

# 東森自然美

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00157



## Beauty

from Natural

美麗源於自然

2018 Annual Report 年報

# Mission Statement

## 我們的使命

Natural Beauty is dedicated to cultivate our staff, customers, students and franchisees to appreciate our education, products and services, which are made by the love and kindness of our founder, Dr. Tsai Yen-Pin, who made modern ladies beautiful, confident and wealthy.

我們致力於使員工、顧客、學員及加盟老師們存著一份感恩的心來到自然美，學習自然美容術及使用自然美產品及服務，這都是自然美創辦人蔡燕萍博士以愛心砌成累積的成果，幫助無數女性建立美麗、自信及財富。





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# Corporate Information 公司資料

(As at 26 March 2019 ("the Latest Practicable Date"))  
(於二零一九年三月二十六日(「最後實際可行日期」))

## BOARD OF DIRECTORS

### Executive Directors

Dr. LEI Chien

(alias Joanna LEI) (*Chairperson*)

Mr. PAN Yi-Fan

(alias Ivan PAN)

### Non-executive Directors

Mr. HSIAO Wen-Chung

Ms. LU Yu-Min

(alias Vicky LU)

Ms. LIN Shu-Hua

Mr. CHEN Shou-Huang

### Independent Non-executive Directors

Mr. CHEN Ruey-Long

(alias Steve CHEN)

Mr. LU Chi-Chant

Mr. YANG Shih-Chien

## AUTHORISED REPRESENTATIVES

Mr. PAN Yi-Fan

(alias Ivan PAN)

Ms. SUN Ah Tsang

## COMPANY SECRETARY

Ms. SUN Ah Tsang (ACS, ACIS)

## MEMBERS OF THE AUDIT COMMITTEE

Mr. CHEN Ruey-Long (*Chairman*)

(alias Steve CHEN)

Ms. LIN Shu-Hua

Mr. LU Chi-Chant

Mr. YANG Shih-Chien

## 董事會

### 執行董事

雷倩博士(主席)

潘逸凡先生

### 非執行董事

蕭文聰先生

陸瑜民女士

林淑華女士

陳守煌先生

### 獨立非執行董事

陳瑞隆先生

盧啓昌先生

楊世緘先生

### 法定代表

潘逸凡先生

孫亞錚女士

### 公司秘書

孫亞錚女士(ACS, ACIS)

### 審核委員會成員

陳瑞隆先生(主席)

林淑華女士

盧啓昌先生

楊世緘先生

### MEMBERS OF THE REMUNERATION COMMITTEE

Mr. LU Chi-Chant (*Chairman*)  
Dr. LEI Chien  
(alias Joanna LEI)  
Mr. PAN Yi-Fan  
(alias Ivan PAN)  
Mr. CHEN Ruey-Long  
(alias Steve CHEN)  
Mr. YANG Shih-Chien

### MEMBERS OF THE EXECUTIVE COMMITTEE

Dr. LEI Chien  
(alias Joanna LEI) (*Chairperson*)  
Mr. PAN Yi-Fan  
(alias Ivan PAN)  
Ms. LU Yu-Min  
(alias Vicky LU)  
Ms. LIN Shu-Hua  
Mr. CHEN Shou-Huang

### MEMBERS OF THE NOMINATION COMMITTEE

Mr. YANG Shih-Chien (*Chairman*)  
Dr. LEI Chien  
(alias Joanna LEI)  
Mr. PAN Yi-Fan  
(alias Mr. Ivan PAN)  
Mr. CHEN Ruey-Long  
(alias Steve CHEN)  
Mr. LU Chi-Chant

### REGISTERED OFFICE

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

### 薪酬委員會成員

盧啓昌先生 (主席)  
雷倩博士  
潘逸凡先生  
陳瑞隆先生  
楊世緘先生

### 執行委員會成員

雷倩博士 (主席)  
潘逸凡先生  
陸瑜民女士  
林淑華女士  
陳守煌先生

### 提名委員會成員

楊世緘先生 (主席)  
雷倩博士  
潘逸凡先生  
陳瑞隆先生  
盧啓昌先生

### 註冊辦事處

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

## Corporate Information 公司資料

(As at 26 March 2019 ("the Latest Practicable Date"))  
(於二零一九年三月二十六日(「最後實際可行日期」))

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### AUDITORS

Deloitte Touche Tohmatsu  
Certified Public Accountants  
35/F One Pacific Place  
88 Queensway  
Hong Kong

### LEGAL ADVISERS

Bird & Bird  
4/F, Three Pacific Place  
1 Queen's Road East  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square  
Grand Cayman, KY1-1102  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR

Hong Kong Registrars Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### 香港主要營業地點

香港  
皇后大道東183號  
合和中心  
54樓

### 核數師

德勤•關黃陳方會計師行  
執業會計師  
香港  
金鐘道88號  
太古廣場一期35樓

### 法律顧問

鴻鵠律師事務所  
香港  
皇后大道東1號  
太古廣場3座4樓

### 主要股份過戶登記處

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square  
Grand Cayman, KY1-1102  
Cayman Islands

### 香港股份過戶登記分處

香港證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心  
17樓1712-1716室

## LISTING INFORMATION

The Stock Exchange of Hong Kong Limited  
Stock Code: 00157

## PRINCIPAL BANKERS

### The Hongkong and Shanghai Banking Corporation Limited

1 Queen's Road Central  
Hong Kong

### Taiwan Cooperative Bank

No. 277, Section 3, Cheng Teh Road  
Taipei  
Taiwan

### CTBC BANK Co., Ltd.

8F, No. 168, Jingmao 2nd Road  
Taipei  
Taiwan

### China Merchants Bank Co., Ltd.

Shanghai Branch, Jingansi Sub-branch  
1465 Beijing Road (W)  
Shanghai  
The PRC

### China Minsheng Banking Corporation Limited

Shanghai Branch, Hongkou Sub-branch  
1/F Gulf Building  
53 Huangpu Road  
Shanghai  
The PRC

## WEBSITE

[www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)

## 上市資料

香港聯合交易所有限公司  
股份代號：00157

## 主要往來銀行

### 香港上海滙豐銀行有限公司

香港  
皇后大道中1號

### 合作金庫銀行

台灣  
台北  
承德路三段277號

### 中國信託商業銀行股份有限公司

台灣  
台北  
經貿二路168號8樓

### 招商銀行股份有限公司

上海市分行靜安寺支行  
中國  
上海  
北京西路1465號

### 中國民生銀行股份有限公司

上海市分行虹口支行  
中國  
上海  
黃浦路53號  
海灣大廈一樓

## 網址

[www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)







Dare

to Lead

勇於爭先



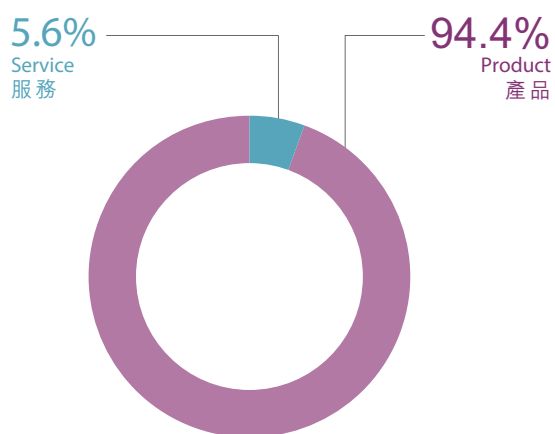
# Financial Highlights

## 財務摘要

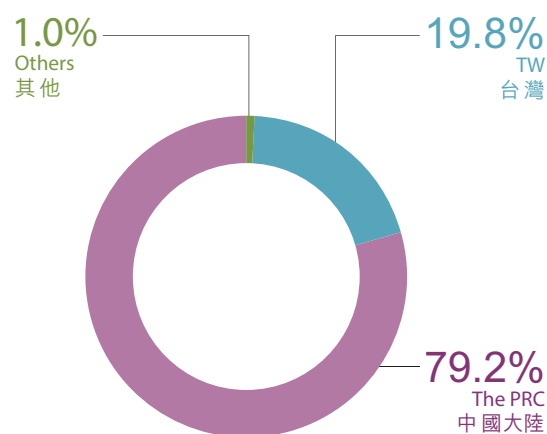
Selected Financial Data	財務數據摘要	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
HK\$'000 (except per share data)	千港元 (每股數據除外)	二零一三年 財政年度	二零一四年 財政年度	二零一五年 財政年度	二零一六年 財政年度	二零一七年 財政年度	二零一八年 財政年度
Revenue	收入	439,421	505,761	506,913	475,225	399,579	<b>369,525</b>
Cost of sales	銷售成本	106,321	116,981	109,419	122,366	94,467	<b>146,665</b>
Gross profit	毛利	333,100	388,780	394,494	352,859	305,112	<b>222,860</b>
Operating profit	經營溢利	83,052	116,274	170,392	196,217	146,738	<b>39,157</b>
Profit for the year	本年度溢利	58,459	71,480	136,830	148,403	105,388	<b>26,259</b>
Dividends	股息	52,655	105,871	136,944	247,660	112,117	<b>29,031</b>
Earning Per Share (EPS) – basic	每股盈利 – 基本	\$0.0290	\$0.0360	\$0.0680	\$0.0740	\$0.0530	<b>\$0.0130</b>
Dividend Per Share (DPS)	每股股息	\$0.0263	\$0.05288	\$0.0684	\$0.1237	\$0.0560	<b>\$0.0150</b>
Return on Equity (ROE)	股本回報	7.4%	9.2%	18.7%	22.7%	16.2%	<b>4.8%</b>
Return on Assets (ROA)	資產回報	6.0%	7.3%	15.4%	18.0%	13.5%	<b>3.9%</b>



TURNOVER BY  
ACTIVITIES BREAKDOWN (%)  
按業務劃分之營業額(%)



TURNOVER BY  
GEOGRAPHICAL BREAKDOWN (%)  
按地域劃分之營業額(%)





# Blooming

Glory

綻放光彩



# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

#### Overview

Turnover of the Group in 2018 decreased by 7.5% to HK\$369.5 million compared with HK\$399.6 million in 2017. The decline was mainly due to a decrease of HK\$45.1 million in product sales, such segment contributed to 94.4% of the Group's total turnover.

Turnover in the PRC market decreased by 8.3% from HK\$319.2 million in 2017 to HK\$292.7 million in 2018, turnover in the Taiwan market decreased by 5.1% to HK\$73.3 million compared with HK\$77.2 million in 2017.

Sales from other regions, including Hong Kong, Malaysia and Macau, increased by 13.3% from HK\$3.1 million in 2017 to HK\$3.5 million in 2018. Contribution from these regions remained at an insignificant level of just 1.0% of the Group's turnover.

The Group's overall gross profit margin decreased from 76.4% in 2017 to 60.3% in 2018 mainly due to the new beauty apparatus sold to franchisees in the third and fourth quarters, which changed the revenue mixture of the Group's product/beauty apparatus/service packages, and the offering of large promotional discounts on the new spa and medical cosmetology services in 2018.

### 財務回顧

#### 概況

本集團之營業額由二零一七年的399,600,000港元下跌7.5%至二零一八年的369,500,000港元。有關減少主要由於產品銷售額減少45,100,000港元，該分部佔本集團總營業額的94.4%。

中國大陸市場之營業額由二零一七年的319,200,000港元下跌8.3%至二零一八年的292,700,000港元；台灣市場之營業額則由二零一七年的77,200,000港元下跌5.1%至二零一八年的73,300,000港元。

其他地區（包括香港、馬來西亞及澳門）之銷售額提高13.3%，由二零一七年之3,100,000港元提高至二零一八年之3,500,000港元。該等地區對本集團營業額之貢獻維持輕微，僅佔本集團營業額1.0%。

本集團之整體邊際毛利率由二零一七年的76.4%降至二零一八年的60.3%，主要由於本集團於二零一八年第三、四季向加盟者銷售新的美容儀器，自產產品／美容儀器／服務收益組合發生變化及新的水療及醫療美容服務於二零一八年提供較多推廣優惠所致。

Turnover by activities	按業務劃分之營業額	2018		2017		Changes	
		二零一八年		二零一七年		變動	
		HK\$'000	%	HK\$'000	%	HK\$'000	%
		千港元		千港元		千港元	
Products	產品	348,728	94.4%	393,872	98.6%	(45,144)	(11.5%)
Services	服務	20,797	5.6%	5,707	1.4%	15,090	264.4%
<b>Total</b>	<b>總計</b>	<b>369,525</b>	<b>100.0%</b>	<b>399,579</b>	<b>100.0%</b>	<b>(30,054)</b>	<b>(7.5%)</b>

## FINANCIAL REVIEW (Continued)

### Products

The Group is principally engaged in manufacturing and sales of a range of products, including skin care, beauty and aroma-therapeutic products, health supplements and make-up products under the "Natural Beauty" brand and new beauty apparatus. Product sales are the Group's key revenue source and primarily come from franchised spas, self-owned-spas and concessionary counters at department stores. Product sales in 2018 amounted to HK\$348.7 million, or 94.4% of the Group's total revenue, representing a decrease of HK\$45.1 million or by 11.5% when compared with product sales of HK\$393.9 million in 2017. The decrease in product sales was mainly driven by the decrease in turnover in such segment in the PRC market by 13.3% to HK\$273.9 million in 2018 compared with HK\$316.1 million in 2017, and the decrease in turnover in such segment in the Taiwan market by 4.6% to HK\$71.3 million in 2018 compared with HK\$74.7 million in 2017.

### Services

Service income is derived from the self-owned spas' services, medical cosmetology services, training and other services.

The Group provides skin treatment, beauty and spa services through its self-owned spas. The Group's strategy is to establish self-owned spas as model outlets in strategic locations to stimulate franchisees to join in. Currently the Group has two self-owned spas and two self-owned medical cosmetology centers in the PRC and three self-owned spas in Taiwan.

The Group does not share any service income generated from spas run by franchisees under its current franchise arrangements. In 2018, service income increased by 264.4% to HK\$20.8 million compared with HK\$5.7 million in 2017. The increase in service income was mainly driven by the increase in turnover of spa services and medical cosmetology service income by 366.0% to HK\$19.5 million compared with HK\$4.2 million in 2017.

## 財務回顧 (續)

### 產品

本集團主要以「自然美」品牌製造及銷售護膚產品、美容及精油產品、健康食品及化妝品等各式各樣產品及新的美容儀器。產品銷售為本集團主要收入來源，且主要源自加盟水療中心、自資經營水療中心及百貨公司專櫃。二零一八年之產品銷售額達348,700,000港元（或佔本集團總收入94.4%），較二零一七年之產品銷售額393,900,000港元減少45,100,000港元或11.5%。產品銷售額減少主要由於該分部於中國大陸市場較二零一七年之316,100,000港元下跌13.3%至二零一八年之273,900,000港元、臺灣市場較二零一七年之74,700,000港元下跌4.6%至二零一八年之71,300,000港元所致。

### 服務

服務收入源自自資經營水療中心服務、醫療美容服務、培訓及其他服務。

本集團透過其自資經營水療中心提供肌膚護理、美容及水療服務。本集團之策略乃於戰略位置將自資經營水療中心打造成模範門店，以刺激加盟者加入本集團。目前，本集團在中國大陸擁有兩家自資經營水療中心及兩家自營醫療美容中心，並在台灣擁有三家自資經營水療中心。

按現行加盟經營安排，本集團不能分佔加盟者經營水療中心所得之任何服務收益。於二零一八年，服務收益較二零一七年之5,700,000港元增加264.4%至20,800,000港元，主要由於水療服務營業額和醫療美容服務收益較二零一七年之4,200,000港元增加366.0%至19,500,000港元。

FINANCIAL REVIEW (Continued)

財務回顧(續)

Service income	服務收益	2018		2017		Changes	
		二零一八年		二零一七年		變動	
		HK\$'000	%	HK\$'000	%	HK\$'000	%
		千港元		千港元		千港元	
Training income	培訓收益	423	2.0%	471	8.2%	(48)	(10.2%)
Spa/Medical cosmetology service income	水療／醫療美容服務收益	19,536	94.0%	4,192	73.5%	15,344	366.0%
Others	其他	838	4.0%	1,044	18.3%	(206)	(19.7%)
<b>Total</b>	<b>總計</b>	<b>20,797</b>	<b>100.0%</b>	<b>5,707</b>	<b>100.0%</b>	<b>15,090</b>	<b>264.4%</b>

Turnover by geographical region	按地域劃分之營業額	2018		2017		Changes	
		二零一八年		二零一七年		變動	
		HK\$'000	%	HK\$'000	%	HK\$'000	%
		千港元		千港元		千港元	
<b>PRC</b>	<b>中國大陸</b>						
Products	產品	273,940		316,085		(42,145)	(13.3%)
Services	服務	18,735		3,143		15,592	496.1%
<b>PRC Total</b>	<b>中國大陸總計</b>	<b>292,675</b>		<b>319,228</b>		<b>(26,553)</b>	<b>(8.3%)</b>
<b>Taiwan</b>	<b>台灣</b>						
Products	產品	71,253		74,668		(3,415)	(4.6%)
Services	服務	2,062		2,564		(502)	(19.6%)
<b>Taiwan Total</b>	<b>台灣總計</b>	<b>73,315</b>		<b>77,232</b>		<b>(3,917)</b>	<b>(5.1%)</b>
<b>Others</b>	<b>其他</b>						
Products	產品	3,535		3,119		416	13.3%
Services	服務	-		-		-	-
<b>Others Total</b>	<b>其他總計</b>	<b>3,535</b>		<b>3,119</b>		<b>416</b>	<b>13.3%</b>



## FINANCIAL REVIEW (Continued)

### The PRC Market

The Group's turnover in the PRC market decreased by 8.3% in 2018 to HK\$292.7 million compared with HK\$319.2 million in 2017. The decrease was mainly due to decline in the sales of products. Gross margin on product sales decreased from 80.0% in 2017 to 64.2% in 2018. The key reasons are the changes in the mixture of products with different marginal gross profit and the revenue mixture of the Group's product/beauty apparatus/service package, and the offering of large promotional discounts on the new spa and medical cosmetology services in PRC in 2018.

### The Taiwan Market

The Group's turnover in the Taiwan market decreased by 5.1% from HK\$77.2 million in 2017 to HK\$73.3 million in 2018 due to the decline in the sales of products. Gross profit margin on product sales in 2018 was 77.6%, which was in line with that in 2017.

### Other income and other gains

Other income and other gains decreased by 37.3% from HK\$12.9 million in 2017 to HK\$8.1 million in 2018, mainly due to the decrease of interest income and financial refunds in 2018 by 30.2% and 46.7% respectively compared with 2017. Other income and other gains mainly comprised interest income, rental income from investment properties, financial refunds of HK\$3.0 million, HK\$2.3 million and HK\$2.2 million respectively in 2018.

## 財務回顧 (續)

### 中國大陸市場

本集團於中國大陸市場之營業額由二零一七年之319,200,000港元下跌8.3%至二零一八年之292,700,000港元。有關減少主要由於產品銷售額減少所致。產品銷售邊際毛利率從二零一七年的80.0%降低至二零一八年的64.2%，主要原因為中國大陸二零一八年不同邊際毛利產品結構發生變化，自產產品／美容儀器／服務收益組合發生變化及新的水療及醫療美容服務提供較多推廣優惠所致。

### 台灣市場

本集團於台灣市場之營業額由二零一七年之77,200,000港元減少5.1%至二零一八年之73,300,000港元，乃因產品銷售額減少所致。二零一八年之產品銷售邊際毛利率為77.6%，與二零一七年持平。

### 其他收益和利得

其他收益和利得由二零一七年之12,900,000港元減少37.3%至二零一八年之8,100,000港元，主要由於二零一八年之利息收入及財務退款較二零一七年分別下降30.2%及46.7%。於二零一八年，其他收益和利得主要包括利息收入、投資物業之租金收益及財務退款，分別為3,000,000港元、2,300,000港元及2,200,000港元。

## FINANCIAL REVIEW (Continued)

### Selling and administrative expenses

Distribution and selling expenses as a percentage of the Group's turnover increased to 32.5% in 2018 compared with 25.3% in 2017. The distribution and selling expenses increased by HK\$19.3 million from HK\$100.9 million in 2017 to HK\$120.2 million in 2018. Salaries increased by HK\$7.8 million from HK\$41.6 million in 2017 to HK\$49.4 million in 2018. Other key expenses included new products/business launching events and customers' training session expenses of HK\$12.7 million, advertising expenses of HK\$7.8 million, depreciation charges of HK\$3.8 million, transportation charges of HK\$5.7 million as well as rentals of offices of HK\$8.9 million in 2018.

Total administrative expenses increased by HK\$8.5 million, or 13.9%, to HK\$70.0 million in 2018 compared with HK\$61.5 million in 2017. Administrative expenses mainly comprised staff costs and retirement benefits of HK\$20.1 million, legal and professional fees of HK\$11.8 million, depreciation charges of HK\$9.0 million and office and utilities expenses of HK\$4.8 million in 2018.

### Other expenses and other losses

Other expenses and other losses decreased by HK\$1.5 million, from HK\$5.4 million in 2017 to HK\$3.9 million in 2018. Other expenses and other losses mainly included exchange loss of HK\$1.3 million, loss of HK\$0.97 million on disposal of property and related expenses of rental property of HK\$1.6 million in 2018.

### Profit before tax

Taking into account the decrease in gross profit and other income, and the increase in selling and administrative expenses, profit before tax decreased by 73.3% from HK\$146.7 million in 2017 to HK\$39.2 million in 2018, and the pre-tax profit margin decreased to 10.6% in 2018 from 36.7% in 2017.

## 財務回顧 (續)

### 銷售及行政開支

分銷及銷售開支佔本集團營業額之百分比由二零一七年之25.3%增加至二零一八年的32.5%。分銷及銷售開支由二零一七年之100,900,000港元增加19,300,000港元至二零一八年之120,200,000港元。薪金由二零一七年之41,600,000港元增加7,800,000港元至二零一八年之49,400,000港元。於二零一八年，其他重要開支項目包括新產品發佈會及客戶培訓會議費用12,700,000港元、廣告費開支7,800,000港元、折舊開支3,800,000港元、銷貨運費5,700,000港元以及辦公室租金開支8,900,000港元。

總行政開支由二零一七年之61,500,000港元增加8,500,000港元（或13.9%）至二零一八年之70,000,000港元。於二零一八年，行政開支主要包括員工成本和退休福利20,100,000港元，法律及專業費用11,800,000港元，折舊開支9,000,000港元以及辦公室和水電開支4,800,000港元。

### 其他支出和損失

其他支出和損失由二零一七年之5,400,000港元減少1,500,000港元至二零一八年之3,900,000港元。於二零一八年，其他支出和損失主要包括匯兌虧損1,300,000港元、處置資產之虧損970,000港元以及出租物業之相關支出1,600,000港元。

### 除稅前溢利

鑑於毛利及其他收益均告減少，銷售及行政開支增加，除稅前溢利由二零一七年之146,700,000港元減少73.3%至二零一八年之39,200,000港元。稅前利潤率從二零一七年之36.7%減少至二零一八年之10.6%。

## FINANCIAL REVIEW (Continued)

### Taxation

Taxation expenses decreased by HK\$28.5 million to HK\$12.9 million in 2018 compared with HK\$41.4 million in 2017. The effective tax rates of the Group in 2017 and 2018 were 28.2% and 32.9% respectively.

### Profit for the year

Profit for the year decreased by 75.1% from HK\$105.4 million in 2017 to HK\$26.3 million in 2018.

### Liquidity and financial resources

Cash generated from operating activities in 2018 was approximately HK\$76.7 million (HK\$21.2 million in 2017). As at 31 December 2018, the Group had bank balances and cash of approximately HK\$181.0 million (HK\$288.9 million as at 31 December 2017) with no external bank borrowing.

In terms of gearing, as at 31 December 2017 and 31 December 2018, the Group's gearing ratios were zero (defined as net debt divided by shareholders' equity) as the Group was in a net cash position on both year-end dates. Current ratios of the Group (defined as current assets divided by current liabilities) as at 31 December 2017 and 31 December 2018 were 4.3 times and 2.8 times respectively. As at 31 December 2018, the Group had no material contingent liabilities, other than those disclosed in its financial statements and the notes thereto. With the cash and bank balances in hand, the Group's liquidity position remains strong to meet its working capital requirements.

## 財務回顧 (續)

### 稅項

稅項支出由二零一七年之41,400,000港元減少28,500,000港元至二零一八年之12,900,000港元。本集團於二零一七年及二零一八年之實際稅率分別為28.2%及32.9%。

### 本年度溢利

本年度溢利由二零一七年之105,400,000港元減少75.1%至二零一八年之26,300,000港元。

### 流動資金及財務資源

於二零一八年之經營業務所得現金約為76,700,000港元(二零一七年為21,200,000港元)。於二零一八年十二月三十一日，本集團之銀行結存及現金約為181,000,000港元(於二零一七年十二月三十一日為288,900,000港元)，且並無外界銀行借款。

資產負債方面，於二零一七年十二月三十一日及二零一八年十二月三十一日，由於本集團在兩個年度結算日均處於淨現金狀況，故資產負債比率(界定為淨負債除以股東權益)均為零。於二零一七年十二月三十一日及二零一八年十二月三十一日，本集團之流動比率(界定為流動資產除以流動負債)分別為4.3倍及2.8倍。於二零一八年十二月三十一日，除於財務報表及有關附註披露者外，本集團並無重大或然負債。憑藉所持有之現金及銀行結存，本集團之流動資金狀況維持穩健，足以滿足其營運資金所需。

## FINANCIAL REVIEW (Continued)

### Treasury policies and exposure to fluctuations in exchange rates

Most of the Group's revenues are denominated in Renminbi ("RMB") and New Taiwan Dollars ("NTD") as its operations are mainly located in the PRC and Taiwan. As at 31 December 2018, approximately 72.4% (79.0% as at 31 December 2017) of the Group's bank balances and cash was denominated in RMB, while approximately 21.5% (16.9% as at 31 December 2017) in NTD. The remaining 6.1% (4.1% as at 31 December 2017) was denominated in US Dollars, Hong Kong Dollars and Malaysian Ringgit. The Group continues to adopt a conservative approach in its foreign exchange exposure management. The Group reviews its foreign exchange risks periodically and uses derivative financial instruments to hedge against such risks when necessary.

## BUSINESS REVIEW

### Distribution channels

Store Number by Ownership	按擁有權劃分之店舖數目	Franchisee-	Self-	Total	Entrusted	Self-	Self-owned	Total	Cosmetology	Total
		owned	owned			owned	Medical			
		Spa	Spa	Spa	Counter	Counter	Counter	Center		
		加盟者擁有	自資經營	水療中心	委託經營	自資經營	專櫃	自營醫學		
		水療中心	水療中心	總計	專櫃	專櫃	總計	美容中心		總計
As at 31 December 2018	於二零一八年十二月三十一日									
PRC	中國大陸	773	2	775	0	14	14	2		791
Taiwan	台灣	241	3	244	0	0	0	0		244
Others	其他	27	0	27	0	0	0	0		27
<b>Total</b>	<b>總計</b>	<b>1,041</b>	<b>5</b>	<b>1,046</b>	<b>0</b>	<b>14</b>	<b>14</b>	<b>2</b>		<b>1,062</b>

## 財務回顧 (續)

### 理財政策及所承受匯率波動風險

基於本集團業務主要位於中國大陸及台灣，故其大部份收入乃以人民幣（「人民幣」）及新台幣（「新台幣」）計值。於二零一八年十二月三十一日，在本集團之銀行結存及現金中，約72.4%（於二零一七年十二月三十一日為79.0%）以人民幣計值，另約21.5%（於二零一七年十二月三十一日為16.9%）以新台幣計值。餘下6.1%（於二零一七年十二月三十一日為4.1%）則以美元、港元及馬來西亞幣計值。本集團繼續就外匯風險管理採取審慎政策，定期檢討其所承受之外匯風險，並於有需要時使用衍生金融工具對沖有關風險。

## 業務回顧

### 分銷管道

**BUSINESS REVIEW** (Continued)

**業務回顧** (續)

**Distribution channels** (Continued)

**分銷管道** (續)

Store Number by Ownership	按擁有權劃分之店舖數目	Franchisee-owned Spa 加盟者擁有水療中心	Self-owned Spa 自資經營水療中心	Total Spa 水療中心總計	Entrusted Counter 委託經營專櫃	Self-owned Counter 自資經營專櫃	Total Counter 專櫃總計	Total 總計
As at 31 December 2017	於二零一七年十二月三十一日							
PRC	中國大陸	796	2	798	0	14	14	812
Taiwan	台灣	246	3	249	0	0	0	249
Others	其他	30	0	30	0	0	0	30
Total	總計	1,072	5	1,077	0	14	14	1,091

Average sales per store	每間店舖平均銷售額	2018 Average sales per store* 二零一八年店舖平均數目*	2017 Average sales per store* 二零一七年店舖平均數目*	2018 Average sales per store 二零一八年每間店舖平均銷售額 HK\$ 港元	2017 Average sales per store 二零一七年每間店舖平均銷售額 HK\$ 港元	Changes 變動 HK\$ 港元	%
PRC	中國大陸	801.5	806.0	365,000	396,000	(31,000)	(7.8%)
Taiwan	台灣	246.5	250.5	297,000	308,000	(11,000)	(3.6%)
Group total**	集團總計**	1,048.0	1,056.5	349,000	375,000	(26,000)	(6.9%)

\* Average store number is calculated by (opening period total + closing period total)/2

\* 平均店舖數目以(期初總計+期末總計)/2計算

\*\* Group total does not include turnover and store count in Hong Kong, Macau and Malaysia.

\*\* 集團總計不包括於香港、澳門及馬來西亞之營業額及店舖數目。

### BUSINESS REVIEW (Continued)

#### Distribution channels (Continued)

The Group derives its income principally from its network of distribution channels, including spas and concessionary counters in department stores. As at 31 December 2018, there were 1,046 spas, 2 medical cosmetology centers and 14 concessionary counters. Of these, 1,041 were franchised spas, while 5 spas, 2 medical cosmetology centers and 14 concessionary counters were directly operated by the Group. No concessionary counters were entrusted to third-party operators. Franchised spas are owned by the franchisees who are responsible for the capital investment in these spas. They are obliged to use only Natural Beauty or "NB" products in their spas. A wide array of services including hydrotherapy, facial treatment, body care and skin care analysis, are provided in all spas, while skin care analysis is widely available at the concessionary counters in department stores.

Group-wide, a total of 42 new stores and 2 medical cosmetology centers were opened and 73 stores were closed during the year ended 31 December 2018. Average sales per store decreased from HK\$375,000 in 2017 to HK\$349,000 in 2018.

#### Research and Development

The Group puts significant emphasis on research and development which allows it to maintain its competitive edge, to continuously improve the quality of its existing products and develop new products. The Group has been collaborating with overseas skin-care companies on technological development. The bio-technology materials the Group uses for its NB products are imported from Europe, Japan and Australia. The Group's research and development team comprises a number of overseas consultants with experience and expertise in cosmetics, medicine, pharmacy and bio-chemistry. NB products are constantly enhanced and modified by the application of new ingredients developed by the team. The Group draws on its collaboration of experts with different expertise and experiences, together with Dr. TSAI Yen-Yu's 40-year-plus industry experience and knowledge to continue to create high-quality beauty and skin care products. NB principally uses natural ingredients to manufacture products and adopts special formulae to cater to the specific needs of women with delicate skin. NB products accommodate the natural metabolism of skin with long-lasting effects.

### 業務回顧 (續)

#### 分銷管道 (續)

本集團收益主要來自其水療中心及百貨公司專櫃等分銷管道網絡。於二零一八年十二月三十一日，本集團共有1,046間水療中心、2間醫療美容中心及14個專櫃。當中包括1,041間加盟水療中心，以及由本集團直接經營的5間水療中心、2間醫療美容中心和14個專櫃。並無委託協力廠商經營者經營專櫃。加盟水療中心由加盟者擁有，彼等須承擔本身水療中心的資本投資。彼等之水療中心僅可使用自然美或「NB」品牌產品。各水療中心均提供多種服務，包括水療、面部及身體護理以及皮膚護理分析服務，而百貨公司專櫃廣泛提供肌膚護理分析。

以集團而言，截至二零一八年十二月三十一日止年度內，本集團合共開設42間新店舖和2間醫療美容中心，另關閉73間店舖。每間店舖的平均銷售額由二零一七年之375,000港元減少至二零一八年之349,000港元。

#### 研究及開發

本集團非常著重於研究及開發，讓其保持競爭優勢，以持續改善現有產品的質素及開發新產品。本集團一直與海外護膚品公司合作研發新技術。本集團用於旗下自然美產品之生物科技物料乃從歐洲、日本及澳洲引進。本集團之研究及開發隊伍由多名具備化妝品、醫學、藥劑及生物化學經驗與專業知識之海外顧問組成。本集團透過使用團隊研發之新成分不斷提升及改良自然美產品。本集團透過與團隊內具備不同專業知識及經驗之專家通力合作，加上蔡燕玉博士於業內積逾40年之經驗及知識，將繼續開發優質美容及護膚產品。自然美產品主要使用天然成分，並採用特別配方，迎合女性嬌嫩肌膚的特別需要。自然美產品適應肌膚自然的新陳代謝，功效持久。

## BUSINESS REVIEW (Continued)

### Research and Development (Continued)

Natural Beauty has collaborated with a leading researcher in the field of human genome and stem cell technology for the development of an anti-aging NB-1 product family and other products for spot removal, whitening, allergy-resistance and slimming. The stem cell technology is patented in the United States to protect the uniqueness of the NB-1 products.

### Products

In 2018, the Group's flagship NB-1 products accounted for 46.9% of total product sales and its sales reached HK\$163.7 million in 2018. During 2018, the Group had successfully launched a new series of NB-1 Bright-Crystal target products, the sales of which achieved HK\$43.5 million in PRC, accounting for 12.5% of total product sales.

Through continuous research and strategic planning for the beauty market, the Group has successfully launched the new beauty apparatus for the franchisees, thereby enhancing the status of the Group in the beauty and spa market. In 2018, sales of new beauty apparatus achieved HK\$37.5 million, accounting for 10.7% of total product sales.

### Human Resources

As at 31 December 2018, the Group had a total of 511 employees, of whom 400 were based in the PRC, 109 in Taiwan and 2 in other countries and regions. Total remuneration (excluding directors' emoluments) in 2018 was approximately HK\$105.7 million (HK\$96.0 million in 2017), including retirement benefit related costs of HK\$17.1 million (HK\$16.3 million in 2017). Competitive remuneration packages are maintained to attract, retain and motivate capable staff members and are reviewed on a regular basis.

The Group maintains good relations with its employees and is committed to their training and development. Professional training courses are offered to beauticians employed by the Group and to franchisees on a regular basis.

## 業務回顧 (續)

### 研究及開發 (續)

自然美與人類基因及幹細胞科技範圍之頂尖研究員進行合作，開發抗衰老NB-1產品系列及其他去斑、美白、抗敏及纖體產品。為保護NB-1產品的獨特性，本集團於美國取得該幹細胞科技的專利權。

### 產品

於二零一八年，本集團的旗艦NB-1系列產品佔產品總銷售額的46.9%，其銷售額達到163,700,000港元。本集團於二零一八年成功推出一系列NB-1晶鑽之新產品，該系列產品在中國大陸地區銷售額達43,500,000港元，佔產品總銷售額的12.5%。

通過對美容市場的持續研究及策略規劃，本集團成功為加盟者引進新款美容儀器，藉此提升本集團在美容及水療市場的優勢地位。新款美容儀器於二零一八年的銷售額為37,500,000港元，佔產品總銷售額的10.7%。

### 人力資源

於二零一八年十二月三十一日，本集團合共僱用511名僱員，其中400名派駐中國大陸，台灣有109名，其他國家及地區則有2名。於二零一八年之總酬金（不包括董事酬金）約為105,700,000港元（二零一七年為96,000,000港元），其中包括退休福利相關成本17,100,000港元（二零一七年為16,300,000港元）。為招聘、留聘及鼓勵表現卓越的僱員，本集團保持並定期檢討具競爭力之酬金組合。

本集團與其僱員維持良好合作關係，並承擔彼等的培訓及發展，更定期為本集團聘用之美容師及加盟者提供專業培訓課程。

## BUSINESS REVIEW (Continued)

### Capital Expenditures

The Group's capital expenditure of HK\$51.8 million in 2018 was mainly related to the new plant construction in the PRC amounting to HK\$35.5 million, opening of new stores, renovation and equipment amounting to HK\$7.0 million, office and self-owned spa centre renovation amounting to HK\$6.4 million, motor vehicles amounting to HK\$1.1 million, production equipment amounting to HK\$0.2 million, IT infrastructure amounting to HK\$0.5 million.

## OUTLOOK

As a new addition to the EMI Group in Taiwan, a leading group of enterprises specialized in media, virtual retail, real estate, and entertainment content production in Taiwan, we are now able to leverage the resources of the EMI Group to boost up our core beauty and skincare business and to develop new business covering bio-tech beauty/medical cosmetology, e-commerce and to-customer businesses. For instance, with the resources of Eastern Housing and ETtoday News Cloud, we can further promote online-to-offline integrated marketing; while Eastern TV Shopping's product development and marketing resources can be combined with our R&D resources. With additional resources and greater talent pool available from the EMI Group, our Directors believe that the Group is well-positioned to reach another significant milestone in 2019.

### Scale up strategies:

- Accelerate the opening of new stores in the identified cities. Opening new direct-sale stores in department stores/shopping malls with high footfall can reinforce the brand's premium image and boost up revenue from direct-sale stores rapidly.
- Speed up the increase of the number of franchisees in tier 3 and 4 cities.
- Build the "Natural Beauty bio-tech-based industrial park" in Fengxian District of Shanghai. The park is under construction and is expected to be completed in mid 2020. It will incorporate bio-tech lab, production base, Research and Development ("R&D") center, logistics center, warehouse and office, which will bring our bio-tech expertise, manufacturing ability and production capacity to the next level to support the rapid expansion of our business.

## 業務回顧 (續)

### 資本開支

本集團於二零一八年之資本開支為51,800,000港元，其主要包括中國大陸新工廠建設35,500,000港元、新開店裝修及設備7,000,000港元、辦公室及自資經營水療中心翻新裝修6,400,000港元、車輛購置1,100,000港元、生產設備200,000港元以及資訊科技系統500,000港元。

### 展望

我們加入台灣東森集團之後，背靠其在台灣媒體、虛擬零售通路、地產及娛樂內容等領域的領先佈局，提供我們豐富的資源，例如在東森房屋和東森新聞雲的資源上我們可進一步推展線上線下整合行銷；而在東森購物的商品開發及行銷資源上可結合自然美的研發資源。讓我們計劃在核心的美容產業飛速成長並全面佈局在生技美容，電商，直接銷售給消費者的新事業上。東森集團調動豐沛的資源及優秀的相關領域的菁英來助力，我們相信，本集團的業務發展將在二零一九年達到新的里程碑。

### 縱向發展佈局：

- 飛速推進在重點城市開立新店。計畫在高人潮百貨商場開設直營店，倍數增加直營店營收並提升高端品牌形象。
- 加盟店展店計畫新建強大團隊在三、四級城市快速發展加盟事業。
- 上海奉賢區建設「自然美生化科技園區」，建置規劃了生物科技中心、生產中心、研發中心、物流中心、倉儲中心及辦公大樓。預期於二零二零年園區建設完成後，將配合我們快速發展事業部局所需，將我們的生化科技、研發、產能提升到更高的層級。



## OUTLOOK (Continued)

### Scale out strategies:

- Develop new product lines for e-commerce business to build brand awareness among young consumers via on-line as well as off-line channels outside our franchisee stores.
- Team up with industry leader to advance in the medical cosmetology market. A partnership with top player of the medical cosmetology market will enable the Group to build expertise in medical cosmetology and deploy the offline model in 2019.
- Expand our R&D team and engage the EMI Group's business partners specialized in developing high-quality food supplements to diversify our product offerings for consumers.
- Bring Strawberrynet, the cross-border e-commerce platform newly acquired by the EMI Group, and an internationally famous brand name to our customers in our website stores with a view to increasing our revenue and diversifying our business.

### Branding Strategies:

- Engage a top artist or celebrity as our brand spokesperson to endorse the brand, along with a comprehensive marketing plan with a view to creating a wider brand awareness and stimulating growth in the number of new consumers.

## 展望 (續)

### 橫向發展佈局：

- 發展新的產品線，透過電商管道以及我們生活美容門店以外的管道販售給年輕的消費者，成為年輕消費者心中的美妝品牌。
- 二零一八年跨入醫學美容領域。二零一九年更進一步計劃與業界頭部品牌合作，完成線下醫美門店的佈局，快速強大我們在醫美產業的佈局與成長。
- 升級我們的研發團隊與專業，並結盟東森集團在保健食品領域的合作夥伴，研發出高品質的最新保健食品，提供給更多消費者。
- 自然美攜手草莓網店中店新型零售商模推廣。草莓網是全球知名跨境電商，為東森集團旗下新併購的事業體，結合此一集團資源，將世界知名國際馳名大牌帶給我們的顧客，同時增加我們多元化的營收。

### 品牌推廣：

- 啟用知名品牌代言人，全維度的整合行銷計畫注入資源重新打響品牌，加大擴展直營／加盟核心的動能。

# Report on Corporate Governance

## 企業管治報告

The Board hereby presents this Corporate Governance Report in the Group's Annual Report for the year ended 31 December 2018.

### CORPORATE GOVERNANCE OF THE COMPANY

The Company firmly believes that strong corporate governance is the foundation to delivering the corporate objective of maximizing return to its stakeholders over the long term. The core of the governance structure is an effective and qualified Board of Directors (the "Board") which is committed to maintaining a high standard of corporate governance, sound internal control and effective risk management to enhance transparency, accountability, integrity and honesty, in order to earn the confidence from our shareholders and other stakeholders and to safeguard the interests of shareholders.

The Board had adopted Corporate Governance Guidelines (the "CG Guidelines") (available on the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)) which gives guidance on how corporate governance principles are applied to the Company.

The Board is of the view that throughout the year 2018, save as explained and disclosed hereinbelow, the Company applied the principles and complied with all the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The following summarizes the Company's corporate governance practices and explains deviations, if any, from the CG Code.

In addition to complying with applicable statutory requirements, we aim to continually review and enhance our corporate governance practices in light of local and international best practices.

董事會謹此提呈載列於本集團截至二零一八年十二月三十一日止年度年報內之企業管治報告。

### 本公司的企業管治常規

本公司堅信，健全的企業管治能奠定牢固的基礎，讓公司得以達致企業目標，為持份者提供最大的長期回報。能幹稱職之董事會（「董事會」）是公司管治架構的核心，董事會竭力維持高水準之企業管治、穩健的內部監控系統，以及有效的風險管理，致力提高透明度、問責性、公信力及坦誠度，努力贏取股東及其他持份者的信心及保障股東利益。

董事會已採納《企業管治指引》（「企管指引」）（可於本公司網站查閱：[www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)），為本公司於企業管治原則的應用方面提供指引。

董事會認為，在二零一八年度，除本報告說明及披露者外，本公司已應用及全面遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載《企業管治守則》及《企業管治報告》（「企業管治守則」）之原則及所有守則條文。下文概述本公司之企業管治常規及闡述偏離企業管治守則（如有）之情況。

除了遵守適用法定規定外，本公司致力根據本地及國際最佳慣例，不斷檢討及提升本公司之企業管治常規。

**CORPORATE GOVERNANCE OF THE COMPANY** (Continued)

**A. DIRECTORS**

**A1. Directors' Attendance and Training Records**

The Board currently comprises nine members, consisting of two Executive Directors, four Non-executive Directors and three Independent Non-executive Directors. The Board meets four times during a year as a minimum and, during 2018, it met six times. Details of composition of each of the Board Committees, the Directors' attendance records at the meetings of the Board and each of the Board Committees and the general meeting as well as the Directors' training records during the year ended 31 December 2018 are as follows:

**本公司的企業管治常規 (續)**

**A. 董事**

**A1. 董事出席及培訓記錄**

董事會現由九名成員組成，其中包括兩名執行董事、四名非執行董事及三名獨立非執行董事。董事會每年至少舉行四次會議，於二零一八年舉行了六次會議。截至二零一八年十二月三十一日止年度內，各個董事委員會之成員組成詳情，每位董事於董事會會議、各個董事委員會會議和股東大會之出席記錄，以及董事培訓記錄如下：

		Remuneration Committee Meeting 薪酬委員會 會議	Audit Committee Meeting 審核委員會 會議	Executive Committee Meeting 執行委員會 會議	Nomination Committee Meeting 提名委員會 會議	Board Meeting 董事會 會議	Annual General Meeting 股東週年 大會	Training Course 培訓 課程
<b>Executive Directors</b>	<b>執行董事</b>							
Mr. LEE Ming-Ta <sup>(1)</sup>	李明達先生 <sup>(1)</sup>	n/a 不適用	n/a 不適用	4/4	1/1	4/4	0/1	Note a 附註a
Dr. SU Chien-Cheng <sup>(2)</sup>	蘇建誠博士 <sup>(2)</sup>	2/2	n/a 不適用	4/4	n/a 不適用	4/4	1/1	Note a 附註a
Dr. LEI Chien <sup>(3)</sup>	雷倩博士 <sup>(3)</sup>	-/-	n/a 不適用	-/-	1/1	2/2	-/-	Note b 附註b
Mr. PAN Yi-Fan <sup>(4)</sup>	潘逸凡先生 <sup>(4)</sup>	-/-	n/a 不適用	-/-	1/1	2/2	-/-	Note b 附註b
<b>Non-executive Directors</b>	<b>非執行董事</b>							
Dr. TSAI Yen-Yu <sup>(5)</sup>	蔡燕玉博士 <sup>(5)</sup>	n/a 不適用	n/a 不適用	4/4	1/2	5/6	0/1	Note a 附註a
Dr. SU Sh-Hsyu <sup>(6)</sup>	蘇詩琇博士 <sup>(6)</sup>	1/2	2/3	4/4	n/a 不適用	3/4	0/1	Note a 附註a
Mr. HSIAO Wen-Chung <sup>(7)</sup>	蕭文聰先生 <sup>(7)</sup>	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	2/2	-/-	Note b 附註b
Ms. LU Yu-Min <sup>(8)</sup>	陸瑜民女士 <sup>(8)</sup>	n/a 不適用	n/a 不適用	-/-	n/a 不適用	1/1	-/-	Note b 附註b
Ms. LIN Shu-Hua <sup>(9)</sup>	林淑華女士 <sup>(9)</sup>	n/a 不適用	1/1	-/-	n/a 不適用	1/1	-/-	Note b 附註b
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>							
Mr. CHEN Ruey-Long	陳瑞隆先生	3/3	5/5	n/a 不適用	3/3	6/6	0/1	Note a 附註a
Mr. LU Chi-Chant	盧啟昌先生	3/3	5/5	n/a 不適用	3/3	6/6	0/1	Note a 附註a
Mr. HSIEH Pang-Chang <sup>(10)</sup>	謝邦昌先生 <sup>(10)</sup>	3/3	4/4	n/a 不適用	2/2	5/5	0/1	Note a 附註a
Mr. YANG Shih-Chien <sup>(11)</sup>	楊世緘先生 <sup>(11)</sup>	-/-	1/1	n/a 不適用	1/1	1/1	-/-	Note b 附註b

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A1. Directors' Attendance and Training Records (Continued)

Those Directors who were not able to attend the Board and Committee meetings in person could appoint another Director as their respective proxy to attend and vote on his/her behalf. For indication purpose, attendance by proxy was not counted as attendance by the Director himself/herself in the above summary.

Notes:

- (1) Mr. LEE Ming-Ta resigned as an Executive Director, the Vice Chairman of the Board, the Chairman of the Executive Committee and a member of the Nomination Committee on 16 November 2018. Four Board meetings, four Executive Committee meetings and one Nomination meetings were held before 16 November 2018.
- (2) Dr. SU Chien-Cheng resigned as an Executive Director, a member of the Executive Committee and the Remuneration Committee on 16 November 2018. Four Board meetings, four Executive Committee meetings and two Remuneration Committee meetings were held before 16 November 2018.
- (3) Dr. LEI Chien was appointed as an Executive Director and the Chairperson of the Board on 26 October 2018. She was subsequently appointed as the Chairperson of the Executive Committee, a member of the Nomination Committee and the Remuneration Committee on 16 November 2018. Two Board meetings were held after 16 November 2018. One Nomination Committee meeting was held after 16 November 2018. No Executive Committee meeting and Remuneration Committee meeting was held after 16 November 2018.
- (4) Mr. PAN Yi-Fan was appointed as an Executive Director on 26 October 2018. He was subsequently appointed as a member of the Executive Committee, the Nomination Committee and the Remuneration Committee on 16 November 2018. Two Board meetings were held after 26 October 2018. One Nomination Committee meeting were held after 16 November 2018. No Executive Committee meeting and Remuneration Committee meeting was held after 16 November 2018.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A1. 董事出席及培訓記錄 (續)

未能親身出席董事會及委員會會議之董事，均可委任另一名董事作為彼等各自的受委代表，代其出席會議並於會上投票。為說明起見，就上述摘要而言，由受委代表代為出席之會議並不計入有關董事之出席記錄。

附註：

- (1) 李明達先生於二零一八年十一月十六日辭任執行董事、董事會副主席、執行委員會主席及提名委員會成員。於二零一八年十一月十六日前，董事會舉行了四次會議，執行委員會舉行了四次會議，提名委員會舉行了一次會議。
- (2) 蘇建誠博士於二零一八年十一月十六日辭任執行董事、執行委員會及薪酬委員會成員。於二零一八年十一月十六日前，董事會舉行了四次會議，執行委員會舉行了四次會議，薪酬委員會舉行了兩次會議。
- (3) 雷倩博士於二零一八年十月二十六日獲委任為執行董事及董事會主席。彼隨後於二零一八年十一月十六日獲委任為執行委員會主席、提名委員會及薪酬委員會成員。於二零一八年十一月十六日後，董事會舉行了兩次會議。於二零一八年十一月十六日後，提名委員會舉行了一次會議，執行委員會及薪酬委員會並無舉行會議。
- (4) 潘逸凡先生於二零一八年十月二十六日獲委任為執行董事。彼隨後於二零一八年十一月十六日獲委任為執行委員會、提名委員會及薪酬委員會成員。於二零一八年十月二十六日後，董事會舉行了兩次會議。於二零一八年十一月十六日後，提名委員會舉行了一次會議，執行委員會及薪酬委員會並無舉行會議。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A1. Directors' Attendance and Training Records (Continued)

Notes: (Continued)

- (5) Dr. TSAI Yen-Yu was an Executive Director and the Chairperson of the Board until she was re-designated as a Non-executive Director and stepped down from being the Chairperson of the Board on 26 October 2018. She has been appointed as an Honorary Chairperson of the Company on the same day. She subsequently ceased to be a member of the Nomination Committee and remained as a member of the Executive Committee on 16 November 2018. Two Nomination Committee meetings were held on or before 16 November 2018. She resigned as a Non-executive Director and a member of Executive Committee and remains as the Honorary Chairperson of the Company on 25 January 2019.
- (6) Dr. SU Sh-Hsyu resigned as a Non-Executive Director, a member of the Executive Committee, the Audit Committee and the Remuneration Committee on 16 November 2018. Four Board meetings, four Executive Committee meetings, three Audit Committee meetings and two Remuneration meetings were held before 16 November 2018.
- (7) Mr. HSIAO Wen-Chung was appointed as a Non-executive Director on 26 October 2018. Two Board meetings were held after 26 October 2018.
- (8) Ms. LU Yu-Min was appointed as a Non-executive Director and a member of the Executive Committee on 16 November 2018. One Board meeting was held after 16 November 2018. No Executive Committee meeting was held after 16 November 2018.
- (9) Ms. LIN Shu-Hua was appointed as a Non-executive Director and a member of the Executive Committee and the Audit Committee on 16 November 2018. One Board meeting and one Audit Committee meeting were held after 16 November 2018. No Executive Committee meeting was held after 16 November 2018.
- (10) Mr. HSIEH Pang-Chang resigned as an Independent Non-executive Director, the Chairman of the Nomination Committee, a member of the Audit Committee and the Remuneration Committee on 16 November 2018. Five Board meetings, four Audit Committee meetings, two Nomination Committee meetings and three Remuneration Committee meetings were held on or before 16 November 2018.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A1. 董事出席及培訓記錄 (續)

附註：(續)

- (5) 於二零一八年十月二十六日，蔡燕玉博士由執行董事調任為非執行董事，並退任董事會主席。彼已於同日獲委任為本公司之名譽主席。彼隨後於二零一八年十一月十六日不再擔任提名委員會成員，但仍為執行委員會成員。於二零一八年十一月十六日或之前，提名委員會舉行了兩次會議。於二零一九年一月二十五日，彼辭任非執行董事及執行委員會成員，但仍為本公司名譽主席。
- (6) 蘇詩琇博士於二零一八年十一月十六日辭任非執行董事、執行委員會、審核委員會及薪酬委員會成員。於二零一八年十一月十六日之前，董事會舉行了四次會議，執行委員會舉行了四次會議，審核委員會舉行了三次會議，薪酬委員會舉行了兩次會議。
- (7) 蕭文聰先生於二零一八年十月二十六日獲委任為非執行董事。於二零一八年十月二十六日後，董事會舉行了兩次會議。
- (8) 陸瑜民女士於二零一八年十一月十六日獲委任為非執行董事及執行委員會成員。於二零一八年十一月十六日後，董事會舉行了一次會議，執行委員會並無舉行會議。
- (9) 林淑華女士於二零一八年十一月十六日獲委任為非執行董事及執行委員會與審核委員會成員。於二零一八年十一月十六日後，董事會舉行了一次會議，審核委員會舉行了一次會議，執行委員會並無舉行會議。
- (10) 謝邦昌先生於二零一八年十一月十六日辭任獨立非執行董事、提名委員會主席、審核委員會及薪酬委員會成員。於二零一八年十一月十六日或之前，董事會舉行了五次會議，審核委員會舉行了四次會議，提名委員會舉行了兩次會議，薪酬委員會舉行了三次會議。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A1. Directors' Attendance and Training Records (Continued)

Notes: (Continued)

- (11) Mr. YANG Shih-Chien was appointed as an Independent Non-executive Director, the Chairman of the Nomination Committee, a member of the Audit Committee and the Remuneration Committee on 16 November 2018. One Board meeting, one Audit Committee meeting and one Nomination Committee meeting were held after 16 November 2018. No Remuneration Committee meeting was held after 16 November 2018.
- (a) Attended training course conducted by Messrs. Deloitte Touche Tohmatsu that was organized by the Company and/or received training materials provided by the Company.
- (b) Attended other continuous professional development training course(s) that was/were not organized by the Company.

The Company generally gives notice and draft agenda of regular Board meetings at least 14 days in advance. Directors are consulted to include any matter in the agenda for regular Board meetings. For other Board and Committee meetings, notice is generally given pursuant to the Company's articles of association (the "Articles") and the respective Charters of the Committees.

The agenda of Board meetings or Committee meetings and the accompanying Board papers are sent to all Directors at least three days before each Board meeting or Committee meeting for their review and to keep the Directors apprised of the latest developments and financial position of the Company so as to enable them to make informed decisions.

All Directors have access to the Chief Legal Counsel and the Company Secretary who are responsible for ensuring that Board procedures are complied with and advising the Board on corporate governance and compliance matters.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A1. 董事出席及培訓記錄 (續)

附註：(續)

- (11) 楊世緘先生於二零一八年十一月十六日獲委任為獨立非執行董事、提名委員會主席、審核委員會及薪酬委員會成員。於二零一八年十一月十六日後，董事會舉行了一次會議，審核委員會舉行了一次會議，提名委員會舉行了一次會議，薪酬委員會並無舉行會議。
- (a) 出席由本公司籌辦並由德勤•關黃陳方會計師行進行之培訓課程及／或取得本公司提供的培訓資料。
- (b) 出席非本公司籌辦的其他持續專業進修培訓課程。

本公司一般於最少十四日前就董事會常規會議發出事先通知及提供議程初稿。本公司會諮詢董事，以便董事提出商議事項列入董事會常規會議議程。而其他董事會及委員會會議一般按照本公司組織章程細則（「細則」）和各委員會憲章給予通知。

董事會會議或委員會會議議程及隨附之董事會文件會於各董事會會議及委員會會議舉行前至少三天寄發予所有董事傳閱，以通知董事本公司的最新發展及財務狀況，讓彼等能夠作出明智決策。

全體董事均可接觸首席法律顧問和公司秘書。首席法律顧問和公司秘書負責確保董事會程序獲得遵守，並就企業管治及合規事宜向董事會提供建議。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A1. Directors' Attendance and Training Records (Continued)

Draft minutes will be sent to Directors and Board Committees members within a reasonable time (generally within 14 days) after each meeting and are available for review and inspection by Directors and Board Committee members.

The CG Guidelines allow Directors to take independent professional advice at the Company's expenses.

Instead of by way of circulation, full Board meetings will be held for any material transaction with connected persons. Independent Non-executive Directors who, and whose associates, have no material interest in the transaction should be present at such meeting.

The Company's Articles provide for voting and quorum requirements conforming with the requirements of the CG Code.

We have also arranged appropriate insurance cover on Directors' and officers' liabilities in respect of legal actions against them arising from corporate activities.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A1. 董事出席及培訓記錄 (續)

會議記錄初稿將於每次會議後之合理時間內 (一般為十四日內) 送交各董事及董事委員會成員查閱。

企管指引允許董事徵詢獨立專業意見，費用由本公司支付。

本公司將會就其與關聯人士進行之任何重大交易召開全體董事會會議，而並非以傳閱方式公佈資料。本身及其聯繫人士並無於交易中擁有重大權益之獨立非執行董事應出席有關會議。

本公司之細則有關表決及法定人數之規定符合企業管治守則規定。

本公司已為董事及高級人員購買適當保險，保障彼等因履行職務而可能承擔之法律訴訟責任。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A2. Chairperson, Vice Chairman and Chief Executive Officer

During the year ended 31 December 2018, Dr. TSAI Yen-Yu served as the Chairperson until 26 October 2018 and Dr. LEI Chien was appointed as the Chairperson on the same day. Mr. LEE Ming-Ta was the Vice Chairman until his resignation as an Executive Director on 16 November 2018. Mr. HSIAO Wen-Chung served as the Chief Executive Officer until his resignation on 9 July 2018 and Ms. YANG Shu-Hwa was appointed as Interim Chief Executive Officer of the Group on the same day and tentatively held office as Chief Executive Officer. On 26 October 2018, Ms. Yang resigned as such post and Ms. LIN Yen-Ling was appointed as Chief Executive Officer. The roles of the Chairperson and Chief Executive Officer are separate. The Chairperson focuses on Group strategic and Board issues while the Chief Executive Officer has the overall responsibility for operations and development.

The Chairperson has a clear responsibility to provide the whole Board with all information relevant to the discharge of the Board's responsibilities.

Code provision A.2.7 stipulates that the chairman should at least annually hold meetings with non-executive directors (including independent non-executive directors) without the executive directors present. The Chairperson met the non-executive directors (including independent non-executive directors) once without the presence of the Executive Directors during the year ended 31 December 2018.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A2. 主席、副主席及行政總裁

截至二零一八年十二月三十一日止年度，蔡燕玉博士擔任主席直至二零一八年十月二十六日止，雷倩博士於同日獲委任為主席。李明達先生擔任副主席直至其於二零一八年十一月十六日辭任執行董事為止。蕭文聰先生擔任行政總裁直至其於二零一八年七月九日辭任該職位為止，而楊淑華女士於同日獲委任為本集團代理行政總裁並暫代行政總裁一職。於二零一八年十月二十六日，楊女士辭任該職位而林燕玲女士獲委任為行政總裁。主席及行政總裁之角色由不同人士擔當。主席專注於本集團策略及董事會事務，而行政總裁則全面負責營運及發展事務。

主席有明確責任向全體董事會成員提供有關履行董事會職責之所有資料。

守則條文第A.2.7條規定，主席應至少每年與非執行董事（包括獨立非執行董事）舉行一次沒有執行董事出席的會議。於二零一八年十二月三十一日止年度，主席在沒有執行董事出席的情況下與非執行董事（包括獨立非執行董事）會面一次。



## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A3. Board composition

The list of all Directors is set out under “Corporate Information” on page 2 of this Annual Report. Composition of the Board, by category of Directors, including names of the Executive Directors, Non-executive Directors and Independent Non-executive Directors are disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules.

During the year ended 31 December 2018, the Board, at all times, met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors, representing at least one-third of the Board with at least one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

#### *Independence of Independent Non-executive Directors*

The Company has received from each of our Independent Non-executive Directors an annual confirmation of his independence pursuant to the requirements of the Listing Rules. We consider all Independent Non-executive Directors to be independent in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A3. 董事會組成

全體董事名單載於本年報第2頁之「公司資料」內。所有本公司不時發佈的公司通訊均根據上市規則，按董事類別披露董事會成員，包括執行董事、非執行董事及獨立非執行董事之姓名。

截至二零一八年十二月三十一日止年度內，董事會一直符合上市規則有關委任至少三名獨立非執行董事，及董事會人數三分之一以上而其中至少一名獨立非執行董事具備適當專業資格，或會計或相關之財務管理專業知識的規定。

#### *獨立非執行董事的獨立性*

本公司已接獲各獨立非執行董事根據上市規則就彼等之獨立性而發出之年度確認書。本公司認為全體獨立非執行董事根據上市規則第3.13條所載之獨立指引，均屬獨立人士。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A4. Appointments, re-election and removal

Directors with service contracts or letters of appointment, including Executive and Non-executive Directors, usually serve three-year terms or one-year term, and are subject to re-election.

In accordance with Article 100 of the Articles, any new Director appointed shall hold office only until the first general meeting of the Company after his/her appointment and shall then be eligible for re-election. Dr. LEI Chien, Mr. PAN Yi-Fan, Mr. HSIAO Wen-Chung, Ms. LU Yu-Min, Ms. LIN Shu-Hua, Mr. CHEN Shou-Huang and Mr. YANG Shih-Chien will hold office until the forthcoming annual general meeting ("AGM") according to the Articles.

In addition, in accordance with Article 117 of the Articles, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, shall retire from office by rotation at each AGM. Mr. CHEN Ruey-Long will retire by rotation according to the Articles.

All of the above-mentioned directors, being eligible, will offer themselves for re-election at the forthcoming AGM.

To further enhance accountability, any appointment of an independent non-executive director who has served on the Board for more than nine years will be subject to a separate resolution to be approved by shareholders. We will state in the related circular and notice of the AGM the reason why we consider the independent non-executive director is still independent and our recommendation to shareholders to vote in favour of the re-election of such independent non-executive director. During the year ended 31 December 2018, none of the existing Independent Non-executive Directors has served on the Board for more than nine years.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A4. 委任、重選連任及撤換

訂有服務合約或委任函之董事(包括執行董事及非執行董事)一般任期為期三年或為期一年,並須重選連任。

根據細則第100條,任何新委任董事之任期將於其獲委任後舉行的首次本公司股東大會時屆滿,屆時彼符合資格膺選連任。根據細則,雷倩博士、潘逸凡先生、蕭文聰先生、陸瑜民女士、林淑華女士、陳守煌先生及楊世緘先生之任期直至下屆股東週年大會(「股東週年大會」)。

此外,根據細則第117條,在每屆股東週年大會上,三分之一的在職董事(或倘人數並非三或三之倍數,則不少於三分之一的董事)須輪值告退。陳瑞隆先生將根據細則輪值告退。

所有上列董事皆符合資格,並願意於下屆股東週年大會上膺選連任。

為進一步提高問責性,凡服務董事會超過九年之獨立非執行董事,均須獲股東以獨立決議案形式批准後方可連任。本公司會在相關通函及股東週年大會通告中列明我們認為有關獨立非執行董事仍屬獨立人士之理由,以及建議股東投票贊成有關獨立非執行董事重選連任之理由。截至二零一八年十二月三十一日止年度內,概無任何一名現任獨立非執行董事服務董事會超過九年。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A4. Appointments, re-election and removal (Continued)

*Disclosure of Information of Directors and Chief Executive Officer pursuant to Rule 13.51B(1) of the Listing Rules*

##### *Directors' Positions Held*

On 26 October 2018:

- (i) Dr. TSAI Yen-Yu was redesignated as a Non-executive Director of the Company and stepped down from being the Chairperson of the Board;
- (ii) Dr. LEI Chien was appointed as an Executive Director of the Company and the Chairperson of the Board;
- (iii) Mr. PAN Yi-Fan was appointed as an Executive Director of the Company; and
- (iv) Mr. HSIAO Wen-Chung was appointed as a Non-executive Director of the Company.

On 16 November 2018:

- (i) Mr. LEE Ming-Ta resigned as an Executive Director, the Vice Chairman of the Board, the Chairman of the Executive Committee and a member of the Nomination Committee of the Company;
- (ii) Dr. SU Chien-Cheng resigned as an Executive Director, a member of the Executive Committee and the Remuneration Committee of the Company;
- (iii) Dr. SU Sh-Hsyu resigned as a Non-Executive Director, a member of the Executive Committee, the Audit Committee and the Remuneration Committee of the Company;
- (iv) Mr. HSIEH Pang-Chang resigned as an Independent Non-executive Director, the Chairman of the Nomination Committee, a member of the Audit Committee and the Remuneration Committee of the Company;
- (v) Dr. TSAI Yen-Yu ceased to be a member of the Nomination Committee of the Company;
- (vi) Dr. LEI Chien was appointed as the Chairperson of the Executive Committee, a member of the Nomination Committee and the Remuneration Committee;

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A4. 委任、重選連任及撤換 (續)

*根據上市規則第13.51B(1)條披露董事及行政總裁資料*

##### *董事職位*

於二零一八年十月二十六日：

- (i) 蔡燕玉博士調任為本公司非執行董事並不再擔任董事會主席；
- (ii) 雷倩博士獲委任為本公司執行董事及董事會主席；
- (iii) 潘逸凡先生獲委任為本公司執行董事；及
- (iv) 蕭文聰先生獲委任為本公司非執行董事。

於二零一八年十一月十六日：

- (i) 李明達先生辭任本公司執行董事、董事會副主席、執行委員會主席及提名委員會成員；
- (ii) 蘇建誠博士辭任本公司執行董事、執行委員會及薪酬委員會成員；
- (iii) 蘇詩琇博士辭任本公司非執行董事、執行委員會、審核委員會及薪酬委員會成員；
- (iv) 謝邦昌先生辭任本公司獨立非執行董事、提名委員會主席、審核委員會及薪酬委員會成員；
- (v) 蔡燕玉博士不再擔任本公司提名委員會成員；
- (vi) 雷倩博士獲委任為執行委員會主席、提名委員會及薪酬委員會成員；

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A4. Appointments, re-election and removal (Continued)

*Disclosure of Information of Directors and Chief Executive Officer pursuant to Rule 13.51B(1) of the Listing Rules (Continued)*

*Directors' Positions Held (Continued)*

On 16 November 2018: (Continued)

- (vii) Mr. PAN Yi-Fan was appointed as a member of the Executive Committee, the Nomination Committee and the Remuneration Committee;
- (viii) Ms. LU Yu-Min was appointed as a Non-executive Director and a member of the Executive Committee of the Company;
- (ix) Ms. LIN Shu-Hua was appointed as a Non-executive Director and a member of the Audit Committee and the Executive Committee of the Company; and
- (x) Mr. YANG Shih-Chien was appointed as an Independent Non-executive Director, the Chairman of the Nomination Committee, a member of the Audit Committee and the Remuneration Committee of the Company.

On 25 January 2019:

- (i) Dr. TSAI Yen-Yu resigned as a Non-executive Director and a member of the Executive Committee of the Company; and
- (ii) Mr. CHEN Shou-Huang was appointed as a Non-executive Director and a member of the Executive Committee of the Company.

During the year and up to the Latest Practicable Date:

- (i) Mr. HSIAO Wen-Chung, a Non-executive Director of the Company, ceased to act as a director of Shanghai Natural Beauty Company Limited\* (上海自然美生物科技有限公司), Shanghai Natural Beauty Fuli Cosmetics Co., Ltd\* (上海自然美富麗化妝品有限公司) and Shanghai Natural Beauty Bio-Med Company Limited\* (上海自然美生物醫學有限公司); and
- (ii) Each of Dr. LEI Chien and Mr. PAN Yi-Fan, Executive Directors of the Company, was appointed as a director of some of the Company's subsidiaries.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A4. 委任、重選連任及撤換 (續)

*根據上市規則第13.51B(1)條披露董事及行政總裁資料 (續)*

*董事職位 (續)*

於二零一八年十一月十六日：(續)

- (vii) 潘逸凡先生獲委任為執行委員會、提名委員會及薪酬委員會成員；
- (viii) 陸瑜民女士獲委任為本公司非執行董事及執行委員會成員；
- (ix) 林淑華女士獲委任為本公司非執行董事、審核委員會及執行委員會成員；及
- (x) 楊世緘先生獲委任為本公司獨立非執行董事、提名委員會主席、審核委員會及薪酬委員會成員。

於二零一九年一月二十五日：

- (i) 蔡燕玉博士辭任本公司非執行董事及執行委員會成員；及
- (ii) 陳守煌先生獲委任為本公司非執行董事及執行委員會成員。

年內及截至最後實際可行日期：

- (i) 本公司非執行董事蕭文聰先生已不再擔任上海自然美生物科技有限公司、上海自然美富麗化妝品有限公司及上海自然美生物醫學有限公司之董事；及
- (ii) 本公司執行董事雷倩博士及潘逸凡先生各自獲委任為本公司若干附屬公司的董事。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A4. Appointments, re-election and removal (Continued)

*Disclosure of Information of Directors and Chief Executive Officer pursuant to Rule 13.51B(1) of the Listing Rules (Continued)*

*Approval of Director's Service Contract*

On 16 November 2018:

- (i) Ms. LU Yu-Min and Ms. LIN Shu-Hua, the Non-executive Directors, and Mr. YANG Shih-Chien, the Independent Non-executive Director, entered into Director's service contracts/letter of appointment with the Company for a term of one year commencing on 16 November 2018. Please refer to the joint announcement dated 16 November 2018 for the requisite disclosure of the service contracts/letter of appointment.
- (ii) Dr. LEI Chien and Mr. PAN Yi-Fan, the Executive Directors and Mr. HSIAO Wen-Chung, the Non-executive Director, entered into Director's service contracts with the Company for a term of one year commencing on 16 November 2018. Pursuant to the service contract, each of the aforementioned Directors is entitled to a Director's fee of HK\$1,000,000 per annum and a discretionary bonus to be determined by the Board at its sole discretion provided that the aggregate amount of bonus payable to all the Directors (including executive and non-executive Directors) in the financial year will not exceed 15% of the audited consolidated profits of the Group attributable to shareholders (after tax and minority interests but before extraordinary items) for that financial year. The Director's fee payable to each of the aforementioned Directors was recommended by the Remuneration Committee and confirmed by the Board with reference to their duties, responsibilities and performance and results of the Company, and shall be reviewed by the Remuneration Committee from time to time.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A4. 委任、重選連任及撤換 (續)

*根據上市規則第13.51B(1)條披露董事及行政總裁資料 (續)*

*批准董事服務合約*

於二零一八年十一月十六日：

- (i) 非執行董事陸瑜民女士及林淑華女士，以及獨立非執行董事楊世緘先生與本公司訂立董事服務合約／委任函，自二零一八年十一月十六日起生效，為期一年。有關服務合約／委任函所披露之事項請參閱日期為二零一八年十一月十六日之聯合公告。
- (ii) 執行董事雷倩博士及潘逸凡先生，以及非執行董事蕭文聰先生與本公司訂立董事服務合約，自二零一八年十一月十六日起生效，為期一年。根據該服務合約，各上列董事每年可享有董事袍金1,000,000港元及由董事會絕對酌情釐定之酌情花紅，惟於任何財政年度支付予全體董事（包括執行董事及非執行董事）之花紅總額不得超過本集團於有關財政年度之股東應佔本集團經審核綜合溢利（除稅及少數股東權益但未計特殊項目前）的15%。應付予各上列董事之董事袍金由董事會根據薪酬委員會建議，參考其職責、責任及表現以及本公司的業績確定，並須經由薪酬委員會不時檢討。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A4. Appointments, re-election and removal (Continued)

*Disclosure of Information of Directors and Chief Executive Officer pursuant to Rule 13.51B(1) of the Listing Rules (Continued)*

#### *Renewal of Director's Service Contract*

On 16 November 2018:

- (i) the Board approved the renewal of the letter of appointment of Mr. LU Chi-Chant as Independent Non-executive Director, for another term of one year commencing on 18 December 2018; and
- (ii) the Board approved the renewal of the letter of appointment of Mr. CHEN Ruey-Long as Independent Non-executive Director, for another term of one year commencing on 1 February 2019.

#### *Chief Executive Officer*

With effect from 26 October 2018, Ms. YANG Shu-Hwa resigned as Interim Chief Executive Officer of the Group and Ms. LIN Yen-Ling was appointed as Chief Executive Officer of the Group. Ms. LIN Yen-Ling was also appointed as a director of some of the Company's subsidiaries during the year and up to the Latest Practicable Date.

#### *Other Major Appointments*

Mr. CHEN Ruey-Long, an Independent Non-executive Director of the Company, was appointed as a director of Powerchip Semiconductor Manufacturing Corp. in Taiwan on 4 September 2018.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A4. 委任、重選連任及撤換 (續)

*根據上市規則第13.51B(1)條披露董事及行政總裁資料 (續)*

#### *續訂董事服務合約*

於二零一八年十一月十六日：

- (i) 董事會批准續訂盧啓昌先生作為獨立非執行董事的委任函，自二零一八年十二月十八日起生效，為期一年；及
- (ii) 董事會批准續訂陳瑞隆先生作為獨立非執行董事的委任函，自二零一九年二月一日起生效，為期一年。

#### *行政總裁*

自二零一八年十月二十六日起，楊淑華女士辭任本集團代理行政總裁及林燕玲女士獲委任為本集團行政總裁。於年內及截至最後實際可行日期，林燕玲女士亦獲委任為本公司若干附屬公司的董事。

#### *其他主要委任*

本公司獨立非執行董事陳瑞隆先生於二零一八年九月四日獲委任為台灣力晶積成電子製造股份有限公司之董事。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A5. Nomination Committee

As at the date of this Annual Report, the Nomination Committee comprises three Independent Non-executive Directors and two Executive Directors, namely Mr. YANG Shih-Chien (Chairman), Mr. CHEN Ruey-Long, Mr. LU Chi-Chant, Dr. LEI Chien and Mr. PAN Yi-Fan respectively.

The Company has adopted a Board Diversity Policy aiming at setting out the approach to achieve diversity on the Company's Board and having an appropriate proportion of Directors who have direct experience in our key markets, with different ethnic background, of both genders, reflecting our business strategy. All appointment will be based on merit.

The Company has also adopted a Director Nomination Policy aiming at setting out the criteria and process in the nomination and appointment of Directors of the Company and ensuring the Board has a balance of skills, experiences and diversity of perspectives appropriate to the Company as well as the Board continuity and appropriate leadership at Board level.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A5. 提名委員會

於本年報日期，提名委員會由三名獨立非執行董事及兩名執行董事組成，分別為楊世緘先生(主席)、陳瑞隆先生、盧啓昌先生、雷倩博士和潘逸凡先生。

本公司已採納董事會多元化政策，旨在列載本公司董事會為達致成員多元化而採取的方針及有合適比例的董事，彼等應具有直接服務公司主要市場之經驗，以及來自不同的種族背景和性別，以反映本公司的業務策略。所有董事委任必以任用賢能為先。

本公司亦已採納董事提名政策，旨在列明提名及委任本公司董事之準則及程序，確保董事會具備切合本公司業務所需的技巧、經驗及多元觀點，並確保本公司董事會的持續性及維持其領導角色。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A5. Nomination Committee (Continued)

A summary of the director nomination policy is set out below:

##### *Criteria adopted for selection and recommendation for directorship*

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy.
- Any measurable objectives adopted for achieving diversity on the Board.
- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A5. 提名委員會 (續)

董事提名政策概述如下：

*甄選及推薦董事人選所採納之標準*  
評估及挑選任何董事人選時須考慮以下準則：

- 品格與誠實。
- 資格，包括專業資格、技巧、知識及本公司業務及策略相關的經驗，以及董事會多元化政策所提述的多元化因素。
- 為達致董事會多元化而採納的任何可計量目標。
- 根據上市規則之規定，董事會須擁有獨立董事，及參考載於上市規則的獨立指引考慮候選人的獨立性。
- 候選人的專業資格、技能、經驗、獨立性及性別多元化方面可為董事會帶來的任何潛在貢獻。
- 是否願意及是否能夠投放足夠時間履行身為董事會及／或董事會委員會成員的職責。
- 董事會及／或提名委員會可於適用時就提名董事及繼任規劃不時採納及／或修訂其他適用於本公司業務及繼任計劃的觀點。



## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A5. Nomination Committee (Continued)

##### *Nomination process*

##### (a) Appointment of New Director

- (i) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (ii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iii) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- (iv) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to shareholders in respect of the proposed election of director at the general meeting.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A5. 提名委員會 (續)

##### *提名程序*

##### (a) 委任新董事

- (i) 提名委員會及／或董事會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，依據上述標準評估該候選人，以釐定該候選人是否適合擔任董事。
- (ii) 如過程涉及一名或多名合適的候選人，提名委員會及／或董事會應根據本公司的需要及各候選人的背景調查(如適用)排列彼等的優先次序。
- (iii) 提名委員會應隨後就委任合適候選人為董事向董事會提出推薦意見(如適用)。
- (iv) 就任何於本公司股東大會上經由股東提名選舉為董事的人士，提名委員會及／或董事會應依據上述準則評估該候選人，以釐定該候選人是否符合董事資格。

提名委員會及／或董事會應就於股東大會上選舉董事的提案向股東提出推薦意見(如適用)。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A5. Nomination Committee (Continued)

##### *Nomination process (Continued)*

- (b) Re-election of Director at General Meeting
- (i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.
  - (ii) The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above.
  - (iii) The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

Where the board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The Nomination Committee is responsible for, including but not limited to, determining the policy for the nomination of Directors, reviewing the structure, size, composition and diversity of the Board annually and making recommendations to the Board on selection of candidates for directorships pursuant to the Board Diversity Policy. It also assesses the independence of Independent Non-executive Directors. Full terms of reference (Nomination Committee Charter) are available on the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite) and the Stock Exchange's website.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A5. 提名委員會 (續)

##### *提名程序 (續)*

- (b) 於股東大會上重選董事
- (i) 提名委員會及／或董事會應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。
  - (ii) 提名委員會及／或董事會亦應檢討及確定退任董事是否仍然符合上述準則。
  - (iii) 提名委員會及／或董事會應就於股東大會上重選董事的提案向股東提出推薦意見。

倘董事會擬於股東大會上提呈決議案選舉或重選一名候選人為董事，隨附有關股東大會通告的致股東通函及／或說明函件中將會根據上市規則及／或相關適用法律及法規的要求披露有關候選人的資料。

提名委員會負責（包括但不限於）釐定提名董事的政策，每年檢討董事會之架構、規模、組成和多元化及按照董事會多元化政策就甄選董事候選人向董事會提出建議。此外，其亦負責評估獨立非執行董事的獨立性。全面職權範圍（提名委員會憲章）可於本公司網站（[www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)）及聯交所網站查閱。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A5. Nomination Committee (Continued)

The Company provided sufficient resources for the Nomination Committee to perform its duties. Where necessary, the Nomination Committee could seek independent professional advice at the Company's expenses, to perform its duties.

The Nomination Committee held three meetings during the year ended 31 December 2018. During the year 2018, the Nomination Committee conducted an annual review of the structure, size, composition and diversity of the Board pursuant to the CG Guidelines and code provision A.5.2 of the CG Code. The Nomination Committee also assessed the independence of Independent Non-executive Directors and recommended to the Board on the appointment of the Directors appointed during the year. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained and no material matter was identified during the year. The Nomination Committee also recommended to the Board on the revision of the Board Diversity Policy and adoption of the Director Nomination Policy.

Save as the above, the Nomination Committee has performed corporate governance functions set out in code provision D.3.1 of the Code on Corporate Governance for the year ended 31 December 2018.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A5. 提名委員會 (續)

本公司提供足夠資源予提名委員會，以便提名委員會履行其職責。如有需要，提名委員會可尋求獨立專業意見以便履行職責，費用由本公司支付。

提名委員會在截至二零一八年十二月三十一日止年度內舉行了三次會議。於二零一八年度內，提名委員會舉行了一次會議，並已根據企管指引和企業管治守則則條文第A.5.2條對董事會之架構、規模、組成和多元化進行了年度審閱。提名委員會亦評估獨立非執行董事的獨立性，並建議董事會委任已於本年度獲委任的董事。提名委員會認為董事會維持著適當的多元化平衡，且於本年度尚未發現任何重大問題。提名委員會亦建議董事會修訂董事會多元化政策及採納董事提名政策。

除上文所述外，提名委員會已於截至二零一八年十二月三十一日止年度內履行企業管治守則則條文第D.3.1條載列的企業管治職能。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A6. Responsibilities of Directors

On appointment, new Directors will be given comprehensive orientation training by the Company's legal advisers, to explain the responsibilities and duties, and other regulatory requirements.

The Company Secretary is responsible for keeping all Directors updated on the Listing Rules and other statutory requirements.

During the year 2018, all Independent Non-executive Directors are members of the Audit Committee, Remuneration Committee and Nomination Committee. Some Non-executive Directors are members of the Executive Committee and the Audit Committee.

The attendance records of individual Directors for all Board and Board Committee meetings in 2018 are set out under "Directors' Attendance and Training Records" on page 25 of this Annual Report.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A6. 董事職責

新董事獲委任時將獲本公司法律顧問提供全面的入職培訓，旨在說明職責、職務及其他監管規定。

公司秘書負責向全體董事提供上市規則及其他法定規定之最新資料。

於二零一八年度內，全體獨立非執行董事均為審核委員會、薪酬委員會及提名委員會成員。部分非執行董事為執行委員會及審核委員會成員。

個別董事出席所有二零一八年度之董事會會議及董事委員會會議之出席記錄載於本年報第25頁「董事出席及培訓記錄」部分。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A6. Responsibilities of Directors (Continued)

##### *Securities Transactions made by Directors and Relevant Employees*

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry with all Directors, all Directors have confirmed that the required standard of the Model Code has been complied with throughout the year ended 31 December 2018 and up to the date of this Annual Report.

The Company has adopted written guidelines (the "Company's Guidelines"), which are equally stringent as the Model Code, in respect of securities transactions by relevant employees of the Company who are likely to be in possession of unpublished inside information of the Company pursuant to code provision A.6.4. No incident of non-compliance with the Model Code or the Company's Guidelines by the Company's relevant employees has been noted after making reasonable enquiry.

##### *Continuing Professional Development for Directors*

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills in order to ensure that their contribution to the Board remains informed and relevant. During the year ended 31 December 2018, the Company organized one Directors' training on the interpretation of Cyber Security Law of PRC.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A6. 董事職責 (續)

##### *董事和相關僱員進行之證券交易*

本公司已採納有關董事進行證券交易之操守準則，有關操守準則條款不比上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）所載規定標準寬鬆。經向全體董事作出具體查詢後，全體董事已確認於截至二零一八年十二月三十一日止年度內及截至本年報日期期間一直遵守標準守則載列之規定標準。

就可能得知本公司未公開內幕消息之本公司相關僱員所進行的證券交易，本公司已根據守則條文第A.6.4條採納不比標準守則寬鬆的書面指引（「公司指引」）。本公司於進行合理查詢後知悉並無相關僱員不遵守標準守則或公司指引之事宜。

##### *董事之持續專業發展*

本公司鼓勵全體董事參與持續專業發展以發展和更新彼等的知識與技能，從而確保彼等繼續在具備全面資訊及切合所需情況下對董事會作出貢獻。截至二零一八年十二月三十一日止年度內，本公司安排了一次董事培訓，培訓內容有關中國網絡安全法解讀。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### A. DIRECTORS (Continued)

#### A6. Responsibilities of Directors (Continued)

##### *Continuing Professional Development for Directors (Continued)*

There were compliance manuals provided to each of the Directors and members of senior management, which set out (a) the principal continuing obligations of the Company and the Directors as a result of the listing of the securities of the Company on the Main Board of the Stock Exchange; and (b) the systems and procedures that the Company, its Directors and senior management should follow in order to ensure compliance with such obligations.

#### A7. Supply of and access to information

The Company aims to continually improve on the quality and timeliness of the dissemination of information to Directors.

Board papers were normally sent to all Directors at least three days before the date of the Board/Board Committee meetings.

Senior management members are from time to time brought into formal and informal contact with the Board at Board meetings and other events.

Board papers and minutes are made available for inspection by the Directors and Board Committee members.

## 本公司的企業管治常規 (續)

### A. 董事 (續)

#### A6. 董事職責 (續)

##### *董事之持續專業發展 (續)*

各董事及高級管理人員均獲提供合規手冊，當中載列(a)本公司及各董事因本公司證券在聯交所主板上市而須負上之主要持續責任；及(b)本公司、各董事及高級管理人員須遵守之制度及程序以確保該等責任獲得遵守。

#### A7. 資料提供及使用

本公司致力不斷改善向董事發佈資料之質量與及時性。

董事會文件一般於舉行董事會／董事委員會會議日期前最少三日送交全體董事。

高級管理人員不時透過董事會會議及其他活動與董事會進行正式及非正式接觸。

董事會文件及會議記錄可供董事及董事委員會成員查閱。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND BOARD EVALUATION

#### B1. Remuneration Committee

As at the date of this Annual Report, the Remuneration Committee comprises three Independent Non-executive Directors and two Executive Directors, namely Mr. LU Chi-Chant (Chairman), Mr. CHEN Ruey-Long, Mr. YANG Shih-Chien, Dr. LEI Chien and Mr. PAN Yi-Fan respectively.

The main duties of the Remuneration Committee include determining the policy and structure for the remuneration of Executive Directors, assessing performance of Executive Directors and approving the terms of Executive Directors' service contracts, and determining or making recommendations to the Board on the Company's remuneration packages of individual Executive and Non-executive Directors and senior management.

In conducting its work in relation to the remuneration of Directors and senior management, the Remuneration Committee ensures that no director or any of his/her associates was involved in determining his or her own remuneration. It also ensures that remuneration levels should be sufficient to attract and retain directors to run the Company successfully.

The roles and functions of the Remuneration Committee are set out in its terms of reference. Full terms of reference (Remuneration Committee Charter) are available on the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite) and the Stock Exchange's website.

## 本公司的企業管治常規 (續)

### B. 董事和高級管理人員薪酬及董事會表現評估

#### B1. 薪酬委員會

於本年報日期，薪酬委員會由三名獨立非執行董事及兩名執行董事組成，分別為盧啟昌先生（主席）、陳瑞隆先生、楊世緘先生、雷倩博士和潘逸凡先生。

薪酬委員會職責主要包括釐定執行董事之薪酬政策和架構、評核執行董事之表現及批准執行董事之服務合約條款，以及釐定或向董事會建議個別執行董事、非執行董事及高級管理人員之薪酬待遇。

在進行有關董事和高級管理人員薪酬的工作時，薪酬委員會確保並無個別董事或其任何聯繫人士參與釐定其自身薪酬。薪酬委員會還確保薪酬水準應足以吸引和挽留董事以成功經營本公司。

薪酬委員會的角色與職能載列於其職權範圍。全面職權範圍（薪酬委員會憲章）可於本公司網站 ([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)) 及聯交所網站查閱。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND BOARD EVALUATION (Continued)

#### B2. The level and make-up of remuneration and disclosure

The Remuneration Committee held three meetings during the year ended 31 December 2018. During the year 2018, the Remuneration Committee has reviewed and approved the proposed bonus awards for all employees and senior management; reviewed and recommended the Directors' service contracts of Dr. LEI Chien and Mr. PAN Yi-Fan as Executive Directors, and Mr. HSIAO Wen-Chung, Ms. LU Yu-Min and Ms. LIN Shu-Hua as Non-Executive Directors and the letter of appointment of Mr. YANG Shih-Chien as Independent Non-executive Director; reviewed and recommended the amendment of the Director's service contract of Dr. TSAI Yen-Yu; and reviewed and recommended the renewal of letter of appointment of Mr. CHEN Ruey Long and Mr. LU Chi-Chant as Independent Non-executive Directors. With reference to the Remuneration Committee Charter, the Remuneration Committee members had carefully reviewed and considered the contribution of each of the Directors to the Group, the Directors' experience in the beauty and spa business and the market rate paid by comparable companies.

Independent professional advice would be sought to supplement internal resources where appropriate.

## 本公司的企業管治常規 (續)

### B. 董事和高級管理人員薪酬及董事會表現評估 (續)

#### B2. 薪酬水準和組成及披露

薪酬委員會在截至二零一八年十二月三十一日止年度內舉行了三次會議。於二零一八年度內，薪酬委員會審議並批准向全體僱員及高級管理人員建議發放的獎金；審議並建議雷倩博士及潘逸凡先生作為執行董事的董事合約、蕭文聰先生、陸瑜民女士及林淑華女士作為非執行董事的董事服務合約，楊世緘先生作為獨立非執行董事的委任函；審議並建議修訂蔡燕玉博士的董事服務合約；及審議並建議續訂陳瑞隆先生及盧啓昌先生作為獨立非執行董事的委任函。根據薪酬委員會憲章，各薪酬委員會成員仔細審閱及考慮了各董事對本集團作出之貢獻、董事於美容及水療業務之經驗及可資比較公司所付市值酬金。

合適情況下，薪酬委員會可尋求獨立專業意見以補充內部資源。



## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT

#### C1. Financial reporting

Management provided explanation and information to the Board to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

Directors are provided with reports on the management's strategic plans, updates on lines of business, financial objectives, plans and actions. The Directors are responsible for keeping proper accounting records and preparing accounts for each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 December 2018, the Directors have:

- approved the adoption of all applicable Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
- selected and applied consistently appropriate accounting policies;
- made judgements and estimates that are prudent and reasonable; and
- prepared the accounts on a going concern basis.

## 本公司的企業管治常規 (續)

### C. 問責及審計

#### C1. 財務報告

管理層已向董事會提供解釋及資料，以便董事會就提交予董事會批准財務及其他資料前作出知情之評估。

董事獲提供有關管理層策略計劃、各業務最新資料、財務目標、計劃及行動之報告。董事負責存管恰當會計記錄及編製各財務期間之賬目，有關賬目須真實而公平地反映本集團於該期間之事務狀況、以及業績及現金流量。在編製截至二零一八年十二月三十一日止年度之賬目時，董事已：

- 批准採納香港會計師公會頒佈之所有適用香港財務報告準則；
- 選擇及貫徹應用合適之會計政策；
- 作出審慎而合理之判斷及估計；及
- 按持續經營基準編製賬目。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C1. Financial reporting (Continued)

A statement by the auditors about their reporting responsibilities is included in the Independent Auditor's Report set out on pages 85 to 91.

Management provided all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties.

The Directors acknowledge their responsibility for preparing the accounts, and the financial statements have been prepared on a going concern basis.

The Board will present a balanced, clear and understandable assessment to annual and interim reports, other announcements in relation to inside information and other financial disclosures required under the Listing Rules, and report to regulators as well as information required to be disclosed pursuant to statutory requirements.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C1. 財務報告 (續)

核數師就其報告責任作出之聲明載於第85頁至91頁之獨立核數師報告書內。

管理層每月向全體董事會成員提供更新資料，載列有關本公司之表現、財務狀況及前景之公正及易於理解之評估，內容足以讓整體董事會及各董事履行彼等之職責。

董事確認，彼等有責任編製賬目，而財務報表已按持續經營基準編製。

董事會會在年報與中期報告、根據上市規則規定須予披露有關內幕消息及其他財務資料之其他公告、向監管者提交之報告及根據法例規定須予披露之資料內，對公司表現作出平衡、清晰及容易理解之評估。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C2. Risk management and internal control

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions, including project management, manufacturing and procurement, financial reporting, human resources and information technology.

The Company's risk management and internal control systems have been developed with the following principles, features and processes:

The Company's risk management and internal control systems are designed with the principles to enhance the operation effectiveness, reduce loss in assets, ensure the reliability of financial reports and ensure compliance with relevant legislation and regulations.

The systems cover the factors including, among others, environment control, risk assessment, activity control, information and communication, and internal surveillance.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C2. 風險管理及內部監控

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等系統的有效性。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

董事會負責整體評估及釐定本公司達成策略目標時所願意接納的風險性質及程度，並確保本公司設立及維持合適及有效的風險管理及內部監控系統。

審核委員會協助董事會領導管理層並監督其對風險管理及內部監控系統的設計、實施及監察。

本公司已制定並採納多項列明權責的風險管理程序及指引，以實施關鍵業務程序及辦公職能，包括項目管理、製造及採購、財務匯報、人力資源及資訊科技。

本公司的風險管理及內部監控系統乃按下列原則、特質及程序制定：

本公司的風險管理及內部監控系統乃按照促進運營效率、減少資產損失、確保財務報告的可靠性和對相關法律法規的遵循性原則制定。

該等系統涵蓋控制環境、風險評估、控制活動、資訊與溝通及內部監督等要素。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C2. Risk management and internal control (Continued)

The Company organizes personnel and seeks assistance from external professional advisory institutions to establish the risk management and internal control systems which are subject to the review by the Company's management team and approval by the Audit Committee and the Board.

All departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each department.

The management regularly reviews the effectiveness of the risk management and internal control systems and compliance with best practices. In coordination with department heads, the management assesses the likelihood of risk occurrence, provides treatment plans, and monitors the risk management progress, and reports to the Audit Committee on all findings and the effectiveness of the systems. The Chief Audit Consultant also reports to the Audit Committee on the implementation of internal control.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2018.

The Internal Audit Department was established in early 2016 to enhance risk management and internal control systems in a timely manner. The Internal Audit Department is responsible for performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The Internal Audit Department examines key issues in relation to the accounting practices and all material controls and provides the effectiveness of its implementation and recommendations for improvement to the Audit Committee.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C2. 風險管理及內部監控 (續)

風險管理及內部監控系統由公司組織人員並引進外部專業顧問機構配合編製，經公司管理層審核，並由審核委員會及董事會批准。

所有部門均定期進行內部監控評估，以辨識可能影響本集團業務的風險及關鍵營運和財務程序、監管規定合規性以及資訊安全等方面。本集團已每年進行自我評估，確認各部門是否皆妥善遵守控制政策。

本集團每年進行自我評估以確保監控政策均獲各部門妥為遵守。管理層定期檢討風險管理及內部監控系統的有效性及是否符合最佳常規。管理層與部門主管共同評估出現風險的可能性，提供處理計劃並監察風險管理的進展，向審核委員會報告所有發現結果及系統的有效性。首席稽核顧問亦向審核委員會報告有關內部監控的執行情況。

管理層已向董事會及審核委員會確認截至二零一八年十二月三十一日止年度之風險管理及內部監控系統的有效性。

內部審核部門於二零一六年初設立，以適時提升風險管理及內部監控系統。內部審核部門檢查有關會計常規及所有重大監控的關鍵問題，將其執行之有效性及完善建議提供予審核委員會。內部審核部門檢查有關會計常規及所有重大監控的關鍵問題，並向審核委員會提供其執行的效益及改善建議。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C2. Risk management and internal control (Continued)

The Company has adopted a whistle-blowing policy to facilitate its employees to raise, in confidence, concerns about possible improprieties in financial reporting control or other matters of the Company.

During the year ended 31 December 2018, the Board conducted reviews of the risk management and internal control systems and considered that such systems of the Group had been implemented effectively and adequately. The Board's review will also consider the adequacy of resources, qualifications and experience of the staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, officers, senior management and Relevant Employees in handling confidential information, monitoring information disclosure and responding to enquiries.

Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C2. 風險管理及內部監控 (續)

本公司設有舉報政策，以協助僱員有信心舉報有關財務匯報控制可能發生之不正當行為或本公司其他事宜。

截至二零一八年十二月三十一日止年度，董事會已就風險管理及內部監控系統進行檢討，並認為本集團的有系統已有效且充足實施。董事會檢討亦考慮到本公司會計及財務匯報職能的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。

本公司已制定披露政策，為本公司董事、高級人員、高級管理層及相關僱員處理機密資料、監管信息披露及回應查詢提供了一般指引。

本公司已執行監控程序，嚴禁未經授權而取得及使用內部消息。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C3. Audit Committee

As at the date of this Annual Report, the Audit Committee comprises three Independent Non-executive Directors and one Non-executive Director, namely Mr. CHEN Ruey-Long (Chairman), Mr. LU Chi-Chant, Mr. YANG Shih-Chien and Ms. LIN Shu-Hua, respectively. The majority of the Audit Committee members are Independent Non-executive Directors, with Mr. LU Chi-Chant possessing the appropriate professional qualifications and accounting and related financial management expertise.

Draft minutes are sent to members of the Audit Committee within 14 days of each meeting. None of the Audit Committee members is a partner of the external auditors of the Company.

The Audit Committee is authorized by the Board to investigate any activity within its terms of reference; to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Audit Committee; to obtain outside legal or other independent professional advice; and to secure the attendance of outsiders with relevant experience and expertise to their meetings if necessary. Sufficient resources are provided to the Audit Committee to discharge its duty.

Full terms of reference (Audit Committee Charter) explaining the Audit Committee's role and authority are available on the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite) and the Stock Exchange's website.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C3. 審核委員會

於本年報日期，審核委員會由三名獨立非執行董事和一名非執行董事組成，分別為陳瑞隆先生（主席）、盧啓昌先生、楊世緘先生及林淑華女士。審核委員會大部分成員為獨立非執行董事，其中盧啓昌先生具備適當的專業資格以及會計及相關的財務管理專長。

會議記錄初稿於每次會議後十四日內送交各審核委員會成員。審核委員會中無任何成員是本公司外聘核數師合夥人。

審核委員會獲董事會授權，可調查其職權範圍內之任何事項；向任何僱員索取任何所需資料，而所有僱員均已接獲指示，彼等須就審核委員會之要求作出通力合作；向外界法律人士或其他獨立專業人士尋求意見；以及於有需要時邀請具有相關經驗及專才之外界人士參與會議。審核委員會獲提供足夠資源以履行其職責。

闡釋審核委員會角色和職責之全面職權範圍（審核委員會憲章）可於本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))及聯交所網站查閱。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### C. ACCOUNTABILITY AND AUDIT (Continued)

#### C3. Audit Committee (Continued)

The Audit Committee held five meetings during the year ended 31 December 2018. During the year 2018, the Audit Committee reviewed the annual results in respect of the year ended 31 December 2017 and interim results for the six months ended 30 June 2018 and significant issues on the financial reporting and compliance procedures and arrangements for employees to raise concerns about possible improprieties. During the year 2018, the Audit Committee also met with the external auditors twice to discuss audit issues, before recommending to the Board for approval of publication of results.

There is an agreed procedure for Audit Committee members to take independent professional advice at the Company's expenses.

There were no material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Audit Committee did not have any different view from the Board regarding the selection and re-appointment of external auditors.

The Audit Committee recommended to the Board (which in turn endorsed the view) that, subject to shareholders' approval at the forthcoming AGM, Messrs. Deloitte Touche Tohmatsu be reappointed as the external auditors for year 2019.

There was a whistle-blowing policy which forms part of the employee's handbook.

#### C4. Auditor's remuneration

During the year under review, the remuneration paid to the Group's auditors, in respect of audit services amounted to HK\$3,611,000 and non-audit services amounted to HK\$245,000 which were reviewed and approved by the Audit Committee.

## 本公司的企業管治常規 (續)

### C. 問責及審計 (續)

#### C3. 審核委員會 (續)

審核委員會在截至二零一八年十二月三十一日止年度內舉行了五次會議。於二零一八年度內，審核委員會已審閱截至二零一七年十二月三十一日止年度的年度業績和截至二零一八年六月三十日止六個月的中期業績，並已審閱財務報告和合規程序的相關重要事項及就僱員舉報可能發生之不正當行為的安排。於二零一八年度內，審核委員會與外聘核數師進行兩次會議以商討審計事項，然後建議董事會批准刊發有關業績。

本公司已商訂程序，審核委員會可尋求獨立專業意見，費用由本公司支付。

並無任何重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

就甄選及續聘外聘核數師而言，審核委員會與董事會所持意見並無分歧。

審核委員會向董事會建議（而董事會亦贊同），續聘德勤•關黃陳方會計師行為二零一九年度外聘核數師，惟須待股東在應屆股東週年大會上作出批准後方可作實。

本公司設有舉報政策，其為僱員手冊之一部分。

#### C4. 核數師酬金

於回顧年度內，本集團就審計服務及非審計服務已支付核數師之酬金分別為3,611,000港元及245,000港元，有關酬金已由審核委員會審閱及批准。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### D. DELEGATION BY THE BOARD

#### D1. Management functions

There is a defined schedule of matters reserved for full Board decision, including:

- long-term objectives and strategies;
- extension of Group activities into new business areas;
- preliminary announcements of interim and annual results;
- material banking facilities;
- material acquisitions and disposals;
- material connected transactions; and
- annual internal controls assessment.

#### D2. Board Committees

The Board has established four Board Committees (namely Audit Committee, Remuneration Committee, Executive Committee and Nomination Committee) that undertake work on its behalf with specific terms of reference setting out their roles and functions available at the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite).

Board Committees present their respective reports to the Board after each meeting, which address their work and findings.

In addition to the Remuneration Committee, Audit Committee and Nomination Committee described above, details of the Executive Committee are set out below.

## 本公司的企業管治常規 (續)

### D. 董事會權力之轉授

#### D1. 管理職能

本公司設有一個明確的預定計劃，列明須留待全體董事會批准之事項，包括：

- 長期目標及策略；
- 拓展本集團業務至新業務領域；
- 中期及全年業績之初步公告；
- 重大銀行融資；
- 重大收購及出售事項；
- 重大關聯交易；及
- 年度內部監控評估。

#### D2. 董事委員會

董事會轄下設有四個董事委員會（分別為審核委員會、薪酬委員會、執行委員會及提名委員會）代替其工作，列明其角色及職務之特定職權範圍可於本公司網站查閱：[www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)。

董事委員會將於每次會議後，向董事會呈交各自之報告，當中陳述彼等之工作及發現。

除了上文所述之薪酬委員會、審核委員會及提名委員會外，執行委員會之詳情載列如下。



## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### D. DELEGATION BY THE BOARD (Continued)

#### D2. Board Committees (Continued)

##### *Executive Committee*

As at the date of this Annual Report, the Executive Committee comprises two Executive Directors and three Non-executive Directors, namely Dr. LEI Chien (Chairperson), Mr. PAN Yi-Fan, Ms. LU Yu-Min, Ms. LIN Shu-Hua and Mr. CHEN Shou-Huang respectively.

Executive Committee is primarily responsible for formulating business policies, making decisions on key business issues and policies, facilitating the approval of certain corporate actions and exercising the powers and authority delegated by the Board in respect of matters arising between regularly scheduled Board meetings, and to review financial, marketing, retail, operation and other business performance, as well as to review and approve annual budget and key performance indicators (“KPIs”) and track performance.

The Executive Committee held four meetings during the year ended 31 December 2018 and the attendance records are set out under “Directors’ Attendance and Training Records” on page 25 of this Annual Report.

## 本公司的企業管治常規 (續)

### D. 董事會權力之轉授 (續)

#### D2. 董事委員會 (續)

##### *執行委員會*

於本年報日期，執行委員會由兩名執行董事及三名非執行董事組成，分別為雷倩博士（主席）、潘逸凡先生、陸瑜民女士、林淑華女士及陳守煌先生。

執行委員會之主要職責為制訂業務政策、就重要業務事宜及政策作出決定、協助批准若干企業行動、就董事會定期會議間隔期間發生之事宜行使董事會轉授之權力及授權，以及檢討財務、市場推廣、零售、營運及其他業務表現，並審批年度預算案及重要業務指標（「KPIs」）及過往表現。

執行委員會於截至二零一八年十二月三十一日止年度內舉行了四次會議，出席記錄載於本年報第25頁「董事出席及培訓記錄」。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### E. COMMUNICATION WITH SHAREHOLDERS

#### E1. Effective communication

Separate resolutions are proposed at the meeting on each substantially separate issue, including the election of individual Directors.

Chairperson of the Board and Chairmen of the Board Committees or their respective delegates are requested to attend the forthcoming AGM.

The Company has held one AGM on 24 May 2018 since the issuance of the last annual report.

Code provision E.1.2 stipulates that the chairman of the board of a listed issuer should attend the AGM. The chairman of the board should also invite the chairmen of the audit, remuneration, nomination and any other committees to attend. In their absence, the chairman of the board should invite another member of the committee or failing this, his duly appointed delegate, to attend. These persons should be available to answer questions at the AGM.

On the AGM held on 24 May 2018, Dr. TSAI Yen-Yu, the then Chairperson of the Board, Mr. CHEN Ruey-Long, the Chairman of the Audit Committee, Mr. LU Chi-Chant, the Chairman of the Remuneration Committee, Mr. LEE Ming-Ta, the then Chairman of the Executive Committee and Mr. HSIEH Pang-Chang, the then Chairman of the Nomination Committee were unable to attend the AGM due to other overseas commitments. The Board had arranged for Dr. SU Chien-Cheng, a then Executive Director and a member of the Remuneration Committee and Executive Committee of the Company, who was well versed in all business activities and operations of the Group, to attend and chair the AGM on behalf of Dr. TSAI Yen-Yu and to respond to shareholders' questions.

## 本公司的企業管治常規 (續)

### E. 與股東之溝通

#### E1. 有效溝通

於會議上，本公司會就每項實際獨立之事宜（包括選舉個別董事）個別提呈決議案。

董事會主席及董事委員會主席或彼等各自之委派代表須出席應屆股東週年大會。

自上一份年報刊發以來，本公司於二零一八年五月二十四日曾舉行一次股東週年大會。

守則條文第E.1.2條規定，上市發行人之董事會主席應出席股東週年大會。董事會主席並應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會的主席出席。若有關委員會主席未克出席，董事會主席應邀請另一名委員（或如該名委員未能出席，則其正式委任的代表）出席。該等人士須在股東週年大會上回答提問。

於二零一八年五月二十四日舉行的股東週年大會，時任董事會主席蔡燕玉博士、審核委員會主席陳瑞隆先生、薪酬委員會主席盧啓昌先生、時任執行委員會主席李明達先生及時任提名委員會主席謝邦昌先生因其他海外業務安排未能親自出席股東週年大會。董事會已安排對本集團一切業務活動及營運瞭如指掌的蘇建誠博士（本公司時任執行董事、薪酬委員會及執行委員會成員）代表蔡燕玉博士出席及主持股東週年大會及解答股東提問。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### E. COMMUNICATION WITH SHAREHOLDERS (Continued)

#### E1. Effective communication (Continued)

The Company has optimized the planning and procedures of annual general meetings by, for example, giving adequate time to all Directors to accommodate their work arrangements and providing all necessary support for their presence and participation at annual general meetings, such that the Chairperson of the Board and all Directors will be able to attend future AGMs of the Company.

The Company arranged for the notice to shareholders for the 2018 AGM at least 20 clear business days before the meeting.

The procedure for shareholders to convene an extraordinary general meeting can be found in Article 73 of the Articles of the Company, which is available at the Company's website ([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)) and the Stock Exchange's website.

Documents relating to the Procedures for Nomination of Directors by Shareholders and the Shareholder Communication Policy are available for download from the Company's website ([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite)).

There is a dedicated section of "Shareholder Services" in the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite) to provide comprehensive information related to shareholders.

For putting forward any enquiries to the Board of the Company, shareholders may send their enquiries or requests to the following:

Address: 958 Changping Road, Jing'an District, Shanghai, China

Fax: +86 21 5256-0455

Email: [ir@nblife.com](mailto:ir@nblife.com)

## 本公司的企業管治常規 (續)

### E. 與股東之溝通 (續)

#### E1. 有效溝通 (續)

本公司致力完善股東週年大會的規劃程序，如透過給予全體董事充足時間以提前安排工作，並為彼等出席及參與股東週年大會提供一切所需支持，以便董事會主席及全體董事能夠出席本公司日後的股東週年大會。

就二零一八年度股東週年大會而言，本公司已安排在大會舉行前至少二十個營業日向股東發送通知。

有關股東召開股東特別大會之程序載於本公司細則第73條，本公司之細則可於本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))及聯交所網站下載。

本公司有關股東提名董事之程序及股東通訊政策之文件可於本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))下載。

本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))特設「股東服務」環節，專門提供股東適用之相關全面資訊。

如欲向本公司董事會提出任何查詢，股東可通過以下方式發送查詢或請求：

地址：中國上海市靜安區昌平路  
958號

傳真：+86 21 5256-0455

電子郵件：[ir@nblife.com](mailto:ir@nblife.com)

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### E. COMMUNICATION WITH SHAREHOLDERS (Continued)

#### E1. Effective communication (Continued)

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

During the year under review, the Company has not made any change to its Articles. An up-to-date version of the Company's Articles is also available on the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite) and the Stock Exchange's website.

#### E2. Voting by poll

Procedures for conducting a poll were set out in the notice of the 2018 AGM. These procedures were also explained at the commencement of the 2018 AGM.

A representative of the Company's Share Registrar, Hong Kong Registrars Limited, was appointed as scrutineer during the 2018 AGM.

Poll results were published on the same day following the 2018 AGM and posted on the website of the Stock Exchange and that of the Company at [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite).

## 本公司的企業管治常規 (續)

### E. 與股東之溝通 (續)

#### E1. 有效溝通 (續)

為免存疑，股東必須發送經妥為簽署的正本書面申請書、通知或聲明或查詢（視情況而定）至上述地址並提供其全名、聯繫詳情和身份證明以使之生效。股東資料可根據法律要求予以披露。

於回顧年度內，本公司未對其細則作出任何更改。本公司細則的最新版本可於本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))及聯交所網站查閱。

#### E2. 按股數投票表決

進行按股數投票表決之程序載於二零一八年度股東週年大會通告，該等程序亦已於二零一八年度股東週年大會開始時解釋。

本公司香港股份過戶登記處香港證券登記有限公司之代表獲委任為二零一八年度股東週年大會之監票員。

按股數投票表決結果在二零一八年度股東週年大會舉行後同日刊發，並在聯交所網站及本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))刊載。

## CORPORATE GOVERNANCE OF THE COMPANY (Continued)

### E. COMMUNICATION WITH SHAREHOLDERS (Continued)

#### E2. Voting by poll (Continued)

##### *Investor relations*

The Company considers that effective communication with Shareholders is essential for good investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information.

Additional shareholders' services can be found in the investor relations section of the Company's website: [www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite).

#### E3. Dividend Policy

The Company has adopted a Dividend Policy setting out the principle and guidelines by the Company to apply declaration, payment or distribution of its net profits as dividends to the shareholders.

### F. COMPANY SECRETARY

During the year 2018, Ms. HO Siu Pik of Tricor Services Limited, is an external service provider and has been engaged by the Company as its Company Secretary. Her main contact person at the Company is Ms. Jenny ZHU (Chief Legal Counsel).

Ms. Ho has confirmed that she has undertaken no less than 15 hours of relevant professional training during the year 2018.

On 20 March 2019, Ms. Ho resigned as the Company Secretary of the Company and the Company has engaged Ms. SUN Ah Tsang of Tricor Services Limited, an external service provider, as its Company Secretary.

## 本公司的企業管治常規 (續)

### E. 與股東之溝通 (續)

#### E2. 按股數投票表決 (續)

##### *投資者關係*

本公司認為與股東有效溝通，對良好投資者關係及投資者對本集團業務表現及策略的了解而言實屬關鍵。本公司亦深明透明度及適時披露公司資訊的重要性。

其他股東服務之資料登載於本公司網站([www.ir-cloud.com/hongkong/00157/irwebsite](http://www.ir-cloud.com/hongkong/00157/irwebsite))投資者關係環節。

#### E3. 股息政策

本公司已採納股息政策，其中載列本公司就向股東宣派、派付或派發其純利作為股息時擬應用的原則及指引。

### F. 公司秘書

於二零一八年度內，卓佳專業商務有限公司的何小碧女士為外部服務提供者，已獲委聘為本公司的公司秘書。其在本公司的主要聯絡人為朱旋女士（首席法律顧問）。

何女士確認於二零一八年度內已接受超過十五小時的相關專業培訓。

於二零一九年三月二十日，何女士辭任本公司的公司秘書，而本公司已委聘外部服務提供者，卓佳專業商務有限公司的孫亞錚女士擔任本公司的公司秘書。

# Directors' and Senior Management Profiles

## 董事及高級管理層履歷

### CHAIRPERSON AND EXECUTIVE DIRECTOR: DR. LEI CHIEN (ALIAS JOANNA LEI)

Aged 60, is the Chairperson of the Company. She was appointed as the Company's Executive Director on 26 October 2018. She is also the chairperson of Executive Committee and a member of Nomination Committee and Remuneration Committee. She is currently also a director of some of the Company's subsidiaries. Dr. Lei is currently an executive director of Pacific Construction Co., Limited\* (太平洋建設股份有限公司), a company listed on Taiwan Stock Exchange (TWSE: 2506) and an independent director of Waterland Financial Holding Co., Ltd.\* (國票金融控股公司), a company listed on Taiwan Stock Exchange (TWSE: 2889). Dr. Lei is also serving on the board of a number of non-profit organisations such as the Chinese Childrenhome and Shelter Association\* (中華育幼機構兒童關懷協會) and the National Women's League\* (中華民國婦女聯合會). She has over 30 years of experience in the media and broadcasting sector and corporate management. Dr. Lei began her career as a media and development scholar at the University of Pennsylvania from 1984 to 1987. From 1987 to 1996, she worked in the media conglomerate Capital Cities/ABC, Inc. in New York. She was eventually promoted to Vice President and was one of the highest ranking Asians in mainstream American media. From 1997 to 2002, Dr. Lei was an investment partner of Baring Communication Equity Asia in Singapore. Her investment activities included equity investment, debt restructuring, and merger and acquisitions in telecom, media, and information technology industries across the Asia Pacific region excluding Japan. In 2000, Dr. Lei returned to Taiwan and from 2003 to 2004, she was an executive director of Eastern Broadcasting Company Co., Ltd ("EBC"). She has been elected as senator at the Legislative Yuan of the Republic of China in 2005 and until 2008. Dr. Lei was appointed as the chairman of a government-owned enterprise, Kinmen Kaoliang Liquor Co., Limited\* (金門酒廠實業股份有限公司) in 2008. From 2009 to 2017, Dr. Lei has worked again in EBC as a board director. Dr. Lei obtained a bachelor of arts degree in foreign languages and literature from the National Taiwan University in June 1980. She has received a master of arts degree in June 1983 and a doctor of philosophy in June 1996 from the University of Pennsylvania (Philadelphia).

### 主席兼執行董事： 雷倩博士

60歲，為本公司主席。彼於二零一八年十月二十六日獲委任為本公司執行董事，彼亦為執行委員會主席、提名委員會及薪酬委員會成員。彼目前亦為本公司若干附屬公司的董事。雷博士目前為台灣證券交易所上市公司太平洋建設股份有限公司(台灣證券交易所股份代號：2506)之執行董事及台灣證券交易所上市公司國票金融控股公司(台灣證券交易所股份代號：2889)之獨立董事。雷博士亦擔任中華育幼機構兒童關懷協會及中華民國婦女聯合會等多個非牟利機構之董事會成員。雷博士在媒體及廣播領域以及公司管理方面擁有超過30年經驗。雷博士於一九八四年至一九八七年在賓夕法尼亞大學開展其事業，擔任媒體及發展學者。雷博士於一九八七年至一九九六年曾在位於紐約的媒體集團Capital Cities/ABC, Inc.工作。雷博士最終獲晉升為副總裁，並且是美國主流媒體中職位最高的亞洲人之一。一九九七年至二零零二年，雷博士為新加坡Baring Communication Equity Asia之一名投資合夥人。雷博士參與之投資活動包括股票投資、債務重組以及亞太區(不包括日本)之電訊、媒體及信息技術行業的併購。雷博士於二零零零年返回台灣，於二零零三年至二零零四年，彼擔任Eastern Broadcasting Company Co., Ltd (「EBC」)之執行董事。彼於二零零五年至二零零八年被選為中華民國立法院參議員。雷博士於二零零八年獲委任為政府所有企業金門酒廠實業股份有限公司之董事長。自二零零九年至二零一七年，雷博士再次加入EBC工作，擔任董事會董事。雷博士於一九八零年六月取得國立台灣大學外語及文學學士學位。彼於一九八三年六月取得賓夕法尼亞大學(費城)文學碩士學位及於一九九六年六月取得賓夕法尼亞大學(費城)哲學博士學位。

**EXECUTIVE DIRECTOR:  
MR. PAN YI-FAN (ALIAS IVAN PAN)**

Aged 47, was appointed as the Company's Executive Director on 26 October 2018. He is also a member of Executive Committee, Nomination Committee and Remuneration Committee of the Company. He is currently also a director of some of the Company's subsidiaries. Mr. Pan is currently the chief strategy officer at Eastern Media Group and the general manager of Eastern Integrated Marketing, Inc. He has more than 10 years of experience in private equity investment and corporate management. Prior to joining Eastern Media Group and Eastern Integrated Marketing, Inc. in February 2017, Mr. Pan worked as a consultant at McKinsey & Co. from 1999 to 2005. He was then a vice president at Crimson Investment from 2005 to 2007 and a director at Deutsche Bank from 2007 to 2010. He has worked as a director at the CID Group in Shanghai from 2010 to 2017. Mr. Pan obtained a bachelor of business administration degree from National Taiwan University in June 1993 and he received a master of business administration degree from the University of Michigan in April 1999.

**執行董事：  
潘逸凡先生**

47歲，於二零一八年十月二十六日獲委任為本公司執行董事，彼亦為本公司執行委員會、提名委員會及薪酬委員會成員。彼目前亦為本公司若干附屬公司的董事。潘先生目前為東森集團首席策略官及東森整合行銷股份有限公司之總經理。潘先生在私募股權投資及企業管理方面擁有超過10年經驗。於二零一七年二月加入東森集團及東森整合行銷股份有限公司之前，潘先生於一九九九年至二零零五年曾在McKinsey & Co.擔任顧問。彼於二零零五年至二零零七年曾擔任Crimson Investment之副總裁，及於二零零七年至二零一零年在德意志銀行擔任董事。於二零一零年至二零一七年，彼曾在上海的CID Group擔任董事。潘先生於一九九三年六月取得國立台灣大學工商管理學士學位，並於一九九九年四月取得密西根大學工商管理碩士學位。

**NON-EXECUTIVE DIRECTOR:  
MR. HSIAO WEN-CHUNG**

Aged 61, was appointed as the Company's Non-executive Director on 26 October 2018. Mr. Hsiao joined the Company on 16 October 2006 as the chief operating officer for the Group's Taiwan, Hong Kong and Malaysia markets. Mr. Hsiao was subsequently re-designated as the chief operating officer of the Group with effect from 15 April 2009 and was responsible for consolidating and expanding the Group's operations until 9 February 2010. After 9 February 2010, He was re-designated to take charge of the Group's Taiwan market and he left the Group on 30 July 2011. Mr. Hsiao subsequently re-joined the Group and was appointed as chief operating officer and interim chief executive officer of the Group with effect from 21 December 2015 and 1 January 2016, respectively. Mr. Hsiao was re-designated as the chief executive officer of the Group and ceased to be the chief operating officer, in each case, with effect from 1 September 2016. Mr. Hsiao resigned as the chief executive officer of the Group due to personal reasons on 9 July 2018. For details of Mr. Hsiao's resignation, please refer to the announcement of the Company dated 9 July 2018. Mr. Hsiao graduated from the Department of Journalism of Chinese Culture University in 1981. Prior to joining the Group in October 2006, Mr. Hsiao has over 23 years of operational management experience in the consumer goods industry. He was the national key account manager of Tait & Co., the national sales director of Unilever Taiwan, the greater china sales and marketing director of Warner-Lambert and Energizer Schick Taiwan Limited, leading the sales team of the company operating globally in the broad categories of household and personal care products. From November 2014 to November 2015, Mr. Hsiao was the executive vice president of Panion & BF Biotech Inc., Taiwan (stock code: 1760). Mr. Hsiao has re-joined the Group as a Non-executive Director of the Company on the above-mentioned appointment date. Mr. Hsiao was also a director of Shanghai Natural Beauty Company Limited\* (上海自然美生物科技有限公司), Shanghai Natural Beauty Fuli Cosmetics Co., Ltd\* (上海自然美富麗化妝品有限公司) and Shanghai Natural Beauty Bio-Med Company Limited\* (上海自然美生物醫學有限公司).

**非執行董事：  
蕭文聰先生**

61歲，於二零一八年十月二十六日獲委任為本公司非執行董事。蕭先生於二零零六年十月十六日加入本公司，擔任本集團台灣、香港及馬來西亞市場的首席營運總監。蕭先生其後於二零零九年四月十五日獲調任為本集團之首席營運總監，負責鞏固及擴展本集團業務，其任期至二零一零年二月九日。於二零一零年二月九日後，蕭先生獲調任負責本集團之台灣市場，彼於二零一一年七月三十日離開本集團。蕭先生其後再次加入本集團，並分別自二零一五年十二月二十一日及二零一六年一月一日起獲委任為本集團之首席營運總監兼臨時行政總裁。蕭先生於二零一六年九月一日獲調任為本集團之行政總裁，且不再擔任首席營運總監。於二零一八年七月九日，蕭先生因個人理由辭任本集團行政總裁職務。有關蕭先生辭任之詳情，請參閱本公司日期為二零一八年七月九日之公告。蕭先生於一九八一年畢業於中國文化大學新聞系。於二零零六年十月加入本集團前，蕭先生於消費品行業擁有逾23年之經營管理經驗。彼曾任Tait & Co.的全國大客戶經理、台灣聯合利華之全國銷售總監、Warner-Lambert及Energizer Schick Taiwan Limited的大中華區銷售及市場總監，領導公司之銷售團隊在全球各地經營涉及廣泛類別家庭及個人護理產品之業務。於二零一四年十一月至二零一五年十一月，蕭先生曾擔任台灣Panion & BF Biotech Inc. (股份代碼：1760)之執行副總裁。蕭先生於上述委任日期再次加入本集團，為本公司非執行董事。蕭先生亦曾任上海自然美生物科技有限公司、上海自然美富麗化妝品有限公司及上海自然美生物醫學有限公司之董事。



**NON-EXECUTIVE DIRECTOR:  
MS. LU YU-MIN (ALIAS VICKY LU)**

Aged 54, was appointed as the Company's Non-executive Director on 16 November 2018. She is also a member of Executive Committee of the Company. Ms. Lu is the consultant for cosmetic business of Far Eastern Silo & Shipping (Panama) S.A. since October 2018. Ms. Lu has over 25 years of experience in the luxury retail and cosmetics industry with a solid understanding of Chinese consumers and the Chinese markets. Ms. Lu previously worked for The Estee Lauder Companies for over 14 years, managing brands including Estee Lauder, Clinique, MAC Cosmetics, Bobbi Brown, Origins, La Mer, Darphin and Aramis as managing director of the beauty product group's Taiwan Affiliate from 1999 to 2011. Ms. Lu then became the vice president and general manager of Bobbie Brown International, overseeing five global regions based out of its New York headquarter. Ms. Lu also has experience in management of buying, operations, logistics, sales and marketing for global brands such as Celine, Salvatore Ferragamo and COACH when she worked for DFS from 1989 to 1990, and Bally Hong Kong from 1991 to 1992. From 2014 to 2016, Ms. Lu has also provided end-to-end e-commerce business services to Shanghai Baozun E-Commerce Limited\* (上海寶尊電子商務有限公司). Ms. Lu obtained a bachelor's degree in journalism from National Chengchi University in June 1986.

**非執行董事：  
陸瑜民女士**

54歲，於二零一八年十一月十六日獲委任為本公司非執行董事。彼亦為本公司執行委員會成員。陸女士自二零一八年十月起擔任遠東倉儲航運（巴拿馬）股份有限公司化妝品業務顧問。陸女士於奢侈品零售及化妝品行業擁有逾25年經驗，對中國消費者及中國市場有深入了解。陸女士曾於The Estee Lauder Companies工作超過14年，於一九九九年至二零一一年擔任該美容產品集團台灣聯屬公司之董事總經理，管理Estee Lauder、Clinique、MAC Cosmetics、Bobbi Brown、Origins、La Mer、Darphin及Aramis等品牌。陸女士其後擔任Bobbie Brown International之副總裁兼總經理，負責監督其紐約總部以外之全球五大區域。陸女士於一九八九年至一九九零年於DFS，以及於一九九一年至一九九二年於Bally Hong Kong工作期間在Celine、Salvatore Ferragamo及COACH等全球品牌之採購、運營、物流、銷售及營銷方面亦擁有管理經驗。於二零一四年至二零一六年，陸女士亦向上海寶尊電子商務有限公司提供端對端電子商務業務服務。陸女士於一九八六年六月於國立政治大學獲得新聞學學士學位。

## Directors' and Senior Management Profiles 董事及高級管理層履歷

### NON-EXECUTIVE DIRECTOR: MS. LIN SHU HUA

Aged 56, was appointed as the Company's Non-executive Director on 16 November 2018. She is also a member of both Executive Committee and Audit Committee of the Company. Ms. Lin was the vice president of the finance department of Eastern Home Shopping & Leisure Co., Ltd.\* (東森得易購股份有限公司) between January 2005 and September 2008. In April 2016, Ms. Lin re-joined the same company, holding the same position since then. After obtaining her qualification as a Certified Public Account of the Republic of China in August 1996, Ms. Lin has since then worked at the finance department of various companies, including Eastern Broadcasting Co., Ltd.\* (東森電視事業股份有限公司), Eastern Multimedia Co., Ltd.\* (東森媒體科技股份有限公司) and Sensen Home Shopping Co., Ltd.\* (森森百貨股份有限公司), accumulating over 20 years of experience in total. Ms. Lin graduated from the Department of Accounting at National Chung Hsing University in 1987 and obtained an executive master degree of business administration from the National Taiwan University in 2016.

### NON-EXECUTIVE DIRECTOR: MR. CHAN SHOU-HUANG

Aged 66, was appointed as the Company's Non-executive Director on 25 January 2019. He is also a member of the Executive Committee of the Company. He obtained a master degree in law from the Chinese Culture University and subsequently obtained a doctoral degree in law from the National Taiwan Ocean University. He is currently a part-time professor in the Institute of Marine Law of the National Taiwan Ocean University. Mr. Chen used to serve as parliamentary vice minister of Taiwan Ministry of Justice, the prosecutor of the Supreme Court Prosecutor's Office, the Chief Prosecutor of the High Court of Taiwan and the Head Prosecutor of various districts in Taiwan. During the period when he served as the Chief Prosecutor of the High Court, he was appointed as the president of Taiwan After-Care Association and the Association for Victims Support.

### 非執行董事： 林淑華女士

56歲，於二零一八年十一月十六日獲委任為本公司非執行董事。彼亦為本公司執行委員會及審核委員會成員。林女士於二零零五年一月至二零零八年九月擔任東森得易購股份有限公司財務部副總裁。於二零一六年四月，林女士重新加入同一家公司，自此擔任同一職務。林女士於一九九六年八月取得中華民國註冊會計師資格後，曾於多家公司之財務部門工作，包括東森電視事業股份有限公司、東森媒體科技股份有限公司及森森百貨股份有限公司，共累積逾20年經驗。林女士於一九八七年畢業於國立中興大學會計系，並於二零一六年獲得國立臺灣大學高級管理人員工商管理碩士學位。

### 非執行董事： 陳守煌先生

66歲，於二零一九年一月二十五日獲委任為本公司非執行董事。彼亦為本公司執行委員會成員。彼畢業於中國文化大學法律學研究所，取得法學碩士學位，其後於國立臺灣海洋大學海洋法律研究所取得法學博士學位。陳先生現為國立臺灣海洋大學海洋法律研究所兼任教授。陳先生曾擔任臺灣法務部政務次長、最高法院檢察署檢察官、臺灣高等法院檢察署檢察長以及臺灣多個地區的主任檢察官等職務。擔任臺灣高等法院檢察署檢察長期間，彼同時擔任財團法人台灣更生保護會、財團法人犯罪被害人保護協會董事長。

**NON-EXECUTIVE DIRECTOR:  
DR. TSAI YEN-YU (ALIAS TSAI YEN-PIN)**

Aged 71, founder and Honorary Chairperson of the Company. She was a director of NATURAL BEAUTY BIO-TECHNOLOGY (HONG KONG) COMPANY LIMITED from 16 May 2001 to 3 December 2018. She was a director of some of our British Virgin Islands, Malaysia, PRC and Taiwan subsidiaries. Dr. Tsai has been awarded numerous honours, positions and prizes such as:

- Honorary Doctor of Commerce, Dewey University, the U.S.A.
- Fellowship of Asian Knowledge Management Association
- Female Entrepreneur Award by Ernst & Young "Entrepreneur of the Year"
- Taiwan's Top Ten Most Influential Female Entrepreneur awarded by Commonwealth Magazine
- Outstanding Entrepreneurs of Taiwan awarded by Taiwan Women's Business Association
- "Top 100 Chinese Entrepreneurs" of China
- "Bai Yu Lan" Award by the Shanghai City Government
- Principal consultant in the Chinese Ministry of Labor and the programme "Ji Qing Chuang Ye" of CCTV
- Principal consultant of cosmetology arbitration panel in the Chinese Ministry of Law
- 1st Pacemaker Award and Education Award of Beauty and Cosmetics Industry in China

Dr. Tsai was an Executive Director and the Chairperson of the Board until she was re-designated as a Non-executive Director and stepped down from being the Chairperson of the Board on 26 October 2019. She was also a member of the Nomination Committee until 16 November 2018. She resigned as a Non-executive Director and a member of the Executive Committee on 25 January 2019.

**非執行董事：**

**蔡燕玉博士（又名蔡燕萍）**

71歲，本公司創辦人兼名譽主席。彼亦於二零零一年五月十六日至二零一八年十二月三日期間擔任自然美生物科技（香港）有限公司的董事。彼曾任本公司若干英屬維爾京群島、馬來西亞、中國及台灣附屬公司的董事。蔡博士曾獲得無數榮譽、職銜及獎項，如：

- 美國杜威大學商學榮譽博士
- 亞洲知識管理協會院士
- 安永年度國際傑出創業家－女性創業家大獎
- 台灣十大最有影響力之女企業家（天下雜誌）
- 台灣傑出工商婦女
- 中國「百位傑出華商領袖」
- 上海市政府頒發「白玉蘭獎」
- 中國勞動部及中央電視台「激情創業」專欄首席顧問
- 中國法務部美容爭議評判首席顧問
- 榮選首屆中國美容化妝品時代功勳獎、教育獎

蔡博士原任職執行董事及董事會主席，於二零一八年十月二十六日退任董事會主席，並調任為非執行董事。彼亦擔任提名委員會成員直至二零一八年十一月十六日為止。彼於二零一九年一月二十五日辭任非執行董事及執行委員會成員。

**INDEPENDENT NON-EXECUTIVE DIRECTOR:  
MR. CHEN RUEY-LONG (ALIAS STEVE CHEN)**

Aged 70, was appointed as the Company's Independent Non-executive Director on 1 February 2010. He is also the Chairman of the Audit Committee and a member of both the Remuneration Committee and Nomination Committee of the Company. He obtained his Bachelor degree of Economics from National Chung-Hsing University in 1970. He was the Minister of the Ministry of Economic Affairs of Taiwan from 2006 to 2008. Prior to that, he held various positions and represented the Ministry of Economic Affairs of Taiwan in various countries and was based in Switzerland from 1987 to 1996 and in Belgium from 1974 to 1979. Mr. Chen was the Board Chairman of the Institute for Information Industry in Taiwan from 2008 to 2009. Mr. Chen is currently the Board Chairman of SINOCON Industrial Standards Foundation in Taiwan, the Secretary-general of Cross-Strait CEO Summit, a director of Bank of Panhsin in Taiwan, Teknowledge Development Corporation in Taiwan and Powerchip Semiconductor Manufacturing Corp. in Taiwan, and the Board Chairman and Chief Operating Officer of Powerchip Technology Corporation (stock code: 5346), listed on the Taiwan GreTai Securities Market. He is also a director of HannStar Board Corporation (stock code: 5469) and Asia Cement Corporation (stock code: 1102); a managing director and independent director of Formosa Chemicals and Fibre Corporation (stock code: 1326); an independent director of China Petrochemical Development Corporation, Ltd. (stock code: 1314), INVENTEC CORPORATION (stock code: 2356), and Walsin Lihwa Corporation (stock code: 1605), which are listed on the Taiwan Stock Exchange. From June 2011 until 10 June 2014, he was an independent director of E-Ton Solar Tech. Co., Ltd. (stock code: 3452), listed on the Taiwan GreTai Securities Market. He was also a director of GINTECH ENERGY CORPORATION (stock code: 3514), listed on the Taiwan Stock Exchange, until 30 October 2017.

**獨立非執行董事：  
陳瑞隆先生**

70歲，於二零一零年二月一日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席、薪酬委員會及提名委員會成員。彼於一九七零年獲國立中興大學頒授經濟學學士學位。彼於二零零六年至二零零八年期間擔任台灣經濟部部長。在此之前，他曾出任多個要職，並在多個國家代表台灣經濟部，並於一九八七年至一九九六年獲派駐瑞士及於一九七四年至一九七九年獲派駐比利時。陳先生於二零零八年至二零零九年出任台灣財團法人資訊工業策進會董事長。陳先生現為台灣財團法人華聚產業共同標準推動基金會董事長、兩岸企業家峰會秘書長、台灣板信商業銀行、智仁科技開發股份有限公司及力晶積成電子製造股份有限公司董事，以及在台灣證券櫃檯買賣中心上市的力晶科技股份有限公司（股份代號：5346）董事長及營運總監。彼同時也是在台灣證券交易所上市的瀚宇博德股份有限公司（股份代號：5469）及亞洲水泥股份有限公司（股份代號：1102）董事；台灣化學纖維股份有限公司（股份代號：1326）常務董事及獨立董事；中國石油化學工業開發股份有限公司（股份代號：1314）及英業達股份有限公司（股份代號：2356），及華新麗華股份有限公司（股份代號：1605）之獨立董事。於二零一一年六月至二零一四年六月十日，他曾擔任在台灣證券櫃檯買賣中心上市的益通光能科技股份有限公司（股份代號：3452）獨立董事。直至二零一七年十月三十日，彼亦擔任在台灣證券交易所上市的昱晶能源科技股份有限公司（股份代號：3514）之董事。

**INDEPENDENT NON-EXECUTIVE DIRECTOR:  
MR. LU CHI-CHANT**

Aged 67, was appointed as the Company's Independent Non-executive Director on 18 December 2015. He is also the Chairman of Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company. He is currently an independent non-executive director of Eagle Nice (International) Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 02368), and an independent director of LEALEA ENTERPRISE CO., LTD (stock code: 1444) and Hannstar Board Corp. (stock code: 5469), all listed on the Taiwan Stock Exchange. He is also an independent director of Nyquest Technology Co., Ltd., a company listed on the Taiwan GreTai Securities Market (stock code: 6494). From June 2015 to June 2018, Mr. Lu was an independent director of Li Peng Enterprise Co., Ltd. (stock code: 1447), a company listed on the Taiwan Stock Exchange. From June 2014 to May 2017, Mr. Lu was an independent director of K Laser Technology Inc. (stock code: 2461), a company listed on the Taiwan Stock Exchange. From 2012 to 2013, Mr. Lu was an independent director of First Sino Bank, a licensed bank established in the People's Republic of China. Mr. Lu obtained a bachelor's degree in Mechanical Engineering from National Taiwan University in 1974 and passed the professional qualification examinations in Taiwan for certified public accountant in 1983 and for securities investment analyst in 1988. During the period from 1976 to 1984, Mr. Lu worked as a mechanical engineer in Formosa Plastics Corporation, a company established in Taiwan which is principally engaged in the manufacturing of plastic raw materials and products. Mr. Lu joined Deloitte & Touche Taiwan as an auditor in 1984 and he became a partner there in 1986. Mr. Lu left Deloitte & Touche Taiwan in 2011.

**獨立非執行董事：  
盧啟昌先生**

67歲，於二零一五年十二月十八日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席、審核委員會及提名委員會成員。彼現為鷹美（國際）控股有限公司（一家於聯交所主板上市之公司，股份代號：02368）之獨立非執行董事，同時亦為於台灣證券交易所上市的力麗企業股份有限公司（股份代號：1444）及瀚宇博德股份有限公司（股份代號：5469）之獨立董事。彼亦為於台灣證券櫃檯買賣中心上市之九齊科技股份有限公司（股份代號：6494）之獨立董事。盧先生曾於二零一五年六月至二零一八年六月期間擔任力鵬企業股份有限公司（一家於台灣證券交易所上市之公司，股份代號：1447）的獨立董事，於二零一四年六月至二零一七年五月期間擔任光群雷射科技股份有限公司（一家於台灣證券交易所上市之公司，股份代號：2461）的獨立董事，以及於二零一二年至二零一三年期間擔任華一銀行（一家於中華人民共和國成立的持牌銀行）之獨立董事。盧先生於一九七四年獲得國立台灣大學機械工程學士學位，並分別於一九八三年及一九八八年在台灣通過執業會計師及證券投資分析師之專業資格考試。於一九七六年至一九八四年期間，盧先生出任台灣塑膠工業股份有限公司（一家於台灣成立之公司，主要從事生產塑膠原材料及產品）之機械工程師。盧先生於一九八四年加入勤業眾信聯合會計師事務所出任核數師，並於一九八六年成為其合夥人。盧先生於二零一一年離開勤業眾信聯合會計師事務所。

## Directors' and Senior Management Profiles 董事及高級管理層履歷

### INDEPENDENT NON-EXECUTIVE DIRECTOR: MR. YANG SHIH-CHIEN

Aged 74, was appointed as the Company's Independent Non-executive Director on 16 November 2018. He is also a member of Audit Committee, Nomination Committee and Remuneration Committee. He is currently the chairman and chief executive officer of Global Strategic Investment Fund, a board director of Tecom Co., Ltd. (TWSE. 2321), Yageo Corporation (TWSE. 2327), TECO Electric & Machinery Co., Ltd. (TWSE. 1504) and Mitac Inc. (TWSE. 3706), and an independent director of TOPKEY Corporation (TWSE. 4536) and WUS Printed Circuit Co., Ltd (TWSE. 2316). Mr. Yang was a national policy advisor to the President of the Republic of China between January 2009 and May 2016. Prior to that, Mr. Yang already worked in the government of the Republic of China for more than 38 years, such as the director of the Planning and Evaluation Division of the National Science Council, Senior Vice Minister of the Ministry of Economic Affairs and Minister of State. Mr. Yang also worked as a research engineer at the Chung Shan Institute of Science & Technology between November 1973 and January 1978. Mr. Yang obtained a bachelor's degree in electrical engineering from the National Taiwan University in June 1967. Mr. Yang subsequently obtained a master and a doctor degree in electrical engineering from Northwestern University in June 1971 and August 1973 respectively.

### GROUP CHIEF EXECUTIVE OFFICER: MS. LIN YEN-LING

Aged 55, was appointed as the Chief Executive Officer of the Group on 26 October 2018. She is currently also a director of some of the Company's subsidiaries. She graduated with a Bachelor of Arts degree from National Chengchi University in Taiwan. Ms. Lin has been working in Eastern Group since May 2018 as Chief Marketing & Sales Officer of Eastern Media International Corp., Chief Marketing Officer of Eastern Home Shopping & Leisure Co., Ltd., and Chief Sales Officer of ETtoday Co., Ltd. Prior to this appointment, Ms. Lin was the general manager of Lintas China Group from 2016 to 2017. From 1997 to 2016, Ms. Lin had worked at Eastern Broadcasting Co., Ltd. as Chief Operation and Sales Officer and Havas Worldwide as Executive Vice President of Greater China and Chief Executive Officer of Taiwan.

### 獨立非執行董事： 楊世緘先生

74歲，於二零一八年十一月十六日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會成員。彼目前為全球戰略投資基金主席兼行政總裁、東訊股份有限公司(TWSE. 2321)、國巨公司(TWSE. 2327)、東元電機股份有限公司(TWSE. 1504)及神通電腦股份有限公司(TWSE. 3706)之董事以及拓凱實業股份有限公司(TWSE. 4536)及楠梓電子股份有限公司(TWSE. 2316)之獨立董事。楊先生於二零零九年一月至二零一六年五月擔任中華民國總統之國家政策顧問。在此之前，楊先生已於中華民國政府工作超過38年，例如國家科學委員會規劃及評估司(Planning and Evaluation Division)司長、經濟部高級副部長及國務大臣。楊先生於一九七三年十一月至一九七八年一月亦於中山科學研究院擔任研究工程師。楊先生於一九六七年六月獲得國立臺灣大學電子工程學士學位。楊先生其後於一九七一年六月及一九七三年八月分別獲得西北大學電氣工程碩士及博士學位。

### 集團行政總裁： 林燕玲女士

55歲，於二零一八年十月二十六日獲委任為本集團行政總裁。彼目前亦為本公司若干附屬公司的董事。彼畢業於台灣國立政治大學，取得文學學士學位。林女士從二零一八年五月開始服務於東森集團，擔任東森國際公司業務執行長，東森得易購公司行銷長及東森新聞雲公司業務長。在此之前，林女士於二零一六年至二零一七年期間，擔任中國靈獅廣告公司總經理。自一九九七年至二零一六年，林女士曾先後任職於東森電視公司擔任營銷長及漢威士靈智廣告公司擔任大中華區執行副總裁暨台灣區行政總裁。

**COMPANY SECRETARY:  
MS. SUN AH TSANG**

Ms. Sun, is a Manager of Corporate Services of Tricor Services Limited ("Tricor"), a global professional services provider specializing in integrated Business, Corporate and Investor Services. Ms. Sun has over 10 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. As at the Latest Practicable Date, Ms. Sun is the company secretary of the Company and China Greenland Broad Greenstate Group Company Limited (stock code: 1253). Ms. Sun is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Institute of Chartered Secretaries ("HKICS") and The Institute of Chartered Secretaries and Administrators in the United Kingdom. (Note: The Company has engaged Tricor as external service provider and appointed Ms. Sun as the Company's company secretary since 20 March 2019.)

**MS. HO SIU PIK**

Ms. Ho, is an Executive Director of Corporate Services of Tricor Tricor, a global professional services provider specializing in integrated Business, Corporate and Investor Services. Ms. Ho has over 20 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. As at the Latest Practicable Date, Ms. Ho is the company secretary/joint company secretary of five listed companies on the Stock Exchange, including Asia Cement (China) Holdings Corporation (stock code: 743), China Molybdenum Co., Ltd. (stock code: 3993), Goodbaby International Holdings Limited (stock code: 1086), Grand Talents Group Holdings Limited (stock code: 8516) and Summit Ascent Holdings Limited (stock code: 102). Ms. Ho is a Chartered Secretary, a Chartered Governance Professional and a Fellow of both HKICS and The Institute of Chartered Secretaries and Administrators in the United Kingdom. She is a holder of the Practitioner's Endorsement from HKICS. (Note: The Company has engaged Tricor as external service provider and appointed Ms. Ho as the Company's company secretary from 11 December 2013 to 20 March 2019.)

**公司秘書：  
孫亞鏗女士**

孫女士現為卓佳專業商務有限公司（「卓佳」）企業服務部經理，該公司是全球性的專業服務公司，為客戶提供商務、企業及投資者綜合服務。孫女士於企業服務範疇擁有逾10年經驗，一直為香港上市公司、跨國公司、私人公司及海外公司提供專業的企業服務。於最後實際可行日期，孫女士為本公司及中國綠地博大綠澤集團有限公司（股份代號：1253）的公司秘書。孫女士為特許秘書、特許企業管治專業人員，以及香港特許秘書公會（「HKICS」）及英國特許秘書及行政人員公會的會員。（註：本公司聘用卓佳為外聘服務機構及自二零一九年三月二十日起委任孫女士為本公司的公司秘書。）

**何小碧女士**

何女士現為卓佳企業服務部執行董事，該公司是全球性的專業服務公司，為客戶提供商務、企業及投資者綜合服務。彼於公司秘書範疇擁有逾20年經驗，一直為若干香港上市公司、跨國公司、私人公司及海外公司提供專業的企業服務。於最後實際可行日期，何女士為五間聯交所上市公司之公司秘書／聯席公司秘書，包括亞洲水泥（中國）控股公司（股份代號：743）、洛陽樂川鋁業集團股份有限公司（股份代號：3993）、好孩子國際控股有限公司（股份代號：1086）、廣駿集團控股有限公司（股份代號：8516）及凱升控股有限公司（股份代號：102）。何女士為特許秘書、特許企業管治專業人員，以及HKICS及英國特許秘書及行政人員公會的資深會員。彼持有由HKICS發出的執業者認可證明。（註：本公司聘用卓佳為外聘服務機構及自二零一三年十二月十一日至二零一九年三月二十日委任何女士為本公司的公司秘書。）

\* For identification purpose only.

\* 僅供識別

# Directors' Report 董事會報告書

The Directors have pleasure to present their annual report and the audited consolidated financial statements for the year ended 31 December 2018.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group is principally engaged in (a) manufacturing and sales of a range of products including skin care, beauty, aroma-therapeutic products, health supplements and make-up products under the "Natural Beauty" brand and beauty apparatus and (b) provision of skin treatments, beauty and spa services, medical cosmetology services, skin care consulting and beauty training. The activities of its principal subsidiaries are set out in note 38 to the consolidated financial statements.

## BUSINESS REVIEW

The business review of the Group during the year ended 31 December 2018 (including an analysis of the Group's performance during the year using key performance indicators and a discussion of the Group's future business development) is set out in the Chairman's Statement in the Environmental, Social and Governance Report of the Company for the year 2018.

## Compliance with the Relevant Laws and Regulations

As far as the Board of Directors and management are aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 December 2018, there was no material breach of, or non-compliance, with the applicable laws and regulations by the Group.

## Relationship with Employees

Competitive remuneration packages are maintained to attract, retain and motivate capable staff members and are reviewed on a regular basis. The Group maintains good relations with its employees and is committed to their training and development. Professional training courses are offered to beauticians employed by the Group and to franchisees on a regular basis.

## Relationship with Suppliers, Customers and other Stakeholders

The Group understands the importance of maintaining good relationships with its suppliers and customers to meet its immediate and long-term goals. During the year ended 31 December 2018, there were no material and significant disputes between the Group and its suppliers, customers and other stakeholders.

董事欣然呈交彼等截至二零一八年十二月三十一日止年度之年度報告書及經審核綜合財務報表。

## 主要業務

本公司為投資控股公司。本集團主要從事(a)以「自然美」品牌製造及銷售護膚產品、美容及精油產品、健康食品和化妝品等產品及新的美容儀器及(b)提供肌膚護理、美容及水療服務、醫療美容服務、肌膚護理顧問服務及美容培訓。本集團主要附屬公司之業務載於綜合財務報表附註38。

## 業務回顧

本集團於截至二零一八年十二月三十一日止年度之業務審視(包括以重要業務指標對本集團於年內表現之分析及對本集團未來業務發展之討論)列載於本公司二零一八年度之環境、社會及管治報告內之主席報告。

## 遵守相關法例及規例

據董事會及管理層所知,本集團於所有重大方面皆已遵守對本集團業務及營運具重大影響之相關法例及規例。於截至二零一八年十二月三十一日止年度內,本集團概無嚴重違反或不遵守適用法例及規例。

## 僱員關係

為招聘、留聘及鼓勵表現卓越的僱員,本集團保持並定期檢討具競爭力之酬金組合。本集團與其僱員維持良好合作關係,並致力於彼等的培訓及發展,更定期為本集團聘用之美容師及加盟商提供專業培訓課程。

## 供應商、客戶和其他持份者關係

本集團深明與供應商及顧客維持良好關係對達成其短期及長期目標的重要性。於截至二零一八年十二月三十一日止年度內,本集團與其供應商、顧客及其他持份者並無發生重大糾紛。



## BUSINESS REVIEW (Continued)

### Environmental Policies and Performance

The Group is committed to the long-term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavors to comply with the applicable environmental laws and regulations and to adopt effective measures to ensure the efficient usage of resources, energy conservation and waste reduction. Such initiatives include the recycling of used papers, the adoption of energy saving measures. During the year ended 31 December 2018, the Group had not been subject to any fines or other penalties due to any non-compliance with health, safety or environmental regulations.

For details of the Company's environment policy and performance, please refer to the Environmental, Social and Governance Report of the Company for the year 2018.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on page 92.

An interim dividend of HK\$0.0145 per share (2017: interim dividend of HK\$0.0171 and special interim dividend of HK\$0.0054), amounting to approximately HK\$29,031,000, were paid to the shareholders during the year. At the Board meeting held on 20 March 2019, the Directors did not recommend the payment of any final dividend (2017: final dividend of HK\$0.0335). Details of the dividends are set out in note 14 to the consolidated financial statements.

## 業務回顧 (續)

### 環境政策和績效

本集團致力於其經營環境和社區的長期可持續發展。以對環境負責任的方式行事，本集團努力遵守有關環境保護的法例及規例，並採取有效措施，以實現資源的高效利用，節省能源和減少廢物。該等舉措包括廢紙回收利用及採用節能措施。於截至二零一八年十二月三十一日止年度，本集團概無因不遵守健康、安全或環境法規遭處以任何罰款或其他懲處。

本公司的環境政策及表現之詳情，請參閱本公司二零一八年度的環境、社會及管治報告。

## 業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載於第92頁之綜合損益及其他全面收益表。

年內，本公司向股東派發中期股息每股0.0145港元（二零一七年：中期股息0.0171港元及特別中期股息0.0054港元），合共約\$29,031,000港元。於二零一九年三月二十日召開之董事會會議上，董事建議不派付任何末期股息（二零一七年：末期股息0.0335港元）。有關股息詳情載於綜合財務報表附註14。

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed on the following dates:

Book Closure Period 暫停辦理股東登記期間	Purpose 目的	Final Lodging Date 最後遞交日期
Friday, 17 May 2019 to Thursday, 23 May 2019 二零一九年五月十七日(星期五)至 二零一九年五月二十三日(星期四)	To determine the identity of members who are entitled to attend and vote at the 2019 Annual General Meeting 為確定有權出席二零一九年度股東週年大會並 於會上投票之股東身份	Thursday, 16 May 2019 二零一九年五月十六日 (星期四)

During and including the book closure period described in the table above, no transfer of shares will be effected.

In order to qualify for attending and voting at the 2019 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on the final lodging date mentioned in the table above.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year, about 12.1% of the Group's revenue from sales of goods or rendering of services was attributable to the Group's 5 largest customers combined.

During the year, about 37.5% of the Group's total purchases (beauty apparatus) was attributable to the Group's largest supplier, and about 48.8% of the Group's total purchases was attributable to the Group's 5 largest suppliers combined. To the best knowledge of the Directors after making all reasonable enquiries, no Director, close associate of each Director, or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the number of issued shares of the Company) has any interest in the suppliers mentioned above.

## INVESTMENT PROPERTIES

The Group's investment properties as at 31 December 2018 were fair valued by an independent firm of professional property valuers. There was no change in fair value of investment properties other than the exchange realignment.

Details of movements during the year in the investment properties of the Group are set out in note 15 to the consolidated financial statements.

## 暫停辦理股東登記手續

本公司將於下列日期暫停辦理股東登記手續：

於上表所述暫停辦理股東登記期間內，將不會進行任何股份之過戶登記。

為符合資格出席二零一九年度股東週年大會並於會上投票，所有過戶文件連同有關股票最遲須於上表所述最後遞交日期下午四時三十分前，送達本公司之香港股份過戶登記分處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

## 主要客戶及供應商

年內，本集團五大客戶的總銷售額佔本集團本年度之總營業額的比例約為12.1%。

年內，第一大供應商之新的美容儀器的採購金額佔本集團總採購額比例約為37.5%及五大供應商的採購額佔本集團總採購額的比例約為48.8%。據我們所知，有關任何董事、董事的緊密聯繫人、或任何股東（據董事會所知擁有5%以上股權的股東），在上述供應商中不佔有任何權益。

## 投資物業

於二零一八年十二月三十一日，本集團之投資物業由獨立專業物業估值師行按公平值基準進行估值。除匯兌調整外，投資物業之公平值概無變動。

本集團之投資物業於年內之變動詳情載於綜合財務報表附註15。

## PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

## SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 28 to the consolidated financial statements.

## FIVE-YEAR SUMMARY

A summary of the results for the year and of the assets and liabilities of the Group as at 31 December 2018 and for the previous four financial years are set out on page 212 of this Annual Report.

## DIRECTORS

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

Executive Directors:

Dr. LEI Chien (appointed on 26 October 2018)  
Mr. PAN Yi-Fan (alias Ivan PAN) (appointed on 26 October 2018)  
Mr. LEE Ming-Ta (alias LEE Ming-Tah) (resigned on 16 November 2018)  
Dr. SU Chien-Cheng (resigned on 16 November 2018)

Non-executive Directors:

Mr. HSIAO Wen-Chung (appointed on 26 October 2018)  
Ms. LU Yu-Min (alias Vicky LU) (appointed on 16 November 2018)  
Ms. LIN Shu-Hua (appointed on 16 November 2018)  
Mr. CHEN Shou-Huang (appointed on 25 January 2019)  
Dr. SU Sh-Hsyu (alias Spring Sh-Hsyu SU) (resigned on 16 November 2018)  
Dr. TSAI Yen-Yu (alias TSAI Yen-Pin) (redesignated from Executive Director to Non-executive Director on 26 October 2018 and resigned on 25 January 2019)

Independent Non-executive Directors:

Mr. CHEN Ruey-Long (alias Steve CHEN)  
Mr. LU Chi-Chant  
Mr. YANG Shih-Chien (appointed on 16 November 2018)  
Mr. HSIEH Pang-Chang (alias SHIA Ben-Chang) (resigned on 16 November 2018)

## 物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註16。

## 股本

本公司之股本於年內之變動詳情載於綜合財務報表附註28。

## 五年摘要

本集團截至二零一八年十二月三十一日止年度及過去四個財政年度的業績、資產及負債摘要，載於本年報第212頁。

## 董事

年內及截至本報告刊發日期，本公司董事如下：

執行董事：

雷倩博士（於二零一八年十月二十六日獲委任）  
潘逸凡先生（於二零一八年十月二十六日獲委任）  
李明達先生（於二零一八年十一月十六日辭任）  
蘇建誠博士（於二零一八年十一月十六日辭任）

非執行董事：

蕭文聰先生（於二零一八年十月二十六日獲委任）  
陸瑜民女士（於二零一八年十一月十六日獲委任）  
林淑華女士（於二零一八年十一月十六日獲委任）  
陳守煌先生（於二零一八年一月二十五日獲委任）  
蘇詩琇博士（於二零一八年十一月十六日辭任）  
蔡燕玉博士（又名蔡燕萍）（於二零一八年十月二十六日由執行董事調任為非執行董事，並於二零一八年一月二十五日辭任）

獨立非執行董事：

陳瑞隆先生  
盧啓昌先生  
楊世緘先生（於二零一八年十一月十六日獲委任）  
謝邦昌先生（於二零一八年十一月十六日辭任）

## DIRECTORS (Continued)

In accordance with Article 100 of the Company's Articles, any Director appointed by the Board to fill a causal vacancy shall hold office only until the first general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting. Pursuant to this article, Dr. LEI Chien, Mr. PAN Yi-Fan, Mr. HSIAO Wen-Chung, Ms. LU Yu-Min, Mr. LIN Shu-Hua, Mr. CHEN Shou-Huang and Mr. YANG Shih-Chien, the Directors appointed by the Board after the holding of the last annual general meeting on 24 May 2018, will hold office until the forthcoming annual general meeting.

In addition, in accordance with Article 117 of the Company's Articles, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, shall retire from office by rotation at each annual general meeting. Mr. CHEN Ruey-Long shall retire by rotation pursuant this article.

All the above-mentioned Directors, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Rules Governing (the "Listing Rules") on the Stock Exchange. The Company considers all the Independent Non-executive Directors are independent.

Directors are required to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and withdraw if appropriate.

## CHAIRPERSON, VICE CHAIRMAN AND BOARD COMMITTEES

The Chairperson and Vice Chairman of the Board and the members of each of the committees of the Company during the year and up to the date of this report were:

### Honorary Chairperson

Dr. TSAI Yen-Yu (appointed as the Honorary Chairperson on 26 October 2018)

### Chairperson and Vice Chairman

Dr. LEI Chien (Chairperson of the Board) (appointed on 26 October 2018)

Dr. TSAI Yen-Yu (Chairperson of the Board) (ceased to act as the Chairperson on 26 October 2018)

Mr. LEE Ming-Ta (Vice Chairman of the Board) (resigned on 16 November 2018)

## 董事 (續)

根據本公司細則第100條，任何由董事會委任以填補臨時空缺的董事之任期將於其獲委任後舉行首次本公司股東大會時屆滿，屆時該名董事將符合資格於該大會上膺選連任。根據細則，於二零一八年五月二十四日舉行之上屆股東週年大會後獲董事會委任的董事雷倩博士、潘逸凡先生、蕭文聰先生、陸瑜民女士、林淑華女士、陳守煌先生及楊世緘先生將任職至下屆股東週年大會為止。

此外，根據本公司細則第117條，在每屆股東週年大會上，三分之一的在職董事（或倘人數並非三或三之倍數，則不少於三分之一的董事）須輪值告退。根據該細則，陳瑞隆先生將輪值退任。

所有上列董事皆符合資格，並願意於下屆股東週年大會上膺選連任。

本公司已接獲各獨立非執行董事根據聯交所上市規則（「上市規則」）第3.13條就彼等之獨立性而發出之年度確認書。本公司認為，全體獨立非執行董事均屬獨立。

董事須申報彼等在由董事會會議所審議的任何建議或交易中的直接或間接利益（如有），並酌情避席。

## 主席、副主席及董事會委員會

年內及截至本報告書刊發日期，董事會主席及副主席以及本公司轄下各委員會之成員如下：

### 名譽主席

蔡燕玉博士（於二零一八年十月二十六日獲委任為名譽主席）

### 主席及副主席

雷倩博士（董事會主席）

（於二零一八年十月二十六日獲委任）

蔡燕玉博士（董事會主席）

（於二零一八年十月二十六日不再擔任主席）

李明達先生（董事會副主席）

（於二零一八年十一月十六日辭任）

## CHAIRPERSON, VICE CHAIRMAN AND BOARD COMMITTEES (Continued)

### Members of Audit Committee:

Mr. CHEN Ruey-Long (*Chairman*)  
Mr. LU Chi-Chant  
Ms. LIN Shu-Hua (appointed on 16 November 2018)  
Mr. YANG Shih-Chien (appointed on 16 November 2018)  
Dr. SU Sh-Hsyu (resigned on 16 November 2018)  
Mr. HSIEH Pang-Chang (resigned on 16 November 2018)

### Members of Remuneration Committee:

Mr. LU Chi-Chant (*Chairman*)  
Mr. CHEN Ruey-Long  
Dr. LEI Chien (appointed on 16 November 2018)  
Mr. PAN Yi-Fan (appointed on 16 November 2018)  
Mr. YANG Shih-Chien (appointed on 16 November 2018)  
Dr. SU Chien-Cheng (resigned on 16 November 2018)  
Dr. SU Sh-Hsyu (resigned on 16 November 2018)  
Mr. HSIEH Pang-Chang (resigned on 16 November 2018)

### Members of Executive Committee:

Dr. LEI Chien (*Chairperson*) (appointed on 16 November 2018)

Mr. PAN Yi-Fan (appointed on 16 November 2018)  
Ms. LU Yu-Min (appointed on 16 November 2018)  
Ms. LIN Shu-Hua (appointed on 16 November 2018)  
Mr. CHEN Shou-Huang (appointed on 25 January 2019)  
Mr. LEE Ming-Ta (resigned on 16 November 2018)  
Dr. SU Chien-Cheng (resigned on 16 November 2018)  
Dr. SU Sh-Hsyu (resigned on 16 November 2018)  
Dr. TSAI Yen-Yu (resigned on 25 January 2019)

### Members of Nomination Committee:

Mr. YANG Shih-Chien (*Chairman*) (appointed on 16 November 2018)

Mr. CHEN Ruey-Long  
Mr. LU Chi-Chant  
Dr. LEI Chien (appointed on 16 November 2018)  
Mr. PAN Yi-Fan (appointed on 16 November 2018)  
Mr. HSIEH Pang-Chang (resigned on 16 November 2018)  
Dr. TSAI Yen-Yu (ceased to be a member on 16 November 2018)  
Mr. LEE Ming-Ta (resigned on 16 November 2018)

## 主席、副主席及董事會委員會 (續)

### 審核委員會成員：

陳瑞隆先生 (*主席*)  
盧啓昌先生  
林淑華女士 (於二零一八年十一月十六日獲委任)  
楊世緘先生 (於二零一八年十一月十六日獲委任)  
蘇詩琇博士 (於二零一八年十一月十六日辭任)  
謝邦昌先生 (於二零一八年十一月十六日辭任)

### 薪酬委員會成員：

盧啓昌先生 (*主席*)  
陳瑞隆先生  
雷倩博士 (於二零一八年十一月十六日獲委任)  
潘逸凡先生 (於二零一八年十一月十六日獲委任)  
楊世緘先生 (於二零一八年十一月十六日獲委任)  
蘇建誠博士 (於二零一八年十一月十六日辭任)  
蘇詩琇博士 (於二零一八年十一月十六日辭任)  
謝邦昌先生 (於二零一八年十一月十六日辭任)

### 執行委員會成員：

雷倩博士 (*主席*)  
(於二零一八年十一月十六日獲委任)  
潘逸凡先生 (於二零一八年十一月十六日獲委任)  
陸瑜民女士 (於二零一八年十一月十六日獲委任)  
林淑華女士 (於二零一八年十一月十六日獲委任)  
陳守煌先生 (於二零一九年一月二十五日獲委任)  
李明達先生 (於二零一八年十一月十六日辭任)  
蘇建誠博士 (於二零一八年十一月十六日辭任)  
蘇詩琇博士 (於二零一八年十一月十六日辭任)  
蔡燕玉博士 (於二零一九年一月二十五日辭任)

### 提名委員會成員：

楊世緘先生 (*主席*)  
(於二零一八年十一月十六日獲委任)  
陳瑞隆先生  
盧啓昌先生  
雷倩博士 (於二零一八年十一月十六日獲委任)  
潘逸凡先生 (於二零一八年十一月十六日獲委任)  
謝邦昌先生 (於二零一八年十一月十六日辭任)  
蔡燕玉博士 (於二零一八年十一月十六日不再為成員)  
李明達先生 (於二零一八年十一月十六日辭任)

## CHAIRPERSON, VICE CHAIRMAN AND BOARD COMMITTEES (Continued) 主席、副主席及董事會委員會 (續)

The compositions of the Audit Committee, the Remuneration Committee, the Executive Committee and the Nomination Committee of the Company as well as the Chairperson of the Company as of date of this report are set out below:

下表載列截至本報告書刊發日期，本公司審核委員會、薪酬委員會、執行委員會及提名委員會之組成人員以及本公司主席：

Board of Directors	董事會成員	Board Committees			
		Audit Committee	Remuneration Committee	Executive Committee	Nomination Committee
		審核委員會	薪酬委員會	執行委員會	提名委員會
<b>Executive Directors</b>	<b>執行董事</b>				
Dr. LEI Chien (Chairperson of the Board)	雷倩博士 (董事會主席)	-	M	C	M
Mr. PAN Yi-Fan	潘逸凡先生	-	M	M	M
<b>Non-executive Directors</b>	<b>非執行董事</b>				
Mr. HSIAO Wen-Chung	蕭文聰先生	-	-	-	-
Ms. LU Yu-Min	陸瑜民女士	-	-	M	-
Ms. LIN Shu-Hua	林淑華女士	M	-	M	-
Mr. CHEN Shou-Huang	陳守煌先生	-	-	M	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. CHEN Ruey-Long	陳瑞隆先生	C	M	-	M
Mr. LU Chi-Chant	盧啟昌先生	M	C	-	M
Mr. YANG Shih-Chien	楊世緘先生	M	M	-	C

Notes:

C Chairman/Chairperson of the relevant Board committees  
M Member of the relevant Board committees

附註：

C 有關董事會委員會的主席  
M 有關董事會委員會的成員

## DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2018, in the opinion of the Directors of the Company, the Company's reserves available for distribution to shareholders were nil.

## DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors and Non-executive Directors has entered into a Director's service contract with the Company for an initial term of one year from 16 November 2018, except Mr. CHEN Shou-Huang, whose initial term is for one year from 25 January 2019, which shall be terminated by either party giving to the other party at least three months' notice in writing.

Mr. YANG Shih-Chien, an Independent Non-executive Director, has entered into a letter of appointment with the Company for an initial term of one year from 16 November 2018.

The letter of appointment entered into between the Company and Mr. LU Chi-Chant, an Independent Non-executive Director, was expired on 17 December 2018 and was renewed with the same terms for another one year from 18 December 2018.

The letter of appointment entered into between the Company and Mr. CHEN Ruey-Long, an Independent Non-executive Director, was expired on 31 January 2019 and was renewed with the same terms for another one year from 1 February 2019.

The above-mentioned letters of appointments shall be terminated by either party giving to the other party at least one month's notice in writing.

The Director's service contract entered into between the Company and Dr. TSAI Yen-Yu, who was re-designated from an Executive Director to Non-executive Director on 26 October 2018, was valid from 26 October 2018 to 31 December 2020, which was terminated on 25 January 2019.

## 本公司之可供分派儲備

於二零一八年十二月三十一日，本公司董事認為，本公司無可供分派予股東之儲備。

## 董事服務合約

各執行董事及非執行董事已與本公司訂立董事服務合約，自二零一八年十一月十六日起初步為期一年（除陳守煌先生，其任期由二零一九年一月二十五日起初步為期一年），可由任何一方透過向對方發出至少三個月之書面通知予以終止。

獨立非執行董事楊世緘先生已與本公司訂立委任函，自二零一八年十一月十六日起初步為期一年。

本公司與獨立非執行董事盧啓昌先生訂立之委任函已於二零一八年十二月十七日屆滿，並已按相同條款續訂，自二零一八年十二月十八日起為期一年。

本公司與獨立非執行董事陳瑞隆先生訂立之委任函已於二零一九年一月三十一日屆滿，並已按相同條款續訂，自二零一九年二月一日起為期一年。

上述委任函可由任何一方透過向對方發出至少一個月之書面通知予以終止。

本公司與蔡燕玉博士（彼於二零一八年十月二十六日由執行董事調任為非執行董事）訂立董事服務合約，自二零一八年十月二十六日起至二零二零年十二月三十一日止，並於二零一九年一月二十五日終止。

### DIRECTORS' SERVICE CONTRACTS (Continued)

The Directors' service contracts entered into between the Company and Mr. LEE Ming-Ta, Dr. SU Chien-Cheng (Executive Directors) and Dr. SU Sh-Hsyu (Non-executive Director) were terminated on 16 November 2018.

Save as disclosed above, no Director has any unexpired service contract or letter of appointment which is not terminable by the Group within one year without payment of compensation, other than normal statutory obligations.

### Management Contracts

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed during the year 2018.

### Remuneration of Directors, Chief Executives and Senior Management

Details of the remuneration of the Directors and chief executives on a named basis and the senior management by band, are set out in notes 11 and 12 to the consolidated financial statements respectively.

### Permitted Indemnity

Pursuant to the Company's Articles, every Director shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he/she may sustain or incur in the execution of his/her office or otherwise in relation thereto.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against Directors of the Group.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2018, so far as known to any Directors, none of the Directors or chief executives of the Company or any of their close associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to section 347 of the SFO and the Model Code, to be notified to the Company and the Stock Exchange.

### 董事服務合約 (續)

本公司與李明達先生、蘇建誠博士(執行董事)及蘇詩琇博士(非執行董事)訂立之董事服務合約於二零一八年十一月十六日終止。

除上文披露者外，本集團並無與董事訂立任何不可於一年內免付補償(一般法定補償除外)予以終止之未屆滿服務合約或委任函。

### 管理層合約

於二零一八年度，本公司概無訂立涉及管理及／或執行本公司業務的全部或任何主要部分的合約，亦無有關合約存在。

### 董事、主要行政人員及高級管理人員的薪酬

董事及主要行政人員的薪酬以名列形式及高級管理人員按薪酬範圍劃分的薪酬詳情分別載於綜合財務報表附註11及12。

### 獲准許的彌償

根據本公司細則的規定，本公司每名董事應有權獲得從本公司於其資產中補償所有因執行職務或與此有關的其他方面可能蒙受或招致之所有成本、費用、開支、損失及責任。

本公司已就本集團之董事可能面對任何訴訟辯護時產生的責任和相關的費用購買保險。

### 董事及主要行政人員持有之股份權益

於二零一八年十二月三十一日，就任何董事所知，概無董事或本公司主要行政人員或彼等任何緊密聯繫人士於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中，擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文彼等被當作或視為擁有的權益及淡倉)，或須登記於根據證券及期貨條例第352條本公司須予存置的登記冊的權益或淡倉，或根據證券及期貨條例第347條及標準守則須知會本公司及聯交所的權益或淡倉。



## SHARE OPTIONS

### The Company

Particulars of the Company's share option scheme are set out in note 29 to the consolidated financial statements.

On 13 May 2011, the Company adopted a share option scheme whereby the Board of Directors can grant options for the subscription of the Company's shares to any full-time employee of the Group, the chief executive, executive or non-executive director of the Group at the time when a share option is granted to such person as determined by the Board as a performance incentive and/or reward for their continued and improved service with the Group and by enhancing eligible participants' contribution to the Group, in order to advance the interests of the Company and its shareholders and such other persons.

During the year ended 31 December 2018, no share option was granted under the share option scheme.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share option scheme disclosed above, at no time during the year was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2018.

## 認股權

### 本公司

本公司認股權計劃之詳情載於綜合財務報表附註29。

本公司於二零一一年五月十三日採納認股權計劃，據此，根據認股權計劃所述，董事會可向本集團任何全職僱員以及本集團行政總裁、執行或非執行董事授出可認購本公司股份的認股權，作為提供工作表現之推動力及／或對彼等向本集團所作出的持續和良好的服務給予酬勞，並以增加此等合資格參與人士對本集團作出的貢獻，從而促進本公司和其股東及同類的其他人士之利益。

於二零一八年十二月三十一日止年度期間，本公司概無根據認股權計劃授出任何認股權。

## 購買股份或債券之安排

除上文所披露之認股權計劃外，於年內任何時間，本公司、其控股公司、其任何附屬公司或同系附屬公司均無參與訂立任何安排，致令本公司董事可藉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。

### 購買、出售或贖回本公司上市證券

截至二零一八年十二月三十一日止年度內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, within the knowledge of the Directors, the following persons or corporations had or deemed or taken to have an interest or a short position in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

### Long position in shares and underlying shares of the Company

Ordinary shares of HK\$0.10 each of the Company

## 主要股東

於二零一八年十二月三十一日，就董事所知，下列人士或法團於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉，或須登記於根據證券及期貨條例第336條本公司須予存置的登記冊的權益或淡倉：

### 於本公司股份及相關股份之好倉

本公司每股面值0.10港元之普通股

Name of substantial shareholder 主要股東姓名／名稱	Notes 附註	Nature of interest 權益性質	Number of ordinary shares beneficially held 實益持有 普通股數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比
Eastern Media International Corporation ("EMIC") 東森國際股份有限公司 (「東森國際」)	1	Interest of controlled companies 受控制公司權益	600,630,280(L)	30.00%
Far Eastern Silo & Shipping (Panama) S.A. 遠東倉儲航運(巴拿馬) 股份有限公司	1	Beneficial owner 實益擁有人	600,630,280(L)	30.00%
CHAO Shih-Heng 趙世亨	2	Interest of controlled companies 受控制公司權益	455,630,196(L)	22.76%
Good Titanic Limited	2	Interest of controlled companies 受控制公司權益	455,630,196(L)	22.76%
Insbro Holdings Limited 保經控股有限公司	2	Beneficial owner 實益擁有人	455,630,196(L)	22.76%
TSAI Yen-Yu 蔡燕玉	3	Interest of controlled companies 受控制公司權益	445,315,083(L)	22.24%
LEE Ming-Ta 李明達	4	Interest of spouse 配偶權益	445,315,083(L)	22.24%
Next Focus Holdings Limited	5	Beneficial owner/Interest of controlled companies 實益擁有人／受控制公司權益	445,315,083(L)	22.24%
Starsign International Limited	5	Interest of controlled companies 受控制公司權益	292,958,524(L)	14.63%
Standard Cosmos Limited	5	Beneficial Owner/Interest of controlled companies 實益擁有人／受控制公司權益	292,958,524(L)	14.63%

(L) : Long position

(L) : 好倉

## SUBSTANTIAL SHAREHOLDERS (Continued)

### Long position in shares and underlying shares of the Company (Continued)

#### Ordinary shares of HK\$0.10 each of the Company (Continued)

Notes:

- (1) Far Eastern Silo & Shipping (Panama) S.A. is a wholly-owned subsidiary of EMIC. As such, the shares of the Company in which Far Eastern Silo & Shipping (Panama) S.A. is interested were attributable to EMIC.
- (2) Insbro Holdings Limited is wholly owned by Good Titanic Limited, which is in turn owned as to 100% by Mr. CHAO Shih-Heng. Mr. CHAO Shih-Heng is the sole director of each of Insbro Holdings Limited and Good Titanic Limited. As such, the shares of the Company in which Insbro Holdings Limited is interested were attributable to Good Titanic Limited and Mr. CHAO Shih-Heng.
- (3) Dr. TSAI Yen-Yu directly owns 40% of Next Focus Holdings Limited. Next Focus Holdings Limited is therefore a controlled corporation of Dr. TSAI Yen-Yu and interest of 445,315,083 shares of the Company owned by Next Focus Holdings Limited was attributable to Dr. TSAI Yen-Yu.
- (4) Mr. LEE Ming-Ta is the spouse of Dr. TSAI Yen-Yu and accordingly, is deemed to be interested in the 445,315,083 shares of the Company attributable to Dr. TSAI Yen-Yu pursuant to the SFO.
- (5) Next Focus Holdings Limited directly holds 152,356,559 shares of the Company and directly owns 100% of Starsign International Limited. Starsign International Limited is the sole shareholder of Standard Cosmos Limited, which, in turn, is the sole shareholder of Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited. As such, the 290,618,524 shares of the Company collectively held by Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited and 2,340,000 shares of the Company held directly by Standard Cosmos Limited (totalling 292,958,524 shares of the Company) were attributable to Standard Cosmos Limited and Starsign International Limited.

Save as disclosed above, as at 31 December 2018, the Directors are not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

## 主要股東 (續)

### 於本公司股份及相關股份之好倉 (續)

#### 本公司每股面值0.10港元之普通股 (續)

附註：

- (1) 遠東倉儲航運(巴拿馬)股份有限公司為東森國際之全資附屬公司。因此，遠東倉儲航運(巴拿馬)股份有限公司所擁有之本公司股份權益可歸於東森國際。
- (2) 保經控股有限公司由Good Titanic Limited全資擁有，而Good Titanic Limited由趙世亨先生擁有100%權益。趙世亨先生為保經控股有限公司及Good Titanic Limited各自之唯一董事。因此，保經控股有限公司所擁有之本公司股份權益可歸於Good Titanic Limited及趙世亨先生。
- (3) 蔡燕玉博士直接擁有Next Focus Holdings Limited的40%權益。Next Focus Holdings Limited因此為蔡燕玉博士之受控制法團，且Next Focus Holdings Limited所擁有之445,315,083股本公司股份之權益可歸於蔡燕玉博士。
- (4) 李明達先生為蔡燕玉博士之配偶，根據證券及期貨條例，李明達先生被視作於蔡燕玉博士應佔之445,315,083股本公司股份中擁有權益。
- (5) Next Focus Holdings Limited直接持有本公司152,356,559股股份，且直接擁有Starsign International Limited 100%權益。Starsign International Limited為Standard Cosmos Limited之唯一股東，而Standard Cosmos Limited為Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited之唯一股東。因此，由Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited共同持有之290,618,524股本公司股份以及由Standard Cosmos Limited直接持有之2,340,000股本公司股份(合共292,958,524股本公司股份)可歸於Standard Cosmos Limited及Starsign International Limited。

除上文所披露者外，於二零一八年十二月三十一日，董事並不知悉任何其他人士(董事及本公司主要行政人員除外)於本公司股份或相關股份中擁有已登記於根據證券及期貨條例第336條本公司須予存置於登記冊的權益或淡倉。

## CONNECTED TRANSACTIONS AND DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

The Group had the following significant transactions with connected persons:

On 16 November 2018, (a) a tenancy agreement was entered into between 自然美生物科技股份有限公司 (Natural Beauty Bio-Technology Company Limited) ("Taiwan NB"), an indirect wholly-owned subsidiary of the Company, as tenant and Dr. TSAI Yen-Yu, as landlord in relation to the lease of certain premises in Taipei, Taiwan which has been used as the headquarters and training and spa centre of the Group in Taipei, Taiwan, for a period of one year from 1 January 2019 to 31 December 2019, with monthly rental of TW\$2,250,000 (equivalent to approximately HK\$571,066) to extend the term of the previous tenancy agreement of the same subject matter (the "Taipei Tenancy Agreement"); and (b) another tenancy agreement was entered into between Taiwan NB as tenant and Dr. SU Chien-Cheng, as landlord in relation to the lease of certain premises in Pa-Der Road, Taipei, Taiwan which has been used as a spa centre of the Group, in Taipei, Taiwan, for a period of one year from 1 January 2019 to 31 December 2019 with a monthly rental of TW\$78,000 (equivalent to approximately HK\$19,797) to extend the term of the previous tenancy agreement of the same subject matter.

As Dr. TSAI Yen-Yu, the landlord of the Renewed Taipei Tenancy Agreement, was a Non-executive Director of the Company when entering into Taipei Tenancy Agreement and is a substantial shareholder of the Company as at the date of this Annual Report, and Dr. SU Chien-Cheng, the landlord of the Renewed Pa-Der Tenancy Agreement, was an Executive Director of the Company in the last 12 months, both Dr. TSAI Yen-Yu and Dr. SU Chien-Cheng are connected persons of the Company and the transactions contemplated under these tenancy agreements constitute continuing connected transactions of the Company under Rule 14A.31 of the Listing Rules.

Details of the above-mentioned tenancy agreements were set out in the announcements of the Company dated 29 October 2014, 8 December 2016 and 16 November 2018. Unless otherwise stated, for illustration purpose, the exchange rate used in the above tenancy agreements is HK\$1.00 to TW\$3.94.

## 關連交易及董事於重大合約之權益

本集團曾與關連人士進行下列重大交易：

於二零一八年十一月十六日，(a)本公司之間接全資附屬公司自然美生物科技股份有限公司（「自然美台灣」）（作為租戶）與蔡燕玉博士（作為業主），就台灣台北市某房屋作為本集團台灣台北市總部、培訓中心及水療中心訂立一份租賃協議，月租為新台幣2,250,000元（相當於約571,066港元），租約期自二零一九年一月一日起至二零一九年十二月三十一日止，為期一年，以延續具相同主題的前租賃協議的年期（「台北租賃協議」）；及(b)自然美台灣（作為租戶）與蘇建誠博士（作為業主）就台灣台北市八德路若干房屋作為本集團台灣台北市水療中心訂立另一份租賃協議，月租為新台幣78,000元（相當於約19,797港元），租約期自二零一九年一月一日起至二零一九年十二月三十一日止，為期一年，以延續具相同主題的前租賃協議的年期。

由於續訂台北租賃協議之業主蔡燕玉博士於訂立台北租賃協議時是本公司的非執行董事及於本年報日期是本公司主要股東，而續訂八德路租賃協議之業主蘇建誠博士於前十二個月是本公司執行董事，因此，蔡燕玉博士與蘇建誠博士均為本公司之關連人士。而根據上市規則第14A.31條，該等租賃協議項下擬進行的交易構成本公司之持續關連交易。

有關上述租賃協議詳情載於本公司日期為二零一四年十月二十九日、二零一六年十二月八日及二零一八年十一月十六日之公告內。除非文義另有所指，上述租賃協議所使用之匯率為1.00港元兌新台幣3.94元，惟此僅供表述之用。

## CONNECTED TRANSACTIONS AND DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE (Continued)

The above transactions are regarded as continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules. Particulars of the transactions are disclosed in note 34 to the consolidated financial statements.

The Independent Non-executive Directors confirmed that the transactions have been entered into by the Group in the ordinary and usual course of its business, on terms no less favourable than terms available from independent third parties and were negotiated and conducted by the Group on an arm's length basis and on normal commercial terms and in accordance with the terms of the agreements governing such transactions that are fair and reasonable and are in the interests of the Group and its shareholders as a whole.

The board of Directors confirmed that the Group's auditors have confirmed the matters set out in Rule 14A.56 of the Listing Rules.

Save as disclosed above:

- (i) no contracts of significance subsisted to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2018 or at any time during such year; and
- (ii) there were no transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## 關連交易及董事於重大合約之權益 (續)

根據上市規則第14A章，上述交易被視為本公司之持續關連交易。有關交易詳情載於綜合財務報表附註34。

獨立非執行董事已確認，上述交易乃於本集團的一般及日常業務過程中訂立，其條款不遜於獨立第三者提供予本集團之條款並由本集團經公平磋商後協定及進行，且按一般商務條款及根據監管有關交易之協議條款訂立，而交易條款屬公平合理，且符合本集團及其股東之整體利益。

董事會確認，本集團核數師確認載於上市規則第14A.56條的事項。

除上文披露者外：

- (i) 本公司或其任何附屬公司概無訂立本公司董事直接或間接於其中擁有重大權益，且於二零一八年十二月三十一日止年度或該年內任何時間仍然生效之任何重大合約；及
- (ii) 並無任何其他交易需要按照上市規則之規定披露為關連交易。

## 董事於競爭業務之權益

年內，概無董事於與本集團之業務有直接或間接競爭或可能存在競爭之任何業務中擁有任何權益。

## EMOLUMENT POLICY

The emolument policy of the employees of the Group is adopted by the Board on the basis of their merit, qualifications and competence.

The emoluments of the Directors and chief executives of the Company are recommended by the Remuneration Committee and are decided by the Board, as authorized by shareholders at the annual general meeting, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 29 to the consolidated financial statements.

## PRE-EMPTIVE RIGHTS

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

## PUBLIC FLOAT

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

## AUDITORS

The consolidated financial statements of the Company for the year ended 31 December 2018 have been audited by Messrs. Deloitte Touche Tohmatsu which being eligible, offer themselves for reappointment at the forthcoming AGM.

On behalf of the Board

**LEI Chien**

*Chairperson*

Hong Kong

20 March 2019

## 酬金政策

本集團僱員之酬金政策由董事會根據僱員之專長、資歷及能力而採納。

本公司董事及主要行政人員之酬金乃由薪酬委員會經考慮本公司經營業績、個人表現及可資比較市場數據後提出建議，再由董事會作出決定，並經股東在股東週年大會上授權。

本公司已採納一項認股權計劃，以獎勵董事及合資格僱員。該計劃之詳情載於綜合財務報表附註29。

## 優先購買權

本公司細則或開曼群島法例並無有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股份。

## 公眾持股量

根據本公司獲得的公開資訊及董事所知悉，截至本年報日期，本公司已發行總股本至少25%由公眾持有。

## 核數師

本公司截至二零一八年十二月三十一日止年度之綜合財務報表已由德勤•關黃陳方會計師行審核，彼合資格並願意於應屆股東週年大會再應聘連任。

代表董事會

**雷倩**

*主席*

香港

二零一九年三月二十日

# Independent Auditor's Report 獨立核數師報告書

**Deloitte.**

**德勤**

## TO THE SHAREHOLDERS OF NATURAL BEAUTY BIO-TECHNOLOGY LIMITED

*(incorporated in the Cayman Islands with limited liability)*

## 致自然美生物科技有限公司股東

*(於開曼群島註冊成立之有限公司)*

### Opinion

We have audited the consolidated financial statements of Natural Beauty Bio-Technology Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 92 to 211, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Basis for Opinion

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

### 意見

本核數師(以下簡稱「我們」)已審計列載於第92頁至第211頁有關自然美生物科技有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況報表,與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,上述綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實和公平地反映了貴集團於二零一八年十二月三十一日的綜合財務狀況和貴集團截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》的披露規定妥善編製。

### 意見基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們就該等準則承擔的責任在本報告「核數師就審計綜合財務報表承擔的責任」部分中進一步闡述。根據香港會計師公會的《職業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已根據守則履行其他職業道德責任。我們相信,我們所獲得的審計證據能充分及適當地為我們的審計意見提供基礎。

## Key Audit Matters

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

## 關鍵審計事項

關鍵審核事項是根據我們的職業判斷，對於本期綜合財務報表的審計最為重要的事項。該等事項在我們審核綜合財務報表及出具意見時進行處理。我們不會對該等事項提供單獨的意見。

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 在審計中對關鍵審計事項的處理方法
<p><i>Valuation of allowance for inventories</i> 存貨撥備估值</p> <p>We identified the valuation of allowance for inventories as a key audit matter due to the significant management estimate involved in the net realisable value and the significance of valuation of allowance for inventories in the context of the consolidated financial statements.</p> <p>由於存貨撥備估值之可變現淨值涉及重大管理層估計，以及存貨撥備估值對綜合財務報表的重要性，因此我們將該事項識別為關鍵審計事項。</p> <p>As disclosed in note 20 to the consolidated financial statements, the Group's inventories mainly include raw materials and finished goods. As at 31 December 2018, the allowance for obsolete inventories of the Group amounted to approximately HK\$15,985,000.</p> <p>誠如綜合財務報表附註20所披露，貴集團存貨主要包括原材料及製成品。於二零一八年十二月三十一日，貴集團陳舊存貨撥備約為15,985,000港元。</p> <p>As set out in note 4 to the consolidated financial statements, the management of the Group reviews inventories on a product-by-product basis at the end of each reporting period, and makes allowance for obsolete inventories or slow-moving inventories that are no longer suitable for use in production or trading. The management estimates the net realisable value for such items with reference to the recent selling prices, subsequent sales and the market conditions.</p> <p>誠如綜合財務報表附註4所載，貴集團管理層會於各報告期間結算日因應個別產品審閱存貨，並會就不再適合用作生產或交易之陳舊及滯銷存貨項目作出撥備。管理層會參考近期售價、其後銷售及市場狀況而估計該等項目之可變現淨值。</p>	<p>Our procedures in relation to valuation of allowance for inventories included:</p> <p>我們針對存貨撥備估值的審計程序包括：</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the management controls over the identification of obsolete inventories and the assessment of their net realisable value;</li> <li>• 瞭解管理層就識別陳舊存貨及評估其可變現淨值之控制方法；</li> <li>• Evaluating the reasonableness of the methods and estimation used in net realisable value of inventories;</li> <li>• 評估就存貨可變現淨值所使用的方法及估值之合理性；</li> <li>• Involving our internal IT specialist in testing the inventory aging reports generated by the application system and checking to the supporting documents for its accuracy, on a sample basis; and</li> <li>• 委託我們的內部資訊科技專家測試應用系統所產生的存貨庫齡報告，並就其準確性以抽樣方式檢查證明文件；及</li> <li>• Performing physical observation of the Group's physical inventory, inspecting the Group's facilities to identify any deficiency of the count process and observing the inventories position to identify any indicator of impairment.</li> <li>• 對貴集團之實體存貨進行實地觀察，檢測貴集團之廠房設備，以識別盤點過程中可能發生任何的缺漏，並觀察存貨狀況以識別任何減值跡象。</li> </ul>



Key Audit Matters (Continued)

關鍵審計事項 (續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 在審計中對關鍵審計事項的處理方法
<p><i>Revenue recognition on product sales</i> 產品銷售額確認收入</p> <p>We identified the revenue recognition on product sales as a key audit matter due to it is one of the Group's key performance indicators and the significance of revenue in the context of the consolidated financial statements.</p> <p>由於產品銷售額確認收入為本集團重要業績指標之一且收入對綜合財務報表的重要性，因此我們將該事項識別為關鍵審計事項。</p> <p>Product sales are the Group's key revenue source and primarily come from franchised spas, self-owned spas and concessionary counters at department stores, while terms of trade would vary.</p> <p>產品銷售為貴集團主要收入來源，且主要源自加盟水療中心、自資經營水療中心及百貨公司專櫃，其中貿易條款可能互相有所不同。</p> <p>As disclosed in note 5 to the consolidated financial statements, the Group recognised total revenue amounted to approximately HK\$369,525,000 in 2018, in which product sales amounted to approximately HK\$348,728,000, or 94.4% of the Group's total revenue.</p> <p>誠如綜合財務報表附註5所披露，貴集團於二零一八年確認總收入約為369,525,000港元，其中產品銷售額達約348,728,000港元（或佔貴集團總收入94.4%）。</p>	<p>Our procedures in relation to revenue recognition on product sales included:</p> <p>我們針對收入確認的審計程序包括：</p> <ul style="list-style-type: none"> <li>• Obtaining the sales contracts, on a sample basis, and reviewing the key terms of trade to assess if the revenue recognition policy is in compliance with the relevant accounting standard;</li> <li>• 以抽樣方式取得銷售合約並審閱主要貿易條款，以評估收入確認制度是否符合相關會計標準；</li> <li>• Checking to inventories and sales records subsequent to the year end for any significant sales return occurred after balance sheet date; and</li> <li>• 檢查本年末後的存貨及銷售記錄，以確認資產負債表日期後是否發生任何重大銷售退貨；及</li> <li>• Checking to the supporting documents, on a sample basis, before and after the balance sheet date to ensure that revenue was properly recognised in the appropriate period.</li> <li>• 以抽查方式檢查資產負債表日期前後的證明文件以確保收入於適當期間內已妥為確認。</li> </ul>

## Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

## 其他資料

貴公司董事須對其他資訊負責。其他資料包括年報內所包含的資料，但不包括綜合財務報表及我們就此發出的核數師報告書。

我們對集團財務報表的意見並不涵蓋其他資訊，我們亦不對其他諮詢發表任何形式的鑒證結論。

在我們審計綜合財務報表時，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審核過程中所了解的情況有重大抵觸或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資訊有重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事及治理層就綜合財務報表承擔的責任

貴公司董事負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定，編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所須的內部控制負責。

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

治理層負責監督貴集團的財務報告過程。

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## 核數師就審計綜合財務報表承擔的責任

我們的目標是合理確定整體而言此等綜合財務報表是否不存在由於欺詐或者錯誤而導致的重大錯誤陳述，並按照委聘之協定條款僅向閣下發出包含審核意見的核數師報告，且並無其他目的。吾等概不會就本報告內容向任何其他人士承擔或負上任何責任。合理確定屬高層次的核證，但不能擔保根據《香港審計準則》進行的審核工作總能發現所有存在的重大錯誤陳述。重大錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表做出的經濟決定時，則被視為重大錯誤陳述。

我們根據《香港審計準則》進行審計的工作之一，是運用職業判斷，在整個審核過程中保持職業懷疑態度。我們也：

- 識別及評估綜合財務報表中由於欺詐或錯誤而導致的重大錯報風險，因應這些風險設計及執行審核程序，獲取充足及適當的審核憑證為我們的意見提供基礎。由於欺詐可能涉及串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯報風險比未能發現由於錯誤而導致的重大錯報的風險更高。
- 瞭解與審核有關的內部控制，以設計適當的審核程序，但並非旨在對貴集團內部控制的有效性發表意見。
- 評估所採用會計政策是否適當，會計估計及董事作出的相關披露是否合理。

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

## 核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能對貴集團的持續經營能力產生重大影響。倘若我們總結認為存在重大不確定因素，我們需要在核數師報告書中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂我們的意見。我們的結論是基於截至核數師報告書日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不再具有持續經營能力。
- 評估綜合財務報表（包括資料披露）的整體呈報方式、結構及內容，以及綜合財務報表是否已公允地反映及呈報相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督和執行貴集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們就審核工作的計劃範圍和時間、在審核過程中的重大發現（包括內部控制的重大缺陷）及其他事項與治理層進行溝通。

我們亦向治理層作出聲明，確認我們已遵守有關獨立性的相關道德要求，並就所有被合理認為可能影響核數師獨立性的關係和其他事宜以及相關保障措施（如適用），與治理層溝通。

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

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

The engagement partner on the audit resulting in the independent auditor's report is Mr. Jacky Wong Suk Hung.

#### Deloitte Touche Tohmatsu

Certified Public Accountants  
Hong Kong

20 March 2019

### 核數師就審計綜合財務報表承擔的責任 (續)

我們通過與治理層溝通，確認哪些是對本期綜合財務報表審核工作的最重要事項，即關鍵審核事項。除非法律或法規不允許公開披露此等事項，或在極端罕見的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告書中描述此等事項。

出具獨立核數師報告書的審核項目合夥人為黃淑雄先生。

#### 德勤•關黃陳方會計師行

執業會計師  
香港

二零一九年三月二十日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入	5	369,525	399,579
Cost of sales	銷售成本		(146,665)	(94,467)
Gross profit	毛利		222,860	305,112
Other income and other gains	其他收益和利得	7	8,077	12,879
Impairment losses, net of reversal	減值虧損(扣除撥回)	8	2,267	(3,457)
Distribution and selling expenses	分銷及銷售開支		(120,200)	(100,946)
Administrative expenses	行政開支		(69,982)	(61,457)
Other expenses and other losses	其他開支和損失		(3,865)	(5,393)
Profit before tax	除稅前溢利		39,157	146,738
Income tax expense	所得稅開支	9	(12,898)	(41,350)
Profit for the year	本年度溢利	10	26,259	105,388
<b>Other comprehensive (expense) income:</b>	<b>其他全面(開支)收益:</b>			
<i>Item that will not be reclassified to profit or loss:</i>	<i>不會被重新分類至損益表之項目:</i>			
Remeasurement of defined benefit pension plans	定額福利退休金計劃之重新計量	27	3,372	(1,126)
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能被重新分類至損益表之項目:</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額		(32,421)	52,379
Other comprehensive (expense) income for the year	本年度其他全面(開支)收益		(29,049)	51,253
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額		(2,790)	156,641
Profit for the year attributable to: Owners of the Company	以下人士應佔本年度溢利: 本公司擁有人		26,259	105,388
Total comprehensive (expense) income for the year attributable to: Owners of the Company	以下人士應佔本年度全面(開支)收益總額: 本公司擁有人		(2,790)	156,641
Earnings per share Basic	每股盈利 基本	13	HK1.3 cents 1.3港仙	HK5.3 cents 5.3港仙

# Consolidated Statement of Financial Position

## 綜合財務狀況報表

At 31 December 2018  
於二零一八年十二月三十一日

	Notes 附註	31/12/2018 二零一八年 十二月三十一日 HK\$'000 千港元	31/12/2017 二零一七年 十二月三十一日 HK\$'000 千港元
<b>Non-current assets</b>			
Investment properties	15	7,674	7,893
Property, plant and equipment	16	197,207	198,610
Prepaid lease payments	18	48,530	52,431
Goodwill	19	31,407	27,095
Intangible assets	17	17,122	–
Deposits for purchase of property, plant and equipment		20,528	–
Deferred tax assets	30	5,234	–
Pledged bank deposits	23	3,479	–
		<b>331,181</b>	286,029
<b>Current assets</b>			
Inventories	20	74,313	85,077
Trade and other receivables	21	86,567	109,289
Contract costs	22	798	–
Amounts due from related parties	34(b)	420	–
Prepaid lease payments	18	1,184	1,249
Pledged bank deposits	23	3,479	7,338
Bank balances and cash	23	181,024	288,903
		<b>347,785</b>	491,856
<b>Current liabilities</b>			
Trade and other payables	24	93,501	91,282
Contract liabilities	25	22,616	–
Deferred income	26	–	5,981
Tax payable		9,695	18,389
		<b>125,812</b>	115,652
<b>Net current assets</b>		<b>221,973</b>	376,204
<b>Total assets less current liabilities</b>		<b>553,154</b>	662,233
<b>Non-current liabilities</b>			
Deferred tax liabilities	30	–	5,863
Retirement benefit obligations	27	1,299	5,624
<b>Net assets</b>		<b>551,855</b>	650,746
<b>Capital and reserves</b>			
Share capital	28	200,210	200,210
Reserves		351,645	450,536
<b>Total equity</b>		<b>551,855</b>	650,746

The consolidated financial statements on pages 92 to 211 were approved and authorised for issue by the Board of Directors on 20 March 2019 and are signed on its behalf by:

Dr. LEI Chien  
雷倩博士  
DIRECTOR  
董事

第92頁至第211頁的綜合財務報表於二零一九年三月二十日獲董事會批准並授權刊發，並由以下代表簽署：

Mr. PAN Yi-Fan  
潘逸凡先生  
DIRECTOR  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Share Capital	Capital surplus	Share premium	Statutory reserve	Translation reserve	Share options reserve	Remeasurement of defined benefit pension plans	Retained earnings	Total
		股本	資本盈餘	股份溢價	法定儲備	匯兌儲備	認股權儲備	定額福利退休金 計劃之重新計量	保留溢利	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance at	於二零一七年一月一日餘額									
1 January 2017		200,210	42,554	41,016	163,490	45,769	11,109	(120)	150,645	654,673
Profit for the year	本年度溢利	-	-	-	-	-	-	-	105,388	105,388
Other comprehensive income (expense) for the year	本年度其他全面收益 (開支)	-	-	-	-	52,379	-	(1,126)	-	51,253
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	52,379	-	(1,126)	105,388	156,641
Dividends recognised as distribution (note 14)	確認為分派之股息 (附註14)	-	-	-	-	-	-	-	(160,568)	(160,568)
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	12,141	-	-	-	(12,141)	-
Balance at 31 December 2017	於二零一七年 十二月三十一日餘額	200,210	42,554	41,016	175,631	98,148	11,109	(1,246)	83,324	650,746
Profit for the year	本年度溢利	-	-	-	-	-	-	-	26,259	26,259
Other comprehensive (expense) income for the year	本年度其他全面(開支) 收益	-	-	-	-	(32,421)	-	3,372	-	(29,049)
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	-	-	-	-	(32,421)	-	3,372	26,259	(2,790)
Dividends recognised as distribution (note 14)	確認為分派之股息 (附註14)	-	-	-	-	-	-	-	(96,101)	(96,101)
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	495	-	-	-	(495)	-
Balance at 31 December 2018	於二零一八年 十二月三十一日餘額	200,210	42,554	41,016	176,126	65,727	11,109	2,126	12,987	551,855



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

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

### Capital surplus

The capital surplus represents the difference between the consideration paid and the relevant share of the carrying value of the subsidiaries' net assets acquired upon the reorganisation of the Group in year 2002.

### Share premium

In accordance with the Companies Law of the Cayman Islands, the share premium account is distributable to the owners of the Company immediately following the date on which the dividend is proposed to be distributed.

### Statutory reserve

According to the relevant laws and regulations in the People's Republic of China (the "PRC"), the PRC companies with foreign investment are required to transfer a certain percentage of its profit after tax, as determined under the PRC accounting regulations (the net profit under the PRC generally accepted accounting principles (the "PRC GAAP")), to the general reserve fund and enterprise expansion fund. Distribution of these reserves shall be made in accordance with the Article of Association and approved by the board of directors each year. Other PRC companies are required to transfer a certain percentage of their net profit under the PRC GAAP to the statutory surplus reserve fund until the reserve balance reaches 50% of their paid-in capital.

According to the laws and regulations of Taiwan, Taiwan companies shall set aside 10% of their statutory net income each year for the legal reserve, until the reserve balance has reached the paid-in share capital amount.

These above-mentioned reserves and funds cannot be used for purposes other than those for which they were created and are not distributable as cash dividends.

### 資本盈餘

資本盈餘指已付代價與應佔二零零二年本集團重組所收購附屬公司賬面資產淨值之差額。

### 股份溢價

根據開曼群島公司法，股份溢價賬可在緊隨建議分派股息日期後分派予本公司擁有人。

### 法定儲備

根據中華人民共和國（「中國」）有關法例及規例，中國外商投資公司須將根據中國會計規例釐定之除稅後溢利（「中國公認會計原則項下純利」）若干百分比轉撥至一般儲備基金及企業發展基金。分派該等儲備須根據公司組織章程細則之規定進行，並經董事會每年批准。其他中國公司須將其中國公認會計原則項下純利若干百分比轉撥至法定盈餘儲備積金，直至法定盈餘儲備積金結餘達到實繳股本的50%為止。

根據台灣法例及規例，台灣公司每年須預留其法定淨收益的10%作為法定儲備，直至法定儲備結餘達到實繳股本金額為止。

上述該等儲備和基金不能用於創造該等儲備和基金指定以外的其他用途，亦不能用作現金股息分配。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit before tax	除稅前溢利	39,157	146,738
Adjustments for:	經調整下列各項：		
Interest income	利息收入	(3,020)	(4,325)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	23,244	20,587
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	970	191
Release of prepaid lease payments	撥回自用土地租賃款	1,234	1,180
Amortisation of intangible assets	無形資產攤銷	1,117	-
Allowance for obsolete inventories	陳舊存貨撥備	10,853	1,737
Loss on disposal of inventories	壞貨報廢損失	5,167	-
Impairment loss, net of reversal – financial assets	減值虧損（扣除撥回） — 金融資產	(2,267)	3,457
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	76,455	169,565
Increase in inventories	存貨增加	(3,703)	(37,293)
Increase (decrease) in trade and other payables	貿易及其他應付賬款增加（減少）	4,990	(40,916)
Decrease (increase) in trade and other receivables	貿易及其他應收賬款減少（增加）	24,986	(28,388)
Increase in contract costs	合約成本增加	(798)	-
Increase in amounts due from related parties	應收關聯方款項增加	(420)	-
Increase in contract liabilities	合約負債增加	12,484	-
Decrease in deferred income	遞延收益減少	-	(242)
Cash generated from operations	經營業務所得之現金	113,994	62,726
Income taxes paid	已付所得稅項	(37,305)	(41,550)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金淨額</b>	<b>76,689</b>	<b>21,176</b>

## Consolidated Statement of Cash Flows 綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(51,826)	(32,290)
Purchase of land use right	購買土地使用權	-	(369)
Interest received	已收利息	3,020	4,325
Net cash outflows on acquisition of subsidiaries (note 33)	收購附屬公司現金流出淨額 (附註33)	(18,923)	-
Placement of pledged bank deposits	存入抵押銀行存款	-	(3,669)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用之現金淨額</b>	<b>(67,729)</b>	<b>(32,003)</b>
<b>NET CASH USED IN FINANCING ACTIVITY</b>	<b>融資活動所用現金淨額</b>		
Dividends paid	已付股息	(96,101)	(160,568)
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少</b>	<b>(87,141)</b>	<b>(171,395)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>於一月一日之現金及現金等價物</b>	<b>288,903</b>	<b>428,633</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率變動之影響</b>	<b>(20,738)</b>	<b>31,665</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>於十二月三十一日之現金及 現金等價物</b>		
represented by bank balances and cash	指銀行結存及現金	<b>181,024</b>	<b>288,903</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

### 1. General

Natural Beauty Bio-Technology Limited (the “Company”) was incorporated in Cayman Islands on 29 June 2001 as an exempted company with limited liability and its shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 28 March 2002. Prior to 3 October 2018, the Company's parent and ultimate holding company are Standard Cosmos Limited and Next Focus Holding Limited, respectively, and both were incorporated in the British Virgin Islands. Since 3 October 2018 and as at 31 December 2018, Far Eastern Silo & Shipping (Panama) S.A, Insbro Holdings Limited and Standard Cosmos Limited are substantial corporate shareholders of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to this annual report.

The Company acts as an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in (a) manufacturing and selling of skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus and (b) provision of skin treatments, beauty and spa services, medical cosmetology services, skin care consulting and beauty training. The principal activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

### 1. 一般資料

自然美生物科技有限公司（「本公司」）於二零零一年六月二十九日在開曼群島註冊成立為獲豁免有限公司，其股份自二零零二年三月二十八日起在香港聯合交易所有限公司（「聯交所」）上市。於二零一八年十月三日前，本公司之控股公司及最終控股公司分別為Standard Cosmos Limited及Next Focus Holding Limited，兩家公司均於英屬維爾京群島註冊成立。自二零一八年十月三日及於二零一八年十二月三十一日，遠東倉儲航運（巴拿馬）股份有限公司、保經控股有限公司及Standard Cosmos Limited為本公司主要企業股東。本公司之註冊辦事處及主要營業地點之地址披露於本年報之公司資料部分。

本公司是一家投資控股公司。本公司及其附屬公司（統稱「本集團」）主要業務為(a)製造及銷售護膚產品、美容及精油產品、健康食品、化妝品及美容儀器及(b)提供肌膚護理、美容及水療服務、醫療美容服務、肌膚護理顧問服務以及美容培訓。其附屬公司的主要業務呈列於綜合財務報表附註38。

本綜合財務報表是以港元（「港元」）呈列，亦為本公司的功能性貨幣。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

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

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

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

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### ***本年度強制生效之新訂及經修訂香港財務報告準則***

本集團已於本年度首次應用下列香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約收入及相關修訂
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及墊款代價
香港財務報告準則第2號（修訂本）	股份付款交易之分類及計量
香港財務報告準則第4號（修訂本）	與香港財務報告準則第4號保險合約一併應用的香港財務報告準則第9號金融工具
香港會計準則第28號（修訂本）	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分
香港會計準則第40號（修訂本）	轉讓投資物業

除下文所述者外，本年度應用新訂及經修訂的香港財務報告準則對本集團本年度及過往年度財務表現及狀況及／或該等綜合財務報表所載之披露並無重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

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

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

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

- Sale of a range of products including skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus
- Provision of skin treatments, beauty, spa and medical cosmetology services

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入

本集團於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號已取代香港會計準則第18號收入及有關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於首次應用日期二零一八年一月一日確認。於首次應用日期的任何差額（如有）於期初保留盈利（或其他適用權益組成部分）確認，及並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯應用於二零一八年一月一日尚未完成的合約。由於比較資料乃根據香港會計準則第18號收入及相關的詮釋而編製，故若干比較資料可能無法比較。

本集團自下列與客戶訂約收入產生的主要來源確認收入：

- 銷售護膚、美容、精油產品、健康食品、化妝品及美容儀器等各式各樣產品
- 提供肌膚護理、美容、水療及醫療美容服務

有關本集團履約義務的資料及應用香港財務報告準則第15號的會計政策分別披露於附註5及附註3。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

(Continued)

Summary of effects arising from initial application of HKFRS 15

The impact of transition to HKFRS 15 arising from the initial application of HKFRS 15 on the Group’s major revenue generating operation was insignificant on retained earnings at 1 January 2018.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2018. Line items that were not affected by the changes have not been included.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入（續）

首次應用香港財務報告準則第15號所產生的影響概要

就本集團主要收入產生業務首次應用香港財務報告準則第15號所產生過渡至香港財務報告準則第15號對二零一八年一月一日保留溢利的影響極微。

下列為對於二零一八年一月一日的綜合財務狀況表中所確認金額作出的調整。不受有關變動影響的項目不包括在內。

	Notes	Carrying amounts previously reported at 31 December 2017	Reclassification	Carrying amounts under HKFRS 15 at 1 January 2018
	附註	先前已於 二零一七年 十二月三十一日 呈報的賬面值 HK\$'000 千港元	重新分類 HK\$'000 千港元	於二零一八年 一月一日 根據香港財務報告 準則第15號 呈列的賬面值 HK\$'000 千港元
<b>Current Liabilities</b>				
<b>流動負債</b>				
Trade and other payables				
貿易及其他應付				
賬款	(a)	91,282	(4,151)	<b>87,131</b>
Contract liabilities	(a)/(b)	–	10,132	<b>10,132</b>
合約負債				
Deferred income	(b)	5,981	(5,981)	–
遞延收益				

Notes:

- (a) As at 1 January 2018, advances from customers of HK\$4,151,000 previously included in trade and other payables were reclassified to contract liabilities.
- (b) At the date of initial application, included in the total deferred income, HK\$5,981,000 related to the consideration received for skin treatments, beauty and spa services. The balance was reclassified to contract liabilities upon application of HKFRS 15.

附註：

- (a) 於二零一八年一月一日，先前計入貿易及其他應付賬款的客戶墊款4,151,000港元已重新分類至合約負債。
- (b) 於首次應用日期，總遞延收益中5,981,000港元乃與肌膚護理、美容及水療服務的已收代價有關。該餘額於應用香港財務報告準則第15號時重新分類至合約負債。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

(Continued)

Summary of effects arising from initial application of HKFRS 15  
(Continued)

For the purposes of reporting cash flows from operating activities under indirect method for the year ended 31 December 2018, movements in working capital have been computed based on opening statement of financial position as at 1 January 2018 as disclosed above.

The following table summarises the impacts of applying HKFRS 15 on the Group’s consolidated statement of financial position as at 31 December 2018 and its consolidated statement of profit or loss and other comprehensive income for the current year for each of the line items affected. Line items that were not affected by the changes have not been included.

#### Impact on the consolidated statement of financial position

	Notes	As reported	Adjustments	Amounts without application of HKFRS 15
	附註	已呈報 HK\$'000 千港元	經調整 HK\$'000 千港元	未應用香港財務報告準則第15號 呈列的金額 HK\$'000 千港元
<b>Current assets</b>				
Contract costs	(a)	798	(798)	–
<b>Non-current assets</b>				
Deferred tax assets	(a)/(d)	5,234	(1,348)	3,886
<b>Current Liabilities</b>				
Trade and other payables	(b)/(d)	93,501	6,219	99,720
Contract liabilities	(b)/(c)/(d)	22,616	(22,616)	–
Deferred income	(c)	–	12,150	12,150

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入（續）

首次應用香港財務報告準則第15號所產生的影響概要（續）

為按間接法報告截至二零一八年十二月三十一日止年度經營活動所得現金流量，營運資金變動已根據上文披露於二零一八年一月一日的期初財務狀況表計算。

下表概述了應用香港財務報告準則第15號對本集團於二零一八年十二月三十一日的綜合財務狀況表以及本年度綜合損益及其他全面收益表中各受影響項目之影響。不受有關變動影響的項目不包括在內。

#### 對綜合財務狀況表的影響



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

(Continued)

Summary of effects arising from initial application of HKFRS 15

(Continued)

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入（續）

首次應用香港財務報告準則第15號所產生的影響概要（續）

對綜合損益及其他全面收益表的影響

		Notes	As reported	Adjustments	Amounts without application of HKFRS 15
		附註	已呈報 HK\$'000 千港元	經調整 HK\$'000 千港元	未應用香港財務報告準則第15號呈列的金額 HK\$'000 千港元
Revenue	收入	(d)	369,525	6,191	375,716
Cost of sales	銷售成本	(d)	(146,665)	(1,944)	(148,609)
Gross profit	毛利		222,860	4,247	227,107
Distribution and selling expenses	分銷及銷售開支	(a)	(120,200)	(798)	(120,998)
Profit before tax	除稅前溢利		39,157	3,449	42,606
Income tax expense	所得稅開支	(a)/(d)	(12,898)	(1,348)	(14,246)
Profit for the year	本年度溢利		26,259	2,101	28,360

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

(Continued)

Summary of effects arising from initial application of HKFRS 15

(Continued)

##### Impact on the consolidated statement of cash flows

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入（續）

首次應用香港財務報告準則第15號所產生的影響概要（續）

對綜合現金流量表的影響

		As reported	Adjustments	Amounts without application of HKFRS 15
		已呈報	經調整	未應用香港財務報告準則第15號呈列的金額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>			
Profit before tax	除稅前溢利	39,157	3,449	42,606
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	76,455	3,449	79,904
Increase in trade and other payables	貿易及其他應付賬款增加	4,990	2,068	7,058
Increase in contract costs	合約成本增加	(798)	798	-
Increase (decrease) in contract liabilities	合約負債增加（減少）	12,484	(12,484)	-
Increase in deferred income	遞延收益增加	-	6,169	6,169

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.1 HKFRS 15 Revenue from Contracts with Customers

(Continued)

Summary of effects arising from initial application of HKFRS 15

(Continued)

Notes:

- (a) The Group incurred incremental commission paid to franchisees in connection with sales of services contracts with customers. Under HKAS 18, these amounts were previously expensed as incurred. Upon application of HKFRS 15, the amounts of HK\$798,000 and HK\$200,000 were recognised as contracts costs and related deferred tax, respectively.
- (b) The amount of HK\$4,275,000 in relation to balance of advances from customers had been recognised as contract liabilities upon application of HKFRS 15 as at 31 December 2018.
- (c) Upon application of HKFRS 15, the amount of HK\$12,150,000 in relation to balance of consideration received for skin treatments, beauty, spa and medical cosmetology services had been recognised as contract liabilities as at 31 December 2018.
- (d) Under HKAS 18, the Group recognised sales of product without taking the option granted to the customers to acquire additional goods into consideration and recognised the cost relating to the additional goods. Upon application of HKFRS 15, the Group deferred the recognition of revenue and cost by HK\$6,191,000 and HK\$1,944,000, respectively allocated to the option until the future goods are transferred. The related deferred tax of HK\$1,548,000 was recognised.

The amount of HK\$6,191,000 in relation to balance of consideration from sales of products relating to the option granted the customers to acquire additional goods had been recognised as contract liabilities upon application of HKFRS 15 as at 31 December 2018.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.1 香港財務報告準則第15號與客戶訂約收入（續）

首次應用香港財務報告準則第15號所產生的影響概要（續）

附註：

- (a) 本集團向加盟商支付有關銷售客戶合約服務之佣金增加。根據香港會計準則第18號，該等金額先前已在發生時支銷。於應用香港財務報告準則第15號後，該等金額798,000港元及200,000港元已分別確認為合約成本及相關遞延稅項。
- (b) 於二零一八年十二月三十一日應用香港財務報告準則第15號後，有關客戶墊款結餘4,275,000港元確認為合約負債。
- (c) 於二零一八年十二月三十一日應用香港財務報告準則第15號後，有關肌膚護理、美容、水療及醫療美容服務之已收代價結餘12,150,000港元確認為合約負債。
- (d) 根據香港會計準則第18號，本集團於確認產品銷售時未計及已授予客戶購買額外貨品的選擇權並確認有關額外貨品的成本。於應用香港財務報告準則第15號後，本集團分別遞延收益確認6,191,000港元及成本確認1,944,000港元，其各自被分配至選擇權直至將來貨品獲得轉移。相關遞延稅項1,548,000港元已獲確認。

於二零一八年十二月三十一日應用香港財務報告準則第15號後，有關授予客戶選擇權以購買額外貨品之產品銷售代價結餘6,191,000港元已獲確認為合約負債。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### 2.2 HKFRS 9 Financial Instruments and the related amendments

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

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

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

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

There was no impact on the classification and measurement of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 at the date of initial application, 1 January 2018.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 2.2 香港財務報告準則第9號金融工具及相關修訂

於本年度，本集團已應用香港財務報告準則第9號金融工具及對其他香港財務報告準則有關之相應修訂。香港財務報告準則第9號為1) 金融資產及金融負債的分類和計量、2) 金融資產的預期信貸虧損（「預期信貸虧損」）及3) 一般對沖會計引入新的規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即將分類及計量規定（包括預期信貸虧損模式下的減值）追溯應用於二零一八年一月一日（首次應用日期）尚未取消確認的工具，且並無將該等規定應用於二零一八年一月一日已取消確認的工具。二零一七年十二月三十一日之賬面值與二零一八年一月一日之賬面值間的差額於期初保留溢利及其他權益組成部分中確認，並無重列比較資料。

由於比較資料乃根據香港會計準則第39號*金融工具：確認及計量*而編製，故若干比較資料可能無法比較。

因應用香港財務報告準則第9號所產生的會計政策於附註3披露。

於首次應用日期二零一八年一月一日，香港財務報告準則第9號項下按預期信貸虧損模式分類及計量的金融資產及金融負債以及其他項目概無受到任何影響。

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### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 16	<i>Leases</i> <sup>1</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>1</sup>
Amendments to HKFRS 3	<i>Definition of a Business</i> <sup>4</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>2</sup>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> <sup>5</sup>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> <sup>1</sup>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>1</sup>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2015-2017 Cycle</i> <sup>1</sup>

### 2. 應用新訂及經修訂香港財務報告準則（「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以下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16號	<i>租賃</i> <sup>1</sup>
香港財務報告準則第17號	<i>保險合約</i> <sup>3</sup>
香港（國際財務報告詮釋委員會）— 詮釋第23號	<i>所得稅處理的不確定性</i> <sup>1</sup>
香港財務報告準則第3號（修訂本）	<i>業務的定義</i> <sup>4</sup>
香港財務報告準則第9號（修訂本）	<i>具有負補償性之提前還款特性</i> <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂本）	<i>投資者與其聯營公司或合營企業之間的資產出售或注資</i> <sup>2</sup>
香港會計準則第1號香港會計準則第8號（修訂本）	<i>重大的定義</i> <sup>5</sup>
香港會計準則第19號（修訂本）	<i>計劃修訂、削減或結算</i> <sup>1</sup>
香港會計準則第28號（修訂本）	<i>於聯營公司及合營企業的長期權益</i> <sup>1</sup>
香港財務報告準則（修訂本）	<i>二零一五年至二零一七年香港財務報告準則之年度改進</i> <sup>1</sup>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after a date to be determined
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2020

Except for the new HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

#### HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

### 2. 應用新訂及經修訂香港財務報告準則（「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（續）

- <sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效
- <sup>2</sup> 於待定日期或之後開始之年度期間生效
- <sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效
- <sup>4</sup> 對收購日期為於二零二零一月一日或之後開始的首個年度期間或之後開始的業務合併及資產收購生效
- <sup>5</sup> 於二零二零年一月一日或之後開始之年度期間生效

除下述新訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則將不會於可見未來對綜合財務報表造成重大影響。

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個全面的模式。香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易乃根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改的規定。

除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

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### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### HKFRS 16 Leases (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, while upfront prepaid lease payments will continue to be presented as investing cash flows in accordance with the nature.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第16號租賃（續）

使用權資產初始按成本計量並隨後按成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就任何租賃負債重新計量而調整。租賃負債初始按當日尚未支付的租賃款項的現值計量。隨後，租賃負債就利息及租賃款項以及（其中包括）租賃修訂的影響調整。就現金流分類而言，本集團目前將提前預付租賃款項呈列為有關自用租賃土地且該等分類為投資物業的投資現金流量，而其他經營租賃付款呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債的租賃款項將由本集團分配至呈列為融資現金流量的本金及利息部分，而上述提前預付租賃款項將根據其性質持續呈列為投資現金流量。

根據香港會計準則第17號，本集團已就本集團作為承租人的租賃土地確認自用土地租賃款。應用香港財務報告準則第16號可能導致該等資產分類潛在變動，視乎本集團是否分開呈列使用權資產或將於同一相同項目內呈列相應相關資產（如有）而定。

除亦適用於出租人的若干規定外，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求廣泛的披露。

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### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(Continued)

#### HKFRS 16 Leases (Continued)

As at 31 December 2018, the Group has non-cancellable operating lease commitments of HK\$27,422,000 as disclosed in note 31. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$847,000 and refundable rental deposits received of HK\$306,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group elects the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group elects the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained earnings without restating comparative information.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第16號租賃（續）

於二零一八年十二月三十一日，本集團有不可撤銷的經營租賃承擔27,422,000港元披露於附註31。初步評估顯示該等安排將符合租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及對應負債，除非其符合低價值或短期租賃。

此外，本集團現時認為已付可退回租賃押金847,000港元及已收可退回租賃押金306,000港元為租賃項下的權利及義務，適用於香港會計準則第17號。按香港財務報告準則第16號租賃付款的定義，上述押金並非與使用相關資產權利有關的付款，因此，上述押金的賬面值可予調整至經攤銷成本。已付可退回租賃押金的調整會被視為額外租賃付款並計入使用權資產的賬面值內。已收可退回租賃押金之調整會被視為租賃預付款項。

新規定的應用可能導致上文所述的計量、呈列及披露的變動。本集團選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）-詮釋第4號釐定安排是否包括租賃識別為租賃的合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）-詮釋第4號並未識別為包括租賃的合約應用該準則。因此，本集團將不會重新評估合約是否為或包括於首次應用日期前已存在的租賃。此外，本集團（作為承租人）選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對年初保留溢利的累計影響，而並無重列比較資料。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 3. Significant Accounting Policies

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

The consolidated financial statements have been prepared on the historical cost basis except for certain properties that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

### 3. 主要會計政策

綜合財務報表已按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載列《香港聯合交易所有限公司證券上市規則》及香港《公司條例》所規定之適用披露資料。

除若干物業於各報告期間結算日按公平值計量外，綜合財務報表乃按照歷史成本基準編製，詳情於下列會計政策闡釋。

歷史成本一般按交換貨品及服務所付代價之公平值計算。

公平值為於計量日期在市場參與者有序交易情況下出售一項資產而將收取或轉移一項負債而將支付之價格，不論該價格是否可以直接觀察或須運用另一種估值方法作出估計。在估算一項資產或負債之公平值時，本集團會考慮市場參與者於計量日期為該資產或負債定價時將予以考慮的該資產或負債特性。該等綜合財務報表中用於計量和／或披露目的之公平值均按此基準釐定，但不包括適用香港財務報告準則第2號以股份付款之股份付款交易、適用香港會計準則第17號租賃之租賃交易以及與公平值相似但並非公平值之計量，比如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值。

非金融資產的公平值計量乃經考慮一名市場參與者透過使用資產的最高及最佳用途或透過將資產出售予能使用資產的最高及最佳用途的其他市場參與者而產生經濟利益的能力。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 3. 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.

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

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.

### 3. 主要會計政策 (續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 一級輸入數據為實體於計量日期可獲取之相同資產或負債於活躍市場的報價（未經調整）；
- 二級輸入數據為除一級所包括報價以外資產或負債直接或間接可觀察之輸入數據；及
- 三級輸入數據為資產或負債不可觀察之輸入數據。

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受本公司及其附屬公司控制之實體之財務報表。本公司在下列條件實現控制：

- 有能力操控投資對象；
- 可承擔或有權享有因參與投資對象營運而獲得之浮動回報；及
- 能夠運用其權力以影響回報。

如事實及情況表明上列三個控制元素中有一個或多個有所變動，則本集團將重新評估其是否對投資對象有控制權。

對附屬公司之綜合入賬始於本集團取得附屬公司控制權時，並止於本集團失去附屬公司控制權時。具體而言，年內所收購或出售之附屬公司之收入及開支，自本集團取得附屬公司控制權之日起截至本集團失去其控制權之日止計入綜合損益及其他全面收益表。

如有需要，將會就附屬公司財務報表作出調整，以使其會計政策與本集團會計政策貫徹一致。

所有集團內之資產及負債、權益、收入、開支及本集團成員公司間交易相關現金流均於綜合入賬時悉數對銷。

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### 3. Significant Accounting Policies (Continued)

#### 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.

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

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

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

### 3. 主要會計政策 (續)

#### 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、本集團所產生對被收購人之前擁有人之負債及本集團為交換被收購人之控制權而發行之股權於收購日期之公平值之總和計算。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按其公平值予以確認，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支付款項之安排或為取代被收購人以股份支付款項安排而訂立之本集團以股份支付款項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（見下文會計政策）；及
- 按香港財務報告準則第5號*持作待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。

商譽乃按已轉讓代價、於被收購人之任何非控股權益金額及收購公司先前於被收購人持有之股權公平值（如有）之總額超逾於收購日期所收購可識別資產與所承擔負債之淨額之差額計量。倘經重新作出評估後，所收購可識別資產與所承擔負債之淨額超逾已轉讓代價、於被收購人之任何非控股權益金額及收購公司先前於被收購人持有之股權公平值（如有）之總和，超出部份即時於損益中確認為議價購買收益。

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### 3. Significant Accounting Policies (Continued)

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

### 3. 主要會計政策 (續)

#### 商譽

收購業務所產生之商譽按收購業務日期確立的成本(見上述會計政策)減累計減值虧損(如有)列賬。

為進行減值測試，商譽會分配至預期可受惠於合併協同效益之本集團各現金產生單位(或各組現金產生單位)，其表示就內部管理目的監管商譽的最低層次但未高於經營分部。

獲分配商譽之現金產生單位(或各組現金產生單位)於每年進行減值測試，或於有跡象顯示該單位可能出現減值時，進行更頻繁之減值測試。若於報告期間因收購而產生商譽，獲分配商譽之現金產生單位(或各組現金產生單位)會於有關報告期間結算日前進行減值測試。倘若可收回金額低於其賬面值，則減值虧損會先獲分配以減低任何商譽賬面值，其後則根據各項資產之賬面值按比例分配至該單位(或各組現金產生單位)之其他資產。

出售相關現金產生單位或各組現金產生單位內之任何現金產生單位時，於釐定出售損益金額時會計入商譽應佔金額。當本集團出售現金產生單位(或一組現金產生單位中的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金產生單位(或一組現金產生單位)部分的相對價值計量。

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### 3. Significant Accounting Policies (Continued)

#### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

### 3. 主要會計政策 (續)

#### 來自客戶合約收入 (根據附註2的過渡應用香港財務報告準則第15號)

根據香港財務報告準則第15號，本集團在完成履約義務時才能確認收入，即於特定履約義務之商品或服務的「控制權」轉移給客戶時。

履約義務指可區分之單一商品或服務 (或組合商品或服務) 或大致相同之一系列可區分商品或服務。

倘符合下列其中一項標準，控制權隨時間逐步轉移，而收入確認會按一段時間內已完成相關履約義務的進度進行

- 於本集團履約時，客戶同時收取及耗用由本集團履約所帶來的利益；
- 本集團之履約產生及提升於本集團履約時由客戶控制的一項資產；或
- 本集團履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權，以收回至今已履約的款項。

否則，收入於客戶獲得可區分之商品或服務的控制權時確認。

合約負債指本集團就已自客戶收取之代價 (或已可自客戶收取代價)，而須向客戶轉讓商品或服務之義務。

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### 3. Significant Accounting Policies (Continued) Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (Continued)

#### Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations (provide products and services), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis, except for the allocation of discounts and variable consideration.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

#### Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

##### Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

#### Variable consideration

For contracts that contain variable consideration (sales rebates), the Group estimates the amount of consideration to which it will be entitled using the most likely amount method.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

### 3. 主要會計政策 (續) 來自客戶合約收入 (根據附註2的過渡應用香港財務報告準則第15號) (續)

#### 具有多項履約義務的合約 (包括交易價格的分攤)

對於包含多項履約義務 (提供產品及服務) 的合約, 除折扣分攤和可變代價外, 本集團按照單獨售價的相對比例, 將交易價格分攤至各項履約義務。

每項履約義務下可區分商品或服務的單獨售價在合約開始時確定。單獨售價指本集團向客戶分開出售已約定之商品或服務的價格。如果單獨售價無法直接觀察, 本集團則使用適當技術對其進行估算, 以使最終分攤至任何履約義務的交易價格反映本集團因向客戶轉讓已約定商品或服務而預期有權收取的代價金額。

#### 隨時間確認收入: 履約義務完成進度的計量

##### 產出法

完成履約義務的進度按產出法計量, 即根據直接計量迄今轉移至客戶的商品或服務價值相對於合約項下承諾的剩餘貨品或服務來確認收入, 其最能說明本集團在轉移貨品或服務控制權方面的表現。

#### 可變代價

就具有可變代價 (銷售返利) 之合約而言, 本集團以最有可能金額方法估計其將有權獲得之代價金額。

可變代價之估計金額乃包含於交易價格內, 惟僅當可變代價之相關不確定性在其後變得確定, 致使有關估計金額很有可能不會導致將來出現重大收益撥回時, 方可包含於交易價格內。

於各報告期間, 本集團更新其估計交易價格 (包括更新其有關可變代價估計金額是否已設限之評估), 以忠實反映於報告期末之情況及於報告期內之情況變動。

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### 3. Significant Accounting Policies (Continued)

#### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (Continued)

##### Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

##### Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

##### Revenue recognition (prior to 1 January 2018)

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

### 3. 主要會計政策 (續)

#### 來自客戶合約收入 (根據附註2的過渡應用香港財務報告準則第15號) (續)

##### 委託人與代理人

倘向客戶提供貨品或服務涉及另一方，本集團會釐定其承諾性質是否為其本身提供指定貨品或服務的履約義務 (即本集團為委託人)，或是安排由另一方提供該等貨品或服務 (則本集團為代理人)。

倘本集團於貨品或服務轉讓予客戶前對指定貨品或服務有控制權，則本集團為委託人。

##### 取得合約之遞增成本

取得合約之遞增成本是集團為取得客戶合約而產生之該等成本，倘並無取得合約則不會產生該等成本。

倘本集團預期可收回該等成本，則將該等成本 (銷售佣金) 確認為資產。如此確認之資產其後按系統化基準攤銷至損益，該基準與向客戶轉讓該資產相關之貨品或服務一致。

##### 收入確認 (二零一八年一月一日前)

收入按已收或應收代價之公平值計量。收入乃減去估計客戶退貨、返利及其他類似津貼。

收入是當收入金額能夠可靠計量、未來經濟利益有可能流入本集團，而本集團每項活動均符合具體條件時 (如下文所述) 被確認。

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### 3. Significant Accounting Policies (Continued)

#### Revenue recognition (prior to 1 January 2018) (Continued)

##### Goods, services and interests

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Service income is recognised when services are provided.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### Leases

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

##### The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset. Other than investment properties measured under fair value model, such costs are recognised as an expense on a straight-line basis over the lease term.

##### The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

### 3. 主要會計政策 (續)

#### 收入確認 (二零一八年一月一日前) (續)

##### 貨品、服務及權益

銷售貨品之收入於貨品交付及擁有權轉移時確認。

服務收入於提供服務時確認。

利息收入參考未償還本金及適用實際利率按時間比例計入。適用實際利率指於初步確認時就金融資產預期可使用年期之估計未來現金收入實際貼現至該資產賬面淨值之比率。

##### 租賃

倘若租賃條款向承租人轉讓擁有權絕大部分風險及回報之租賃則分類為融資租賃。所有其他租賃均分類為經營租賃。

##### 本集團作為出租人

來自經營租賃之租金收入於有關租賃年期按直線基準於損益中確認。於磋商及安排經營租賃時招致的初始直接成本乃加至租賃資產的賬面值。除根據公平值模式計量之投資物業，該成本按直線法於租賃年內確認為開支。

##### 本集團作為承租人

經營租賃付款（包括於經營租賃項下持有土地之收購成本）於租賃年期按直線基準確認為開支。經營租賃項下產生之或然租金於產生期間確認為開支。

倘若立經營租賃將會獲得租賃優惠，則該等優惠會確認為負債。優惠利益總額按直線基準確認為租金開支減少。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. Significant Accounting Policies (Continued)

#### Leases (Continued)

##### Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

#### 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 recognised 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.

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### 租賃土地及樓宇

當本集團就物業權益(其中包括租賃土地及樓宇兩部分)作出付款時,本集團便會評估附於各部分所有權之絕大部分風險及回報是否已轉移至本集團,並根據此分別評估各部分之分類,惟如該兩部分均明顯為經營租賃,則整項物業入賬為經營租賃。具體而言,所有代價(包括任何一筆過預付款項)根據租賃土地部分及樓宇部分之租賃權益相對公平值,於初步確認時在土地部分與樓宇部分兩者之間分配。

在相關付款能夠可靠分配之情況下,入賬列作經營租賃之租賃土地權益會於綜合財務狀況報表呈列為「自用土地租賃款」,並於租賃年期內按直線基準攤銷,惟根據公平值模式分類及入賬為投資物業者除外。當付款無法於租賃土地部分與樓宇部分兩者之間可靠分配時,整項物業一般會按租賃土地屬融資租賃的方式分類。

#### 外幣

編製集團旗下各別實體之財務報表時,以該實體之功能貨幣以外貨幣(外幣)進行之交易,按交易日期之現行匯率確認。於報告期間結算日,以外幣計值之貨幣項目按該日之現行匯率重新換算。按公平值入賬並以外幣計值之非貨幣項目,按釐定其公平值當日之現行匯率重新換算。按歷史成本計量並以外幣計值之非貨幣項目,不予重新換算。

結算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。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. 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. Hong Kong dollars) 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. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

#### Government grants

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

Government grants 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.

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按各報告期結算日之現行匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目乃按期內平均匯率換算。所產生之匯兌差額（如有）會在其他全面收益內確認及於權益下以匯兌儲備累計。

收購海外業務所產生商譽及所收購可識別資產公平值調整，當作該海外業務之資產與負債處理，並按報告期間結算日之現行用匯率重新換算。所產生之匯兌差額於其他全面收益內確認。

#### 政府補助金

在能夠合理保證本集團將符合政府補助金所附帶之條件及將會獲取補貼前，本集團不會確認政府補助金。

本集團將可收取作為開支或已產生虧損之補償之政府補助金，或為了提供即時財務援助予本集團且並無日後相關成本之政府補助金，於其可予收取期間在損益中確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. Significant Accounting Policies (Continued)

#### Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

### 3. 主要會計政策 (續)

#### 退休福利成本及終止服務福利

向定額供款退休福利計劃作出之付款於僱員因提供服務而令其合資格享有供款時確認為開支。

就定額福利退休計劃而言，提供福利之成本乃採用預計單位貨記法釐定，並於每個年度報告期間結算日作出精算估值。重新計量（包含精算盈虧、資產最高限額變動之影響（如適用）以及計劃資產回報（不包括利息））即時反映於綜合財務狀況報表，並經計入或扣除後於其產生期間在其他全面收益中確認。其他全面收益中確認之重新計量即時反映於保留溢利，且將不會重新分類至損益。過往服務成本在計劃修訂期內於損益確認。利息淨額透過對定額福利負債或資產採用期初折現率計算。

定額福利成本分類如下：

- 服務成本（包括目前服務成本、過往服務成本以及削減及結算之收益及虧損）
- 利息開支或收益淨額；及
- 重新計量。

於綜合財務狀況報表確認之退休福利責任乃為本集團定額福利計劃之實際盈虧。該等計算所產生之任何盈餘以計劃退款或扣減日後計劃供款的任何可用經濟利益現值為限。

終止福利之負債於本集團實體無法撤銷終止福利要約時或本集團確認任何相關重組成本時（以較早者為準）確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018  
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### 3. Significant Accounting Policies (Continued)

#### Retirement benefit costs and termination benefits (Continued)

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (for example contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by HKAS 19 paragraph 70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity reduces service cost in the period in which the related service is rendered.

#### Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

### 3. 主要會計政策 (續)

#### 退休福利成本及終止服務福利 (續)

僱員或第三方作出的酌情供款於支付該計劃供款時減少服務成本。

倘若計劃的正式條款訂明僱員或第三方將作出供款，則會計取決於供款是否與服務有關：

- 倘若供款與服務無關（例如供款被要求減少源自計劃資產虧損或實際虧損的虧絀），則供款於重新計量之定額福利負債（資產）中反映。
- 倘若供款與服務有關，則供款減少服務成本。就與服務期間有關的供款金額而言，實體可根據香港會計準則第19號第70段規定的供款方式就總福利將供款歸屬於服務期間從而減少成本。倘若供款與服務期間無關則實體於提供有關服務期間減少服務成本。

#### 短期及其他長期僱員福利

短期僱員福利於僱員提供服務時以預期支付福利之未貼現金額確認。除有其他香港財務報告準則規定或允許將福利計入資產成本外，所有短期僱員福利皆確認為開支。

僱員得到的福利（如工資和薪金、年假和病假）經扣除任何已支付金額後確認為負債。

有關其他長期僱員福利確認之負債乃按本集團就僱員截至報告日期所提供之服務預期作出之估計未來現金流出之現值計算。除有其他香港財務報告準則規定或允許將其計入資產成本的情況下外，任何由服務成本、利息及重新計量所產生的負債之賬面值變動皆於損益中確認。

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### 3. Significant Accounting Policies (Continued)

#### Share-based payment

##### Equity-settled share-based payment transactions

##### *Share options granted to employees*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the share options reserve will continue to be held in share options reserve.

#### Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax 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.

### 3. 主要會計政策 (續)

#### 以股份為基礎付款

##### 以股本結算以股份為基礎付款交易

##### *授予僱員的認股權*

以股本結算以股份支付給僱員和其他提供類似服務的人士，按照股本工具在授予日的公平值計量。

根據本集團估計最終將歸屬的股本工具數目，以於授予日未經計及所有非市場歸屬條件所釐定的以股本結算以股份為基礎付款的公平值按直線基準在歸屬期間於損益支銷；另於權益（認股權儲備）作相應增加。於各報告期間結算日，本集團根據所有相關非市場歸屬條件之評估調整預算預期歸屬股本工具數目。若有任何原預算調整，其影響在損益中確認，因此累計費用反映預算調整，另於認股權儲備作相應調整。

當認股權獲行使時，過往於認股權儲備確認之金額將轉撥至股份溢價。倘認股權於歸屬日期後遭沒收，或於屆滿日期仍未獲行使，則過往於認股權儲備確認之金額將繼續保留至認股權儲備。

#### 稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度之應課稅或可扣減收入或開支項目，亦不包括毋須課稅或可扣減之項目，故與除稅前溢利不同。本集團即期稅項負債按報告期間結算日已頒佈或實際上已頒佈稅率計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

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

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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.

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項乃就綜合財務報表之資產及負債賬面值與計算應課稅溢利時作相應稅基用途之資產及負債賬面值兩者之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般就所有可扣減暫時差額確認，惟以將來很可能取得應課稅溢利而令該等可扣減暫時差額得以運用之部分為限。如於初步確認（業務合併除外）交易之資產及負債時產生暫時差額不影響應課稅溢利或會計溢利，則有關遞延稅項資產及負債不予確認。此外，如商譽於初步確認時產生暫時差額，則遞延稅項負債不予確認。

本集團會就附屬公司投資之相關應課稅暫時差額確認遞延稅項負債，惟如本集團能控制有關暫時差額之撥回，且暫時差額可能不會於可見未來撥回則除外。就確認該等投資及權益之相關可扣減暫時差額所產生之遞延稅項資產而言，其僅於可能取得足夠之應課稅溢利令暫時差額之利益得以運用，且有關暫時差額預期可於可見將來撥回時確認。

本集團會於各報告期間結算日檢討遞延稅項資產之賬面值予以調低，以不再可能取得足夠之應課稅溢利可供收回全部或部分資產為限。

遞延稅項資產及負債乃按於報告期間結算日已頒佈或實際上已頒佈之稅率（及稅務法律），按預期於清償負債或變現資產期間應用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於報告期間結算日收回或償還資產及負債賬面值產生之稅務後果。

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### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### Property, plant and equipment

Property, plant and equipment including buildings and freehold land held for use in the production or supply of goods or services, or for administrative purposes (other than properties under construction as described below and freehold land) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### 3. 主要會計政策 (續)

#### 稅項 (續)

就計量遞延稅項而言，利用公平值模式計量之投資物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於本集團之業務模式（其業務目標是隨時間流逝而非透過銷售消耗投資物業所包含之絕大部分經濟利益）內持有時，有關假設會被推翻。

當有可依法強制執行的權利將即期稅項資產與即期稅項負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷，且本集團擬按淨額基準結算其流動稅項資產及負債。

當期及遞延稅項乃於損益中確認，除非該等稅項與其他全面收益或直接於權益中確認之項目有關，在此情況下，當期及遞延稅項亦分別於其他全面收益或直接於權益中確認。就業務合併進行初步會計處理而產生之當期或遞延稅項而言，有關稅務影響乃計入業務合併之會計處理內。

#### 物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品或服務或就行政用途之樓宇及永久業權土地（除下述在建物業及永久業權土地外），其於綜合財務狀況報表按成本減日後累計折舊及日後累計減值虧損（如有）列賬。

正在興建中以作生產、供應或行政用途之物業按成本減任何已確認減值虧損列賬。成本包括專業費用。該等物業於落成及可作擬定用途時分類至物業、廠房及設備項下之適當類別。該等資產將於可作為擬定用途時，按其他物業資產之相同基準，開始計算折舊。

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### 3. Significant Accounting Policies (Continued)

#### Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of assets other than properties under construction and freehold land held for use 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.

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 profit or loss.

#### Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by the management).

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

折舊乃以直線法於估計可使用年期撇銷其資產成本(除持為待用的在建物業及永久業權土地外)減其剩餘價值確認。估計可使用年期、剩餘價值及折舊方法均於各報告期間結算日時檢討，而估計之任何變動的影響則預先入賬。

物業、廠房及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時解除確認。出售或停止使用一項物業、廠房及設備所產生之任何盈虧乃按出售所得款項與資產賬面值之差額釐定，並於損益內確認。

#### 未來業主自用的開發中樓宇

當作生產或行政用途的樓宇於在建過程中，建設期間計提的自用土地租賃款的攤銷列入在建樓宇的部分成本。在建樓宇按成本減任何可識別減值虧損入賬。樓宇於可供使用時(即於樓宇達致按管理層擬定營運方式所需地點及狀況時)計提折舊。

#### 投資物業

投資物業指為了賺取租金及／或資本增值而持有之物業。

投資物業初步按成本計量，包括直接產生的開支。於初步確認後，投資物業按其公平值計量。本集團所有經營租賃項下持作賺取租金或資本增值為目的物業權益乃作為投資物業分類入賬，並採用公平值模式計量。投資物業公平值變動所產生之盈虧於產生期間計入損益。



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### 3. Significant Accounting Policies (Continued)

#### Investment properties (Continued)

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

#### Intangible assets

##### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

##### Impairment on tangible, intangible assets and contract costs other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible, intangible assets with finite useful lives and contract costs to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

### 3. 主要會計政策 (續)

#### 投資物業 (續)

投資物業於投資物業出售或永久停止使用及預計不會從出售該物業中獲得未來經濟利益時終止確認。終止確認物業所產生任何盈虧(按出售所得款項淨額與該資產賬面值之差額計算)於物業終止確認之期間計入損益。

#### 無形資產

##### 於業務合併中收購之無形資產

業務合併中收購之無形資產與商譽分開確認，按其於收購日期之公平值(被視作其成本)初步確認。

於初步確認後，於業務合併中收購之具有限可使用年期之無形資產按與單獨收購之無形資產相同之基準，以成本減累計攤銷及任何累計減值虧損呈報。

無形資產於出售時或預計使用或出售該資產並無未來經濟利益時取消確認。取消確認無形資產所產生之收益及虧損，按該資產之出售所得款項淨額與其賬面值之差額計量，在資產取消確認時於損益確認。

##### 商譽以外有形、無形資產及合約成本減值

於報告期間結算日，本集團會審閱可使用年期有限的有形、無形資產及合約成本之賬面值，以釐定是否出現任何跡象顯示該等資產正面臨減值虧損。倘若存在任何該等跡象，則會估計相關資產之可收回金額，以釐定減值虧損(如有)程度。

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### 3. Significant Accounting Policies (Continued)

#### Impairment on tangible asset, intangible assets and contract costs other than goodwill (Continued)

The recoverable amount of tangible and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

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

### 3. 主要會計政策 (續)

#### 商譽以外有形資產、無形資產及合約成本減值 (續)

有形及無形資產的可收回金額個別估計，當無法單項估計可收回金額，本集團會估計該資產所屬現金產生單位的可收回金額。當可以確定合理和一貫的分配基礎，公司資產亦分配至各個現金產生單位；或在可識別的合理和一貫的分配基礎上分配至最小組現金產生單位。

在本集團根據香港財務報告準則第15號將資本化資產減值虧損確認為合約成本前，本集團按適用準則評估和確認任何與相關合約有關的其他資產減值虧損。屆時，倘賬面值超過本集團預期收取以換取相關貨品或服務的代價餘額減與直接關於提供該等貨品或服務的成本（未確認為開支），則就作為合約成本的資本化資產而言之減值虧損（如有）得以確認。作為合約成本的資本化資產屆時就評估相關現金產生單位減值，而計入它們所屬的現金產生單位之賬面值。

可收回金額為以下兩項較高者：公平值減出售成本或使用價值。評估使用價值時，估計未來現金流量按稅前貼現率折現至其現值，該貼現率反映當前市場對資金時間值之評估以及在估計未來現金流量未有調整之該資產（或現金產生單位）的特定風險。

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### 3. Significant Accounting Policies (Continued)

#### Impairment on tangible asset, intangible assets and contract costs other than goodwill (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 主要會計政策 (續)

#### 商譽以外有形資產、無形資產及合約成本減值 (續)

倘若一項資產 (或現金產生單位) 之可收回金額估計低於其賬面值，則該資產 (或現金產生單位) 賬面值須減至其可收回金額。於分配減值虧損時，減值虧損將首先分配以減低任何分配至該單位之商譽賬面值 (如適用)，其後則根據該單位內各項資產之賬面值按比例分配至該單位之其他資產。資產賬面值不得減少至低於其公平值減出售成本 (如可計量)、其使用價值 (如可計量) 及零之中的最高值。已另行分配至資產之減值虧損金額按比例分配至該單位之其他資產。減值虧損會即時於損益中確認。

倘若減值虧損其後撥回，則資產 (或現金產生單位) 賬面值將增至其經修訂估計之可收回金額，惟所增加之賬面值不得超過該資產 (或現金產生單位) 於過往年度並無確認減值虧損而釐定之賬面值。減值虧損撥回會即時於損益中確認。

#### 存貨

存貨以成本或可變現淨值較低者入賬。存貨成本乃根據加權平均法釐定。可變現淨值指存貨之估計銷售價減所有估計完成成本及作出銷售之必要成本。

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### 3. Significant Accounting Policies (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

#### Financial assets

##### *Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)*

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

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

### 3. 主要會計政策 (續)

#### 金融工具

當集團旗下實體成為工具合約條文之訂約方時，便會確認金融資產及金融負債。所有正常途徑買賣的金融資產以交易日作為確認和終止確認基礎。正常途徑買賣是指須按一般市場規定或慣例在一定期間內交付資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，惟與客戶之合約產生的貿易應收賬款除外，其自二零一八年一月一日初始根據香港財務報告準則第15號計量。收購或發行金融資產及金融負債直接產生之交易成本乃於初步確認時在金融資產或金融負債（視何者適用）之公平值計入或扣除。

實際利息法為計算金融資產或金融負債攤銷成本以及將利息收入及利息支出分配予有關期間之方法。實際利率為按金融資產或金融負債之預計年期或（倘若適用）較短期間實際貼現估計未來現金收入及付款（包括構成實際利率組成部分之所有已付或已收費用、交易成本及其他溢價或折扣）至初步確認時之賬面淨值之利率。

#### 金融資產

##### *金融資產的分類及其後計量（根據附註2的過渡應用香港財務報告準則第9號）*

符合下列條件的金融資產於其後按攤銷成本計量：

- 該金融資產於以收取合約現金流量為目的之商業模式下持有；及
- 該合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)* (Continued)

(i) Amortised cost and interest income

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

##### *Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables, amounts due from related parties, pledged bank deposits, bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### *金融資產的分類及其後計量 (根據附註2的過渡應用香港財務報告準則第9號)* (續)

(i) 攤銷成本及利息收入

就其後按攤銷成本計量的金融資產而言，利息收入採用實際利率法確認。利息收入透過對金融資產的賬面總值應用實際利率計算，惟其後出現信貸減值的金融資產除外。就其後出現信貸減值的金融資產而言，利息收入自下一報告期間起透過對金融資產的攤銷成本應用實際利率確認。倘信貸減值金融工具的信貸風險得以改善，使金融資產不再信貸減值，利息收入自釐定該資產不再信貸減值後的報告期間開始，透過對金融資產的賬面總值應用實際利率確認。

##### *金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號)*

本集團就根據香港財務報告準則第9號須予減值之金融資產 (包括貿易及其他應收賬款、應收關聯方款項、已抵押銀行存款以及銀行結存及現金) 的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新以反映信貸風險自初步確認以來的變動。

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

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)*

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

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### *金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)*

年期預期信貸虧損指於有關工具之預計年期內所有可能違約事件而產生的預期信貸虧損。相較之下，12個月預期信貸虧損（「12個月預期信貸虧損」）指於報告日期後12個月內因可能發生的違約事件而預期產生的部分年期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗，並就債務人特定因素、整體經濟狀況以及對於報告日期之現時狀況及未來狀況的評估作出調整而進行。

本集團一直將年期預期信貸虧損確認為貿易應收賬款。該等資產的預期信貸虧損乃就具重大結餘的債務人進行個別評估及／或採用具合適組別的撥備矩陣進行集體評估。

就所有其他工具而言，本集團計量虧損撥備等於12個月預期信貸虧損，除非當信貸風險自初步確認以來顯著增加，則本集團確認年期預期信貸虧損。是否應確認年期預期信貸虧損乃根據自初步確認以來出現違約的可能性或風險顯著增加而評估。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)

(i) Significant increase in credit risk

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

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)

(i) 信貸風險顯著增加

評估信貸風險是否自初步確認以來顯著增加時，本集團比較金融工具於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險。作出該評估時，本集團會考慮合理及可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力即可得的前瞻性資料。

具體而言，評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具外部 (如有) 或內部信貸測評的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約交換價格顯著上升；
- 業務、財務或經濟情況目前或預期將有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)

(i) Significant increase in credit risk (Continued)

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

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)

(i) 信貸風險顯著增加 (續)

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則信貸風險自初步確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理及可靠資料，則作別論。

儘管有上述規定，若於本報告日期債務工具被判定為具有較低信貸風險，本集團會假設債務工具信貸風險自初步確認以來並未大幅增加。在以下情況下，債務工具會被判定為具有較低信貸風險：i)債務工具具有較低違約風險；ii)借款人有很強的能力履行近期的合約現金流量責任；及iii)經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量責任的能力。本集團認為，若根據眾所周知的定義，若債務工具的內部或外部信貸評級為「投資級」，則該債務工具具有低信貸風險。

本集團定期監察識別信貸風險是否顯著增加所用標準的有效性，並酌情修訂以確保該標準能夠在賬款逾期前識別信貸風險的大幅增加。



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

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)

###### (ii) Definition of default

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

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

###### (iii) Credit-impaired financial assets

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

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)

###### (ii) 違約的定義

就內部信貸風險管理而言，本集團認為倘內部產生或獲取自外部來源的資料表明，債務人不太可能向其債權人（包括本集團）全額還款（不計及本集團持有的任何抵押品），則發生違約事件。

無論上述情形如何，本集團認為，倘金融資產逾期超過90天，則已發生違約事件，除非本集團有能說明更寬鬆的違約標準更為合適的合理可靠資料，則作別論。

###### (iii) 信貸減值金融資產

當已發生一件或以上違約事件對金融資產的估計未來現金流量產生不利影響時，則該金融資產信貸已減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- (a) 發行人或借款人出現重大財務困難；
- (b) 違約，例如：拖賬或逾期事件；
- (c) 借款人的貸款人出於與借款人財務困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；
- (d) 借款人未來可能破產或進行其他財務重組。

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For the year ended 31 December 2018  
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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)

(iv) 撇銷政策

當有資料指出對手方陷入嚴重財務困難及沒有實際可回收的可能 (例如, 對手方已遭清盤或已進入破產程序) 時, 本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施執行行動, 在適當情況下考慮法律意見。撇銷屬於一項終止確認事件。任何其後收回款項會於損益中確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量的依據為違約概率、違約損失率 (即違約時的損失程度) 及違約風險的函數。評估違約概率及違約損失率的依據為按前瞻性資料調整的過往數據。預期信貸虧損的估計反映以發生相關違約風險的金額作為加權數值而確定的公正及概率加權金額。

一般而言, 預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預計收取的現金流量 (按於初始確認時釐定的實際利率折現) 之間的差額。

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For the year ended 31 December 2018  
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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (Continued)

##### (v) Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, pledged bank deposits, bank balances and cash are each assessed as a separate group. Amounts due from related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables where the corresponding adjustment is recognised through a loss allowance account.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值 (根據附註2的過渡應用香港財務報告準則第9號) (續)

##### (v) 預期信貸虧損的計量及確認 (續)

若按綜合基準計量預期信貸虧損，或處理個別工具層面的證據尚未可得的情況，金融工具乃按以下基準分組：

- 金融工具的性質 (即本集團的貿易及其他應收賬款、抵押銀行存款以及銀行結存及現金以不同組別分別進行評估。應收關聯人士款項就個別基準評估預期信貸虧損)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可得的外部信貸評級。

管理層定期檢討分組方法，以確保各組別的組成項目仍然具有相似的信貸風險特徵。

利息收入根據金融資產的賬面值總額計算，惟金融資產為信貸減值的情況除外，於此情況下，利息收入則根據金融資產的攤銷成本計算。

本集團藉由調整所有金融工具的賬面值於損益中確認其減值收益或虧損，惟相應調整於虧損撥備賬中確認的貿易及其他應收賬款除外。

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For the year ended 31 December 2018  
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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)*

Financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is 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.

(i) 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 and other receivables, amounts due from related parties, pledged bank deposits, bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### *金融資產的分類及其後計量 (於二零一八年一月一日應用香港財務報告準則第9號前)*

金融資產分類為貸款及應收賬款。分類乃視乎金融資產性質及目的並於初步確認時釐定。所有正常途徑買賣的金融資產以交易日作為確認和終止確認基礎。正常途徑買賣是指須按一般市場規定或慣例所定時限內交付資產的金融資產買賣。

(i) 貸款及應收賬款

貸款及應收賬款為附帶固定或可釐定付款，且並無在活躍市場報價之非衍生金融資產。於初步確認後，貸款及應收賬款（包括貿易及其他應收賬款、應收關聯方款項、已抵押銀行存款、銀行結存及現金）採用實際利息法按攤銷成本減任何減值計量。

利息收入採用實際利率法確認，惟短期應收賬款除外，乃因確認利息並不重要。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018  
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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)*

Financial assets are assessed for indicators of impairment at the end of the 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.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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 terms of the customers, observable changes in national or local economic conditions that correlate with default on receivables.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### *金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號前)*

本集團會於報告期間結算日評估金融資產有否出現減值跡象。倘若有客觀證據顯示，由於初步確認金融資產後發生之一項或多項事件，導致金融資產之估計未來現金流量受到影響，則金融資產會被視為已出現減值。

就所有金融資產而言，減值之客觀證據可能包括：

- 發行人或對手方出現重大財務困難；或
- 違約，例如：逾期或拖欠支付利息或本金；或
- 借款人可能破產或進行債務重組。

應收賬款組合減值之客觀證據可能包括本集團過往收賬經驗、組合內逾期付款超過有關客戶平均信貸期次數增加，或國家或當地經濟環境出現與欠繳應收賬款有關之可觀察變化。

就按攤銷成本列賬之金融資產而言，所確認之減值虧損金額為資產之賬面值與按金融資產原實際利率貼現估計未來現金流量之現值兩者之差額。

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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)* (Continued)

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 a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

##### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### *金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號前)* (續)

就所有金融資產而言，金融資產的賬面值由減值虧損直接扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬之賬面值變動將於損益中確認。當貿易應收賬款被視為不可收回時，其將於撥備賬內撇銷。過往已撇銷的款項如日後收回，將計入損益。

就按攤銷成本計量之金融資產而言，倘於往後期間減值虧損金額有所減少，而有關減少客觀上與確認減值後發生之事件有關，則過往已確認之減值虧損會於損益中撥回，惟減值撥回當日之投資賬面值不得超逾假設並無確認減值之原有攤銷成本。

##### *終止確認金融資產*

本集團僅會於資產之現金流量合約權利屆滿時，或當本集團轉讓金融資產且有關資產擁有權利之絕大部分風險及回報已轉移予另一實體時，終止確認有關金融資產。倘若本集團並無轉移或保留擁有權之絕大部分風險及回報，並繼續控制所轉讓資產，則本集團就可能需支付之金額確認資產及相關負債之保留權益。倘若本集團保留已轉讓金融資產擁有權之絕大部分風險及回報，則本集團將繼續確認有關金融資產，並就已收取所得款項確認有抵押借款。

在終止確認以攤銷成本計量的金融資產時，資產賬面值與已收及應收代價於損益中確認。

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### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments

##### *Classification as debt or equity*

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

##### *Equity instruments*

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### *Financial liabilities at amortised cost*

Financial liabilities including trade payables and other payables are subsequently measured at amortised cost, using the effective interest method.

##### *Derecognition of financial liabilities*

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本工具

##### *分類為債務或股本*

債務及股本工具會根據已訂立合約安排之內容，以及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*

股本工具指能證明在實體之資產擁有剩餘權益(已扣除其所有負債)之任何合約。本公司發行之股本工具按已收取之所得款項經扣除直接發行成本後確認。

本公司直接於權益中確認及扣除所購回本身的股本工具。本公司並無就購買、出售、發行或註銷本身的股本工具而於損益中確認任何收益或虧損。

##### *金融負債*

所有金融負債其後採用實際利息法按攤銷成本計量。

##### *按攤銷成本入賬之金融負債*

金融負債(包括貿易及其他應付賬款)其後採用實際利息法按攤銷成本計量。

##### *終止確認金融負債*

本集團於(及僅於)其責任已被解除、註銷或屆滿時，終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之間的差額，乃於損益中確認。

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### 4. Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Impairment of inventories

The Group reviews inventories on a product-by-product basis at the end of each reporting period, and recognised allowance for obsolete and slow-moving inventory items that are no longer suitable for use in production or trading. The management estimates the net realisable value for such items based primarily on the latest invoice prices, sales after year end and current market conditions less all estimated costs and expenses necessary to sell the products. As at 31 December 2018, the carrying amount of inventories net of allowance for inventory of HK\$15,985,000 (2017: HK\$10,481,000) was HK\$74,313,000 (2017: HK\$85,077,000).

#### Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or changes in facts and circumstances which results in downward revision of future cash flows, a material impairment loss may arise. As at 31 December 2018, the carrying amount of goodwill was HK\$31,407,000 (2017: HK\$27,095,000). Details of the recoverable amount calculation are disclosed in note 19.

### 4. 導致估計出現不確定性主要來源

於報告期間結算日可能有重大風險導致下一財政年度資產及負債賬面值須作出重大調整而與未來有關之主要假設及導致估計出現不確定性之其他主要來源，於下文討論。

#### 存貨之減值

本集團於各報告期間結算日因應個別產品審閱存貨，並會就已確認為不再適合作生產或交易之陳舊及滯銷存貨項目作出撥備。管理層主要根據最近期發票價格、年結後銷售額及現行市況，減所有估計成本及銷售產品之必要開支，估計該等項目之可變現淨值。於二零一八年十二月三十一日，存貨之賬面值扣除存貨撥備15,985,000港元（二零一七年：10,481,000港元）為74,313,000港元（二零一七年：85,077,000港元）。

#### 商譽之估計減值

在釐定商譽有否出現減值時，需要估計獲分配商譽之現金產生單位之可收回金額，即使用值或公平值減出售成本兩者中較高者。使用價值計算需要本集團估計預期有關現金產生單位所產生之未來現金流量及合適之貼現率以計算現值。倘實際未來現金流量較預期為少，或事實及環境變動導致對日後現金流量進行下調修訂，則或會產生重大減值虧損。於二零一八年十二月三十一日，商譽之賬面值為31,407,000港元（二零一七年：27,095,000港元）。可收回金額之計算詳情於附註19中披露。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 4. Key Sources of Estimation Uncertainty (Continued)

#### Provision of ECL for trade receivables

The Group uses provision matrix to calculate ECL for the trade receivables. The provision rates are based on debtor's aging as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with significant balances and credits impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in notes 21 and 37(b), respectively.

#### Estimated useful lives and impairment of intangible assets

The Group determines the estimated useful lives and related amortization charges for its intangible assets. This estimate is based on the historical experience, the expected usage, as well as the stability of the industry in which the intangible assets is related and changes in the market demand for the services output related to the intangible assets. The Group will increase the amortisation charges where useful lives are less than previously estimated, or will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests for impairment for intangible assets whenever there is an indication that the asset may be impaired. The recoverable amounts have been determined based on the higher of the fair value less costs of disposal and value in use. These calculations require the use of estimates, such as discount rates, future profitability and growth rates. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

As at 31 December 2018, the carrying amount of intangible assets (without impairment loss recognised) was HK\$17,122,000 (2017: nil).

### 4. 導致估計出現不確定性主要來源 (續)

#### 貿易應收賬款預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收賬款的預期信貸虧損。撥備率乃基於具有類似虧損型態的不同債務人組別的時效。撥備矩陣乃基於本集團的歷史違約率，並考慮合理且有理據在無需不必要成本或努力可得的前瞻性資料。於各報告日期，可觀察的歷史違約率會重新評估，並考慮前瞻性資料的變動。此外，具有大幅餘額及信貸減值的貿易應收賬款將分別評估預期信貸虧損。

預期信貸虧損撥備對估計變動尤為敏感。有關預期信貸虧損及本集團貿易應收賬款的資料分別於附註21及37(b)披露。

#### 無形資產之估計可使用年期及減值評估

本集團釐定其無形資產之估計可使用年期及有關攤銷費用。該評估乃根據歷史經驗、預期使用、與該無形資產有關之行業穩定性，以及市場對該無形資產有關之服務的需求變化而作出。倘使用年期少於原先預期之年期，本集團將增加攤銷費用，或將撇銷或撇減技術上陳舊或已報廢或售出的非策略性資產。

本集團定期檢討是否有減值跡象並於一項資產之賬面值低於其可回收金額時確認減值虧損。本集團於資產可能出現減值跡象時對無形資產進行減值測試。可回收金額根據公平值減出售成本及可使用價值之較高者釐定。有關計算須使用估計，例如：貼現率、未來盈利能力及增長率。於評估減值時，資產將按可識辨現金流量（現金產生單位）之最低層次組合。

於二零一八年十二月三十一日，無形資產之賬面值（未確認減值虧損）為17,122,000港元（二零一七年：無）。

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### 5. Revenue

#### A. For the year ended 31 December 2018

- (i) Disaggregation of revenue from contracts with customers

### 5. 收入

#### A. 截至二零一八年十二月三十一日止年度

- (i) 與客戶訂約收入之明細

		For the year ended 31 December 2018 截至二零一八年 十二月三十一 止年度 HK\$'000 千港元
<b>Types of goods or services</b>	<b>產品或服務類型</b>	
Sales of goods	產品銷售	348,728
Service income	服務收益	20,797
Total	總計	<u>369,525</u>
<b>Geographical markets</b>	<b>地域市場</b>	
The People's Republic of China (the "PRC")	中華人民共和國（「中國大陸」）	292,675
Taiwan	台灣	73,315
Others	其他	3,535
Total	總計	<u>369,525</u>
<b>Timing of revenue recognition</b>	<b>確認收入的時間</b>	
A point in time	在某個時間點確認	348,728
Over time	隨時間確認	20,797
Total	總計	<u>369,525</u>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 5. Revenue (Continued)

#### A. For the year ended 31 December 2018 (Continued)

##### (ii) Performance obligations for contracts with customers

- *Sale of products (revenue recognised at one point in time)*

The Group sells a range of products including skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus directly to the franchisees.

For sales of products to the franchisees, revenue is recognised when control of the goods has transferred to the franchisees, being at the point the goods are delivered to the franchisees. Following the delivery, the franchisees has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 120 days upon delivery.

- *Sales of products with services (multiple performance obligations)*

The Group provides skin treatment, beauty and spa services through its self-owned spas and provides medical cosmetology services through its self-owned medical beauty clinics.

The service is considered to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. The Group has a present right to payment from the customers for the products with services. Transaction price is allocated between sales of products and the services on a relative standalone selling price basis. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released when services delivered to the customers.

### 5. 收入 (續)

#### A. 截至二零一八年十二月三十一日止年度 (續)

##### (ii) 與客戶訂約的履約責任

- *產品銷售 (於任何時間點確認的收入)*

本集團直接向加盟商銷售護膚、美容、精油產品、健康食品、化妝品及美容儀器等各式各樣產品。

就產品銷售予加盟商而言，收入於貨品控制權轉讓至加盟商時（即貨品已交付予加盟商時）確認。於交付後，加盟商可全權酌情決定銷售貨品的分銷方式及價格，並承擔銷售貨品之主要責任及與貨品相關的陳舊及損失風險。於交付後，信貸期一般為30至120日。

- *產品銷售服務 (多項履約義務)*

本集團透過其自資經營水療中心提供肌膚護理、美容及水療服務以及透過其自資經營醫療美容診所提供醫療美容服務。

由於本集團定期向其他客戶單獨提供且其他市場供應商之客戶亦可取得有關服務，故其被視為一項具區別性的服務。本集團有權利就產品銷售服務向客戶收取款項。交易價格按相對獨立的售價基準於產品銷售及服務之間作出分配。分配至該等服務的交易價格於初步銷售交易時確認為合約負債，並於服務交付予客戶時解除。

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

### 5. Revenue (Continued)

#### A. For the year ended 31 December 2018 (Continued)

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2018 and the expected timing of recognising revenue are as follows:

		Sales of products 產品銷售 HK\$'000 千港元
Within one year	一年內	<b>22,616</b>

#### B. For the year ended 31 December 2017

An analysis of the Group's revenue for the year is as follows:

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元
Sales of goods	產品銷售	393,872
Service income	服務收益	5,707
Total	總計	<b>399,579</b>

### 5. 收入 (續)

#### A. 截至二零一八年十二月三十一日止年度 (續)

(iii) 分配至與客戶合約的餘下履約義務之交易價格

於二零一八年十二月三十一日，分配至餘下(未獲達成或部分未獲達成)履約義務之交易價格及確認收入的預計時間如下：

#### B. 截至二零一七年十二月三十一日止年度

本集團本年度收入的分析如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 6. Operating Segments

Information reported to the Chief Executive Officer (“CEO”) of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on geographical segments by location of customers.

Specifically, the Group’s reportable and operating segments under HKFRS 8 are as follows:

1. The PRC
2. Taiwan
3. Others (Hong Kong and Malaysia)

#### Segment revenues and results

The following is an analysis of the Group’s revenue and results from continuing operations by reportable and operating segments.

For the year ended 31 December 2018

		The PRC 中國大陸 HK\$'000 千港元	Taiwan 台灣 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入	292,675	73,315	3,535	369,525
Segment profit (loss)	分部溢利(虧損)	39,111	8,643	(67)	47,687
Unallocated corporate expenses	未分配公司支出				(11,550)
Unallocated income	未分配收益				3,020
Profit before tax	除稅前溢利				39,157

### 6. 經營分部

為作出資源分配及評估分部表現，向本公司行政總裁（「行政總裁」）（即主要營運決策人（「主要營運決策人」））匯報之資料主要關注按客戶所在地劃分的地域分部。

具體而言，根據香港財務報告準則第8號之規定，本集團之可報告及經營分部如下：

1. 中國大陸
2. 台灣
3. 其他（香港及馬來西亞）

#### 分部收入及業績

下文為本集團之持續經營收入及業績按可報告及經營分部作出之分析。

截至二零一八年十二月三十一日止年度

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 6. Operating Segments (Continued) Segment revenues and results (Continued)

For the year ended 31 December 2017

		The PRC 中國大陸 HK\$'000 千港元	Taiwan 台灣 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入	319,228	77,232	3,119	399,579
Segment profit (loss)	分部溢利(虧損)	135,255	18,550	(688)	153,117
Unallocated corporate expenses	未分配公司支出				(10,704)
Unallocated income	未分配收益				4,325
Profit before tax	除稅前溢利				146,738

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit earned (loss incurred) by each segment without allocation of central administration costs, directors' salaries and interest income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

### 6. 經營分部 (續) 分部收入及業績 (續)

截至二零一七年十二月三十一日止年度

經營分部之會計政策與本集團之會計政策相同(如附註3所述)。分部溢利(虧損)為各分部賺取所得之溢利(所產生之虧損)，當中並未分配中央行政費用、董事薪酬及利息收入。此乃為了作出資源分配及表現評估而向主要營運決策人作出報告之方法。

主要營運決策人根據各分部的經營業績作出決策。由於主要營運決策人並未就資源分配及評估表現的目的定期審閱該等資料，故並無呈列分部資產及分部負債的分析。因此，僅呈列分部收入及分部業績。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 6. Operating Segments (Continued)

#### Other segment information

For the year ended 31 December 2018

### 6. 經營分部 (續)

#### 其他分部資料

截至二零一八年十二月三十一日止年度

	Segment and consolidated			
	The PRC	Taiwan	Others	total
	中國大陸	台灣	其他	分部及綜合總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit (loss):				
Depreciation of property, plant and equipment	18,258	4,963	23	23,244
Release of prepaid lease payments	1,234	-	-	1,234
Amortisation of intangible assets	1,117	-	-	1,117
Loss on disposal of property, plant and equipment	815	155	-	970
Allowance for obsolete inventories	10,073	731	49	10,853
Loss on disposal of inventories	5,167	-	-	5,167
(Reversal of allowance) allowance on trade receivables	(2,170)	13	4	(2,153)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 6. Operating Segments (Continued) Other segment information (Continued)

For the year ended 31 December 2017

### 6. 經營分部 (續) 其他分部資料 (續)

截至二零一七年十二月三十一日止年度

		The PRC	Taiwan	Others	Segment and consolidated total
		中國大陸	台灣	其他	分部及綜合總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit (loss):	分部溢利(虧損) 計入下列款額:				
Depreciation of property, plant and equipment	物業、廠房及設備折舊	16,183	4,388	16	20,587
Release of prepaid lease payments	撥回自用土地租賃款	1,180	–	–	1,180
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	191	–	–	191
Allowance (reversal of allowance) for obsolete inventories	陳舊存貨撥備(撥備撥回)	1,751	46	(60)	1,737
Allowance on trade receivables	貿易應收賬款撥備	3,457	–	–	3,457



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 6. Operating Segments (Continued) Geographical information

The Group is principally engaged in (a) manufacturing and sale of a range of products including skin care, beauty and aroma-therapeutic products, health supplements, make-up products and beauty apparatus and (b) provision of skin treatments, beauty and spa services, medical cosmetology services and skin care consulting and beauty training. The analysis of the Group's revenue by type of business for the year are set out in note 5 to the consolidated financial statements.

The Group's non-current assets are presented based on the geographical location of the assets as detailed below:

		<b>2018</b> 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The PRC	中國大陸	<b>273,219</b>	234,300
Taiwan	台灣	<b>49,036</b>	51,701
Others	其他	<b>213</b>	28
		<b>322,468</b>	286,029

Note: Non-current assets excluded financial instruments and deferred tax assets.

#### Information about major customers

The Group has a very wide customer base, no single customer contributed 10% or more to the Group's revenue for both 2018 and 2017.

### 6. 經營分部 (續) 地域資料

本集團主要從事(a)製造及銷售護膚、美容、精油產品、健康食品、化妝品及美容儀器等各式各樣產品，及(b)提供肌膚護理、美容及水療服務、醫療美容服務以及肌膚護理顧問服務及美容培訓。本集團年內收入按業務類別作出之分析載於綜合財務報表附註5。

本集團之非流動資產按資產所在地域詳情呈列如下：

附註：非流動資產不包括金融工具及遞延稅項資產。

#### 關於主要客戶資料

本集團之客戶基礎廣闊。於二零一八年及二零一七年兩個年度各年，並無任何單一客戶之貢獻佔本集團之收入10%或以上。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 7. Other Income and Other Gains

### 7. 其他收益和利得

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on bank deposits	銀行存款利息	3,020	4,325
Rental income from investment properties	投資物業之租金收益	296	206
Rental income from other properties and equipment	其他物業及設備之租金收益	1,958	1,869
Government grants (Note)	政府補助金(附註)	2,230	4,187
Income resulting from expired franchisees deposit	來自到期加盟商按金之收益	-	1,594
Others	其他	573	698
		<b>8,077</b>	<b>12,879</b>

Note: The government grants represent unconditional tax refunds received from the local government in compensation for taxes incurred and paid by the PRC operating subsidiaries of the Group.

附註：政府補助金指本集團中國大陸經營附屬公司獲得來自地方政府的無條件稅收返還以補償其發生及支付的稅款。

Notes to the Consolidated Financial Statements  
綜合財務報表附註

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

8. Impairment Losses, Net of Reversal

8. 減值虧損（扣除撥回）

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Impairment (reversed) losses recognised on:		
– Trade receivables – goods and services	(2,153)	3,457
– Other receivables	(114)	–
	<b>(2,267)</b>	3,457

Details of impairment assessment for the year ended 31 December 2018 are set out in note 37(b).

截至二零一八年十二月三十一日止年度之減值評估詳情載於附註37(b)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 9. Income Tax Expense

### 9. 所得稅開支

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The charge comprises:	支出包括：		
Taxation in the PRC	中國大陸稅項		
Current year	本年度	14,125	23,171
Over provision in prior years	過往年度超額撥備	(226)	(1,383)
Withholding tax on dividends	股息預扣稅	9,477	6,178
		<b>23,376</b>	27,966
Taxation in Taiwan	台灣稅項		
Current year	本年度	2,199	3,312
Under provision in prior years	過往年度撥備不足	5	13
Withholding tax on dividends	股息預扣稅	3,308	5,305
		<b>5,512</b>	8,630
Taxation in Hong Kong and other jurisdictions	香港及其他司法權區稅項		
Current year	本年度	538	340
Over provision in prior years	過往年度超額撥備	(135)	(172)
		<b>403</b>	168
Deferred taxation (note 30)	遞延稅項 (附註30)		
Current year	本年度	(16,393)	4,586
		<b>12,898</b>	41,350

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 9. Income Tax Expense (Continued)

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. The statutory withholding income tax rate for non-PRC resident is 10%.

Pursuant to the relevant laws and regulations in the PRC and Taiwan, dividend withholding tax is imposed at a rate of 10% and 21% on dividends that are declared in respect of profits earned by PRC and Taiwan subsidiaries respectively and that are received by non-local resident entities. Withholding tax on dividends of approximately HK\$9,477,000 (2017: HK\$6,178,000) and HK\$3,308,000 (2017: HK\$5,305,000) for the PRC and Taiwan were recognised respectively.

Corporate Income Tax in Taiwan is charged at 20% and 17% in year 2018 and 2017, respectively.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

### 9. 所得稅開支 (續)

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國大陸附屬公司之稅率為25%。非中國居民的法定預扣稅所得稅率為10%。

根據中國大陸及台灣相關法例及規例，就中國大陸及台灣附屬公司賺取的所得溢利而宣派並由非本地居民企業收取之股息，股息預扣稅率分別為10%和21%。中國大陸及台灣之股息預扣稅約9,477,000港元(二零一七年：6,178,000港元)及3,308,000港元(二零一七年：5,305,000港元)已分別確認。

於二零一八年度及二零一七年度，台灣企業所得稅分別按20%及17%計算。

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂本)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日經簽署成為法律並於翌日於憲報刊登。根據利得稅兩級制，合資格集團實體將按8.25%之稅率就溢利首2,000,000港元繳納稅項，並將按16.5%之稅率繳納2,000,000港元以上溢利之稅項。未符合利得稅兩級制之集團實體的溢利將繼續按16.5%之統一稅率計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 9. Income Tax Expense (Continued)

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before tax	除稅前溢利	<b>39,157</b>	146,738
Tax at the PRC income tax rate of 25% (Note)	按中國大陸企業所得稅稅率25%計算稅項(附註)	<b>9,789</b>	36,685
Tax effect of expenses not deductible for tax purpose	不可扣稅支出之稅務影響	<b>3,324</b>	3,284
Tax effect of income not taxable for tax purpose	毋須課稅收益之稅務影響	<b>(529)</b>	(506)
Utilisation of tax losses previously not recognised	動用過往未確認之稅務虧損	<b>(3,271)</b>	(6,648)
Over provision in respect of prior years	過往年度超額撥備	<b>(356)</b>	(1,542)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區營運之附屬公司之不同稅率之影響	<b>(1,011)</b>	(2,600)
Deferred tax liabilities on undistributed earnings of the PRC and Taiwan subsidiaries	有關中國大陸及台灣附屬公司之未分派盈利之遞延稅項負債	<b>4,952</b>	12,677
Income tax expense for the year	本年度所得稅開支	<b>12,898</b>	41,350

Note: The domestic tax rate (which is the PRC tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

### 9. 所得稅開支(續)

本年度稅項支出與綜合損益及其他全面收益表所示除稅前溢利對賬如下：

附註：使用本集團營運主要所在之司法權區之當地稅率（即中國大陸稅率）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 10. Profit for the Year

### 10. 年度溢利

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	本年度溢利已扣除(計入)下列各項:		
Staff costs:	員工成本:		
Directors' emoluments (note 11)	董事酬金(附註11)	6,212	5,520
Other staff salaries and allowances	其他員工薪酬及津貼	88,676	79,690
Retirement benefits scheme contributions, excluding directors:	退休福利計劃供款, 不包括董事:		
– defined contribution plans (note 27 (b))	– 定額供款計劃(附註27 (b))	16,927	16,197
– defined benefit plan (note 27 (a))	– 定額福利計劃(附註27 (a))	123	116
Total staff costs	員工成本總額	<u>111,938</u>	<u>101,523</u>
Depreciation of property, plant and equipment	物業、廠房及設備折舊	23,244	20,587
Amortisation of intangible assets	無形資產攤銷	1,117	–
Cost of inventories recognised as an expense	已確認為開支之存貨成本	116,227	79,819
Release of prepaid lease payments	撥回自用土地租賃款	1,234	1,180
Amortisation of contract costs	合約成本攤銷	5,315	–
Auditor's remuneration	核數師酬金	3,611	3,367
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	970	191
(Reversal of allowance) allowance for trade receivables	貿易應收賬款(撥備撥回)撥備	(2,153)	3,457
Allowance for obsolete inventories, included in cost of sales	陳舊存貨撥備(計入銷售成本)	10,853	1,737
Loss on disposal of inventories, included in cost of sales	壞貨報廢損失(計入銷售成本)	5,167	–
Advertising and promotion expenses	廣告及推廣開支	19,864	13,510
Net exchange loss	匯兌虧損淨額	<u>1,319</u>	<u>3,713</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. Directors' and Chief Executive's Emoluments

The emoluments paid or payable to each of the twelve (2017: seven) directors and the chief executive were as follows:

For the year ended 31 December 2018

### 11. 董事及主要行政人員酬金

已付或應付十二名(二零一七年:七名)董事及主要行政人員之酬金如下:

截至二零一八年十二月三十一日止年度

		Directors 董事											Interim Chief Executive			Chief Executive	Total	
		Dr. TSAI Yen-Yu	Mr. LEE Ming-Ta	Dr. SU Chien-Cheng	Dr. SU Sh-Hsyu	Mr. CHEN Ruey-Long	Mr. LU Chi-Chant	Mr. HSIEH Pang-Chang	Dr. LEI Chien	Mr. PAN Yi-Fan	Mr. HSIAO Wen-Chung	Ms. LU Yu-Min	Mr. YANG Shih-Chien	Total directors' emoluments	Mr. HSIAO Wen-Chung	Ms. YANG Shu-Hwa	Ms. LIN Yen-Ling	Total
		蔡燕玉博士	李明達先生	蘇建誠博士	蘇詩秀博士	陳瑞隆先生	盧啟昌先生	謝邦昌先生	雷偉博士	潘逸凡先生	蕭文聰先生	陸瑜民女士	楊世誠先生	酬金總額	蕭文聰先生	楊淑華女士	林燕玲女士	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note i)	(Note ii)	(Note ii)	(Note ii)	(Note ii)	(Note ii)	(Note iii)	(Note iv)	(Note v)	(Note vi)	(Note vi)	(Note vi)	(Note v)	(Note vii)	(Note viii)	(Note viii)	(Note viii)
		(附註i)	(附註ii)	(附註ii)	(附註ii)	(附註ii)	(附註ii)	(附註iii)	(附註iv)	(附註v)	(附註vi)	(附註vi)	(附註vi)	(附註v)	(附註vii)	(附註viii)	(附註viii)	(附註viii)
Fees	袍金	1,000	-	1,042	1,042	240	240	210	167	167	350	196	30	4,684	673	588	124	6,069
Other emoluments	其他酬金	-	610	284	284	-	-	-	-	-	172	-	-	1,350	933	296	229	2,808
Salaries and other benefits	薪金及其他福利	-	610	284	284	-	-	-	-	-	172	-	-	1,350	933	296	229	2,808
Contributions to retirement benefits scheme	退休福利計劃供款	28	65	36	36	-	-	-	-	-	13	-	-	178	34	-	9	221
Total emoluments	酬金總額	1,028	675	1,362	1,362	240	240	210	167	167	535	196	30	6,212	1,640	884	362	9,098



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 11. Directors' and Chief Executive's Emoluments 11. 董事及主要行政人員酬金 (續)

(Continued)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

		Directors 董事							Total Total	Chief Executive	Total
		Dr. TSAI Yen-Yu 蔡燕玉博士	Mr. LEE Ming-Ta 李明達先生	Dr. SU Chien-Cheng 蘇建誠博士	Dr. SU Sh-Hsyu 蘇詩琇博士	Mr. CHEN Ruey-Long 陳瑞隆先生	Mr. LU Chi-Chant 盧啟昌先生	Mr. HSIEH Pang-Chang 謝邦昌先生	directors' emoluments 董事 酬金總額	Mr. HSIAO Wen-Chung 蕭文聰先生	2017 總計 二零一七 年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Fees	袍金	1,000	-	1,250	1,250	240	240	240	4,220	1,330	5,550
Other emoluments	其他酬金										
Salaries and other benefits	薪金及其他福利	-	565	285	285	-	-	-	1,135	1,580	2,715
Contributions to retirement benefits scheme	退休福利計劃供款	24	55	43	43	-	-	-	165	85	250
Total emoluments	酬金總額	1,024	620	1,578	1,578	240	240	240	5,520	2,995	8,515

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### 11. Directors' and Chief Executive's Emoluments

(Continued)

Notes:

- (i) Dr. TSAI Yen-Yu ("Dr. TSAI") was re-designated as a Non-Executive Director and stepped down from being the chairperson of the Board and been appointed as an honorary chairperson of the Company on 26 October 2018. Dr. TSAI resigned as Non-Executive Director on 25 January 2019.
- (ii) Mr. LEE Ming-Ta, Dr. SU Chien-Cheng, Dr. SU Sh-Hsyu and Mr. HSIEH Pang-Chang resigned as Directors of the Company on 16 November 2018.
- (iii) Dr. LEI Chien was appointed as as an Executive Director and chairperson of the Board on 26 October 2018.
- (iv) Mr. PAN Yi-Fan was appointed as a Director of the Company on 26 October 2018.
- (v) Mr. HSIAO Wen-Chung ceased to hold office as Chief Executive Officer of the Group with effect from 9 July 2018 and re-designated as a Director of the Company on 26 October 2018.
- (vi) Ms. LU Yu-Min and Mr. YANG Shih-Chien were appointed as Directors of the Company on 16 November 2018.
- (vii) Ms. YANG Shu-Hwa was appointed as Interim Chief Executive Officer of the Group with effect from 9 July 2018 and resigned as Interim Chief Executive Officer of the Group with effect from 26 October 2018.
- (viii) Ms. LIN Yen-Ling was appointed as Chief Executive Officer of the Group with effect from 26 October 2018.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company or its subsidiaries.

Executive Directors and Non-Executive Directors are entitled to a management bonus aggregately not exceeding 15% of the audited consolidated profit attributable to owners of the Company in respect of that financial year of the Group, as recommended by the Remuneration Committee.

No emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2017 and 2018.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

### 11. 董事及主要行政人員酬金 (續)

附註：

- (i) 蔡燕玉博士(「蔡博士」)調任為非執行董事並不再擔任董事會主席；並於二零一八年十月二十六日獲委任為本公司之名譽主席。蔡博士於二零一九年一月二十五日辭任非執行董事。
- (ii) 李明達先生、蘇建誠博士、蘇詩琇博士及謝邦昌先生於二零一八年十一月十六日辭任本公司董事。
- (iii) 雷倩博士於二零一八年十月二十六日獲委任為執行董事及董事會主席。
- (iv) 潘逸凡先生於二零一八年十月二十六日獲委任為本公司董事。
- (v) 蕭文聰先生自二零一八年七月九日起不再擔任本集團行政總裁，並自二零一八年十月二十六日起調任為本公司董事。
- (vi) 陸瑜民女士及楊世緘先生於二零一八年十一月十六日獲委任為本公司董事。
- (vii) 自二零一八年七月九日起，楊淑華女士獲委任為本集團代理行政總裁，並於二零一八年十月二十六日辭任本集團代理行政總裁。
- (viii) 林燕玲女士獲委任為本集團之行政總裁，自二零一八年十月二十六日起生效。

以上所示執行董事之酬金為彼等於本公司及本集團有關管理事務之服務酬金。以上所示非執行董事之酬金為彼等作為本公司或其附屬公司董事之服務酬金。

執行董事及非執行董事可享有由薪酬委員會建議之管理層花紅，有關花紅總額不得超過本集團於有關財政年度之本公司擁有人應佔經審核綜合溢利15%。

於截至二零一七年及二零一八年十二月三十一日止兩個年度，本集團概無向董事支付任何酬金，作為吸引彼等加入本集團或在加入本集團時之酬金或作為離職補償。

年內，概無任何有關董事或主要行政人員放棄或同意放棄任何薪酬之安排。

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### 12. Employees' Emoluments

Of the five individuals with the highest emoluments in the Group, two (2017: three) were directors and the chief executives of the Company whose emoluments are included in the disclosures in note 11 above. The emoluments of the remaining three (2017: two) individuals were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	6,069	2,461
Contributions to retirement benefits scheme	退休福利計劃供款	123	111
		<b>6,192</b>	<b>2,572</b>

The emoluments of the three (2017: two) individuals were within the following bands:

		2018 二零一八年 Headcount 人數	2017 二零一七年 Headcount 人數
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	–	2
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	2	–

### 13. Earnings Per Share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the profit attributable to the owners of the Company of approximately HK\$26,259,000 (2017: HK\$105,388,000) and on the number of 2,002,100,932 (2017: 2,002,100,932) ordinary shares of the Company in issue during the year.

No diluted earnings per share for both 2018 and 2017 were presented as there were no potential ordinary shares in issue for both 2018 and 2017.

### 12. 僱員酬金

本集團五名最高薪酬人士中，其中兩名（二零一七年：三名）為本公司董事及主要行政人員，彼等之酬金詳情已於上文附註11披露。餘下三名（二零一七年：兩名）人士之酬金如下：

三名（二零一七年：兩名）人士之酬金介乎以下範圍：

### 13. 每股盈利

本公司擁有人應佔每股基本盈利乃根據本公司擁有人應佔溢利約26,259,000港元（二零一七年：105,388,000港元）及年內本公司已發行普通股數2,002,100,932股（二零一七年：2,002,100,932股）計算。

於二零一八年及二零一七年兩個年度並無呈列每股攤薄盈利，因於二零一八年及二零一七年兩個年度並無已發行潛在普通股。

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### 14. Dividends

### 14. 股息

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Dividends recognised as distribution during the year:	年內確認為分派之股息：		
Interim dividend, paid – HK\$0.0145 per share for 2018 (2017: HK\$0.0171 per share for 2017)	已派付中期股息 – 二零一八年每股0.0145港元 (二零一七年：二零一七年每股0.0171港元)	29,031	34,236
Special interim dividend, paid – nil for 2018 (2017: HK\$0.0054 per share for 2017)	已派付特別中期股息 – 二零一八年無 (二零一七年：二零一七年每股0.0054港元)	–	10,811
Final dividend, paid – HK\$0.0335 per share for 2017 (2017: HK\$0.0327 per share for 2016)	已派付末期股息 – 二零一七年每股0.0335港元 (二零一七年：二零一六年每股0.0327港元)	67,070	65,469
Special final dividend, paid – nil for 2017 (2017: HK\$0.025 per share for 2016)	已派付特別末期股息 – 二零一七年無 (二零一七年：二零一六年每股0.025港元)	–	50,052
		<b>96,101</b>	160,568

Subsequent to the end of the reporting period, no final dividend in respect of the year ended 31 December 2018 (2017: a final dividend of HK\$0.0335 per share), amounting to nil (2017: HK\$67,070,381) has been proposed by the directors.

在報告期間結算日後，董事建議不派付截至二零一八年十二月三十一日止年度末期股息 (二零一七年：末期股息每股0.0335港元)，合共為零 (二零一七年：67,070,381港元)。

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### 15. Investment Properties

### 15. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2017	於二零一七年一月一日	7,196
Exchange realignment	匯兌調整	697
At 31 December 2017	於二零一七年十二月三十一日	7,893
Exchange realignment	匯兌調整	(219)
At 31 December 2018	於二零一八年十二月三十一日	7,674

The fair values of the Group's investment properties at 31 December 2018 and 2017 have been arrived at on the basis of a valuation carried out on those dates by Euro-Asia Real Estate Appraisers Firm, an independent qualified professional valuer not connected with the Group. Euro-Asia Real Estate Appraisers Firm is a member of the Institute of Valuers, and has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation was arrived at using the direct comparison approach by reference to market evidence of recent transaction for similar properties in the similar locations and under the similar conditions.

本集團之投資物業於二零一八年及二零一七年十二月三十一日之公平值，乃按歐亞不動產估價師聯合事務所（與本集團並無關連之獨立合資格專業估值師）於上述日期進行之估值計算所得。歐亞不動產估價師聯合事務所為估值師學會（Institute of Valuers）會員，其具備合適資格，最近亦有評估有關地區類似物業之經驗。有關估值乃使用直接比較法，並經參考類似物業（地區及狀況大致相同）之近期交易價格市場證據後得出。

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### 15. Investment Properties (Continued)

The carrying value of investment properties shown above is situated on freehold land in Taiwan.

### 15. 投資物業 (續)

上述投資物業 (賬面值如上文所示) 位於台灣之永久業權土地。

Fair value hierarchy 公平值層次結構	Valuation technique 估值方法	Significant unobservable input(s) 主要不可觀察之輸入數據	Relationship of unobservable input(s) to fair value 不可觀察之輸入數據與公平值之關係
Level 3 三級	Direct comparison method 直接比較法	Price per square metre, using market direct comparable and taking into account of location and other individual factors such as road frontage, size of property, etc. of the base level, which ranged from HK\$30,257 to HK\$35,062 per square metre 每平方米價格，使用直接市場可比價格並計及位置及其他個別因素，比如一樓的道路通達、物業面積等，每平方米價格介於30,257港元至35,062港元。	The higher the price per square metre, the higher the fair value 每平方米價格越高，公平值越高
	The key inputs are: 主要輸入數據為：		
	Price per square metre 每平方米價格		

There were no transfers into or out of Level 3 during the year.

年內，三級概無任何轉入或轉出。

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### 16. Property, Plant and Equipment

### 16. 物業、廠房及設備

		Freehold land 永久 業權土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、 裝置及設備 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST									
At 1 January 2017	成本 於二零一七年 一月一日	15,912	171,737	55,664	39,884	2,379	68,653	3,763	357,992
Exchange realignment	匯兌調整	1,543	13,512	4,735	3,113	210	5,661	535	29,309
Additions	增添	-	463	587	920	-	7,302	23,018	32,290
Disposals	出售	-	-	(612)	(378)	(237)	(995)	-	(2,222)
Transfer	轉讓	-	-	-	-	-	3,612	(3,612)	-
At 31 December 2017	於二零一七年 十二月三十一日	17,455	185,712	60,374	43,539	2,352	84,233	23,704	417,369
Exchange realignment	匯兌調整	(484)	(8,919)	(2,457)	(2,125)	(74)	(3,841)	(1,103)	(19,003)
Additions	增添	-	-	3,964	262	1,062	4,558	21,452	31,298
Acquired on acquisition of a subsidiary (note 33)	於收購附屬公司時 購入(附註33)	-	-	-	-	-	138	-	138
Disposals	出售	-	-	(2,279)	(604)	-	(9,400)	-	(12,283)
Transfer	轉讓	-	-	5,829	18	-	5,633	(11,480)	-
At 31 December 2018	於二零一八年 十二月三十一日	16,971	176,793	65,431	41,090	3,340	81,321	32,573	417,519
DEPRECIATION									
At 1 January 2017	折舊 於二零一七年 一月一日	-	67,324	42,308	23,010	1,109	50,699	-	184,450
Exchange realignment	匯兌調整	-	5,382	4,042	1,851	100	4,378	-	15,753
Provided for the year	本年度撥備	-	5,586	4,748	3,412	337	6,504	-	20,587
Eliminated on disposals	於出售時攤銷	-	-	(612)	(331)	(225)	(863)	-	(2,031)
At 31 December 2017	於二零一七年 十二月三十一日	-	78,292	50,486	27,942	1,321	60,718	-	218,759
Exchange realignment	匯兌調整	-	(3,718)	(2,073)	(1,332)	(40)	(3,215)	-	(10,378)
Provided for the year	本年度撥備	-	5,433	5,372	3,236	451	8,752	-	23,244
Eliminated on disposals	於出售時攤銷	-	-	(2,124)	(516)	-	(8,673)	-	(11,313)
At 31 December 2018	於二零一八年 十二月三十一日	-	80,007	51,661	29,330	1,732	57,582	-	220,312
CARRYING VALUES									
At 31 December 2018	賬面值 於二零一八年 十二月三十一日	16,971	96,786	13,770	11,760	1,608	23,739	32,573	197,207
At 31 December 2017	於二零一七年 十二月三十一日	17,455	107,420	9,888	15,597	1,031	23,515	23,704	198,610

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### 16. Property, Plant and Equipment (Continued)

The above items of property, plant and equipment, other than construction in progress and freehold land, are depreciated on a straight-line basis at the following rates per annum:

Buildings	40 years
Leasehold improvements	The shorter of the unexpired period of the lease and estimated useful life of 3 to 10 years
Machinery	5 – 10 years
Motor vehicles	3 – 5 years
Furniture, fixtures and equipment	2 – 15 years

### 16. 物業、廠房及設備 (續)

上述物業、廠房及設備項目(在建工程及永久業權土地除外)按直線基準根據以下年率折舊：

樓宇	40年
租賃物業裝修	未屆滿租賃年期或估計可使用年期3至10年(以較短者為準)
廠房及機器	5 – 10年
汽車	3 – 5年
傢具、裝置及設備	2 – 15年

### 17. Intangible Assets

### 17. 無形資產

		Licenses 許可權 HK\$'000 千港元
COST		
At 1 January 2018	成本 於二零一八年一月一日	–
Acquired on acquisition of subsidiaries (note 33)	於收購附屬公司時購入(附註33)	19,200
Exchange realignment	匯兌調整	(977)
At 31 December 2018	於二零一八年十二月三十一日	18,223
AMORTISATION		
At 1 January 2018	攤銷 於二零一八年一月一日	–
Provided for the year	本年度撥備	1,117
Exchange realignment	匯兌調整	(16)
At 31 December 2018	於二零一八年十二月三十一日	1,101
CARRYING VALUES		
At 31 December 2018	賬面值 於二零一八年十二月三十一日	17,122
At 31 December 2017	於二零一七年十二月三十一日	–

Included within licenses, is an amount of HK\$17,122,000 (31 December 2017: nil) representing the carrying amount of the Practice License of Medical Institution, acquired by way of acquisition of subsidiaries and initially recognised at its fair value of HK\$19,200,000 in 2018.

Licenses are amortised on a straight-line basis over ten years.

許可權包含醫療機構執業許可證之賬面值17,122,000港元(二零一七年十二月三十一日：無)，該醫療機構執業許可證乃以收購附屬公司的方式購得，並於二零一八年按其公平值19,200,000港元初步確認。

許可權逾十年均以直線基準法攤銷。



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### 18. Prepaid Lease Payments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The Group's prepaid lease payments comprise leasehold land rights in the PRC under medium-term land use rights	本集團之自用土地租賃款包括於中國大陸根據中期土地使用權持有之租賃土地使用權	49,714	53,680
Analysed for reporting purposes as:	就申報用途分析如下：		
Non-current asset	非流動資產	48,530	52,431
Current asset	流動資產	1,184	1,249
		<b>49,714</b>	<b>53,680</b>

### 18. 自用土地租賃款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
The Group's prepaid lease payments comprise leasehold land rights in the PRC under medium-term land use rights	本集團之自用土地租賃款包括於中國大陸根據中期土地使用權持有之租賃土地使用權	49,714	53,680
Analysed for reporting purposes as:	就申報用途分析如下：		
Non-current asset	非流動資產	48,530	52,431
Current asset	流動資產	1,184	1,249
		<b>49,714</b>	<b>53,680</b>

### 19. Goodwill

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
COST	成本		
At 1 January	於一月一日	30,287	28,702
Exchange realignment	匯兌調整	(1,469)	1,585
Arising on acquisition of subsidiaries (note 33)	來自收購附屬公司(附註33)	5,781	-
At 31 December	於十二月三十一日	<b>34,599</b>	<b>30,287</b>
IMPAIRMENT	減值		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年十二月三十一日	3,192	3,192
CARRYING VALUES	賬面值		
At 31 December	於十二月三十一日	<b>31,407</b>	<b>27,095</b>

### 19. 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
COST	成本		
At 1 January	於一月一日	30,287	28,702
Exchange realignment	匯兌調整	(1,469)	1,585
Arising on acquisition of subsidiaries (note 33)	來自收購附屬公司(附註33)	5,781	-
At 31 December	於十二月三十一日	<b>34,599</b>	<b>30,287</b>
IMPAIRMENT	減值		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年十二月三十一日	3,192	3,192
CARRYING VALUES	賬面值		
At 31 December	於十二月三十一日	<b>31,407</b>	<b>27,095</b>

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### 19. Goodwill (Continued)

For the purposes of impairment testing, goodwill has been allocated to two individual cash – generating units (CGUs), comprising sale of cosmetic products in the PRC CGU and medical aesthetics services in the PRC CGU. The carrying amounts of goodwill (net of accumulated impairment losses) allocated to these units are as follows:

	31/12/2018 二零一八年 十二月三十一日 HK\$'000 千港元	31/12/2017 二零一七年 十二月三十一日 HK\$'000 千港元
Sale of cosmetic products in the PRC (Unit A) 於中國大陸銷售美容產品 (單位A)	25,923	27,095
Medical aesthetics services in the PRC (Unit B) 於中國大陸銷售醫療美容服務 (單位B)	5,484	–
	<b>31,407</b>	<b>27,095</b>

#### Unit A

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a five-year period assuming no growth and cash flows over five years using a growth rate of 0% and a discount rate of 8.5% (2017: 8.6%). Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and the management's expectations for the market development. The management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of this unit to exceed the aggregate recoverable amount of this unit.

During the year ended 31 December 2018 and 31 December 2017, management of the Group determines that there is no impairment on Unit A.

### 19. 商譽 (續)

就減值測試而言，商譽已獲分配至兩個獨立現金產生單位（現金產生單位），包括於中國大陸銷售美容產品之現金產生單位及於中國大陸銷售醫療美容服務之現金產生單位。商譽賬面值（已扣除累計減值虧損）乃分配至下列該等單位：

#### 單位A

此單位之可收回金額按使用價值計算釐定。該計算方式乃根據管理層批准之五年期財務預算並假設無增長且五年現金流量乃使用零增長率及8.5%貼現率（二零一七年：8.6%）之現金流量預測所得出。使用價值計算方法之其他主要假設與估計現金流入／流出有關（包括預算銷售額及毛利率），有關估計按現金產生單位之過往表現及管理層對市場發展之預期釐定。管理層相信，任何該等假設之任何合理可能變動均不會導致此現金產生單位之賬面總值超出此現金產生單位之可收回總金額。

截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度，本集團管理層釐定單位A並無減值。

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### 19. Goodwill (Continued)

#### Unit B

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period and discount rate of 15.2%. Unit B's cash flows beyond the five-year period are extrapolated using a steady 5% growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Cash flow projections during the budget period for Unit B is also based on the budgeted sales and expected gross margins during the budget period. Expected cash inflows/outflows, which include budgeted sales, gross margin have been determined on past performance of comparable clinics and management's expectations for the market development.

During the year ended 31 December 2018, management of the Group determines that there is no impairment on Unit B.

### 19. 商譽 (續)

#### 單位B

此單位之可收回金額按使用價值計算釐定。該計算方式乃根據管理層批准之五年期財務預算及15.2%貼現率之現金流量預測所得出。超出五年期的單位B現金流量乃採用穩定的5%增長率推算。該增長率乃根據相關行業增長預測且不會超出相關行業的平均長期增長率。單位B預算期內的現金流量預測亦根據預算期內的預算銷售額及預期毛利率。預期現金流入／流出（包括預算銷售額及毛利率）已根據可資比較診所的過往表現及管理層對市場發展的期望釐定。

截至二零一八年十二月三十一日止年度，本集團管理層釐定單位B並無減值。

### 20. Inventories

### 20. 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	40,814	51,477
Finished goods	製成品	49,484	44,081
		<b>90,298</b>	95,558
Allowance for obsolete inventories	陳舊存貨撥備	<b>(15,985)</b>	(10,481)
		<b>74,313</b>	85,077

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### 21. Trade and Other Receivables

### 21. 貿易及其他應收賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables	貿易應收賬款	73,293	103,240
Less: allowance for credit losses	減：信貸虧損撥備	(2,363)	(5,089)
		<b>70,930</b>	98,151
Prepayments	預付款項	12,134	7,522
Other receivables	其他應收賬款	3,503	3,616
		<b>86,567</b>	109,289
Total trade and other receivables	貿易及其他應收賬款總額	<b>86,567</b>	109,289

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on dates of delivery of goods.

按貨品交付日期呈列之貿易應收賬款（已扣除信貸虧損撥備）賬齡分析如下。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Aging:	賬齡：		
Within credit period	信貸期內	64,206	78,503
Over credit period but less than 180 days	超過信貸期但在180日內	2,258	6,783
Over 180 days	超過180日	4,466	12,865
		<b>70,930</b>	98,151

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### 21. Trade and Other Receivables (Continued)

As at 31 December 2018, included in the Group's receivables balance are debtors with aggregate carrying amount of HK\$6,724,000 which are past due as at the reporting date. Out of the past due balances, HK\$4,466,000 has been past due 180 days or more and is not considered as in default as the amount will be repaid by the customer based on the supplemental agreement signed with customers and historical experience. The Group considers both quantitative and qualitative information that is reasonable and supportable to have a more lagging default criterion as the Group remains a long-term relationship with customers. The Group does not hold any collateral over these balances.

As at 31 December 2017, included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$19,648,000 which are past due as at the reporting date for which the Group has not provided for impairment loss. The Group holds a collateral for a balance of HK\$6,967,000.

Aging of trade receivables which are past due but not impaired:

		2017 二零一七年 HK\$'000 千港元
Aging:	賬齡：	
Over credit period but less than 180 days	超過信貸期但在180日內	6,783
Over 180 days	超過180日	12,865
		<u>19,648</u>

The directors of the Company assessed the credit quality of those debtors that the balances are past due by reviewing their financial position, the past repayment record and the experience on any recent history of default. The amounts are considered recoverable.

Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits to customers are reviewed regularly. The majority of the trade receivables that are neither past due nor impaired have no history of defaulting on repayments.

### 21. 貿易及其他應收賬款 (續)

於二零一八年十二月三十一日，本集團貿易應收賬款結餘包括總賬面值6,724,000港元於本報告日期已逾期的賬款。該等逾期結餘中，4,466,000港元已逾期180日或以上並未視作違約，乃因根據與客戶簽訂的補充協議及過往經驗客戶將償還有關金額。由於本集團與客戶保持長期關係，故本集團會考慮合理及可靠的定量及定性資料以制定更寬鬆的違約標準。本集團並無就該等結餘持有任何抵押。

於二零一七年十二月三十一日，本集團貿易應收賬款結餘包括總賬面值19,648,000港元於本報告日期已逾期的賬款，本集團並無就其減值虧損作出撥備。本集團就結餘6,967,000港元持有抵押。

已到期但不需減值的貿易應收賬款賬齡：

本公司董事透過審查債務人的財務狀況、過往的還款記錄和任何近期的違約行為評估彼等的信貸質素。認為該逾期結餘數額可以收回。

接納任何新客戶前，本集團利用內部信貸系統對潛在客戶的信貸質素進行評估並且釐定其信用額度。本集團對客戶的額度進行定期審查。大部分未逾期亦未減值的貿易應收賬款沒有不履行償還的歷史。

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### 21. Trade and Other Receivables (Continued) Movement in the allowance for doubtful debts

		2017 二零一七年 HK\$'000 千港元
Balance at the beginning of the year	年初餘額	1,476
Amounts recovered during the year	年內收回金額	(589)
Allowance on receivables	應收賬款撥備	4,046
Amounts written off as uncollectible	撇銷不可回收金額款項	(115)
Exchange realignment	匯兌調整	271
		5,089

As at 31 December 2017, included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$5,089,000, which have been identified with financial difficulties.

Details of impairment assessment of trade and other receivables for the year ended 31 December 2018 are set out in note 37.

### 21. 貿易及其他應收賬款 (續) 呆賬撥備變動

於二零一七年十二月三十一日，呆賬撥備包括確定有財務困難的個別減值貿易應收賬款之總結餘共計5,089,000港元。

截至二零一八年十二月三十一日止年度的貿易及其他應收賬款減值評估之詳情載於附註37。

### 22. Contract Costs

		2018 二零一八年 RMB'000 人民幣千元
Incremental costs to obtain contracts	取得合約增量成本	798

Contract costs capitalised as at 31 December 2018 relate to the incremental sales commissions paid to franchisees whose selling activities resulted in customers entering into sale and purchase agreements for the Group's services which are still not transferred at the reporting date. Contract costs are recognised as part of cost of sales in the consolidated statement of profit or loss in the period in which revenue from the related services sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was HK\$5,315,000. There was no impairment in relation to the costs capitalised during the year.

### 22. 合約成本

於二零一八年十二月三十一日的資本化合約成本與已付加盟者的增量銷售佣金有關，該等加盟者的銷售活動導致客戶為本集團於報告日期尚未轉移的服務訂立買賣協議。合約成本於相關服務銷售收入確認期間內的綜合損益表中確認為銷售成本的一部份。年內於損益中確認的資本化成本金額為5,315,000港元。年內概無有關資本化成本的減值。

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### 23. Pledged Bank Deposits/Bank Balances and Cash

In 2015, the Group signed a guarantee agreement and placed bank deposits with China Merchants Bank of China ("CMBC"), in order for CMBC to issue guarantee letters to Fengxian government for the Group's construction project. The pledged bank deposits will be released upon the expirations of the guarantee letters.

As at 31 December 2018, the carrying amount of the pledged bank deposits was RMB6,109,000 (equivalent to approximately HK\$6,958,000), of which RMB3,054,000 (equivalent to approximately HK\$3,479,000) will be released in 2019 and RMB3,055,000 (equivalent to approximately HK\$3,479,000) will be released in 2020.

As at 31 December 2018, the Group's bank deposits of United States Dollar ("US\$") 734,000 (2017: US\$536,000) (equivalent to approximately HK\$5,752,000 (2017: HK\$4,185,000)) was denominated in a currency other than the functional currency of the relevant group entity.

### 24. Trade and Other Payables

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	貿易應付賬款	20,537	21,521
Deposits from franchisees	加盟商押金	24,317	25,934
Other tax payables	其他應付稅項	14,229	14,981
Accruals	應付費用	27,938	21,483
Other payables	其他應付賬款	6,480	7,363
Total trade and other payables	貿易及其他應付賬款總額	93,501	91,282

### 23. 抵押銀行存款／銀行結存及現金

於二零一五年，本集團為建設項目與中國招商銀行（「招商銀行」）簽署保證協議及用銀行存款作為抵押以便招商銀行向奉賢區政府開出保函。已抵押銀行存款將在保函期滿後解除抵押。

於二零一八年十二月三十一日，已抵押銀行存款的賬面值為人民幣6,109,000元（相等於約6,958,000港元），其中人民幣3,054,000元（相等於約3,479,000港元）將於二零一九年解除抵押及人民幣3,055,000元（相等於約3,479,000港元）將於二零二零年解除抵押。

於二零一八年十二月三十一日，金額為734,000美元（「美元」）（二零一七年：536,000美元）（相當於約5,752,000港元（二零一七年：4,185,000港元））之本集團銀行存款，乃按相關集團實體功能貨幣以外之貨幣計值。

### 24. 貿易及其他應付賬款

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### 24. Trade and Other Payables (Continued)

The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 90 days	90日內	18,843	21,123
91 days to 365 days	91日至365日	1,680	18
Over 365 days	超過365日	14	380
		<b>20,537</b>	<b>21,521</b>

The average credit period on purchases of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

### 25. Contract Liabilities

		31/12/2018 於二零一八年 十二月三十一日 HK\$'000 千港元	1/1/2018* 二零一八年 一月一日* HK\$'000 千港元
Prepaid treatment fees	預付療程費	12,150	5,981
Sales of products	產品銷售	10,466	4,151
		<b>22,616</b>	<b>10,132</b>

\* The amounts in this column are after the adjustments from the application of HKFRS 15.

### 24. 貿易及其他應付賬款 (續)

於報告期間結算日，按發票日期計算呈列之貿易應付賬款賬齡分析如下：

購買商品之平均信貸期為90日。本集團已制定財務風險管理政策，以確保所有應付賬款均於設定信貸時限內償付。

### 25. 合約負債

\* 該欄之金額乃經應用香港財務報準則第15號的調整後所得出。



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### 25. Contract Liabilities (Continued)

The contract liability is the consideration received from the customers which represents the Group's obligation to transfer goods and services to customers has not been completed. All the contract liabilities at the beginning of the year has been realised to revenue in the current year.

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

- Prepaid treatment fees

The Group typically receives a 100% deposit before the services commence.

- Sales of products

The Group allows an average credit period of 30 to 120 days to its trade customers who are qualified for credit sales. The credit period provided to customers can vary based on a number of factors including the customer's credit profile and sales promotion policy.

The amounts of consideration received in advance as prepayments by customers who are not qualified for credit sales are short term as the respective revenue is expected to be recognised within a few days when the goods are delivered to customers.

### 26. Deferred Income

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepaid treatment fees 預付療程費	–	5,981

Deferred income represents the receipts via credit cards, cheques and cash from sales of beauty services to customers and is recognised in the profit or loss once the services to the customers are provided.

### 25. 合約負債 (續)

合約負債為已自客戶收取之代價，指本集團尚未履行向客戶轉讓商品或服務之義務。年初之所有合約負債已於本年計入收入。

對確認合約負債金額構成影響之一般支付條款如下：

- 預付療程費用

本集團一般於服務開始前收取100%按金。

- 產品銷售

本集團給予其符合信貸銷售資格之貿易客戶平均30至120日之信貸期。提供客戶之信貸期可依據多項因素（包括客戶之信用狀況及促銷政策）而有所不同。

本集團向不符合信貸銷售資格之客戶提前收取代價金額作為預付款乃屬短期，原因為各收益預期於貨品交付客戶之後的數天內確認。

### 26. 遞延收益

遞延收益指向客戶銷售美容服務而透過信用卡、支票及現金收取之款項，其一旦向客戶提供服務後即在損益表確認。

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### 27. Retirement Benefits Plans

#### (a) Defined benefit plan

The Group's Taiwan subsidiaries participate in a central pension scheme providing benefits to certain employees in accordance with the Labour Standards Law (as amended) in Taiwan. The Group has an obligation to ensure that there are sufficient funds in the scheme to pay the benefits earned by the employees. The Group currently contributes at 2% of the total salaries monthly as determined and approved by the relevant government authorities. Under the scheme, the employees are entitled to retirement benefits equal to two months' salary for each year of service for the first 15 years and one month's salary for each year of service following the 15 years, but not more than 45 months' salary in aggregate on the attainment age of 60. No other post-retirement benefits are provided.

The Group's net obligation in respect of the pension scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. An actuarial valuation as at 31 December 2018 and 2017 was carried out by a qualified staff member of PricewaterhouseCoopers Taiwan, who is a member of The Actuarial Institute of the Republic of China. The actuarial valuation indicates that the Group's obligations under this defined benefit retirement scheme are 2% (2017: 2%) covered by the deposits paid with the Bank of Taiwan, Ltd.

### 27. 退休福利計劃

#### (a) 定額福利計劃

本集團台灣附屬公司根據台灣勞動基準法(經修訂)參加中央退休金計劃,以向若干僱員提供福利。本集團有責任確保有關計劃具有充裕資金,足以支付僱員賺取所得之福利。本集團現按薪金總額2%每月作出供款,有關比率由有關政府當局釐定及批准。根據有關計劃,僱員可享有之退休福利如下:於首15個服務年度,每年可享有相等於兩個月薪金之退休福利;於首15個服務年度之後,每年可享有相等於一個月薪金之退休福利,惟屆60歲時所得退休福利合共不得超過45個月薪金。本集團並無提供任何其他退休後福利。

本集團就退休金計劃而承擔之債務淨額,乃按僱員現時及過往期間提供服務而賺取所得之日後福利預計金額計算,有關福利會貼現以釐定現值,並會扣除任何計劃資產之公平值。有關計算由合資格精算師採用預計單位給付成本法計算。於二零一八年及二零一七年十二月三十一日之精算估值乃由資誠聯合會計師事務所之合資格員工進行,其為中華民國精算學會會員。上述精算估值顯示,本集團在是項定額福利退休計劃下之債務為2%(二零一七年:2%),由已付予台灣銀行有限公司之存款支付。

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For the year ended 31 December 2018  
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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

The plan in Taiwan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the weighted average rate of long term government bond and long term bank deposit rate. Overall market condition is also taken into consideration. The change of discount rate was noted mainly because of the stable level of bank interest rate. The management of the Group considers that the general environment of Taiwan will not be changed materially over the coming years over which the relevant present value will be discounted. Currently the plan has a relatively balanced investment in various financial instruments and assets.
投資風險	定額福利計劃負債的現值乃採用經參考長期政府債券及長期銀行存款利率加權平均利率後釐定的貼現率計算。整體市場情況亦納入考量。貼現率變動主要受到關注，原因乃為銀行利率的穩定水平。本集團管理層認為，台灣整體環境於未來幾年將不會出現令相關現值將貼現的重大變動。目前，該計劃相對而言擁有多種金融工具及資產的均衡投資。
Interest rate risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
利率風險	債券利率減少將增加計劃負債，然而，此將因計劃的債務投資報酬增加而被部分抵銷。
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
長壽風險	定額福利計劃負債的現值乃經參考計劃參與者於僱傭期間及其後之死亡率的最佳估計後計算。計劃參與者的平均壽命增加將增加計劃負債。
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
薪金風險	定額福利計劃負債的現值乃經參考計劃參與者的未來薪金後計算。因此，計劃參與者的薪金增加將增加計劃負債。

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

台灣的計劃令本集團承受精算風險，例如投資風險、利率風險、長壽風險及薪金風險。

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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (i) The principal assumptions used for the purposes of the actuarial valuations were as follows:

		2018 二零一八年	2017 二零一七年
Discount rate	貼現率	<b>0.90%</b>	1.10%
Expected return on plan assets	計劃資產之預期回報	<b>0.90%</b>	1.10%
Expected rate of salary increases	預期薪金增加幅度	<b>2.00%</b>	2.00%

The actuarial valuation showed that the market value of plan assets was HK\$8,014,000 (2017: HK\$7,945,000).

- (ii) Amounts recognised in profit or loss in respect of the defined benefit plans are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current service cost	現時服務成本	<b>128</b>	125
Interest on obligations	債務利息	<b>147</b>	131
Expected return on plan assets	計劃資產之預期回報	<b>(86)</b>	(83)
		<b>189</b>	173

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (i) 在進行精算估值時所採用之主要假設如下：

		2018 二零一八年	2017 二零一七年
Discount rate	貼現率	<b>0.90%</b>	1.10%
Expected return on plan assets	計劃資產之預期回報	<b>0.90%</b>	1.10%
Expected rate of salary increases	預期薪金增加幅度	<b>2.00%</b>	2.00%

精算估值顯示計劃資產之市值為8,014,000港元(二零一七年：7,945,000港元)。

- (ii) 已於損益表中確認之定額福利計劃金額如下：

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For the year ended 31 December 2018  
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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (iii) Amounts recognised in other comprehensive income (expense) in respect of the defined benefit plans are as follows:

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (iii) 已於其他全面收益(開支) 確認之定額福利計劃金額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Remeasurement on the net defined benefit liability:	重新計量定額福利負債淨額：		
– Actuarial gain (loss) arising from remeasurement	– 重新計量產生之精算收益(虧損)	3,944	(1,089)
– Expected return on plan assets	– 計劃資產之預期回報	225	(37)
		<u>4,169</u>	<u>(1,126)</u>

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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (iv) The amounts included in the consolidated statement of financial position arising from the Group's obligations in respect of its defined benefit plans are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Present value of funded defined benefit obligations	已供款定額福利債務之現值	9,313	13,569
Fair value of plan assets	計劃資產之公平值	(8,014)	(7,945)
Net liability arising from defined benefit obligations	定額福利債務產生之淨負債	1,299	5,624

Level of funding at the end of the reporting period are as follows:

		2018 二零一八年 %	2017 二零一七年 %
Level of funding	供款比例	86.06	58.56

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (iv) 已計入綜合財務狀況報表之定額福利計劃產生之本集團債務金額如下：

於報告日之供款比例如下：

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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (v) Movements in the present value of the defined benefit obligations in the current year were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	13,569	11,138
Current service cost	現時服務成本	128	125
Interest on obligations	債務利息	147	131
Benefits paid	已付福利	(205)	-
Actuarial (gain) loss	精算(收益)虧損	(3,944)	1,089
Exchange differences on foreign plans	海外計劃匯兌差額	(382)	1,086
At 31 December	於十二月三十一日	9,313	13,569

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (v) 本年度計劃資產公平值之變動如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (vi) Movements in the fair value of the plan assets in the current year were as follows:

		<b>2018</b>	2017
		<b>二零一八年</b>	二零一七年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
At 1 January	於一月一日	<b>7,945</b>	7,037
Contributions from the employer	僱主供款	<b>189</b>	173
Expected return on plan assets	計劃資產之預期回報	<b>86</b>	83
Actuarial gain (loss)	精算收益(虧損)	<b>225</b>	(37)
Benefits paid	已付福利	<b>(205)</b>	-
Exchange differences on foreign plans	海外計劃匯兌差額	<b>(226)</b>	689
		<b>8,014</b>	7,945
At 31 December	於十二月三十一日		
Actual return on plan assets	計劃資產之實際回報	<b>308</b>	47

The directors' assessment of the expected return is based on historical return trends and analysts' predictions of the market for the assets in the next twelve months.

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (vi) 本年度計劃資產公平值之變動如下：

董事所作預期回報評估乃根據過往回報走勢及分析員對資產市場未來十二個月之預測進行。



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For the year ended 31 December 2018  
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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (vi) Movements in the fair value of the plan assets in the current year were as follows: (Continued)

The major categories of plan assets, and the percentage of the fair value at the end of the reporting period for each category are as follows:

		2018 二零一八年 %	2017 二零一七年 %
Deposits with financial institutions	與金融機構的存款	14.08	17.97
Short term bills	短期債券	3.07	5.36
Stocks	股票	10.99	9.26
Bonds	債券	8.23	11.73
Others	其他	63.63	55.68
		<b>100.00</b>	100.00

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by HK\$612,000 (increase by HK\$691,000).
- If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by HK\$585,000 (decrease by HK\$531,000).

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (vi) 本年度計劃資產公平值之變動如下：(續)

計劃資產之主要類別以及於報告期間結算日各類別估計計劃資產公平值之百分比如下：

釐定定額債務所用主要精算假設為貼現率及預期薪金增加。以下敏感度分析乃根據各假設於報告期間結算日之合理可能變動同時所有其他假設維持不變而釐定。

- 如果貼現率增加(減少)100個基點，則定額福利債務將減少612,000港元(增加691,000港元)。
- 如果預期薪金增長增加(減少)1%，則定額福利債務將增加585,000港元(減少531,000港元)。

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### 27. Retirement Benefits Plans (Continued)

#### (a) Defined benefit plan (Continued)

- (vi) Movements in the fair value of the plan assets in the current year were as follows: (Continued)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the consolidated statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at 31 December 2018 is 8 years (2017:9 years). The Group expects to make a contribution of HK\$186,000 (2017:HK\$178,000) to the defined benefit plan during the next financial year.

### 27. 退休福利計劃 (續)

#### (a) 定額福利計劃 (續)

- (vi) 本年度計劃資產公平值之變動如下：(續)

上列敏感度分析可能並不代表定額福利債務之實際變動，因為若干假設可能互相關連，致使假設不太可能孤立於其他假設出現變動。

此外，呈列上述敏感度分析時，定額福利債務之現值已於報告期間結算日採用預計單位給付成本法計算，計算於綜合財務狀況報表中確認之定額福利債務負債亦採用此種計算方式。

編製敏感度分析所用方法和假設較過往年度並無變動。

於二零一八年十二月三十一日，福利責任的平均年限為8年(二零一七年：9年)。本集團預期於下個財務年度對定額福利計劃作出186,000港元(二零一七年：178,000港元)的供款。

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### 27. Retirement Benefits Plans (Continued)

#### (b) Defined contribution plans

- (i) The Group operates a Mandatory Provident Fund Scheme (“the HK MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and Mandatory Provident Fund Scheme under the Labour Standards Law (as amended) in Taiwan (the “TW MPF Scheme”). The HK MPF scheme and the TW MPF Scheme are defined contribution retirement schemes administered by independent trustees. Under the HK MPF scheme and TW MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% and 6%, respectively, of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 (with effect from 1 June 2014) for the HK MPF Scheme while there is no cap to monthly income under the TW MPF Scheme. Contributions to the scheme vest immediately.

- (ii) The employees of the Group’s subsidiaries in the PRC are members of the state-managed retirement benefit plan operated by the PRC government. As stipulated by the regulations of the PRC, these relevant subsidiaries participate in various defined contribution retirement plans organised by the relevant authorities for its PRC employees. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The PRC government is responsible for the pension liabilities to these retired staff. The Group is required to make contributions to the retirement plans which are calculated based on certain prescribed rates and the salaries, bonuses and certain allowances of its PRC employees. The Group has no other material obligations for the payment of pension benefits associated with these plans beyond the annual contributions described above.

### 27. 退休福利計劃 (續)

#### (b) 定額供款計劃

- (i) 本集團根據香港強制性公積金計劃條例為香港僱傭條例管轄範圍內聘用之僱員設立強制性公積金計劃（「香港強積金計劃」），另根據台灣勞動基準法（經修訂）設立強制性公積金計劃（「台灣強積金計劃」）。香港強積金計劃及台灣強積金計劃為由獨立信託人管理之定額供款退休計劃。根據香港強積金計劃及台灣強積金計劃，僱主及僱員須各自向計劃作出供款，供款額分別相當於僱員有關收入5%及6%。香港強積金計劃之每月有關收入上限為30,000港元（由二零一四年六月一日起生效），而台灣強積金計劃並無每月收入上限。計劃供款即時撥歸僱員所有。
- (ii) 本集團中國大陸附屬公司之僱員為中國政府經營之國家管理退休福利計劃成員。有關附屬公司已根據中國法規規定，為其中國大陸僱員參加多個由有關當局安排之定額供款退休計劃。僱員有權收取之退休金乃根據有關政府法規之規定，按彼等於退休時之基本薪金及服務年期計算。中國政府負責向有關退休員工發放退休金，而本集團則須向有關退休計劃作出供款，供款額按若干指定比率及本集團中國大陸僱員之薪金、花紅及若干津貼計算。就支付上述計劃之相關退休福利而言，除了作出上述年度供款外，本集團再無其他重大責任。

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### 27. Retirement Benefits Plans (Continued)

#### (b) Defined contribution plans (Continued)

The total cost charged to profit or loss of HK\$17,039,000 (2017: HK\$16,305,000) represents contributions paid on payable to these schemes by the Group in respect of the current accounting period.

### 27. 退休福利計劃 (續)

#### (b) 定額供款計劃 (續)

計入損益表之總成本為17,039,000港元(二零一七年: 16,305,000港元)，乃本集團就現行會計期間已付或應付該等計劃之供款。

### 28. Share Capital

### 28. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股		
Authorised:	法定：		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年十二月三十一日	4,000,000,000	400,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年十二月三十一日	2,002,100,932	200,210

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### 29. Share Option Scheme

Pursuant to the written resolution passed by the shareholders on 11 March 2002, the Company has adopted a share option scheme (the "Old Scheme") for the primary purpose of providing incentives to directors and eligible employees. Under the Old Scheme, the Company may grant options to full-time employees (including executive and non-executive Directors) of the Company or its subsidiaries to subscribe for the shares at a consideration of HK\$1 for each lot of share options granted. Options granted must be taken up within 28 days of the date of grant. The Old Scheme will remain valid for a period of 10 years commencing on 11 March 2002.

A new share option scheme ("New Scheme") with terms exactly the same as the Old Scheme with different exercisable periods was approved at the Annual General Meeting ("AGM") on 13 May 2011. Upon the approval of the New Scheme, the amended Old Scheme was terminated at the AGM on 13 May 2011.

Options granted under the New Scheme may be exercised during such period as would be determined by the board of directors of the Company (the "Board") and notified to each grantee upon grant of the option, but in any event not later than 10 years from the date of grant of the option. The subscription price for shares under the New Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the higher of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; and (b) the average of the closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the relevant option.

### 29. 認股權計劃

根據股東於二零零二年三月十一日通過之書面決議案，本公司採納了一項認股權計劃（「舊計劃」），主要目的在於提供獎勵予董事及合資格僱員。根據舊計劃，本公司可向本公司或其附屬公司之全職僱員（包括執行董事及非執行董事）授出可認購股份之認股權，每批授出認股權之代價為1港元。有關人士必須於授出日期起計28日內接納獲授之認股權。舊計劃之有效期自二零零二年三月十一日起生效，為期十年。

於二零一一年五月十三日舉行之股東週年大會（「股東週年大會」）上，股東批准新的認股權計劃（「新計劃」），新計劃之條款與舊計劃之條款完全相同但行使期間不同。於新計劃獲批准後，本公司亦於二零一一年五月十三日舉行之股東週年大會上終止經修訂舊計劃。

認股權承授人可於本公司董事會（「董事會」）在新計劃下授出認股權時所決定並知會各承授人之期間行使認股權，惟在任何情況下，必須於授出認股權日期起計十年內行使。根據新計劃，股份認購價可由董事會全權酌情釐定，惟在任何情況下，認購價不得低於以下價格之較高者：(a)於認股權授出日期（必須為營業日），股份在聯交所每日報價表所示收市價；及(b)於緊接有關認股權授出日期前五個營業日，股份於聯交所每日報價表所示平均收市價。

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### 29. Share Option Scheme (Continued)

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in the 12-month period up to and including the date of such grant in excess of 0.1% of the Company's share capital in issue or with an aggregate value in excess of HK\$5 million based on the closing price of the shares at the date of each grant must be approved in advance by the Company's shareholders.

The Company may grant share options under the New Scheme to specified participants over and above the scheme mandate limit or the refreshed scheme mandate limit referred to above subject to shareholders' approval in general meetings and the issue of a circular.

The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other schemes of the Company (or the subsidiary) must not exceed 30% of the relevant class of securities of the Company (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Company (or the subsidiary) if this will result in the limit being exceeded.

As at 31 December 2017 and 2018, the number of shares in respect of which options had been granted and remained outstanding under the New Scheme was nil.

### 29. 認股權計劃 (續)

未經本公司股東事先批准前，根據新計劃可能授出認股權所涉股份總數，不得超過本公司任何時間之已發行股份的10%。未經本公司股東事先批准前，任何人士在任一個年度內已獲授及可能獲授之認股權予以行使時所獲發行及將獲發行之股份數目，不得超過本公司任何時間之已發行股份的1%。主要股東或獨立非執行董事於截至（並包括）授出日期止十二個月期間內獲授之認股權如超過本公司已發行股本的0.1%，或根據授出日期股份收市價計算之總值超過5,000,000港元，必須事先獲得本公司股東批准。

本公司可向指定參與者授出超過上述計劃授權限額或更新計劃授權限額之認股權，惟須符合取得股東在股東大會作出批准及刊發通函之規定。

根據新計劃及本公司（或有關附屬公司）任何其他計劃已授出但尚未行使其所有認股權予以行使時可能發行之股份總數，不得超過本公司（或有關附屬公司）不時已發行之有關類別證券之30%。如授出認股權將會導致所發行證券超逾限額，則不得根據本公司（或有關附屬公司）之任何計劃授出認股權。

於二零一七年及二零一八年十二月三十一日，根據新計劃已授出及仍未行使其認股權所涉股份總數為零。

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### 30. Deferred Taxation

The following are the major deferred tax assets (liabilities) recognised and movements thereon during the current or prior years:

### 30. 遞延稅項

本年度或過往年度確認之主要遞延稅項資產（負債）以及其變動載列如下：

	Allowance for bad and doubtful debts	Inventory Provision	Revaluation of properties	Defined Benefit Liability	Unrealized profits on inventories	Other short-term temporary differences	Intangible assets	Undistributed earnings of PRC and TW entities	Tax Losses	Total	
	呆壞賬撥備	存貨撥備	重估物業	定額福利負債	未變現存貨 溢利	其他短期暫時 差額	無形資產	中國大陸及 台灣實體之未 分派盈利	稅項虧損	總計	
	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	
At 1 January 2017	於二零一七年 一月一日	369	2,662	1,051	697	2,509	2,986	-	(10,960)	-	(686)
Exchange Realignment	匯兌調整	39	202	42	69	146	(1)	-	(1,088)	-	(591)
Credit (charge) to profit or loss	於損益表計入 (扣除)	864	(342)	-	190	(498)	(3,606)	-	(12,677)	-	(16,069)
Earning distributed	已分派盈利	-	-	-	-	-	-	-	11,483	-	11,483
At 31 December 2017	於二零一七年 十二月三十一日	1,272	2,522	1,093	956	2,157	(621)	-	(13,242)	-	(5,863)
Exchange Realignment	匯兌調整	(67)	(118)	(13)	(26)	(99)	(67)	240	439	12	301
(Charge) credit to profit or loss	於損益表 (扣除) 計入	(485)	1,540	-	-	402	2,605	279	(4,784)	3,964	3,521
Charge to other comprehensive income	於其他綜合收益扣除	-	-	-	(797)	-	-	-	-	-	(797)
Arising on acquisition of subsidiaries (note 33)	來自收購附屬公司 (附註33)	-	-	-	-	-	(4,800)	-	-	-	(4,800)
Effect of change in tax rate	稅率變動之影響	-	49	81	126	-	(1)	-	(168)	-	87
Earning distributed	已分派盈利	-	-	-	-	-	-	-	12,785	-	12,785
At 31 December 2018	於二零一八年 十二月三十一日	720	3,993	1,161	259	2,460	1,916	(4,281)	(4,970)	3,976	5,234

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### 30. Deferred Taxation (Continued)

At the end of the reporting period, the Group has unused tax losses of approximately HK\$35,730,000 (2017: HK\$44,057,000) available to offset against future profits. No deferred tax asset has been recognised of such tax losses due to the unpredictability of future profit streams.

Deferred taxation has been provided in full in respect of the undistributed earnings of the Group's PRC and overseas subsidiaries arising since 1 January 2008 as the directors consider that such earnings are estimated to be distributable in the foreseeable future. Deferred tax has been provided for in respect of the temporary differences attributable to such profits amounting to approximately HK\$35,215,000 (2017: HK\$116,263,000).

### 31. Operating Leases

#### The Group as lessee

During the year, the Group made rental payments for office and store premises under operating leases as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Minimum lease payments	最低租賃付款	19,454	17,485
Contingent lease payments	或然租賃付款	10,968	9,015
		<b>30,422</b>	26,500

### 30. 遞延稅項 (續)

於報告期間結算日，本集團有未動用稅項虧損約35,730,000港元（二零一七年：44,057,000港元）可用作抵銷未來溢利。由於日後溢利來源難以確定，因此並無就有關稅項虧損確認遞延稅項資產。

本集團已就旗下中國大陸及海外附屬公司自二零零八年一月一日起所產生之未分派盈利，作出全數遞延稅項撥備，原因為董事認為有關盈利估計於可見將來可作分派。本集團已就源自有關溢利之暫時差額作出遞延稅項撥備約35,215,000港元（二零一七年：116,263,000港元）。

### 31. 經營租賃

#### 本集團作為承租人

年內，本集團根據經營租約就租用辦公室及店舖物業繳付租金如下：



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### 31. Operating Leases (Continued)

#### The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	15,517	20,038
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	10,517	10,975
Over five years	超過五年	1,388	412
		<b>27,422</b>	<b>31,425</b>

The above lease commitments only include commitments for basic rentals, and do not include commitments for contingent rental payable, if any, when the amounts are determined by applying a percentage of turnover of the respective leases, as it is not possible to determine in advance the amount of such contingent rentals.

### 31. 經營租賃 (續)

#### 本集團作為承租人 (續)

於報告期間結算日，本集團根據不可撤銷經營租約之日後最低租賃付款之承擔及其到期情況如下：

上述租賃承擔僅包括基本租金承擔，並不包括應付之或然租金承擔 (如有，按相關租賃之營業額某一百分比釐定金額)，原因為不可能預先釐定有關或然租金之金額。

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### 31. Operating Leases (Continued)

#### The Group as lessor

##### Properties and equipment

Properties and equipment rental income earned during the year was HK\$2,254,000 (2017: HK\$2,075,000) and the outgoing was HK\$1,565,000 (2017: HK\$1,488,000) for renting properties and equipment. All of the properties and equipment have committed tenants for the next one to five years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	1,973	1,028
In the second year to fifth year inclusive	第二年至第五年（包括首尾兩年）	2,954	1,352
Over five years	超過五年	581	859
		<b>5,508</b>	<b>3,239</b>

### 32. Capital Commitments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已訂約但未於綜合財務報表撥備有關收購物業、廠房及設備之資本開支	<b>92,127</b>	34,088

### 31. 經營租賃（續）

#### 本集團作為出租人

##### 物業及設備

年內賺取所得之物業及設備租金收益為2,254,000港元（二零一七年：2,075,000港元），租賃物業及設備開支為1,565,000港元（二零一七年：1,488,000港元）。本集團之所有物業及設備於未來一至五年已獲租客承租。

於報告期間結算日，本集團與租戶已訂約之日後最低租賃付款如下：

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### 33. Acquisition of Subsidiaries

On 28 April 2018 and 31 July 2018, the Group acquired 100% equity interest of Shanghai Lixin Medical Beauty Clinic Company Limited ("Lixin") and 100% equity interest of Beijing Jiayun Medical Beauty Clinic Company Limited ("Jiayun") at a cash consideration of HK\$11,776,000 and HK\$8,547,000, respectively from independent third parties. Lixin and Jiayun are principally engaged in the medical aesthetics business and were acquired with the objective of developing the Group's medical aesthetics business.

#### Considerations transferred

		HK\$'000 千港元
<u>Lixin</u>	<u>力信</u>	
Cash	現金	11,776
<u>Jiayun</u>	<u>嘉韻</u>	
Cash	現金	8,547

Acquisition-related costs recognised as an expense in the current year were insignificant.

Assets acquired and liabilities recognised at the dates of acquisition are as follows:

		HK\$'000 千港元
<u>Lixin</u>	<u>力信</u>	
Intangible assets	無形資產	11,158
Taxation payable	應付稅項	(2)
Deferred tax liabilities	遞延稅項負債	(2,789)
		8,367

### 33. 收購附屬公司

於二零一八年四月二十八日及二零一八年七月三十一日，本集團自獨立第三方分別以現金代價11,776,000港元及8,547,000港元收購上海力信醫療美容診所有限公司（「力信」）之100%權益及北京嘉韻醫療美容診所有限公司（「嘉韻」）之100%權益。力信及嘉韻主要從事醫療美容業務，收購該公司將有助本集團發展醫療美容業務。

#### 已轉讓代價

於本年度確認為開支的收購相關成本極微。

於收購日期的已收購資產及已確認負債如下：

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### 33. Acquisition of Subsidiaries (Continued)

#### Considerations transferred (Continued)

Assets acquired and liabilities recognised at the dates of acquisition are as follows: (Continued)

		HK\$'000 千港元
<u>Jiayun</u>	<u>嘉韻</u>	
Property, plant and equipment	物業、廠房及設備	138
Intangible assets	無形資產	8,042
Bank balances and cash	銀行結存及現金	21
Taxation payable	應付稅項	(15)
Deferred tax liabilities	遞延稅項負債	(2,011)
		6,175

Goodwill arising on acquisitions:

收購產生的商譽：

		HK\$'000 千港元
<u>Lixin</u>	<u>力信</u>	
Consideration transferred	已轉讓代價	11,776
Less: recognised amount of identifiable net assets acquired	減：所收購可識別資產淨值之已確認金額	8,367
		3,409
Goodwill arising on acquisition	收購產生的商譽	3,409
<u>Jiayun</u>	<u>嘉韻</u>	
Consideration transferred	已轉讓代價	7,168
Consideration to be transferred	將轉讓代價	1,379
Less: recognised amount of identifiable net assets acquired	減：所收購可識別資產淨值之已確認金額	6,175
		2,372
Goodwill arising on acquisition	收購產生的商譽	2,372

None of the goodwill arising on the acquisitions is expected to be deductible for tax purpose.

預期概無收購產生的商譽為可扣稅。

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### 33. Acquisition of Subsidiaries (Continued)

#### Considerations transferred (Continued)

Net cash outflows arising on acquisition

		HK\$'000 千港元
<hr/>		
<u>Lixin</u>	<u>力信</u>	
Consideration paid in cash	現金支付的代價	11,776
<hr/>		
<u>Jiayun</u>	<u>嘉韻</u>	
Consideration paid in cash	現金支付的代價	7,168
Less: cash and cash equivalent balances acquired	減：已收購現金及現金等價物結餘	21
		<hr/> 7,147

Included in the profit for the year is HK\$365,000 attributable to the additional business generated by Lixin and loss of HK\$749,000 generated by Jiayun. Revenue for the year includes HK\$2,644,000 and HK\$999,000 generated from Lixin and Jiayun, respectively.

Had the acquisitions been completed on 1 January 2018, the revenue and profit generated from the subsidiaries are insignificant, accordingly, no such disclosure is made.

### 33. 收購附屬公司 (續)

#### 已轉讓代價 (續)

收購產生的現金流出淨額

力信額外業務產生的365,000港元及嘉韻產生的虧損749,000港元計入本年度溢利。本年度收入包括力信及嘉韻分別產生的2,644,000港元及999,000港元。

倘收購事項於二零一八年一月一日已完成，附屬公司產生的收入及溢利極微，因此，並無作出有關披露。

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### 34. Connected and Related Party Disclosures

During the year, the Group had significant transactions with related parties, which are also deemed to be connected parties pursuant to the Rules Governing the Listing of Securities on the Stock Exchange. The significant transactions with these parties during the year are as follows:

#### (a) Transactions

##### (i) Connected parties

Name of company 公司名稱	Nature of transactions 交易性質	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<i>Companies controlled by individuals who collectively have joint control over the Company's ultimate holding company and are also executive directors of the Company: (Prior to 3 October 2018, Note 1)</i> 集體共同控制本公司的最終控股公司兼同為本公司執行董事之個人人士所控制公司： (於二零一八年十月三日前，附註1)			
青春再現度假育樂股份有限公司	Rental income 租金收益	16	15
青春再現度假育樂股份有限公司	Rental income 租金收益	16	15
<i>Directors of the Company:</i> 本公司董事：			
Dr. TSAI Yen Yu (Note 1) 蔡燕玉博士 (附註1)	Rental expenses 租金支出	7,028	6,902
Dr. SU Chien-Cheng (Note 2) 蘇建誠博士 (附註2)	Rental expenses 租金支出	234	231
<i>Fellow subsidiaries:</i> 同系附屬公司：			
東森天美仕直銷股份有限公司	Sales of products 產品銷售	249	–
東森得易購股份有限公司	Sales of products 產品銷售	168	–
遠富國際股份有限公司	Sales of products 產品銷售	3	–

### 34. 關連及關聯人士交易之披露

年內，本集團曾與關聯人士進行重大交易。根據聯交所證券上市規則之規定，有關關聯人士亦被視為關連人士。年內，本集團曾與該等人士進行之重大交易如下：

#### (a) 交易

##### (i) 關連人士

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### 34. Connected and Related Party Disclosures (Continued)

#### (a) Transactions (Continued)

##### (i) Connected parties (Continued)

Notes:

- (1) 青春再現度假育樂股份有限公司 and 幸福農企業股份有限公司 are controlled by Dr. TSAI Yen-Yu and Mr. LEE Ming-Ta.

Dr. TSAI Yen-Yu became a substantial shareholder indirectly holds approximately 22.24% of the total issued share capital of the Company on 3 October 2018. Dr. TSAI was re-designated as a Non-Executive Director and stepped down from being the chairperson of the Board and been appointed as an honorary chairperson of the Company on 26 October 2018. She resigned as Non-Executive Director on 25 January 2019.

Mr. LEE Ming-Ta resigned as an Executive Director of the Company on 16 December 2018.

- (2) Dr. SU Chien-Cheng resigned as an Executive Director of the Company on 16 December 2018.

### 34. 關連及關聯人士交易之披露 (續)

#### (a) 交易 (續)

##### (i) 關連人士 (續)

附註：

- (1) 青春再現度假育樂股份有限公司及幸福農企業股份有限公司由蔡燕玉博士及李明達先生所控制。

於二零一八年十月三日，蔡燕玉博士成為間接持有本公司已發行股本22.24%的重要股東。蔡博士調任為非執行董事並不再擔任董事會主席；並於二零一八年十月二十六日獲委任為本公司之名譽主席。彼於二零一九年一月二十五日辭任非執行董事。

李明達先生於二零一八年十二月十六日辭任本公司執行董事。

- (2) 蘇建誠博士於二零一八年十二月十六日辭任本公司執行董事。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 34. Connected and Related Party Disclosures (Continued)

#### (a) Transactions (Continued)

##### (ii) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term benefits	短期福利	8,877	8,265
Post-employment benefits	僱員離職後福利	221	250
		<b>9,098</b>	<b>8,515</b>

The remuneration of directors and key executives is determined by the remuneration committee having regarded to the performance of individuals and market trends.

#### (b) Balances

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<i>Amounts due from related parties – Trade</i>	應收關聯方款項 – 貿易		
東森天美仕直銷股份有限公司	東森天美仕直銷股份有限公司	249	–
東森得易購股份有限公司	東森得易購股份有限公司	168	–
遠富國際股份有限公司	遠富國際股份有限公司	3	–
		<b>420</b>	<b>–</b>

The normal credit term with related parties is 30 to 90 days upon delivery. Aging of all the amounts due from related parties was within credit period at the end of 2018.

### 34. 關連及關聯人士交易之披露 (續)

#### (a) 交易 (續)

##### (ii) 主要管理人員之報酬

董事及其他主要管理人員於年內之酬金如下：

董事及主要行政人員之酬金乃由薪酬委員會經參考個別表現及市場趨勢後釐定。

#### (b) 結餘

於交付後，關聯方之一般信貸期為30日至90日。於二零一八年末，所有應收關聯方款項之賬齡均於信貸期內。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 34. Connected and Related Party Disclosures (Continued)

#### (c) Other Arrangements

- (i) On 31 May 2016, Beijing Zhong Ao Yi Natural Beauty Cosmetics & Hair-Style Training Co Ltd ("Zhong Ao Yi"), a sole proprietorship of Mr. LEE Ming-Ta, as lessor and Shanghai Natural Beauty Fuli Cosmetics Company Limited ("Fuli"), a wholly-owned PRC subsidiary of the Company, as lessee entered into a lease agreement commencing on 1 June 2016 and expiring on 30 April 2017, at a monthly rental of RMB86,000.
- (ii) On 8 March 2017, Zhong Ao Yi, as lessor and Shanghai Yongli Cosmetics Company Limited, a wholly-owned PRC subsidiary of the Company, as lessee entered into a lease agreement commencing on 1 May 2017 and expiring on 30 April 2019, at a monthly rental of RMB86,000 before 31 May 2018 and RMB90,300 afterwards.
- (iii) On 30 March 2016, Dr. SU Chien-Cheng, as lessor and Natural Beauty Bio-Technology Company Limited, a wholly-owned Taiwan subsidiary of the Company, as lessee entered into a lease agreement commencing on 1 April 2017 and expiring on 31 December 2018, at a monthly rental of NTD 3,000. On 16 November 2018, they entered into a lease agreement to extend the term of the previous tenancy agreement of the same subject matter for a period of one year from 1 January 2019 to 31 December 2019.

### 34. 關連及關聯人士交易之披露 (續)

#### (c) 其他安排

- (i) 於二零一六年五月三十一日，李明達先生之獨資企業北京中澳意自然美美容美髮技術培訓有限公司（「中澳意」）（作為出租人）與本公司中國大陸的全資附屬公司上海自然美富麗化妝品有限公司（「富麗」）（作為承租人）訂立租賃協議，自二零一六年六月一日起生效至二零一七年四月三十日屆滿，月租為人民幣86,000元。
- (ii) 於二零一七年三月八日，中澳意（作為出租人）與本公司中國大陸的全資附屬公司上海詠麗化妝品有限公司（作為承租人）訂立租賃協議，自二零一七年五月一日起生效至二零一九年四月三十日屆滿，二零一八年五月三十一日前月租為人民幣86,000元，其後為人民幣90,300元。
- (iii) 於二零一六年三月三十日，蘇建誠博士（作為出租人）與本公司台灣的全資附屬公司自然美生物科技股份有限公司（作為承租人）訂立租賃協議，自二零一七年四月一日起生效且於二零一八年十二月三十一日屆滿。月租為新台幣3,000元。於二零一八年十一月十六日，彼等訂立租賃協議，以延續具相同主題的前租賃協議的年期一年，自二零一九年一月一日起至二零一九年十二月三十一日止。

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### 35. Statement of Financial Position of the Company

A summary of the statement of financial position of the Company is as follows:

### 35. 本公司之財務狀況報表

本公司之財務狀況報表概要如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產		
Investments in subsidiaries	於附屬公司之投資	169,398	169,398
Amounts due from subsidiaries	應收附屬公司款項	77,541	78,805
Other receivables	其他應收賬款	810	1,743
Bank balances and cash	銀行結存及現金	747	2,533
		<b>248,496</b>	252,479
Liabilities	負債		
Other payables	其他應付賬款	1,862	1,928
Amounts due to subsidiaries	應付附屬公司款項	35,459	37,972
		<b>37,321</b>	39,900
Net assets	資產淨值	<b>211,175</b>	212,579
Capital and reserves	股本及儲備		
Share capital	股本	200,210	200,210
Reserves (Note)	儲備(附註)	10,965	12,369
		<b>211,175</b>	212,579

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 35. Statement of Financial Position of the Company 35. 本公司之財務狀況報表 (續)

(Continued)

Note:

附註：

		Share premium	Share options reserve	Retained earnings/ (Accumulated loss)	Total
		股份溢價	認股權儲備	保留溢利 / (累計虧損)	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	41,016	11,109	7,122	59,247
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	113,690	113,690
Dividends recognised as distribution (note 14)	確認為分派之股息 (附註14)	-	-	(160,568)	(160,568)
At 31 December 2017	於二零一七年十二月三十一日	41,016	11,109	(39,756)	12,369
Profit and total comprehensive income for the year	本年度全面收益總額	-	-	94,697	94,697
Dividends recognised as distribution (note 14)	確認為分派之股息 (附註14)	-	-	(96,101)	(96,101)
At 31 December 2018	於二零一八年十二月三十一日	41,016	11,109	(41,160)	10,965

### 36. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, retained earnings and other reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

### 36. 資本風險管理

本集團透過管理資本確保本集團旗下實體將可持續經營業務，並藉著完善債務及股本結餘，為持份者爭取最大回報。本集團之整體策略與去年相同。

本集團之資本結構包括現金及現金等價物以及本公司擁有人應佔權益，包括已發行股本、保留溢利及其他儲備。

本公司董事每半年一度檢討資本結構。作為上述檢討其中一環，董事會考慮資金成本及各類資本之相關風險。根據董事之建議，本集團將透過派付股息、發行新股份及購回股份與發行新債務之方式，平衡其整體資本結構。

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### 37. Financial Instruments

#### a. Categories of financial instruments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortized cost/ Loan and receivables (including bank balances and cash)	按攤銷成本計量的金融資產／ 貸款及應收賬款 (包括銀行結存及現金)	<b>262,835</b>	398,008
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>27,017</b>	28,884

#### b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, amounts due from related parties, pledged bank deposits, bank balances and cash and trade and other payables. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and currency risk), credit risk and impairment assessment and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Market risk

##### (i) Interest rate risk

The Group has limited exposure to interest rate risk because the Group has no interest-bearing financial assets/liabilities other than bank balances. The future variations in interest rates will not have a significant impact on the results of the Group, as the Group's variable-rate bank balances are all short-term in nature. Therefore, no interest rate sensitivity analysis is presented.

### 37. 金融工具

#### a. 金融工具類別

#### b. 財務風險管理目標及政策

本集團之主要金融工具包括貿易及其他應收賬款、應收關聯方款項、已抵押銀行存款、銀行結存及現金以及貿易及其他應付賬款。該等金融工具之詳情已於各項附註披露。該等金融工具之相關風險包括市場風險（利率風險及貨幣風險）、信貸風險及減值評估及流動資金風險。減低該等風險之政策載於下文。本集團管理層致力管理及監控該等風險，並確保及時有效地採取適當措施。

##### 市場風險

##### (i) 利率風險

本集團承受之利率風險有限，乃因本集團並無銀行結存以外的計息金融資產／負債。由於本集團的浮動利率銀行結存均屬短期性質，故未來的利率變動將不會對本集團業績帶來重大影響。因此，概無呈列利率的敏感度分析。

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### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies

(Continued)

##### Market risk (Continued)

##### (ii) Currency risk

The Group has bank deposits denominated in foreign currency which expose the Group to foreign currency risk.

The Group does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The management considers that the Group is not exposed to significant foreign currency risk as the majority of its transactions are either denominated in functional currency of the Group's subsidiaries or in US\$. Since US\$ is pegged to HK\$, the foreign currency risk is minimal.

##### Credit risk and impairment assessment

As at 31 December 2018, the Group's maximum exposure to credit risk which may cause a financial loss to the Group arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (ii) 貨幣風險

本集團現有以外幣計值之銀行存款，其令本集團承受外匯風險。

本集團並無外幣對沖政策。然而，管理層會監察外匯風險，並將於有需要時，考慮對沖重大外匯風險。

管理層認為，由於本集團大部分交易均以本集團附屬公司之功能貨幣或美元計值，故本集團並無承受重大外匯風險。由於美元與港元掛鈎，因此外匯風險甚微。

##### 信貸風險及減值評估

於二零一八年十二月三十一日，本集團所面對之最高信貸風險乃源自綜合財務狀況報表所示各項已確認金融資產之賬面值。本集團並未持有任何抵押或其他信貸提升以涵蓋與其金融資產有關的信貸風險。

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### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies

(Continued)

##### Credit risk and impairment assessment (Continued)

##### *Trade receivables arising from contracts with customers*

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit system to assess the potential customer's credit quality and defines credit limits by customer. Limits to customers are reviewed regularly. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on trade balances individually or based on provision matrix. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

##### *Other receivables*

The credit risk of other receivables is managed through an internal process. The Group actively monitors the outstanding amounts owed by each debtor and uses past due information to assess whether credit risk has increased significantly since initial recognition.

##### *Amounts due from related parties*

The credit risk of amounts due from related parties is managed through an internal process. The credit quality of each counterparty is investigated before an advance is made. The Group also actively monitors the outstanding amounts owed by each debtor and uses past due information to assess whether credit risk has increased significantly since initial recognition.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

##### *與客戶訂約產生的貿易應收賬款*

為了盡量減低信貸風險，本集團管理層已委派一組人員，專責釐定信貸限額及審批信貸。接納任何新客戶前，本集團利用內部信貸系統對潛在客戶的信貸質素進行評估並且釐定其信用額度。本集團對客戶的額度進行定期審查。已建立其他監控程序以確保已採取後續動作收回逾期債務。此外，本集團於應用香港財務報告準則第9號後根據預期信貸虧損模式（二零一七年：已產生虧損模式）或根據撥備矩陣對貿易應收賬款個別進行減值評估。有鑑於此，本公司董事認為本集團之信貸風險已大幅減少。

##### *其他應收賬款*

其他應收賬款的信貸風險透過內部過程管理。本集團積極監控各債務人積欠的未償還款項，並使用逾期資料評估信貸風險自初始確認以來是否大幅增加。

##### *應收關聯方款項*

應收關聯方款項的信貸風險透過內部過程管理。作出預付款項前，各對手方的信貸質素將受到調查。本集團亦積極監控各債務人積欠的未償還款項，並使用逾期資料評估信貸風險自初始確認以來是否大幅增加。

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### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies

(Continued)

##### Credit risk and impairment assessment (Continued)

##### *Pledged bank deposits/bank balances and cash*

The credit risk on liquid funds is limited because the counterparties are banks and pledged bank deposits with good reputation.

At 31 December 2018, the ten largest trade receivable balances accounted for approximately 28% (2017: 26%) of the trade receivables and the largest trade receivables balance was approximately 7% (2017: 7%) of the Group's total trade receivables.

The Group's concentration of credit risk by geographical locations are mainly the PRC, which accounted for 91% (2017: 89%), and Taiwan, which accounted for 9% (2017: 11%) of the trade receivables as at 31 December 2018.

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances, the Group determines the expected credit losses on these items by using a provision matrix, grouped by past due status.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

##### *抵押銀行存款／銀行結存及現金*

流動資金之信貸風險有限，原因為對手方就抵押銀行存款而言為信譽良好之銀行。

於二零一八年十二月三十一日，十大貿易應收賬款結餘佔貿易應收賬款約28%（二零一七年：26%）；而最大貿易應收賬款結餘則佔本集團貿易應收賬款總額約7%（二零一七年：7%）。

於二零一八年十二月三十一日，本集團按地域劃分之信貸風險主要集中於中國大陸，其佔貿易應收賬款91%（二零一七年：89%）及台灣，其佔貿易應收賬款9%（二零一七年：11%）。

就貿易應收賬款而言，本集團已應用香港財務報告準則第9號中的簡化法計量年期預期信貸虧損的虧損撥備。除有重大未償還結餘的債務人外，本集團透過採用撥備矩陣並按逾期狀況分組來釐定該等項目的預期信貸虧損。

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### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

*Pledged bank deposits/bank balances and cash* (Continued)

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its product sales because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed collectively based on provision matrix as at 31 December 2018 within lifetime (not credit impaired). Debtors with significant outstanding balances with gross carrying amounts of HK\$5,386,000 as at 31 December 2018 were assessed individually.

Gross carrying amount

		Average loss rate	Trade receivable
		平均虧損率	貿易應收賬款
			HK\$'000
			千港元
Current (not past due)	即期 (未逾期)	0.19%	64,231
1 – 180 days past due	逾期1至180日	0.45%	2,366
181 – 360 days past due	逾期181至360日	0.58%	810
More than 360 days past due	逾期超過360日	9.64%	500
			67,907

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

*抵押銀行存款／銀行結存及現金*  
(續)

作為本集團信貸風險管理的一部分，本集團利用賬款之賬齡為其產品銷售進行減值評估，原因為該等客戶乃由數量眾多的小型客戶所組成，而彼等擁有可代表彼等根據合約條款有能力償還所有應付金額的共同風險特性。下表提供有關於二零一八年十二月三十一日根據撥備矩陣共同評估所面對之貿易應收賬款之年期預期信貸虧損（信貸未減值）的資料。於二零一八年十二月三十一日，具重大未償還結餘賬面總值5,386,000港元的債務人已獲個別評估。

賬面值總額

估計虧損率乃按賬款預期年期的過往觀察違約率，並就無需付出過多成本或努力即可得的前瞻性資料作出調整後估計所得。有關分組乃定期由管理層審閱，以確保有關特定賬款資料已更新。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Pledged bank deposits/bank balances and cash (Continued)

During the year ended 31 December 2018, the Group provided HK\$186,000 impairment allowance for trade receivables, based on the provision matrix. Impairment allowance of HK\$2,177,000 were made on debtors with significant balances.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit- impaired) 年期預期 信貸虧損 (信貸未減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 年期預期 信貸虧損 (信貸已減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>As at 31 December 2017 and 1 January 2018</b>	<b>於二零一七年十二月三十一日 及二零一八年一月一日</b>	–	5,089	5,089
Changes due to financial instruments recognised as at 1 January:	因於一月一日確認金融 工具的變動：			
– Impairment losses recognised	– 減值虧損確認	48	–	48
– Impairment losses reversed	– 減值虧損撥回	–	(4,542)	(4,542)
– Write-offs	– 撇銷	–	(462)	(462)
New financial assets originated	新金融資產產生的	2,341	–	2,341
Exchange adjustments	匯兌調整	(26)	(85)	(111)
<b>As at 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>2,363</b>	<b>–</b>	<b>2,363</b>

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

抵押銀行存款／銀行結存及現金  
(續)

截至二零一八年十二月三十一日，本集團就貿易應收賬款根據撥備矩陣提供186,000港元的減值撥備。已對具重大結餘賬款作出2,177,000港元的減值撥備。

下表列示根據簡化法就貿易應收賬款已確認之年期預期信貸虧損的變動。

當有資料指出債務人陷入嚴重財務困難及沒有實際可回收的可能（例如，債務人已遭清盤或已進入破產程序）時，本集團會撇銷貿易應收賬款。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 37. Financial Instruments (Continued)

#### b. Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment (Continued)

##### Pledged bank deposits/bank balances and cash (Continued)

For the purposes of impairment assessment, other receivables and other financial assets are considered to have low credit risk as the counterparties to these financial assets have a high credit rating. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12m ECL. In determining the ECL for other financial assets at amortized cost, the directors of the Company have taken into account the historical default experience and the future prospects of the industries and/or considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of the other financial assets at amortized cost occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. The directors of the Company consider the credit losses on these financial assets are insignificant as at 31 December 2018.

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on its operating cash flows as a significant source of liquidity.

The Group's remaining contractual maturity for its trade and other payables falls within 30 to 90 days as at 31 December 2017 and 2018.

#### c. Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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.

### 37. 金融工具 (續)

#### b. 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

##### 抵押銀行存款／銀行結存及現金 (續)

就減值評估之目的而言，由於持有該等金融資產的對手方擁有高信貸評級，其他應收賬款及其他金融資產被視為具低信貸風險。因此，就該等金融資產減值評估的目的而言，虧損撥備乃按相等於12個月預期信貸虧損的金額計量。按攤銷成本釐定其他金融資產的預期信貸虧損時，本公司董事於估計按攤銷成本計量的各個其他金融資產於各自虧損評估時間期限內發生違約的可能性以及各金融資產逾期後的虧損時，已考慮過往違約經驗及行業未來前景及／或考慮到各種實際及預測經濟資料的外部來源（視何者適用）。本公司董事認為該等金融資產於二零一八年十二月三十一日之信貸虧損並不重大。

##### 流動資金風險

在管理流動資金風險方面，本集團會監控並維持管理層認為充足之現金及現金等價物水準，以為本集團營運提供資金及減低現金流量波動影響。本集團依賴其經營現金流量作為主要流動資金來源。

於二零一七年及二零一八年十二月三十一日，本集團貿易及其他應付賬款之餘下合約到期日介乎30至90日。

#### c. 公平值

金融資產及金融負債之公平值按照普遍採納之定價模式，以貼現現金流量分析釐定。

董事認為，於綜合財務報表按攤銷成本入賬之金融資產及金融負債賬面值與其公平值相若。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. Particulars of Subsidiaries

Details of the Company's subsidiaries at 31 December 2017 and 2018 are as follows:

### 38. 附屬公司詳情

於二零一七年及二零一八年十二月三十一日，本公司附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation and operations 註冊成立及經營地點	Registered capital/ issued and fully paid ordinary share capital 註冊資本/已發行及繳足普通股股本	Proportion of nominal value of issued capital held by the Company and its subsidiaries 本公司及其附屬公司所持已發行股本面值比例				Attributable to the Group 本集團應佔				Principal activity 主要業務
			Directly 直接		Indirectly 間接		Directly 直接		Indirectly 間接		
			2018	2017	2018	2017	2018	2017	2018	2017	
			二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	
Shanghai Natural Beauty Bio-Technology Company Limited* (Formerly known as Shanghai Natural Beauty Cosmetics Company Limited) 上海自然美生物科技有限公司* (Shanghai Natural Beauty Bio-Technology Company Limited) (前稱為上海自然美化化粧品公司)	The PRC 中國大陸	US\$29,980,000 29,980,000美元	-	-	100%	100%	-	-	100%	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品
Shanghai Natural Beauty Sanlian Cosmetics Company Limited*** 上海自然美三聯化粧品有限公司***	The PRC 中國大陸	RMB8,000,000 人民幣8,000,000元	-	-	100%	100%	-	-	100%	100%	Wholesale and retail of skin care and beauty products; provision of beauty treatments and Spa services 批發及零售護膚及美容產品；提供美容護理及水療服務
Chengdu Natural Beauty Cosmetics Company Limited*** 成都自然美化化粧品有限公司***	The PRC 中國大陸	RMB2,500,000 人民幣2,500,000元	-	-	-	100%	-	-	-	100%	Sale of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting and training 銷售護膚及美容產品；提供美容護理及護膚與美容顧問服務及培訓
Shanghai Natural Beauty Fuli Cosmetics Company Limited** 上海自然美富麗化粧品有限公司**	The PRC 中國大陸	US\$14,800,000 14,800,000美元	-	-	100%	100%	-	-	100%	100%	Production and sale of skin care and beauty products, aroma-therapeutic products; provision of skin treatment, beauty and Spa service 生產及銷售護膚及美容產品及精油產品及提供護膚、美容及水療服務
Shanghai Yongli Cosmetics Company Limited*** 上海詠麗化粧品有限公司***	The PRC 中國大陸	RMB10,000,000 人民幣10,000,000元	-	-	100%	100%	-	-	100%	100%	Sale of skin care and beauty products, aroma-therapeutic products 銷售護膚及美容產品及精油產品
Natural Beauty Bio-Technology Company Limited 自然美生物科技有限公司	Taiwan 台灣	NT\$201,000,000 新台幣201,000,000元	-	-	100%	100%	-	-	100%	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. Particulars of Subsidiaries (Continued)

### 38. 附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及經營地點	Registered capital/ issued and fully paid ordinary share capital 註冊資本/已發行及繳足普通股股本	Proportion of nominal value of issued capital held by the Company and its subsidiaries 本公司及其附屬公司所持已發行股本面值比例				Attributable to the Group 本集團應佔				Principal activity 主要業務
			Directly 直接		Indirectly 間接		Directly 直接		Indirectly 間接		
			2018	2017	2018	2017	2018	2017	2018	2017	
			二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	
Huei Yao Investment Company Limited 輝耀投資股份有限公司	Taiwan 台灣	NT\$122,043,420 新台幣122,043,420元	-	-	100%	100%	-	-	100%	100%	Investment holding 投資控股
Ray-Sen Medical Cosmetics Company Limited 瑞昇醫學美容科技企業股份有限公司	Taiwan 台灣	NT\$50,000,000 新台幣50,000,000元	-	-	100%	100%	-	-	100%	100%	Provision of beauty consulting and training 提供美容顧問服務及培訓
Belem Holdings Sdn. Bhd. Belem Holdings Sdn. Bhd.	Malaysia 馬來西亞	MYR68,609,858 Class B shares MYR10,000 Class A shares 68,609,858馬幣B股 10,000馬幣A股	100%	100%	-	-	100%	100%	-	-	Investment holding 投資控股
Billion Synergy Sdn. Bhd. Billion Synergy Sdn. Bhd.	Malaysia 馬來西亞	MYR2 2馬幣	-	-	100%	100%	-	-	100%	100%	Wholesale of skin care and beauty products 批發護膚及美容產品
Great Glamour Company Limited Great Glamour Company Limited	BVI 英屬維爾京群島	US\$50,000 50,000美元	100%	100%	-	-	100%	100%	-	-	Investment holding 投資控股
Next Success International Limited Next Success International Limited	BVI 英屬維爾京群島	US\$100 100美元	100%	100%	-	-	100%	100%	-	-	Investment holding 投資控股
Fortune Investment Global Limited Fortune Investment Global Limited	BVI 英屬維爾京群島	US\$50,000 50,000美元	100%	100%	-	-	100%	100%	-	-	Investment holding 投資控股
Natural Beauty Bio-Technology (Hong Kong) Company Limited 自然美生物科技(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	-	100%	100%	-	-	100%	100%	Sale of cosmetic products and provision of beauty treatments 銷售彩妝產品及提供美容護理
Natural Beauty China Holding Limited 自然美中國控股有限公司	Hong Kong 香港	HK\$200,000 200,000港元	100%	100%	-	-	100%	100%	-	-	Investment holding 投資控股
Shanghai Natural Beauty Bio-Med Company Limited* 上海自然美生物醫學有限公司*	The PRC 中國大陸	US\$2,600,000 2,600,000美元	-	-	100%	100%	-	-	100%	100%	Manufacture and sale of health supplement 生產及銷售保健品

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. Particulars of Subsidiaries (Continued)

### 38. 附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及經營地點	Registered capital/ issued and fully paid ordinary share capital 註冊資本/已發行及繳足普通股股本	Proportion of nominal value of issued capital held by the Company and its subsidiaries 本公司及其附屬公司所持已發行股本面值比例				Attributable to the Group 本集團應佔				Principal activity 主要業務
			Directly 直接		Indirectly 間接		Directly 直接		Indirectly 間接		
			2018	2017	2018	2017	2018	2017	2018	2017	
			二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	
Shanghai Natural Beauty Haili Cosmetics Company Limited*** 上海自然美海麗化妝品有限公司***	The PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	-	-	100%	-	-	-	100%	- Sale of skin care and beauty products, aroma-therapeutic products 銷售護膚及美容產品及精油產品	
Shanghai Linxin Medical Beauty Clinic Company Limited*** 上海力信醫療美容診所有限公司***	The PRC 中國大陸	RMB4,000,000 人民幣4,000,000元	-	-	100%	-	-	-	100%	- Provision of medical beauty service and sale of skin care and beauty products 提供醫療美容服務及銷售護膚及美容產品	
Shanghai Jiayun Medical Beauty Clinic Company Limited*** 上海嘉韻醫療美容診所有限公司***	The PRC 中國大陸	RMB2,000,000 人民幣2,000,000元	-	-	100%	-	-	-	100%	- Provision of medical beauty service 提供醫療美容服務	

Notes:

- (a) The subsidiary is deregistered during the year ended 31 December 2018.
- \* These subsidiaries are foreign investment enterprises with limited liability established in the PRC.
- \*\* The subsidiary is a Chinese-foreign joint venture established in the PRC.
- \*\*\* These subsidiaries are domestic limited liability enterprises in the PRC.

None of the subsidiaries had issued any debt securities outstanding at the end of the year or at any time during the year.

附註：

- (a) 該附屬公司已於截止二零一八年十二月三十一日止年度取消註冊。
- \* 該等附屬公司為於中國大陸成立的有限責任外資企業。
- \*\* 該附屬公司為一間於中國大陸成立的中外合營企業。
- \*\*\* 該等附屬公司為於中國成立的內資有限責任企業。

於年終或年內任何時間，概無任何附屬公司已發行任何尚未償還之債務證券。

# Financial Summary

## 財務概要

### Results

### 業績

		Year ended 31 December 截至十二月三十一日止年度				2018
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
REVENUE	收入	505,761	506,913	475,225	399,579	<b>369,525</b>
PROFIT BEFORE TAX	除稅前溢利	116,274	170,392	196,217	146,738	<b>39,157</b>
INCOME TAX EXPENSE	所得稅開支	(44,794)	(33,562)	(47,814)	(41,350)	<b>(12,898)</b>
PROFIT FOR THE YEAR	年度溢利	71,480	136,830	148,403	105,388	<b>26,259</b>
PROFIT ATTRIBUTABLE TO:	以下人士應佔本年度溢利：					
OWNERS OF THE COMPANY	本公司擁有人	71,480	136,830	148,403	105,388	<b>26,259</b>
NON-CONTROLLING INTERESTS	非控股權益	-	-	-	-	-
		71,480	136,830	148,403	105,388	<b>26,259</b>

### Assets and Liabilities

### 資產及負債

		At 31 December 於十二月三十一日				2018
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
TOTAL ASSETS	總資產	977,730	888,597	822,186	777,885	<b>678,966</b>
TOTAL LIABILITIES	總負債	(203,824)	(155,969)	(167,513)	(127,139)	<b>(127,111)</b>
		773,906	732,628	654,673	650,746	<b>551,855</b>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔權益	773,906	732,628	654,673	650,746	<b>551,855</b>



# 東森自然美

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 00157