. EVENTS AFTER THE REPORTING PERIOD

- (i) On 24 April 2014, the Company issued convertible bonds in an aggregate principal amount of HK\$64,000,000 ("Convertible Bonds II") for the acquisition of first batch of Sale CB-II of Extrawell in an aggregate principal amount of HK\$64,130,000. The fair value of Convertible Bonds II and Sale CB-II are HK\$138,076,000 and HK\$40,143,000 respectively on 24 April 2014 and accordingly, a loss of HK\$97,933,000 is resulted from the acquisition of investments in convertible bonds.
- (ii) Subsequent to 31 March 2014, all the available-for-sale financial assets were disposed with a gain of HK\$2,342,000 resulted.
- (iii) On 17 March 2014, Clear Rich International Limited, a wholly-owned subsidiary of the Company (the "Purchaser"), and Extrawell (BVI) Limited, a wholly-owned subsidiary of Extrawell (the "Vendor") entered into a conditional acquisition agreement pursuant to which the Purchaser will purchase 51% equity interest in Smart Ascent Limited from the Vendor at a consideration of HK\$780 million, which will be satisfied by the issuance of convertible bonds by the Company in the principal amount of HK\$715 million and cash consideration of HK\$65 million. In the agreement, the Purchaser agreed to commit HK\$600 million between 2015 and 2017 for the development of the oral insulin medicine, and this will constitute a continuing connected transaction. Details of this acquisition are set out in a circular issued by the Company dated 26 June 2014.

36. 關連人士交易(續)

於二零一二年五月二十二日，本公司與(i)本公司關連人士聯合基因科技；及(ii)SBIA訂立談家楨生命科學獎設獎單位協議，據此，聯合基因科技將談家楨生命科學獎之權利及責任轉讓予本公司，而本公司承諾於二零一四年三月三十一日就授讓談家楨生命科學獎，連同未來六年的行政開支及SBIA就承辦談家楨生命科學獎之持續責任，合共提供人民幣4,500,000元(相當於約5,683,000港元)(二零一三年六月三十日：人民幣6,000,000元(相當於約7,345,000港元))。

37. 報告期後事項

- (i) 於二零一四年四月二十四日，本公司發行本金總額為64,000,000港元之可換股債券(「可換股債券二」)，以收購精優本金總額為64,130,000港元之第一批待售可換股債券二。於二零一四年四月二十四日，可換股債券二及待售可換股債券二之公平值分別為138,076,000港元及40,143,000港元，因此，收購可換股債券投資產生的虧損為97,933,000港元。
- (ii) 於二零一四年三月三十一日之後，出售所有可供出售金融資產錄得收益2,342,000港元。
- (iii) 於二零一四年三月十七日，本公司之全資附屬公司Clear Rich International Limited(「買方」)與精優之全資附屬公司Extrawell (BVI) Limited(「賣方」)訂立有條件收購協議，據此，買方將以代價780,000,000港元收購賣方於進生有限公司之51%股權，將由本公司透過發行本金額715,000,000港元之可換股債券之方式及現金代價65,000,000港元支付。協議中，買方同意就開發口服胰島素藥物於二零一五年至二零一七年出資600,000,000港元且此事將構成持續關連交易。是項收購之詳情載於本公司於二零一四年六月二十六日發出之通函。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

38. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY 38. 本公司附屬公司詳情

Name 名稱	Place of incorporation registration 註冊成立/註冊地點	Registered/ issued paid-up capital 註冊/已發行/繳足股本	Percentage of ownership interest voting power profit sharing 擁有權權益/投票權/攤佔利潤之百分比				Principal activities 主要業務
			31.3.2014 二零一四年三月三十一日		30.6.2013 二零一三年六月三十日		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Lucky Full Holdings Limited 福滿控股有限公司	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	100%	-	100%	-	Investment holding 投資控股
Clear Rich International Limited Clear Rich International Limited	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	-	100%	-	100%	Investment holding 投資控股
China United Gene Health Limited 華夏聯合基因健康產業有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之 普通股	-	100%	-	100%	Trading of beauty equipment and products and securities investment 買賣美容設備及產品及 證券投資
CNL (Pinghu) (Note a) 中荷(平湖)(附註a)	PRC 中國	Registered capital of US\$20 million 註冊資本 20,000,000美元	-	70%	-	70%	Distribution of bio-industrial products 分銷生物產業產品
Bestdone Limited 佳登有限公司	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	-	100%	-	100%	Investment holding 投資控股
Fudan Health (Guang Dong) Ltd. 復旦健康廣東有限公司	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之 普通股	-	100%	-	100%	Provision of genetic testing services 提供基因測試服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

38. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued) 38. 本公司附屬公司詳情(續)

Name 名稱	Place of incorporation registration 註冊成立/註冊地點	Registered/ issued paid-up capital 註冊/已發行/繳足股本	Percentage of ownership interest voting power profit sharing 擁有權益/投票權/攤佔利潤之百分比				Principal activities 主要業務
			31.3.2014 二零一四年三月三十一日		30.6.2013 二零一三年六月三十日		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Fudan Health International (HK) Limited 復旦健康國際(香港)有限公司	Hong Kong 香港	10,000 ordinary share of HK\$1 each 10,000股每股面值1港元之普通股	-	100%	-	100%	Provision of genetic testing services 提供基因測試服務
Mega Cedar Group Limited Mega Cedar Group Limited	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	-	100%	-	-	Investment holding 投資控股
Perfect Net Limited Perfect Net Limited	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	-	100%	-	-	Investment holding 投資控股
New Wonda Limited New Wonda Limited	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	-	100%	-	-	Investment holding 投資控股
Rankup Holdings Limited Rankup Holdings Limited	British Virgin Islands 英屬維爾京群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	-	100%	-	-	Investment holding 投資控股
Mega Fortune Corporation Limited 懋卓有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值1港元之普通股	-	100%	-	-	Dormant 無業務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

38. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued) 38. 本公司附屬公司詳情(續)

Name 名稱	Place of incorporation registration 註冊成立/註冊地點	Registered/ issued paid-up capital 註冊/已發行/繳足股本	Percentage of ownership interest voting power profit sharing 擁有權益/投票權/攤佔利潤之百分比				Principal activities 主要業務
			31.3.2014 二零一四年三月三十一日		30.6.2013 二零一三年六月三十日		
			Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
First Town Limited	Hong Kong	10,000 ordinary shares of HK\$1 each	-	100%	-	-	Dormant
First Town Limited	香港	10,000股每股面值1港元之普通股					無業務
Multi-Wealth Investment Limited	Hong Kong	10,000 ordinary shares of HK\$1 each	-	100%	-	-	Dormant
茂康投資有限公司	香港	10,000股每股面值1港元之普通股					無業務
Able Earn Investment Limited	Hong Kong	10,000 ordinary shares of HK\$1 each	-	100%	-	-	Dormant
盛得投資有限公司	香港	10,000股每股面值1港元之普通股					無業務
East Longmark (Note b) 東龍脈(附註b)	PRC 中國	Registered capital of HK\$15 million 註冊資本 15,000,000港元	-	100%	-	100%	Provision of genetic testing services 提供基因測試服務
Longmark (Shanghai) (Note c) 龍脈(上海)(附註c)	PRC 中國	Registered capital of RMB20 million 註冊資本 人民幣20,000,000元	-	-	-	62.5%	Provision of health care management services 提供健康管理服務
Longguan (Note d) 龍冠(附註d)	PRC 中國	Registered capital of RMB5 million 註冊資本 人民幣5,000,000元	-	-	-	62.5%	Provision of health care management services 提供健康管理服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the nine months ended 31 March 2014 截至二零一四年三月三十一日止九個月

38. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

Notes:

- (a) CNL (Pinghu) is a wholly foreign-owned enterprise established in the PRC on 2 April 2008 for a period of fifty years.
- (b) East Longmark is a wholly domestic limited company established in the PRC on 24 November 2011 for a period of thirty years.
- (c) Longmark (Shanghai) is a non-wholly owned domestic limited company established in the PRC on 11 November 2010 for a period of thirty years. During the nine months ended 31 March 2014, Longmark (Shanghai) ceased to be a subsidiary of the Group and became an associate as a result of loss of control of subsidiary as set out in note 11.
- (d) Longguan is a non-wholly owned domestic limited company established in the PRC on 27 September 2012 for a period of thirty years. During the nine months ended 31 March 2014, Longguan ceased to be a subsidiary of the Group and became an associate as a result of loss of control of subsidiary as set out in note 11.

38. 本公司附屬公司詳情(續)

附註：

- (a) 中荷(平湖)為於二零零八年四月二日在中國成立之外商全資企業，為期五十年。
- (b) 東龍脈為於二零一一年十一月二十四日在中國成立之全內資有限責任公司，為期三十年。
- (c) 龍脈(上海)為於二零一零年十一月十一日在中國成立之非全內資有限責任公司，為期三十年。截至二零一四年三月三十一日止九個月，龍脈(上海)如附註11所述因失去附屬公司控制權而不再為本集團之附屬公司，並成為聯營公司。
- (d) 龍冠為於二零一二年九月二十七日於中國成立之非全內資有限責任公司，為期三十年。截至二零一四年三月三十一日止九個月，龍冠如附註11所述因失去附屬公司控制權而不再為本集團之附屬公司，並成為聯營公司。

FINANCIAL SUMMARY

財務概要

		For the nine months ended 截至九個月	For the twelve months ended 30 June 截至六月三十日止十二個月			
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收入	29,744	10,050	25,475	90,193	483,947
(Loss) profit for the period/year from continuing operations	來自持續經營業務之 期/年內(虧損) 溢利	(557,338)	(38,538)	(106,274)	5,606	11,176
Profit (loss) for the period/year from discontinuing operation	來自已終止經營業務 之期/年內溢利 (虧損)	140	(51,119)	(23,423)	-	-
(Loss) profit for the period/year	期/年內(虧損)溢利	(557,198)	(89,657)	(129,697)	5,606	11,176
Attributable to:	歸屬:					
Owners of the Company	本公司擁有人	(550,347)	(72,839)	(123,882)	5,247	11,262
Non-controlling interests	非控股權益	(6,851)	(16,818)	(5,815)	359	(86)
		(557,198)	(89,657)	(129,697)	5,606	11,176

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於 三月三十一日	As at 30 June 於六月三十日			
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產	430,699	143,038	69,879	134,305	77,315
Current assets	流動資產	310,819	365,000	286,119	332,946	449,367
Current liabilities	流動負債	(15,135)	(47,128)	(18,178)	(10,442)	(97,075)
Non-current liabilities	非流動負債	(54,162)	(16,548)	(7,253)	(2,972)	-
Net assets	資產淨額	672,221	444,362	330,567	453,837	429,607
Attributable to:	歸屬:					
Owners of the Company	本公司擁有人	662,372	453,337	319,248	436,524	429,142
Non-controlling interests	非控股權益	9,849	(8,975)	11,319	17,313	465
Total equity	權益總額	672,221	444,362	330,567	453,837	429,607



United Gene High-Tech Group Limited
聯合基因科技集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立並於百慕達存續之有限公司)

Stock Code: 399 股份代號: 399