



Tibet Water Resources Ltd. 西藏水資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號：1115



Annual Report 2018 年 報



PREMIUM GLACIER
MINERAL WATER IN THE MARKET
市場上的高端冰川礦泉水



CONTENTS 目錄

STAKEHOLDERS INFORMATION		權益人資料
Corporate Profile	2	公司簡介
Financial Calendar	4	財務日誌
GROUP INFORMATION & RESULTS OVERVIEW		集團資料及 業績概要
Product Profile	6	產品簡介
Corporate Information	8	公司資料
Chairman's Statement	10	主席報告書
Financial Highlights	14	財務摘要
Management Discussion and Analysis	16	管理層討論及分析
Profile of Directors and Senior Management	46	董事及高級管理層履歷
CORPORATE GOVERNANCE		企業管治
Corporate Governance Report	56	企業管治報告
Environmental, Social and Governance Report	76	環境、社會及管治報告
DIRECTORS' REPORT & FINANCIAL INFORMATION		董事會報告及 財務資料
Directors' Report	92	董事會報告
Independent Auditor's Report	106	獨立核數師報告
Consolidated Balance Sheet	113	綜合資產負債表
Consolidated Statement of Profit or Loss	116	綜合損益表
Consolidated Statement of Comprehensive Income	117	綜合全面收益表
Consolidated Statement of Changes in Equity	118	綜合權益變動表
Consolidated Statement of Cash Flows	119	綜合現金流量表
Notes to the Consolidated Financial Statements	121	綜合財務報表附註
Five-Year Financial Summary	260	五年財務概要

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

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

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

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



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

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

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

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



FINANCIAL CALENDAR

Announcement of 2018 final results	22 March 2019
Annual General Meeting 2019 ("2019 AGM")	30 May 2019
Announcement of 2019 interim results (tentative)	August 2019
Announcement of 2019 final results (tentative)	March 2020

財務日誌

二零一八年全年 業績公告	二零一九年 三月二十二日
二零一九年股東 周年大會(「二零一九年 股東周年大會」)	二零一九年 五月三十日
公佈二零一九年中期 業績(暫定)	二零一九年八月
公佈二零一九年全年 業績(暫定)	二零二零年三月

2019 AGM

The 2019 AGM will be held on Thursday, 30 May 2019. The notice of the 2019 AGM, which constitutes part of the circular to shareholders of the Company (the "Shareholders"), is sent together with this Annual Report to Shareholders. This Annual Report, the circular to Shareholders, the notice of the 2019 AGM and the proxy form are also available on the Stock Exchange's website (<http://www.hkexnews.hk>) and the Company's website (<http://www.twr1115.net>).

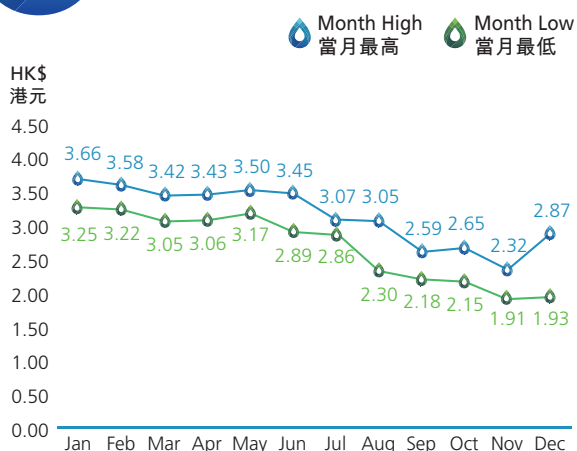
二零一九年股東周年大會

二零一九年股東周年大會將於二零一九年五月三十日(星期四)舉行。二零一九年股東周年大會通告載於發給本公司股東(「股東」)的通函內；該通函連同本年報已一併寄發予股東。本年報、股東的通函、二零一九年股東周年大會通告及代表委任表格亦登載於聯交所網站(<http://www.hkexnews.hk>)及本公司網站(<http://www.twr1115.net>)。



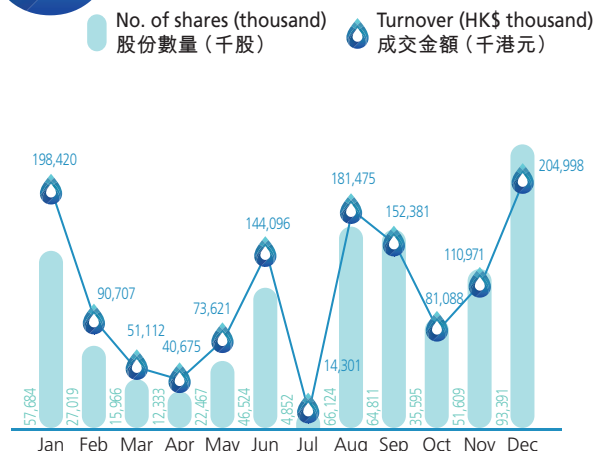
Summary of 2018 price of the shares of the Company

2018年本公司股份股價一覽



Summary of 2018 turnover of the shares of the Company

2018年本公司股份成交一覽



Source: Bloomberg
資料來源：彭博

CLOSURE OF REGISTER OF MEMBERS

For determining Shareholders' eligibility to attend and vote at the 2019 AGM:

Latest time to lodge transfer documents for registration 4:00 p.m. on 23 May 2019

Closure of register of members 24 May 2019 to 30 May 2019 (both dates inclusive)

Record date 24 May 2019

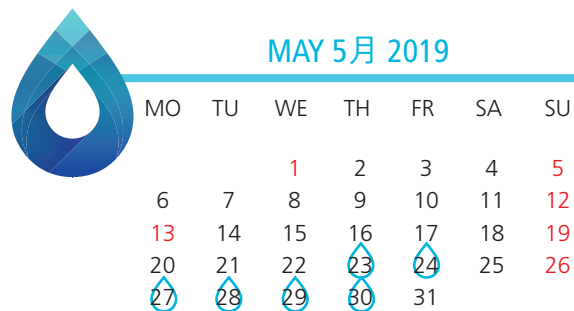
暫停辦理股份過戶登記手續

為確定股東出席二零一九年股東周年大會並於會上投票的資格：

交回股份過戶文件以作登記的最後時限 二零一九年五月二十三日 下午四時

暫停辦理股份過戶登記手續 二零一九年五月二十四日至二零一九年五月三十日 (首尾兩天包括在內)

記錄日期 二零一九年五月二十四日



 Key Date 重要日期

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
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Fax: +852 2849 3319

香港股份登記及過戶分處

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電話：+852 2849 3399
傳真：+852 2849 3319

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

12-LITER "ZHUOMA SPRING"
BARRELLED NATURAL
DRINKING WATER
12公升「卓瑪泉」桶裝
天然飲用水



"EASY JOY • ZHUOMA SPRING"
BOTTLED NATURAL
DRINKING WATER
「易捷•卓瑪泉」瓶裝
天然飲用水



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



PREMIUM TIBET
GREEN BARLEY BEER
高端西藏青稞啤酒

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

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

5100[®] 格桑泉[®]

UNIQUENESS • PURITY
獨特 • 純淨



PREMIUM GLACIAL
MINERAL WATER
高端冰川礦泉水

HIGH QUALITY NATURAL
DRINKING WATER
優質天然飲用水

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

EXECUTIVE DIRECTORS

Mr. WANG Dong (*Chief Executive Officer*)
 Mr. YUE Zhiqiang
 Mr. LIU Chen
 Mr. WONG Hak Kun
 Ms. HAN Linyou

NON-EXECUTIVE DIRECTOR

Ms. JIANG Xiaohong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Jesper Bjoern MADSEN (*Chairman*)
 Mr. LEE Conway Kong Wai
 Mr. Kevin Cheng WEI

COMPANY SECRETARY

Mr. CHOW Wai Kit

AUTHORISED REPRESENTATIVES

Mr. CHOW Wai Kit
 Mr. LIU Chen

INDEPENDENT EXTERNAL AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

LEGAL ADVISORS

DLA Piper Hong Kong
 Sit, Fung, Kwong & Shum Solicitors

INVESTOR RELATIONS CONSULTANT

Kredito PR Consultancy Limited
 Suites 2602-03, Tower 1
 The Harbourfront, Hung Hom, Hong Kong
 Phone: +852 2248 1188
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本公司董事(「董事」)會(「董事會」)

執行董事

王東先生(*行政總裁*)
 岳志強先生
 劉晨先生
 王克勤先生
 韓林攸女士

非執行董事

姜曉虹女士

獨立非執行董事

麥奕鵬先生(*主席*)
 李港衛先生
 蔚成先生

公司秘書

周偉傑先生

授權代表

周偉傑先生
 劉晨先生

獨立外聘核數師

羅兵咸永道會計師事務所
執業會計師

法律顧問

歐華律師事務所
 薛馮鄭岑律師行

投資者關係顧問

潛豐公關顧問有限公司
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 傳真: +852 2248 1199

REGISTERED OFFICE

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HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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HONG KONG BRANCH SHARE REGISTRAR

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

WEBSITES TO ACCESS COMPANY INFORMATION*

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

STOCK CODE ON MAIN BOARD OF THE STOCK EXCHANGE

1115

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

註冊辦事處

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

總部及香港主要營業地點

香港
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One Island South 16樓1611-12室

香港股份登記分處

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

主要股份登記及過戶處

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

公司資料查閱網址*

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

聯交所主板股份代號

1115

* 網站內容不構成本年報的一部分



ON BEHALF OF
THE GROUP, I AM
PLEASED TO PRESENT
THE GROUP'S ANNUAL
REPORT FOR THE YEAR
ENDED 31 DECEMBER 2018
(THE "REPORTING PERIOD").

本人僅代表本集團欣然提呈
截至二零一八年十二月三十一
日止年度（「報告期間」）之全
年業績。

BUSINESS REVIEW

During the Reporting Period, revenue of the Group was RMB881 million, representing a decrease of 5% compared with RMB932 million of the same period last year. Profit attributable to owners of the Company was RMB318 million, representing an increase of 1% compared with RMB315 million of the same period last year. Earnings per share was RMB12.68 cents (31 December 2017: RMB12.32 cents).

業績回顧

於報告期間，本集團的營業收入人民幣8.81億元，較去年同期人民幣9.32億元，下跌5%。本公司擁有人應佔利潤人民幣3.18億元，較去年同期應佔利潤人民幣3.15億元，上升1%。每股盈利人民幣12.68分（二零一七年十二月三十一日：每股盈利人民幣12.32分）。

China's gross domestic product rose by 6.6% from a year earlier in 2018, its slowest pace in 28 years. The fast-moving consumer goods sector maintained a steady but moderately slower growth, seeing an increase of 4.3% in sales revenue in 2018. Against the backdrop of a complicated and volatile economic environment, in which in particular higher priced premium product has suffered, we have managed to consolidate our core business by leveraging on the brand strength of "5100 Glacial Water", our flagship product, and strategically engaged in the development of the natural drinking water industry in Tibet in order to be well-positioned for a broader industrial layout and more long-term business development.

PROSPECT

Under the Planning of the Development of Natural Drinking Water Industry in Tibet Autonomous Region 2015-2025, Tibet will become an important source of natural drinking water in China. The Tibetan natural drinking water industry has been one of the pillar industries which is strongly supported by the Tibet government. The Group, with its already very strong position as the leading water group in Tibet, is very well positioned to benefit from this national development. The Group has been and will continue to actively involve in the strategic planning and development of the industry as promoted by the Tibet Government. This includes a further strengthening of the Group's existing business as well as seeking alliances with major players in China for the sale and distribution of Tibetan natural drinking water throughout the country as well as cooperation in other matters.

Furthermore, like many markets throughout the world the fast-moving consumer goods market in China is experiencing an increasing demand from consumers for product innovation, products of a high quality and products with health benefits. Today nearly half of the revenue from retail sales of fast-moving consumer goods comes from new product innovations, products with health benefits including products which are relatively expensive. It is clear that the Chinese consumer is prepared to pay a higher price for high quality products but will also, always be looking for "good value" products, i.e. products of high quality and reasonably priced.

二零一八年，中國境內生產總值同比增長6.6%，是28年來的新低，快速消費品的增長速度穩中但有所減緩，二零一八年快速消費品銷售額錄得同比增長4.3%。在如此複雜多變的經濟環境下，其中特別是價格較高的優質產品遭受損失，我們一方面利用旗艦產品「5100冰川水」的品牌優勢，穩固了核心業務；另一方面我們戰略性地參與了西藏天然飲用水產業的整體發展，做好準備迎接更廣的產業佈局和更長遠的業務發展。

前景展望

根據《西藏自治區天然飲用水產業發展規劃》（2015-2025年），西藏將成為中國天然飲用水重要供應地。西藏天然飲用水產業已經是西藏政府重點支持的支柱產業之一。作為西藏領先的水集團，憑藉其穩固地位，本集團定可從有關全國發展中獲益。本集團正在並將繼續積極參與西藏政府提出的產業戰略規劃及發展。這包括進一步鞏固本集團現有業務，並就於全國銷售及分銷西藏天然飲用水以及其他事項尋求與中國主要參與者合作。

此外，與全球眾多市場類似，在中國的快速消費品市場，消費者對產品創新、優質產品及有益健康產品的需求日益增長。目前，快速消費品的零售收入有近半來自新產品創新及有益健康產品（包括相對昂貴的產品）。顯然，中國消費者願意為優質產品支付更高價格，但亦將，且一直以來青睞「高性價比」的產品（即優質且價格合理的產品）。

The Group is in an excellent position to respond to such market trends by offering premium and high-quality products, all characterized by “purity and natural” in different price segments including the Group’s beer portfolio which is produced using local Tibetan ingredients. Our premium 5100 Glacial Water, Gesang Spring as well as Easy Joy Zhuoma Spring, in cooperation with Sinopec together with our beer portfolio are all premium and high-quality products representing “purity and natural” from the roof of the world and will continue to be the leading brands of the Group and drive the Group’s future development.

ADVOCATE RESOURCE CONSERVATION AND GIVE BACK TO LOCAL COMMUNITY

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

STRENGTHEN INTERNAL CONTROL AND FOCUS ON RISK PREVENTION

The Group will keep strict control over risks and strengthen internal control to drive the development of the Company in a sustainable and healthy manner.

本集團具備超卓條件，透過提供高端優質產品順應有關市場趨勢。該等產品屬於不同價格區間，均以「純淨天然」為特色，包括本集團以當地西藏原料製作的啤酒系列。我們的高端5100冰川水、格桑泉、與中石化合作的易捷•卓瑪泉以及我們的啤酒系列均為源自世界屋脊、「純淨天然」的高端優質產品，並將繼續作為本集團領軍品牌，推動本集團的未來發展。

倡導節約環保、回饋當地社會

我們一直遵循嚴格的質量控制體系，重視水資源和環境的保護，倡導「節約、環保、自然、健康」的生活模式。我們以「西藏5100教育發展專項基金」為依託，支持西藏當地教育事業的發展。我們的「產業精準扶貧」案例獲錄入到一本供中國政府扶貧工作者參閱的書中－《精準扶貧，中國方案》，是繼聯合國開發計劃《2016中國人類發展報告》後又一次獲得權威機構認可。我們已經並將一直支持以產業帶動扶貧的「造血式」援藏，致力於改善西藏人民的生活，進一步發展周邊地區的經濟和文化。

強化內控管理，重點防範風險

本集團將審時度勢，嚴控風險，強化內部控制管理，推動公司持續健康發展。

CONCLUSION

During 2018, the Group has had both internal and external challenges which have resulted in a slowing pace of growth or even growth having come to a halt. For internal challenges, these have been identified and are currently being addressed. For external challenges, looking to 2019 and beyond, China's economy is expected to develop in a stable and positive manner and from fast-growing pattern to steady-growing pattern. The transition to lower growth would have a short-term negative impact on consumption, especially for higher priced products, however now the "favorable factor" is gradually coming back and consumers are ready to follow the above-mentioned trend of "upscaling" to higher quality products. With its strong and diversified portfolio of water and beer products, the Group is well positioned to benefit from this development and is expected to deliver healthy growth in the future.

ACKNOWLEDGEMENT

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

Jesper Bjoern MADSEN

Chairman

22 March 2019

總結

於二零一八年，本集團同時面對內外部挑戰，令致增長速度放緩，甚至趨於停滯。內部挑戰經已識辨，現正予以解決。就外部挑戰而言，展望二零一九年起，中國經濟預期將積極穩定發展，並由快速增長轉為平穩增長。增長率下降將對消費（尤其是高價產品）造成短期負面影響，然而，「利好因素」現正逐漸恢復，消費者將如上文提及的趨勢增加消費以選擇更高品質的產品。憑藉其強大及多元化的水及啤酒產品系列，本集團定將從該發展中獲益，且預期將於未來實現健康增長。

致謝

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

麥奕鵬

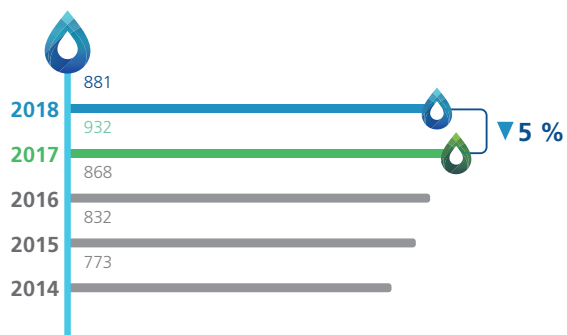
主席

二零一九年三月二十二日

		Year ended 31 December 截至十二月三十一日止年度		
		2018 二零一八年	2017 二零一七年	Change 變動
Revenue (RMB million)	收入(人民幣百萬元)	881	932	↓ 5%
Profit attributable to owners of the Company (RMB million)	本公司擁有人應佔利潤 (人民幣百萬元)	318	315	↑ 1%
Earnings per share – Basic and diluted (RMB cents)	每股盈利 – 基本及攤薄(人民幣分)	12.68	12.32	↑ 3%
Sales Volume (in tonnes)	銷售量(噸)	125,379	128,616	↓ 3%
Gross profit margin	毛利率	55%	59%	↓ 4% points 百分點
Average selling price per tonne (RMB'000)	平均每噸售價 (人民幣千元)	6.2	6.4	↓ 3%

		As at 31 December 於十二月三十一日		
		2018 二零一八年 (RMB million) (人民幣百萬元)	2017 二零一七年 (RMB million) (人民幣百萬元)	Change 變動
Total assets	資產總額	4,912	4,549	↑ 8%
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,459	3,174	↑ 9%

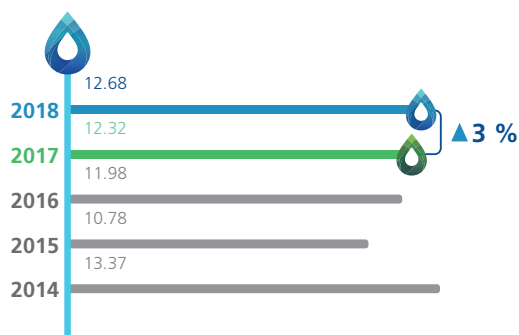
Revenue (RMB million)
收入(人民幣百萬元)



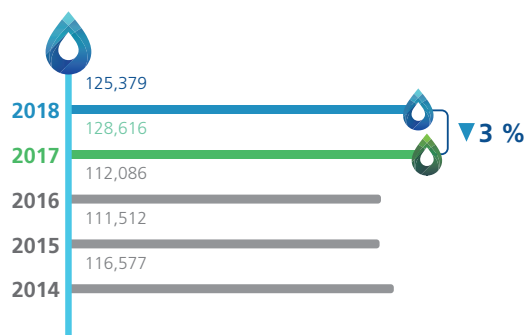
Profit attributable to owners of the Company (RMB million)
本公司擁有人應佔利潤(人民幣百萬元)



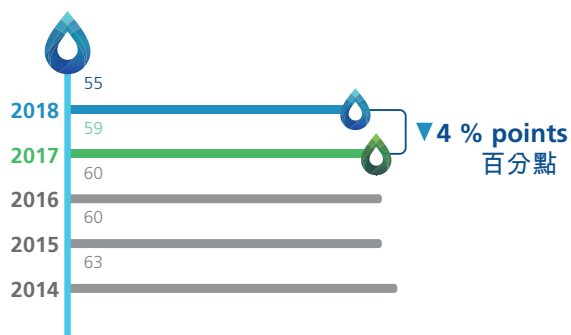
Earnings per share - Basic and diluted (RMB cents)
每股盈利 - 基本及攤薄(人民幣分)



Sales volume (in tonnes)
銷售量(噸)



Gross profit margin (%)
毛利率(%)



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析





OUR MISSION | SERVE THE BEST QUALITY
WATER TO THE WORLD

我們的使命 | 向全世界提供
最好的水

BUSINESS REVIEW

In 2018, we continued our endeavors in supplying high-quality products and premium services to our customers.

In 2018, the market continued to be characterized by strong competition and a challenging economic environment, which had a general impact on premium products. The total sales volume and revenue of the Group slightly decreased by 3% and 5%, respectively, year on year in 2018.

OUR WATER BUSINESS SEGMENT

With fluctuation in the current consumer products market, the revenue of our water business segment, including 5100 Glacial Water and “Gesang Spring” products decreased by 5%, in comparison with 2017; however, the sales volume showed a satisfactory increase of 2%. The co-branding product, “Easy Joy • Zhuoma Spring”, sold by our associate, Tibet Highland Natural Water Limited (“Highland Natural Water”), saw a continuing increase in popularity at Easy Joy convenience stores at Sinopec gas stations throughout China. However, in 2018, due to the increase in the cost of raw materials and the decrease in government grants income, the Group’s share of net-tax profits of Highland Natural Water decreased by approximately 25% compared with the same period of last year.

Retail distributors and institutional clients remained our major customer base. As at 31 December 2018, our water products have been sold throughout Mainland China and Hong Kong. In Mainland China, we have been building a relationship with the well-known domestic cinemas, high end international and domestic chain hotels, e-commerce platforms represented by Jingdong and Tmall, airlines, large enterprise customers and home users; in Hong Kong, our products have covered major retailers and are widely distributed in high-end hotels and tourist and entertainment venues.

業務回顧

在二零一八年，我們持續致力為客戶提供高品質的產品和優質的服務。

面對繼續特別會令高端產品受創的強烈競爭和具挑戰性的經濟環境，在二零一八年，本集團的總銷售量和收入同比分別微減了3%和5%。

我們的水業務

隨著當前消費品市場的波動，我們水業務分部的收入，包括了「5100冰川水」和「格桑泉」品牌產品，與二零一七年相比下降了5%；然而，銷量卻令人滿意地增長了2%。我們的聯營公司西藏高原天然水有限公司（「高原天然水」）的聯標產品「易捷•卓瑪泉」繼續在中石化全國加油站的易捷便利店上熱銷，但由於在二零一八年，原材料的成本上升以及政府補助收入下降，故與去年同期相比，本集團的應佔高原天然水利潤淨額減少約25%。

零售經銷商及機構客戶繼續成為我們主要的客戶群。於二零一八年十二月三十一日，我們的水產品已經在中國境內和香港銷售。在中國境內，我們已與國內知名電影院線、國際及國內高檔連鎖酒店、以京東和天貓為代表的電商平台、航空公司、大型企業客戶以及家庭使用者建立良好關係；在香港，我們的產品已覆蓋主要零售商鋪，在高檔酒店和旅遊及娛樂場所也有很好的分佈範圍。



OUR BEER BUSINESS SEGMENT

Due to the strong competition in the relatively limited market in Tibet, the sales volume and revenue of our beer products decreased by 8% and 6%, respectively, in comparison with 2017; however, the gross profit margin maintained the same satisfactory level as in 2017. In 2018, our beer products were sold in Tibet mainly through supermarkets, convenience stores, restaurants and entertainment outlets. Since the second half of the year, our beer products have begun to be sold outside Tibet through PetroChina Company Limited (“PetroChina”) gas stations. The proportion of revenue of our beer products within and outside Tibet to the total revenue of our beer products was 94% and 6%, respectively.

我們的啤酒業務

由於面對著西藏相對有限的市場和有著激烈的競爭，我們的啤酒產品銷量和收入與二零一七年相比分別減少了8%和6%，而毛利率則能維持與二零一七年相同的滿意水準。於二零一八年，我們的啤酒產品主要通過超市、便利店、餐飲和娛樂店點在西藏銷售，而自下半年開始，我們的啤酒產品開始通過中國石油天然氣股份有限公司（「中石油」）的加油站在西藏外銷售，在西藏區內及區外的收入佔啤酒產品總收入的比重分別為94%及6%。

FINANCIAL REVIEW

REVENUE

The total sales of the Group amounted to RMB881 million, representing a slight decrease of RMB51 million or 5% in comparison with 2017.

The revenue generated from our water business segment was RMB540 million, representing a slight decrease of 5% in comparison with 2017. Among the water products, the revenue of our “5100 Glacial Water” for 2018 decreased by 9% in comparison with 2017 due to change of customer mix whereas the revenue of “Gesang Spring” products, despite the strong competition in the lower priced segment, increased by 3% in comparison with 2017.

The revenue generated from our beer business segment was RMB341 million, representing a decrease of 6% in comparison with 2017.

SALES VOLUME

The total sales volume of the Group amounted to 125,379 tonnes (2017: 128,616 tonnes) which consisted of 73,412 tonnes (2017: 71,990 tonnes) from our water products and 51,967 tonnes (2017: 56,626 tonnes) from our beer products.

The overall sales volume of our water products increased by 2% in comparison with that of 2017. Sales volume of our “5100 Glacial Water” for 2018 increased by 3% in comparison with 2017. Sales volume of our “Gesang Spring” products slightly decreased by 1% in comparison with 2017.

The sales volume of our beer products decreased by 8% in comparison with that of 2017.

AVERAGE SELLING PRICE

The average selling price fluctuated along with the change in our products mix. In 2018 and 2017, the average selling price of our water products was RMB5,852 per tonne and RMB6,463 per tonne, respectively; the average selling price of our beer products was RMB6,565 per tonne and RMB6,393 per tonne, respectively.

財務回顧

收入

本集團的總銷售額為人民幣8.81億元，相比二零一七年微減了人民幣5,100萬元或5%。

水業務分部的收入為人民幣5.40億元，相比二零一七年只微減了5%。在水產品中，「5100冰川水」的收入因為客戶結構變化在二零一八年比二零一七年下降了9%；「格桑泉」產品雖然其所處細分市場產品品牌競爭激烈，但「格桑泉」產品的收入與二零一七年相比上升了3%。

啤酒業務分部的收入為人民幣3.41億元，相比二零一七年下降了6%。

銷量

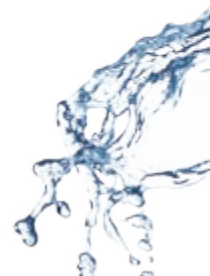
本集團的總銷量為125,379噸(二零一七年：128,616噸)，包括73,412噸(二零一七年：71,990噸)水產品銷量和51,967噸(二零一七年：56,626噸)啤酒產品銷量。

我們水產品的總銷量比二零一七年增加了2%，於二零一八年，我們「5100冰川水」的銷售量比二零一七年增加了3%，我們「格桑泉」產品銷量比二零一七年微減了1%。

啤酒產品銷量比二零一七年下降了8%。

平均售價

平均售價會隨著我們的產品結構的變化而波動。在二零一八年和二零一七年，我們水產品的平均售價分別為每噸人民幣5,852元和人民幣6,463元；而我們啤酒產品的平均售價為每噸人民幣6,565元和人民幣6,393元。



GROSS PROFIT MARGIN

The gross profit margin of the water business segment was 58%, in comparison with 65% in 2017. Such decrease was mainly attributable to the increase in the cost of raw materials and the change in clients and products mix. The gross profit margin of the beer business segment was 49%, which was the same as in 2017. The overall gross profit margin of the Group was 55%, representing a decrease of 4 percentage points in comparison with 59% in 2017 but still at a very satisfactory level.

SELLING AND DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

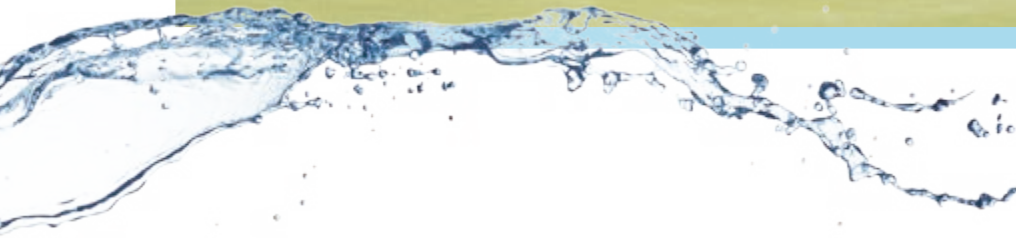
In 2018, the selling and distribution costs decreased by approximately 3% to RMB116 million from RMB120 million in 2017, in line with the revenue fluctuation. The administrative expenses increased by 6% from RMB85 million in 2017 to RMB90 million in 2018.

毛利率

水業務分部的毛利率為58%，相比較二零一七年的65%，其下降主要是原材料的成本上升與客戶和產品結構的變化所致。啤酒業務分部的毛利率為49%，與二零一七年持平。本集團的總毛利率為55%，與二零一七年的59%相比下降了4個百分點，但仍然處於令人滿意的水平。

銷售及分銷費用和行政費用

在二零一八年，銷售及分銷費用從二零一七年的人民幣1.2億元減少約3%至人民幣1.16億元，與收入的波動一致。行政費用從二零一七年的人民幣8,500萬元增加了6%至二零一八年的人民幣9,000萬元。



OTHER NET GAINS

Other net gains mainly included gain on disposal of financial assets at fair value through profit or loss (“FVPL”), fair value changes on FVPL and government grants.

Since 1 January 2018, the Group has adopted the updated IFRS 9. The structured financial products and equity investment in GT Express (Beijing) Information Technology Co., Ltd. (“GT Express”) purchased by the Group were accounted for as available-for-sale financial assets (“AFS”) in the past and are now changed to being accounted for as “FVPL”, and the gains on disposal of FVPL during this period decreased from RMB20 million in 2017 to RMB18 million in 2018. Fair value gains of the structured financial products and the fair value gain from equity investment in GT Express based on the fair value implied by the latest fundraising of GT Express from the external investors were RMB9 million in total. In 2017, the changes in the fair value of the structured financial products and equity investments were presented as other comprehensive income in the consolidated statement of comprehensive income.

In 2018, the government grants were RMB41 million (in 2017: RMB25 million).

其他淨利得

其他淨利得主要包括處置以公允價值計量且其變動計入損益的金融資產(「以公允價值計量且其變動計入損益的金融資產」)的收益、以公允價值計量且其變動計入損益的金融資產的公允價值變動及政府補助收入。

自二零一八年一月一日起，本集團採用更新後的國際財務報告準則第9號，本集團購買的結構性金融產品和對貫通雲網(北京)信息技術有限公司(「貫通雲網」)的股權投資由過去的作為可供出售金融資產(「可供出售金融資產」)核算，變更作為「以公允價值計量且其變動計入損益的金融資產」核算，而本期處置以公允價值計量且其變動計入損益的金融資產所產生的利得由二零一七年的人民幣2,000萬元下降至二零一八年的人民幣1,800萬元。結構性金融產品公允價值收益及對貫通雲網的股權投資的公允價值收益(根據最新的貫通雲網對外來投資者募集資金推算)合計共人民幣900萬元，在二零一七年，該結構性金融產品和權益投資的公允價值變動以其他綜合收益列示在綜合全面收益表中。

在二零一八年，政府補助收入為人民幣4,100萬元(在二零一七年：人民幣2,500萬元)。





SHARE OF NET-TAX PROFITS OF INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The share of net-tax profits of investments accounted for using the equity method mainly included the share of net-tax profit of Highland Natural Water whose ultimate controlling shareholder is Sinopec. In 2018, the Group acquired further 3.981% equity interests of Highland Natural Water from its other shareholders thereby increasing the Group's ownership proportion in Highland Natural Water to 43.981%. In 2018, the Group's 43.981% equity interests in Highland Natural Water has generated a share of the net-tax profits of an associate in the amount of RMB21 million, representing a decrease of approximately 25% in comparison with 2017 due to the above-mentioned reasons in the "Business Review" section.

In 2018, the sales volume of Highland Natural Water was 189,209 tonnes, representing a decrease of 15% compared with 2017. Revenue was RMB461 million, same as in the last year.

應佔使用權益法入賬的投資利潤淨額

應佔使用權益法入賬的投資利潤淨額主要為應佔高原天然水(最終控股股東為中石化)的利潤淨額。在二零一八年，本集團自高原天然水的其他股東處收購了額外3.981%的股權後，本集團對高原天然水的持股比例上升至43.981%。在二零一八年，本集團對高原天然水43.981%的權益產生了人民幣2,100萬元的應佔聯營公司利潤淨額，由於在上述「業務回顧」章節提及的因素較二零一七年減少約25%。

在二零一八年，高原天然水的銷量為189,209噸，較二零一七年減少了15%；收入為人民幣4.61億元，與去年持平。

FINANCE NET COSTS

In 2018, the Group incurred finance costs of RMB42 million and gained finance income of RMB32 million. Compared with 2017, finance costs in 2018 increased by RMB4 million mainly due to (i) the decrease of RMB5 million in exchange gains; and (ii) the increase of RMB1 million in interest costs on borrowings from banks, which were offset by (i) the decrease of RMB1 million in interest costs on the convertible bond issued by the Company; and (ii) the increase of RMB1 million in amount capitalised in assets under construction. Finance income increased by RMB4 million mainly due to the increase of RMB6 million in interest income from interest-bearing loans to third parties, offset by the decrease of RMB2 million in bank interest income.

INCOME TAX EXPENSE

In 2018, the income tax expense was RMB35 million which was decreased by RMB6 million when compared to RMB41 million in 2017, due to the change of expected income tax rate from 15% to 9% for the years from 2018 to 2021, resulting in the reversal of deferred income tax which amounted to RMB5 million. The effective tax rate in 2018 was 10%, the same as in the last year.

財務費用淨額

在二零一八年，本集團支出了人民幣4,200萬元財務費用及獲得了人民幣3,200萬元財務收益。與二零一七年比較，二零一八年的財務費用增加了人民幣400萬元，主要是(i)匯兌收益減少了人民幣500萬元；和(ii)銀行借款的利息費用增加了人民幣100萬元，並與(i)本公司發行的可換股債券的利息費用減少了人民幣100萬元；及(ii)在建工程資產資本化增加了人民幣100萬元相抵。財務收益上升了人民幣400萬元，主要由於借予第三方有息款項的利息收入增加了人民幣600萬元，與銀行利息收入減少了人民幣200萬元相抵。

所得稅費用

在二零一八年，所得稅費用為人民幣3,500萬元，與二零一七年的人民幣4,100萬元相比下降了人民幣600萬元。由於預期二零一八年至二零二一年所得稅稅率由15%變為9%，以致轉回遞延所得稅為人民幣500萬元。二零一八年的有效稅率為10%，與去年相同。





PROFIT FOR THE YEAR

The profit for the year moderately decreased by RMB50 million or 14% from RMB368 million for 2017 to RMB318 million for 2018. Despite other net gains increased by RMB23 million compared with 2017, the decrease in total revenue and the increase in the cost of raw materials led to the decrease in gross profit of RMB71 million and net impairment losses on financial assets of RMB2 million, resulting in a decrease in operating profit of RMB51 million, and a decrease in the profit for the year.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

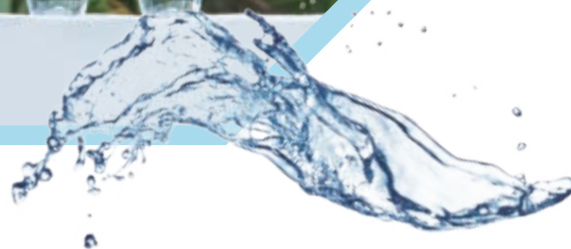
Profit attributable to owners of the Company increased by approximately RMB3 million from RMB315 million for 2017 to RMB318 million for 2018. The increase was mainly attributable to the Group's acquisition of 35% interest in Tibet Tiandi Green Beverage Development Co., Ltd. ("Tiandi Green") on 21 December 2017, which then became a wholly-owned subsidiary of the Company.

年度利潤

年度利潤自二零一七年的人民幣3.68億元適度地減少了人民幣5,000萬元或14%至二零一八年的人民幣3.18億元。雖然其他淨利得與二零一七年相比增加了人民幣2,300萬元，但因為總收入下降及原材料的成本上升，使毛利下降了人民幣7,100萬元，和金融資產減值損失淨額為人民幣200萬元，以致經營利潤減少了人民幣5,100萬元，及本年度的利潤下降。

本公司擁有人應佔利潤

本公司擁有人的利潤自二零一七年的人民幣3.15億元增加了約人民幣300萬元至二零一八年的人民幣3.18億元，該增長主要是由於本集團於二零一七年十二月二十一日收購了西藏天地綠色飲品發展有限公司(「天地綠色」)的35%權益，使其成為本公司的全資附屬公司。



FINANCIAL POSITION

As at 31 December 2018, investments accounted for using the equity method amounted to RMB1,575 million, compared to 1,326 million as at 31 December 2017. The increase was attributable to (i) the Group's acquisition of 3.981% equity interests of Highland Natural Water with consideration of RMB119 million; (ii) the Group's acquisition of 25% equity interests of Tibet Fudi Natural Beverage Packaging Ltd. ("**Fudi Packaging**") from an independent third party with consideration of RMB188 million; (iii) the share of profits of investments accounted for using the equity method recognised RMB20 million this year, (iv) dividend payment of RMB32 million of Highland Natural Water; and (v) our associate company, Tibet 5100 Mineral Water Co., Ltd. ("**5100 Mineral Water**", formerly known as Moutai Group Tibet 5100 Mineral Water Co., Ltd.), since its another shareholder withdrew from the investment in 2018, this company became a wholly-owned subsidiary of the Company and was not accounted for investments accounted for using the equity method, resulting in a decrease of RMB46 million.

As at 31 December 2018, net trade receivables of the Group amounted to RMB290 million compared to RMB235 million as at 31 December 2017. The increase was mainly attributable to the increase in trade receivables from some of the institutional clients.

財務狀況

於二零一八年十二月三十一日使用權益法入賬的投資為人民幣15.75億元，於二零一七年十二月三十一日為人民幣13.26億元。增加的原因是(i)本集團收購了高原天然水3.981%的股權，對價為人民幣1.19億元；(ii)本集團自獨立第三方處收購了西藏福地天然飲品包裝有限責任公司(「**福地包裝**」)25%的股權，對價為人民幣1.88億元；(iii)應佔使用權益法入賬的投資利潤本年度確認了人民幣2,000萬元；(iv)高原天然水支付了人民幣3,200萬元的股息；以及(v)我們的一間聯營公司，西藏五一零零礦泉水有限公司(「**5100礦泉水**」，前稱茅台集團西藏五一零零礦泉水有限公司)的另一方股東在二零一八年退出投資，該公司成為本公司的全資附屬公司，以至不在使用權益法入賬的投資項下核算，減少了人民幣4,600萬元。

於二零一八年十二月三十一日，本集團應收貿易款淨額為人民幣2.90億元，於二零一七年十二月三十一日為人民幣2.35億元。其上升主要歸因於應收部分機構客戶貿易款增加。

The Group maintained regular contact with our major debtors through meetings and telephone conversations to understand the status of their operations, their continuing business needs and the ways in which the Group can improve its services. During such meetings and conversations, the Group was not aware of any material circumstances indicating any problem in recovering its trade receivables from its major debtors. In 2018, the Group recognised an additional provision for impairment loss of trade receivables of RMB1.80 million (2017: nil) and did not write off provision recognised in the prior year (2017: wrote off approximately RMB1.96 million provision).

As at 31 December 2018, inventories of the Group amounted to RMB99 million compared to RMB76 million as at 31 December 2017. The increase was mainly attributable to an increase in raw materials inventories.

本集團透過會議及電話對話與我們的主要債務人定期聯絡，以瞭解彼等的經營狀況、持續業務需要及本集團能改善的服務方式。在該等會議及對話中，本集團未發現任何重大情況顯示對收回主要債務人的應收貿易款有任何問題。在二零一八年，本集團就應收貿易款作新增減值虧損撥備人民幣180萬元（二零一七年：無），且沒有註銷在以前年度確認的撥備（二零一七年：註銷撥備為人民幣約196萬元）。

於二零一八年十二月三十一日，本集團的存貨為人民幣9,900萬元，而於二零一七年十二月三十一日為人民幣7,600萬元。其上升的主要原因來自於原材料存貨的上升。



As at 31 December 2018, other receivables and other assets of the Group amounted to RMB641 million compared to RMB175 million as at 31 December 2017. As at 31 December 2018, other receivables mainly included the amounts due from third parties amounted to RMB576 million, the government grants receivables amounted to RMB38 million, and the amounts due from an associate amounted to RMB23 million. Up to 22 March 2019, the amounts due from third parties of RMB468 million had been further collected, resulting in a reduction in our other receivables.

Since 1 January 2018, the Group has adopted updated IFRS 9. Structured financial products and equity investments originally classified as “AFS” are now classified and accounted for as “FVPL” and “financial assets at fair value through other comprehensive income” (“FVOCI”). As at 31 December 2018, FVPL (including both current and non-current) of the Group amounted to RMB191 million, FVOCI (non-current) amounted to RMB232 million and as at 31 December 2017, AFS was RMB241 million. As at 31 December 2018, there was a new addition to FVOCI, since the Group acquired 9% equity interests of Tibet Shannan Yalaxiangbu Industrial Ltd. (“Shannan Yalaxiangbu”).

於二零一八年十二月三十一日，本集團其他應收款及其他資產金額為人民幣6.41億元，而於二零一七年十二月三十一日則為人民幣1.75億元。於二零一八年十二月三十一日，其他應收款主要包括應收第三方款項人民幣5.76億元，應收政府補助人民幣3,800萬元以及應收聯營公司款項人民幣2,300萬元。截至二零一九年三月二十二日，應收第三方款項中的人民幣4.68億元已收回，以進一步減少我們的其他應收款。

自二零一八年一月一日起，本集團採用更新後的國際財務報告準則第9號，原分類為「可供出售金融資產」的結構性金融產品和股權投資現分類為「以公允價值計量且其變動計入損益的金融資產」及「以公允價值計量且其變動計入其他綜合收益的金融資產」(「以公允價值計量且其變動計入其他綜合收益的金融資產」)核算。於二零一八年十二月三十一日，本集團以公允價值計量且其變動計入損益的金融資產(包括流動和非流動)為人民幣1.91億元，以公允價值計量且其變動計入其他綜合收益的金融資產(非流動)為人民幣2.32億元，而於二零一七年十二月三十一日可供出售金融資產為人民幣2.41億元。於二零一八年十二月三十一日，本集團的以公允價值計量且其變動計入其他綜合收益的金融資產之一項為新增的對西藏山南雅拉香布實業有限公司(「山南雅拉香布」)的9%股權的收購。



As at 31 December 2018, cash and cash equivalents of the Group decreased by RMB554 million, which was mainly attributable to the cash outflows for investing activities of approximately RMB744 million and the cash outflows for financing activities of RMB24 million, offset by cash inflows from operating activities of RMB212 million and exchange translation gains on cash and cash equivalents of RMB2 million. The cash outflows for investing activities of approximately RMB744 million in 2018 mainly included (i) the payment for associates of RMB298 million; (ii) the net cash outflows for purchases and disposals of FVPL and FVOCI of RMB155 million; (iii) the net cash outflows for loan and repayments of loans granted to third parties and a related party of RMB396 million; and (iv) the purchase of property, plant and equipment (“PP&E”) of RMB16 million, offset by (i) the net cash inflows from third parties and a related party of RMB41 million; (ii) dividend received from an associate of RMB32 million; (iii) the net cash inflow from the merger of a subsidiary of RMB46 million; and (iv) cash received from government grants related to fixed assets of RMB2 million. The cash outflows for financing activities of RMB24 million in 2018 mainly included (i) cash outflow for the purchase of minority equity interests of a subsidiary of RMB239 million, (ii) payment of interest for the convertible bond of RMB27 million; and (iii) payments for shares purchased for the share award scheme of RMB14 million, offset by net cash inflows from bank borrowings of RMB256 million.

於二零一八年十二月三十一日，本集團的現金及現金等價物減少了人民幣5.54億元，主要是由投資活動產生的現金流出約人民幣7.44億元，籌資活動產生的現金流出為人民幣2,400萬元，與經營活動產生的現金流入人民幣2.12億元和與現金及現金等價物匯兌收益為人民幣200萬元相抵。在二零一八年，投資活動產生的現金流出約人民幣7.44億元主要包括(i)支付於聯營公司的款項為人民幣2.98億元；(ii)購買和處置以公允價值計量且其變動計入損益的金融資產及以公允價值計量且其變動計入其他綜合收益的金融資產產生的淨現金流出為人民幣1.55億元；(iii)向第三方及一名關聯方借款及償還借款產生的淨現金流出為人民幣3.96億元；和(iv)購買物業、廠房及設備(「物業、廠房及設備」)為人民幣1,600萬元，與(i)與第三方及一名關聯方資金往來產生的淨現金流入為人民幣4,100萬元；(ii)從一間聯營公司收取的股息為人民幣3,200萬元；(iii)合併一家子公司產生的淨現金流入為人民幣4,600萬元；和(iv)收到與固定資產相關政府補助為現金人民幣200萬元相抵。在二零一八年，籌資活動產生的現金流出人民幣2,400萬元主要包括(i)購買一家子公司少數股東股權產生的現金流出為人民幣2.39億元；(ii)有關可換股債券的票息付款為人民幣2,700萬元；和(iii)支付以股份獎勵計劃購買的股份為人民幣1,400萬元，與銀行借款產生淨現金流入為人民幣2.56億元相抵。

As at 31 December 2018, trade and notes payables of the Group amounted to RMB79 million compared to RMB93 million as at 31 December 2017. The decrease was mainly attributable to the decrease in the payables for transportation costs and advertising fees incurred.

As at 31 December 2018, the current portion of deferred revenue and advances received from customers, and contract liabilities of the Group amounted to RMB2 million and RMB21 million, respectively, and as at 31 December 2017 were RMB27 million and nil, respectively. Mainly due to the adoption of IFRS 15, sales of water cards and advances from customers of the Group, which was accounted for as "Deferred revenue and advances received from customers" in the past, are now accounted for as "Contract liabilities".

As at 31 December 2018, deferred income tax liabilities of the Group amounted to RMB15 million compared to RMB19 million as at 31 December 2017. The decrease was mainly due to the change in expected income tax rate from 15% to 9% for the years from 2018 to 2021, resulting in reversal of deferred income tax liabilities.

As at 31 December 2018, accrual and other payables of the Group decreased by RMB193 million, which was mainly attributable to (i) the settling of the payables for investing in a subsidiary of RMB239 million; (ii) the decrease in salary payables and welfare payables of RMB9 million; (iii) the decrease in payables for value-added tax and other taxes of RMB16 million; (iv) net decrease in other accruals and other payables of approximately RMB1 million; offset by (i) the increase in amounts received from a third party of RMB49 million; (ii) the increase in payables for the acquisition of equity shares in an associate of RMB9 million; (iii) the increase in payables for purchasing of equipment of RMB9 million; and (iv) the increase in accrued operating expense of RMB5 million.

As at 31 December 2018, the bank borrowings of the Group increased by RMB270 million, which was mainly attributable to bank borrowings of the principal loan amounting to RMB706 million and offset by repayment of bank borrowings of the principal loan amounting to RMB436 million in 2018.

於二零一八年十二月三十一日，本集團的應付貿易款及應付票據為人民幣7,900萬元，而於二零一七年十二月三十一日為人民幣9,300萬元，其下降主要是應付運輸成本款及廣告費的下降。

於二零一八年十二月三十一日，本集團的遞延收入及預收客戶款項的流動部分，與合同負債分別為人民幣200萬元及人民幣2,100萬元，而於二零一七年十二月三十一日分別為人民幣2,700萬元及零。主要由於採納國際財務報告準則第15號，本集團的水卡銷售及預收客戶款過往入賬為「遞延收入及預收客戶款」，現按「合同負債」計算。

於二零一八年十二月三十一日，本集團的遞延所得稅負債為人民幣1,500萬元，而於二零一七年十二月三十一日為人民幣1,900萬元。其減少主要由於預期二零一八年至二零二一年所得稅稅率由15%變為9%，以致轉回遞延所得稅負債。

於二零一八年十二月三十一日，本集團的預提費用及其他應付款減少了人民幣1.93億元，主要是由於(i)結清應付附屬公司投資款人民幣2.39億元；(ii)應付薪金和應付福利款項減少了人民幣900萬元；(iii)應付增值稅及其他稅項減少了人民幣1,600萬元；(iv)其他預提費用及其他應付款淨額減少約為人民幣100萬元；與(i)從第三方收到的款項增加了人民幣4,900萬元；(ii)應付收購一間聯營公司股份的款項增加了人民幣900萬元；(iii)購買設備的應付款增加了人民幣900萬元；以及(iv)預提營運費用增加了人民幣500萬元相抵。

於二零一八年十二月三十一日，本集團的銀行借款增加了人民幣2.70億元，主要是由於二零一八年借入銀行借款本金人民幣7.06億元，與歸還銀行借款本金人民幣4.36億元相抵。



EMPLOYEES

As at 31 December 2018, the total number of employees of the Group was 458 compared to 452 as at 31 December 2017. Relevant staff cost was RMB83 million in 2018, compared to RMB75 million in 2017. The fluctuation in staff cost was mainly attributable to the improvement of business and human resources structure during 2018.

The Group's remuneration policies are formulated according to the duty, experience, ability and performance of individual employees and are reviewed annually. In addition to basic salary, employees are entitled to other benefits including social insurance contribution, employee provident fund schemes and discretionary incentive.

員工

於二零一八年十二月三十一日，本集團員工總數為458人，於二零一七年十二月三十一日為452人。在二零一八年，有關僱員成本為人民幣8,300萬元，而二零一七年僱員成本為人民幣7,500萬元。僱員成本的波動主要是由於在二零一八年期間的業務和人力資源結構的改善。

本集團的薪酬政策是根據每位員工的崗位、經驗、能力和表現而制定的，並進行年度審核。除支付基本薪金外，員工也享受其他福利，包括社會保險供款、僱員公積金和酌情獎勵。



GEARING RATIO

The gearing ratio is calculated as borrowings (including borrowings and convertible bond) divided by total capital. The total capital is calculated as "equity" as shown in the consolidated balance sheet plus borrowings (including borrowings and convertible bond). As at 31 December 2018 and 31 December 2017, the gearing ratios of the Group were 25.09% and 21.38%, respectively.

SHARE-BASED PAYMENTS

On 16 December 2015, the Company granted share options to China Distribution and Logistics Company Ltd. ("China Distribution"), an independent customer. Under the option agreement, China Distribution has the right to subscribe up to 25,200,000 ordinary shares of the Company at a price of HKD3.00 per share within 10 years from 1 January 2016, conditional upon the achievement of the prescribed sale and performance targets by China Distribution within three years commencing from 1 January 2016. The Group has no legal or constructive obligation to repurchase or settle the options in cash. The Company determined that the above share option scheme was a sales incentive to its customer – China Distribution.

負債比率

此負債比率是按借款(包括借款和可換股債券)除以資本總額計算。資本總額按綜合資產負債表所示「權益」加借款(包括借款和可換股債券)計算。於二零一八年十二月三十一日及於二零一七年十二月三十一日，本集團的負債比率為25.09%及21.38%。

股份基礎給付

於二零一五年十二月十六日，本公司向一個獨立客戶中進企業有限公司(「中進企業」)授出購股權。根據購股權協議，倘中進企業於二零一六年一月一日起三年內達成訂明的銷售及績效目標，則中進企業有權自二零一六年一月一日起十年內以每股港幣3.00元認購本公司最多25,200,000股普通股。本集團並無法律或推定責任以現金購回或結算購股權。本公司界定上述購股權計劃是對其客戶中進企業的銷售激勵。

As at 31 December 2018, China Distribution did not meet the vesting conditions. Accordingly, none of the share options was exercisable and no debit of revenue was recorded for the year ended 31 December 2018 (2017: nil) relating to the sales incentive under the above share option scheme.

MERGER AND ACQUISITION

In 2018, the Group acquired 3.981% equity interests of Highland Natural Water for a cash consideration of RMB119 million, for details please refer to note 12 to the consolidated financial statements; the Group acquired 25% equity interests of Fudi Packaging for a cash consideration of RMB188 million; and the Group acquired 9% equity interests of Shannan Yalaxiangbu for a cash consideration of RMB178 million. Based on the share purchase agreement, if Shannan Yalaxiangbu could not meet certain conditions in 2019, the Group has the option to sell the equity shares to the original shareholder at the same price considering charging reasonable interests; if such conditions are met, the Group has the option to purchase additional shares of Shannan Yalaxiangbu based on the same equity price. These options are treated as derivative financial products by the Group and recorded as FVPL on the balance sheet. As at 31 December 2018, the amount of FVPL in relation to the above options was RMB4 million. The balance of the cash consideration paid amounting to RMB174 million was treated as FVOCI. The Group acquired 35% equity interests in Tiandi Green on 21 December 2017 at a cost of RMB536 million (including the relevant transaction costs of RMB2 million). Upon completion of the transaction, the Group held 100% equity interests of Tiandi Green and Tiandi Green became an indirect wholly-owned subsidiary of the Company.

In 2018, the Group did not have any disposal.

於二零一八年十二月三十一日，中進企業不符合歸屬條件。因此，沒有任何可行使的購股權及於二零一八年十二月三十一日(二零一七年：零)並無錄得上述購股權計劃下的銷售激勵的收入扣除。

兼併與收購

於二零一八年，本集團收購了高原天然水3.981%的股權，現金代價為人民幣1.19億元，詳情請參閱綜合財務報表附註12；本集團收購了福地包裝25%的股權，現金對價為人民幣1.88億元；本集團收購了山南雅拉香布9%的股權，現金對價為人民幣1.78億元。根據股份購買協議，如果山南雅拉香布在二零一九年不能滿足某些條件，則本集團可選擇以同樣價格並考慮合理利息將權益股份出售給原股東；如果符合上述條件，本集團可選擇基於同樣權益價格購買山南雅拉香布的額外股份。該等購股權被本集團視為衍生金融產品，並於資產負債表內記錄為以公允價值計量且其變動計入損益的金融資產。於二零一八年十二月三十一日，與上述購股權有關的以公允價值計量且其變動計入損益的金融資產金額為人民幣400萬元。已支付的現金對價餘額為人民幣1.74億元，被視為以公允價值計量且其變動計入其他綜合收益的金融資產。於二零一七年十二月二十一日，本集團以人民幣5.36億元(包括了人民幣200萬元的相關交易成本)收購了天地綠色的35%權益，交易完成後，本集團持有天地綠色100%的權益，而天地綠色成為本公司的非直接全資附屬公司。

於二零一八年，本集團並無任何重大出售。

SIGNIFICANT INVESTMENTS

In 2018, the Group invested RMB3.6 million in Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership) (“Zhuhai Guangyuan”), which is an equity investment fund and limited partnership in nature. The maximum amount the Group intended to invest in Zhuhai Guangyuan is RMB180 million. As at 31 December 2018, the uninvested portion has been included in the committed equity investment mentioned in the section “Capital Commitments” below. In 2018, the Group acquired PP&E of approximately RMB29 million (for 2017: approximately RMB42 million). Regarding the future development and outlook of the Group, please refer to the section headed “Outlook” in the “Management Discussion and Analysis” section.

CAPITAL COMMITMENTS

As at 31 December 2018, the Group is committed to purchasing PP&E of approximately RMB73 million (31 December 2017: RMB117 million), and the equity investment of RMB198 million (31 December 2017: RMB13 million).

重大投資

在二零一八年，本集團投資了人民幣360萬元於珠海光遠匯金股權投資基金(有限合夥)(「珠海光遠」)，其性質為有限合夥制的股權投資基金。本集團擬投資於珠海光遠的最高限額為人民幣1.80億元，於二零一八年十二月三十一日，對於未投資的部分已經包括在下述「資本性承諾」章節中提及的承諾股權投資款中。在二零一八年，本集團購買物業、廠房及設備約為人民幣2,900萬元(二零一七年：約人民幣4,200萬元)。關於本集團未來的發展和展望，詳情請參閱本「管理層討論與分析」內標題為「展望」的章節。

資本性承諾

於二零一八年十二月三十一日，本集團已承諾購買物業、廠房及設備約為人民幣7,300萬元(二零一七年十二月三十一日：人民幣1.17億元)，以及承諾股權投資人民幣1.98億元(二零一七年十二月三十一日：人民幣1,300萬元)。





CHARGES

As at 31 December 2018, a loan with the principal amount of RMB290 million (31 December 2017: nil) of the Group was pledged by 35% of a subsidiary's equity interests; a loan with the principal amount of RMB100 million (31 December 2017: nil) of the Group was pledged by 5% of an associate's equity interests; a loan with the principal amount of RMB66 million (31 December 2017: RMB66 million) of the Group was secured by its factory plant with a net book value of RMB31 million (31 December 2017: RMB33 million) and land use rights with a net book value of RMB1 million (31 December 2017: RMB1 million). As at 31 December 2018 and 31 December 2017, the convertible bond was secured by the entire issued shares of Wealth Keeper Limited, a wholly-owned subsidiary of the Group.

抵押

於二零一八年十二月三十一日，本集團的一筆本金為人民幣2.90億元的借款(二零一七年十二月三十一日：零)以一子公司35%的股權作質押；本集團的一筆本金為人民幣1億元的借款(二零一七年十二月三十一日：零)以一聯營公司5%的股權作質押；以及本集團的一筆本金為人民幣6,600萬元的借款(二零一七年十二月三十一日：人民幣6,600萬元)以賬面淨值為人民幣3,100萬元的工廠廠房(二零一七年十二月三十一日：人民幣3,300萬元)以及賬面淨值為人民幣100萬元的土地使用權(二零一七年十二月三十一日：人民幣100萬元)作抵押。於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，可換股債券以本集團的一家全資附屬公司—Wealth Keeper Limited的全部已發行股份作抵押。

CONTINGENT LIABILITIES

As at 31 December 2018 and 31 December 2017, the Group did not have contingent liabilities.

FOREIGN EXCHANGE RISK

The Group adopts a conservative approach to cash management and risk control. The Group mainly operates in the PRC with most of its business transactions denominated in RMB. However, the Group is exposed to foreign exchange risk arising from its cash exchange transactions, which are primarily denominated in HKD. To mitigate the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. During 2018, management of the Group did not consider it necessary to enter into any hedging transactions in order to reduce the exposure to foreign exchange risk, because the exposure, after netting off the assets and liabilities subject to foreign exchange risk, was not significant.

或然負債

於二零一八年十二月三十一日和二零一七年十二月三十一日，本集團沒有或然負債。

外匯風險

本集團採用審慎方針管理現金及控制風險。本集團主要在中國營運，大部分的商業交易皆以人民幣為計算單位。惟本集團的現金匯兌交易主要以港幣計值，故本集團面對外匯風險。為減輕匯率波動的影響，本集團持續評估及監控其外匯風險。在二零一八年期間，本集團管理層認為沒有必要訂立任何對沖交易以減輕外匯風險，因為將承受外匯風險的資產及負債相抵後風險不大。





VALUATION OF PROPERTIES

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

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

PRODUCTION CAPACITY

The annual water production capacity and annual beer production capacity for the year ended 31 December 2018 are approximately 300,000 tonnes and 200,000 tonnes, same as for the year ended 31 December 2017. The Group will assess its production capacity periodically and consider to increase production capacity to meet the demands of future development.

物業估值

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

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

產能

截至二零一八年十二月三十一日止年度的年度水產能和年度啤酒產能分別約為300,000噸和200,000噸與截至二零一七年十二月三十一日上年度的一致，本集團將定期評估產能並考慮增加產能以滿足未來發展的需要。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group has adopted internal control measures to monitor the continuous compliance with relevant laws and regulations such as the Companies Law of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the “SFO”), the Rules Governing the Listing of Securities on the Stock Exchange, (the “Listing Rules”) and other rules and regulations implemented in relevant jurisdictions. Also, as the Group’s major subsidiaries are located in PRC, relevant regulatory requirements on the Group include PRC government policies and regulations towards the mineral water industry, PRC laws and regulations on environmental protection, PRC laws on regulation of manufacture and sales of general food products, PRC taxes, regulation of foreign currency exchange and dividend distribution, and other relevant PRC laws and regulations. During the financial year ended 31 December 2018, as far as the Board is aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

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

ENVIRONMENTAL PROTECTION

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

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

遵守相關法律及規例

本集團已採納內部監控措施監督持續遵守相關法律及法規，例如開曼群島公司法、公司條例(香港法例第622章)、證券及期貨條例(香港法例第571章、「證券及期貨條例」)、聯交所證券上市規例(「上市規則」)以及於相關司法管轄區內執行之其他規則及規例。此外，由於本集團主要附屬公司均位於中國，本集團面臨相關監管規定，包括中國政府有關礦泉水行業的政策及規例、中國環境保護法律及法規、中國有關規管一般食品生產及銷售的法律、中國稅項、外幣匯兌及股息分派規例以及其他相關中國法律及規例。於截止二零一八年十二月三十一日止財政年度，據董事會知悉，本集團已於所有重大方面遵守對本集團之業務及營運產生重大影響的相關法律及規例。

本集團繼續致力遵守相關法律及規例。

環境保護

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

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



RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

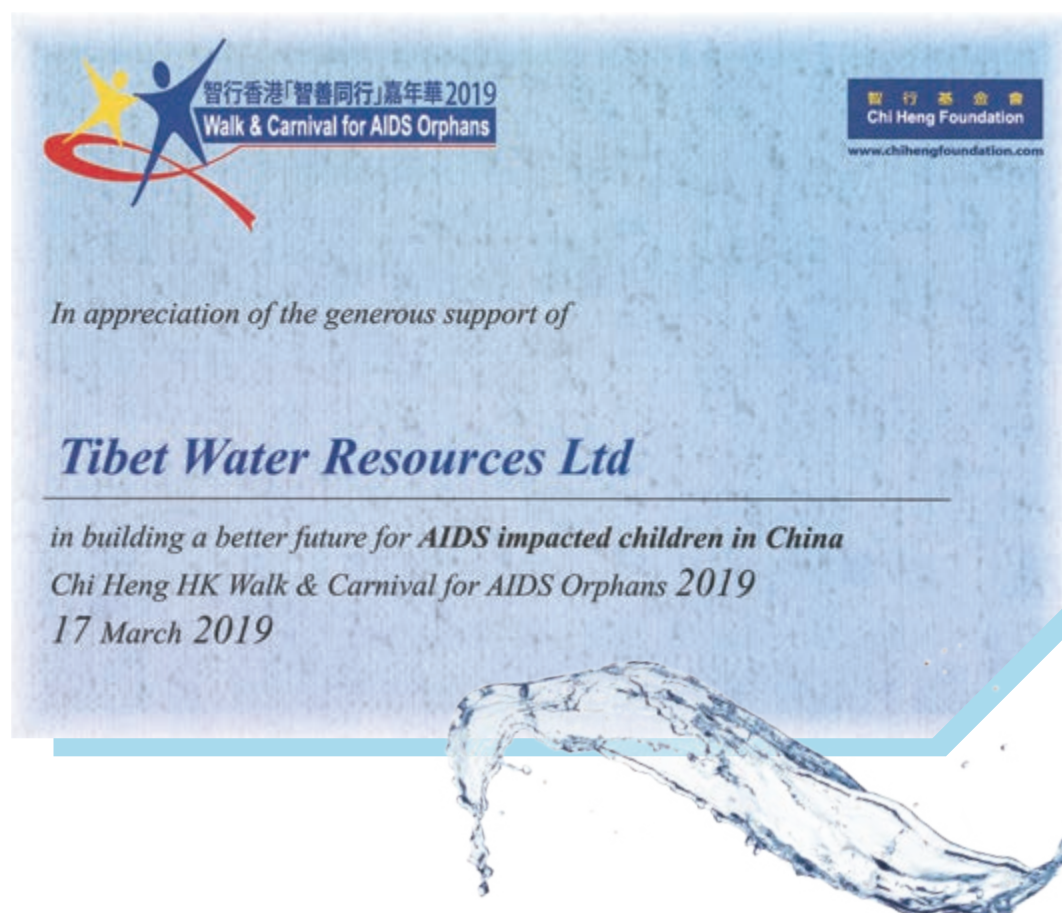
The Board believes in being people-oriented. The employees of the Group are one of the most important assets of the Group and their contribution and support are highly valued. The Group ensures staff are reasonably remunerated with regular reviews on compensations and benefits policies in accordance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

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

與僱員、客戶及供應商之關係

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

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



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

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

主要風險及不明朗因素

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

1. Risks relating to our industry

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

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

2. Risks relating to our Business

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

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

1. 有關我們所處行業的風險

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

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

2. 有關我們業務的風險

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

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

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

3. Financial risks

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

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

3. 財務風險

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

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

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

來自全球發售的所得款項淨額用途

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

		As at 31 December 2018 utilized net proceeds 於二零一八年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	As at 31 December 2018 unutilized net proceeds 於二零一八年 十二月三十一日 未運用的 所得款項淨額 HKD'Million 百萬港元
Expand our production capacity by constructing additional facilities and purchasing additional production equipment	用作建設新增廠房及購買額外生產設備以擴大生產能力	133	—
Expand our distribution network and toward promotional activities	用作擴大經銷網絡及宣傳推廣活動	206	173
Mergers and acquisitions that complement our existing business	用作能補充我們現有業務的合併與收購	1,092	—
Working capital and other general corporate purpose	用作營運資金及其他一般企業用途	41	—
		1,472	173

As at 31 December 2018, the Group has utilized net proceeds amounting to HKD133 million, HKD33 million, HKD1,092 million and HKD41 million (i) for expanding our production capacity; (ii) for expanding our distribution network and toward promotional activities; (iii) for mergers and acquisitions that complement our existing business; and (iv) as working capital and for other general corporate purposes, respectively. The remaining net proceeds were deposited in reputable financial institutions and are intended to be applied towards expanding distribution network and towards promotional activities in the coming financial years. The net proceeds were applied and are to be applied according to the intentions disclosed in the Company's announcement dated 10 April 2013.

FINAL DIVIDEND

No dividend has been declared by the Company in respect of 2018 (2017: nil).

OUTLOOK

The Group will continue its diversification strategy on product portfolio, market-oriented business strategy, internationalization strategy and further enhance strategic sales channel cooperation in future along with continuing brand development through a range of marketing activities for both water and beer products. Additionally, the Group will implement more innovative and flexible ways to reach the customers, in order to attract more and more corporate and family customers with an innovative platform.

Up to now, the natural drinking water industry in Tibet is a pillar industry strongly supported by the Tibetan government. Our "5100 Glacial Water", "Gesang Spring", and "Easy joy • Zhuoma Spring" from the cooperation between our Group and Sinopec have been the leading brands in Tibet's natural drinking water industry. With more and more big groups getting involved in selling natural drinking water from Tibet throughout China, it is expected that such an industry will develop positively. During the reporting period, the Group has put significant resources into such area, involved in the integration of the industry chain of the natural drinking water industry, cooperated with more big groups for the expansion of natural drinking water industry and will continue to do so in the foreseeable future. This, combined with consumers' increasing appetite for high quality and healthy products makes the Group well positioned to benefit from such development.

於二零一八年十二月三十一日，本集團已運用了1.33億港元、3,300萬港元、10.92億港元及4,100萬港元的所得款項淨額分別(i)用作擴大生產能力；(ii)用作擴大經銷網絡及宣傳推廣活動；(iii)用作能補充我們現有業務的合併與收購；及(iv)作為營運資金及用作其他一般企業用途。餘下的所得款項淨額已存入信譽良好的金融機構，並打算在未來的財政年度用作擴大經銷網絡及宣傳推廣活動。所得款項淨額都是根據本公司日期為二零一三年四月十日的公告所披露的意向獲運用和將予運用。

末期股息

本公司宣告不派發二零一八年股息（二零一七年：無）。

展望

本集團將在未來繼續多元化產品戰略，市場化的經營方針，國際化戰略和深化銷售渠道戰略合作，並通過一系列的市場活動繼續為水產品及啤酒產品推廣品牌。再者，本集團將採取更新穎靈活的方式接觸消費者，期望依託創新的平台吸引更多的企業和家庭用戶。

截至目前，西藏天然飲用水產業已經是西藏政府重點支持的支柱產業之一，我們的「5100冰川水」和「格桑泉」，以及中石化和本集團合作的「易捷•卓瑪泉」已經成為了西藏天然飲用水產業的領軍品牌。隨著越來越多的大集團參與在中國銷售來自於西藏的天然飲用水，這一產業將樂觀地發展。在報告期間，本集團已經並將繼續在可預見的未來投入重要資源於這一領域，參與整合天然飲用水產業的產業鏈，與更多大集團合作，為天然飲用水產業壯大發展。本集團的良好定位將從上述舉措與消費者對於高品質和健康產品需求增長的發展中獲益。

According to the “Development Plan for Natural Drinking Water Industry of Tibet Autonomous Region (2015-2025)” formulated by the Tibet Autonomous Regional Government, the development goal of Tibet’s aquaculture industry is: By 2020, the design capacity of natural drinking water in the region will reach 5 million tonnes or more, and 10 million tonnes by 2025. We, as the only overseas listed company in Tibet Autonomous Region and the leading representative of Tibet’s aquatic industry, the company will usher in stronger support under the great development policy of Tibet’s aquaculture industry, and will shoulder a greater responsibility. In response to national and government guidelines and plans, the Group will seize the opportunity to participate in the development of new water sources and participate in the aquatic product packaging related industries. In the next few years, with the leadership and support of the Tibet Autonomous Regional Government, the Group will further strengthen and consolidate the leading position of Tibet’s aquatic industry and make important contributions to the realization of Tibet’s aquatic industry development plan.

EVENTS AFTER THE BALANCE SHEET DATE

On 18 February 2019, Tibet Glacier Mineral Water Co., Ltd. (“**Tibet Glacier Mineral Water**”), a subsidiary of the Group, entered into a share purchase agreement with Tibet Everest Water Cube Co., Ltd (“**Tibet Everest**”) to purchase 70% equity shares of Tibet Yuanzheng Packaging Co. Ltd. (“**Tibet Yuanzheng**”) at the price of RMB117,600,000. After the transaction, Tibet Yuanzheng became a subsidiary of the Group. Tibet Yuanzheng is in the business of manufacturing and distribution of packing materials, such as cartons and paper boxes. It is a major supplier for the Group.

根據西藏政府制定的《西藏自治區天然飲用水產業發展規劃(2015-2025年)》，西藏水產業的發展目標為：到2020年，全區天然飲用水設計產能達到500萬噸以上，到2025年達到1,000萬噸。本公司作為西藏自治區唯一的境外上市企業、西藏水產業的領軍代表，將在西藏水產業的大發展政策下迎來更有力的支持，也將肩負起更大的重任。因應國家和政府的指引和規劃，本集團將抓住機會參與新水源的發展，並會參與到水產品包裝相關產業，未來幾年裡，在西藏自治區政府的領導和支持下，本集團將進一步壯大和夯實在西藏水產業的龍頭地位，為實現西藏水產業發展規劃做出重要貢獻。

資產負債表日期後事項

於二零一九年二月十八日，本集團附屬公司西藏冰川礦泉水有限公司(「**西藏冰川礦泉水**」)與西藏珠峰水立方有限公司(「**西藏珠峰**」)訂立股份購買協議，購買西藏遠征包裝有限公司(「**西藏遠征**」)70%股權，價格為人民幣117,600,000元。交易完成後，西藏遠徵成為本集團的附屬公司。西藏遠徵從事紙箱等包裝材料的製造和分銷業務。它是本集團的主要供應商。

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





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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. WANG Dong, aged 53, was appointed as executive director of the Company on 29 May 2017 and further appointed as the chief executive officer of the Company on 18 August 2017. Mr. Wang graduated with a bachelor of laws degree at Xinjiang University. He obtained a master degree in engineering at Wuhan University and an EMBA degree at the South China University of Technology.

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

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

Mr. YUE Zhiqiang, aged 54, is an executive Director of our Company and was appointed to the Board on 1 March 2011. Mr. Yue has over 30 years of experience in mechanical engineering and manufacturing plant operation, and is the chairman of our major subsidiary company, Tibet Glacier Mineral Water. Mr. Yue studied at Shandong University of Technology (山東工業大學) (now combined into Shandong University (山東大學)) in Machinery Production and obtained a bachelor degree. Mr. Yue was appointed as the director of Tiandi Green on 25 December 2012.

董事及高級管理層履歷

執行董事

王東先生，53歲，於二零一七年五月二十九日獲委任為本公司執行董事，並於二零一七年八月十八日委任為本公司行政總裁。王先生畢業於新疆大學，取得法學士學位，並於武漢大學取得工程碩士學位及於華南理工大學取得高級管理人員工商管理碩士學位。

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

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

岳志強先生，54歲，本公司執行董事，於二零一一年三月一日進入董事會。岳先生在機械工程及製造工廠運營方面擁有逾30年經驗，並為本公司之主要子公司西藏冰川礦泉水的董事長。岳先生於山東工業大學(現已併入山東大學)修讀機械製造專業，並取得學士學位。岳先生在二零一二年十二月二十五日被委任為天地綠色之董事。

Mr. LIU Chen, aged 35, is an executive Director and authorized representative of our Company and was appointed to the Board on 1 March 2011. Prior to joining our Group, Mr. Liu gained experience in the areas of law and accounting. Mr. Liu graduated from York University, Canada, with a bachelor of arts degree. Mr. Liu also studied full-time at McMaster University, Canada, and obtained a master degree in Business Administration. Mr. Liu also serves as a director of certain subsidiary companies of the Group.

Mr. WONG Hak Kun, aged 63, is an executive Director of our Company and was appointed to the Board on 8 December 2014. He worked for Carlsberg Brewery prior to joining the Company. He was the Chairman of Carlsberg China from September 2011 to March 2014. He served as the chief executive officer of Carlsberg Greater China from March 2007 to September 2011, and as the deputy managing director of Carlsberg China from January 2006 to February 2007. During the period between 2002 and 2006, in his capacity as business development director of Carlsberg China, he led the merger and acquisition team in expanding the company's production bases in the PRC.

Mr. Wong has more than 35 years of working experience in the fast-moving consumer goods industry, of which more than 30 years were in the PRC beverage market. During the said period, he held various senior management positions in top international beer companies including Carlsberg and Bass Brewers.

Mr. Wong is currently an adjunct professor of the School of Business of the Hong Kong Baptist University and the Department of Marketing of The Hang Seng University of Hong Kong, and an adjunct professor of the Institute of Public Affairs and Social Innovation of Feng Chia University, Taiwan.

Mr. Wong graduated from Hong Kong Baptist College (now known as Hong Kong Baptist University) in 1978 with a Diploma in Business Management and received a Master of Business Administration degree (full time) from Bath University, United Kingdom in 2001.

劉晨先生，35歲，本公司執行董事兼授權代表，於二零一一年三月一日加入董事會。於加入本集團前，劉先生累積了法律及會計經驗。劉先生畢業於加拿大約克大學(York University)，取得文學學士學位，其後劉先生亦全職在加拿大麥克馬斯特大學(McMaster University)攻讀，取得工商管理碩士學位。劉先生現亦擔任本集團若干附屬公司的董事。

王克勤先生，63歲，本公司執行董事，於二零一四年十二月八日加入董事會。在加入本公司之前就職於嘉士伯酒廠(Carlsberg Brewery)。彼自二零一一年九月起至二零一四年三月擔任嘉士伯中國的主席，自二零零七年三月起至二零一一年九月擔任嘉士伯大中華區的行政總裁，並自二零零六年一月起至二零零七年二月擔任嘉士伯中國的副總經理。於二零零二年至二零零六年期間，彼擔任嘉士伯中國的業務開發經理，領導兼併及收購團隊擴展公司在中國的生產基地。

王先生於快速消費品行業擁有逾35年經驗，其中包括於中國飲料市場的逾30年經驗。於此期間，彼曾於嘉士伯及Bass Brewers等頂尖國際啤酒公司擔任多項高級管理層職位。

王先生目前為香港浸會大學工商管理學院及香港恆生大學市場學系客席教授，台灣逢甲大學公共事務與社會創新研究所客席教授。

王先生於一九七八年畢業於香港浸會學院(現稱香港浸會大學)，取得工商管理文憑，並於二零零一年自英國巴斯大學(Bath University)取得工商管理碩士學位(全日制)。

Ms. HAN Linyou, aged 38, joined the Group as the assistant to the chief executive officer and legal director of the Company in April 2013, and was promoted as senior vice president in 2015. Ms. Han was appointed as executive director of the Company on 29 May 2017 and further appointed as chairwoman of the risk management committee of the Board on 18 August 2017. Ms. Han currently also serves as a director of certain subsidiary companies of the Group and the supervisor of Highland Natural Water, an associate of the Company.

Ms. Han graduated from Peking University in 2002 with a bachelor degree in laws. She obtained the PRC Legal Professional Qualification Certificate in 2008. Prior to joining the Group, Ms. Han worked at Jingtian & Gongcheng Attorneys at Law from 2002 to 2013 and became a partner of the firm in 2009. Between May 2008 and May 2009, she had seconded as a PRC legal consultant to Chiu & Partners in Hong Kong. She also served as the PRC legal counsel for the Group's initial public offering in 2011.

Non-Executive Director

Ms. JIANG Xiaohong, aged 61, is a non-executive Director of our Company and was appointed to the Board on 1 March 2011. Ms. Jiang is also the legal representative of our major subsidiary company, Tibet Glacier Mineral Water Co. Ltd., and is responsible for the operation, quality control, equipment and production site management. She has over 31 years of experience in operational management. She graduated from Xinjiang Vocational University (新疆職工大學) with a diploma in Economic Management, then from Jiangnan University (江南大學) (formerly known as Wuxi University of Light Industry (無錫輕工大學) with a diploma of Brewery Engineering, and from Xinjiang University (新疆大學) with a diploma of Analytical Chemistry.

Independent Non-Executive Directors

Mr. Jesper Bjoern MADSEN, aged 65, joined our Group and was appointed as an independent non-executive Director of our Company on 1 March 2011. He is the chairman of the nomination committee and also a member of the audit committee and remuneration committee of our Company. Mr. Madsen was appointed as chairman of the Board on 7 July 2015.

韓林攸女士，38歲，於二零一三年四月加入本集團，擔任行政總裁助理及本公司法務總監，並於二零一五年升任為高級副總裁。韓女士於二零一七年五月二十九日獲委任為本公司執行董事，並於二零一七年八月十八日起擔任董事會風險管理委員會主席。韓女士現亦擔任本集團某些附屬公司的董事及本公司的聯營公司高原天然水監事。

韓女士於二零零二年畢業於北京大學，獲法學學士學位。彼於二零零八年取得中國律師職業資格證書。於加入本集團前，韓女士於二零零二至二零一三年就職於競天公誠律師事務所，及於二零零九年成為該事務所合夥人。於二零零八年五月至二零零九年五月期間，彼亦借調到香港趙不淪馬國強律師事務所，擔任中國法律顧問。彼亦於二零一一年擔任本集團首次公開發售之中國法律顧問。

非執行董事

姜曉虹女士，61歲，本公司非執行董事，於二零一一年三月一日加入董事會。姜女士亦為本公司之主要附屬公司西藏冰川礦泉水有限公司的法定代表人，負責營運、質量控制、設備及生產場所管理。彼擁有超過31年營運管理經驗。彼畢業於新疆職工大學，獲授經濟管理文憑，然後於江南大學(前稱無錫輕工大學)，獲授釀造工程文憑；於新疆大學，獲授分析化學文憑。

獨立非執行董事

麥奕鵬先生，65歲，於二零一一年三月一日加入本集團並獲委任為本公司獨立非執行董事。彼為本公司提名委員會主席，亦為審核委員會以及薪酬委員會成員。麥先生於二零一五年七月七日獲委任為董事會主席。

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

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

Mr. LEE Conway Kong Wai, aged 64, joined our Group and was appointed as an independent non-executive Director of our Company on 1 March 2011. He is the chairman of the remuneration committee and also a member of the audit committee and nomination committee of our Company. Mr. Lee served as a partner of Ernst & Young for many years and held key leadership positions in the development of such a firm in China. Mr. Lee is a member of the Institute of Chartered Accountants in England and Wales, the Chartered Accountants Australia and New Zealand, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Macau Society of Certified Practising Accountants. Mr. Lee received a Bachelor of Arts degree in Business Studies from Kingston University (formerly known as Kingston Polytechnic) in London and further obtained his postgraduate diploma in Business from Curtin University of Technology in Australia.

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

麥先生現時亦擔任D&O Green Technologies Berhad(股份代號:7204)和Mega First Corporation Berhad(股份代號:3069)(均於大馬吉隆坡股票交易所主板上市)的獨立非執行董事。

李港衛先生，64歲，於二零一一年三月一日加入本集團並獲委任為本公司獨立非執行董事。彼為本公司薪酬委員會主席，亦為審核委員會及提名委員會成員。李先生於過去多年為安永會計師事務所合夥人，於開展該行的中國業務擔任主要的領導職位。李先生為英格蘭及威爾斯特許會計師公會會員、澳大利亞及新西蘭特許會計師公會會員、英國特許會計師公會會員、香港會計師公會及澳門註冊會計師公會會員。李先生畢業於倫敦金斯頓大學(Kingston University)(前稱金斯頓理工學院(Kingston Polytechnic))，獲授商業文學士學位，並獲授澳洲科廷科技大學(Curtin University of Technology)的商業研究生文憑。

Mr. Lee currently serves as an independent non-executive director of the following companies listed in Hong Kong and China:

李先生現時擔任多家分別在香港和中國上市的公司獨立非執行董事，如下：

Name of Listed Company 上市公司名稱	Stock Code 股份代號	Place of Listing 上市地點
Chaowei Power Holdings Limited 超威動力控股有限公司	951	Main Board of the Stock Exchange 香港聯交所主板
China Modern Dairy Holdings Ltd. 中國現代牧業控股有限公司	1117	Main Board of the Stock Exchange 香港聯交所主板
China Rundong Auto Group Limited 中國潤東汽車集團有限公司	1365	Main Board of the Stock Exchange 香港聯交所主板
GCL New Energy Holdings Limited 協鑫新能源控股有限公司	451	Main Board of the Stock Exchange 香港聯交所主板
GOME Retail Holdings Limited 國美零售控股有限公司	493	Main Board of the Stock Exchange 香港聯交所主板
Guotai Junan Securities Co., Ltd. 國泰君安證券股份有限公司	2611	Main Board of the Stock Exchange 香港聯交所主板
	601211	Shanghai Stock Exchange 上海證券交易所
NVC Lighting Holding Limited 雷士照明控股有限公司	2222	Main Board of the Stock Exchange 香港聯交所主板
West China Cement Limited 中國西部水泥有限公司	2233	Main Board of the Stock Exchange 香港聯交所主板
WH Group Limited 萬洲國際有限公司	288	Main Board of the Stock Exchange 香港聯交所主板
Yashili International Holdings Ltd 雅士利國際控股有限公司	1230	Main Board of the Stock Exchange 香港聯交所主板

Mr. Kevin Cheng WEI, aged 51, joined our Group and was appointed as an independent non-executive Director of our Company on 1 March 2011. He is the chairman of the audit committee and also a member of the remuneration committee, nomination committee and risk management committee of our Company.

蔚成先生，51歲，於二零一一年三月一日加入本集團並獲委任為本公司獨立非執行董事。彼為本公司審核委員會主席，亦為薪酬委員會，提名委員會及風險管理委員會成員。

Mr. Wei is currently a managing partner of a corporate finance advisory firm. Mr. Wei served as the chief financial officer from December 2007 to September 2013 of IFM Investments Limited which is a real estate services company headquartered in Beijing. From 2006 to 2007, Mr. Wei served as the chief financial officer of a Chinese solar company listed on Nasdaq. From 1999 to 2005, Mr. Wei worked in the internal audit and risk management functions with the Asia Pacific regional or global coverage for multinational companies including LG Philips Displays International Ltd. (2003 to 2005) headquartered in Hong Kong. From 1991 to 1999, Mr. Wei worked with KPMG LLP and Deloitte Touche LLP in various audit and consulting roles between the United States of America and China. Mr. Wei graduated from Central Washington University in 1991, where he received his bachelor's degree (cum laude) with a double major in accounting and business administration. He is also a member of the American Institute of Certified Public Accountant.

Mr. Wei currently also serves as an independent non-executive director of Nexteer Automotive Group Limited (stock code: 1316), a company listed on the Main Board of the Stock Exchange, and as an independent director of Alpha Peak Leisure Inc., a company listed on the TSX Venture Exchange (TSX-V: AAP) in Canada. On 15 February 2018, Mr. Wei had resigned as an independent non-executive director of Wisdom Sports Group (Stock code: 1661), a company listed on the Main Board of the Stock Exchange.

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

蔚先生現為一個財務諮詢顧問公司的董事合夥人。蔚先生亦自二零零七年十二月起至二零一三年九月擔任一間總部設於北京的房地產服務公司IFM Investments Limited的財務總監。於二零零六年至二零零七年間，蔚先生曾擔任一間於納斯達克上市的中資太陽能公司的財務總監。於一九九九年至二零零五年間，蔚先生曾工作於亞太地區或覆蓋全球的國際公司，負責內部核數及風險管理，包括總部設於香港的樂金•飛利浦顯示件國際有限公司(LG Philips Displays International Ltd.)(二零零三年至二零零五年間)。於一九九一年至一九九九年間，蔚先生於美國及中國為KPMG LLP及Deloitte Touche LLP處理不同的審計及顧問工作。蔚先生於一九九一年畢業於美國中央華盛頓大學，以優等成績取得學士學位雙主修會計及工商管理。彼亦為美國註冊會計師協會會員。

蔚先生現時擔任耐世特汽車系統集團有限公司(股份代號：1316)的獨立非執行董事及Alpha Peak Leisure Inc. (TSX-V: AAP)的獨立董事，該兩間公司的股份分別在香港聯交所主板上市及加拿大多倫多證券交易所創業板上市。蔚先生於二零一八年二月十五日辭任智美體育集團(於香港聯交所主板上市，股份代號：1661)獨立非執行董事。

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

CORPORATE GOVERNANCE

企業管治





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

CORPORATE GOVERNANCE PRACTICES

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

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

According to code provision A.6.7 of the CG Code contained in Appendix 14 to the Listing Rules, independent non-executive directors and other non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders. However, Ms. JIANG Xiaohong (being a non-executive director) was unable to attend the annual general meeting held on 8 June 2018 as she was obliged to be away for the Group's other matters. Save for the above deviation, the Company had complied with the code provisions of the Corporate Governance Code in the Listing Rules throughout the year ended 31 December 2018.

董事會謹此提呈載於本集團回顧年度年報內的企業管治報告。

企業管治常規

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

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

根據聯交所上市規則附錄十四所載企業管治守則的守則條文第A.6.7條，獨立非執行董事及其他非執行董事亦應出席股東大會，並對股東的意見有一個平衡的理解。然而，姜曉虹女士（非執行董事）未能出席於二零一八年六月八日舉行的股東周年大會，因為她需要處理本集團的其他事項。除上述偏離外，本公司於截至二零一八年十二月三十一日止年度一直遵守上市規則中企業管治守則的守則條文。

BOARD OF DIRECTORS

Responsibilities

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

Board Composition and Diversity

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

Executive Directors

Mr. WANG Dong (*Chief Executive Officer*)

Mr. YUE Zhiqiang

Mr. LIU Chen

Mr. WONG Hak Kun

Ms. HAN Linyou

Non-executive Director

Ms. JIANG Xiaohong

Independent Non-executive Directors

Mr. Jesper Bjoern MADSEN (*Chairman*)

Mr. LEE Conway Kong Wai

Mr. Kevin Cheng WEI

董事會

職責

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

董事會組成和多元化

董事會繼續由九名成員組成，包括五名執行董事、一名非執行董事及三名獨立非執行董事。通過指示並監督本集團之事務，董事會共同負責推動本公司之成功發展。董事會擁有本集團業務所需之各種合適技能及經驗和多元化的觀點。

執行董事

王東先生 (*行政總裁*)

岳志強先生

劉晨先生

王克勤先生

韓林攸女士

非執行董事

姜曉虹女士

獨立非執行董事

麥奕鵬先生 (*主席*)

李港衛先生

蔚成先生

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

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

		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Risk Management Committee 風險管理委員會
Mr. WANG Dong	王東先生	—	Member 會員	Member 會員	—
Mr. LIU Chen	劉晨先生	—	—	—	Member 會員
Ms. HAN Linyou	韓林攸女士	—	—	—	Chairwoman 主席
Mr. Jesper Bjoern MADSEN	麥奕鵬先生	Member 會員	Member 會員	Chairman 主席	—
Mr. LEE Conway Kong Wai	李港衛先生	Member 會員	Chairman 主席	Member 會員	—
Mr. Kevin Cheng WEI	蔚成先生	Chairman 主席	Member 會員	Member 會員	Member 會員

The list of Directors and their role and function is available at the Company's and the Stock Exchange's websites. Their profiles are set out in the section headed "Profile of Directors and Senior Management" which is in this Annual Report on pages 46 to 53.

董事名單及彼等的職務及職能可於本公司及聯交所網站查詢。彼等的履歷載於本年報第46至53頁「董事及高級管理層履歷」一節。

The Company had nine Directors, of which three were independent non-executive Directors, which is in compliance with the requirements under Rules 3.10A of the Listing Rules.

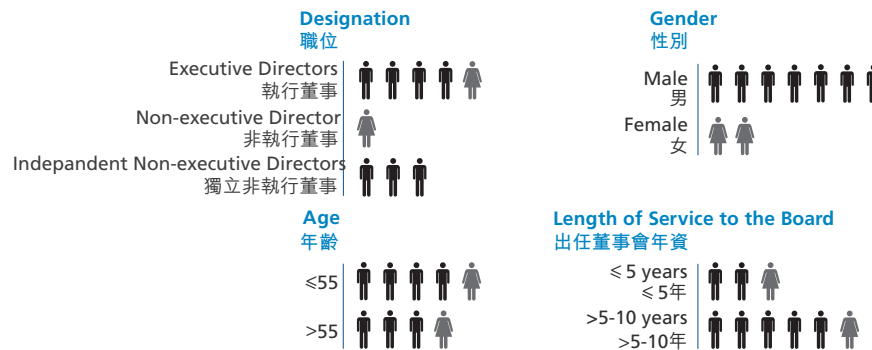
董事會有九名董事，其中三名為獨立非執行董事，並已符合上市規則第3.10A條的規定。

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

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

The profile of our Board members are as follows:

我們的董事會成員簡介：



Chairman and Chief Executive

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

主席及行政總裁

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

Operation of the Board

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

董事會的運作

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

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

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

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

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

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

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

Under the respective appointment letters, all the current non-executive Director and independent non-executive Directors are appointed for a period of three years from 1 March 2017 unless terminated in accordance with the terms of the appointment letters. Their appointment may be terminated either by the Company or by the Director by giving three months' written notice to the other party. All the current non-executive Director and independent non-executive Directors are subject to retirement by rotation and re-election at the coming annual general meetings of the Company in accordance with the Articles of Association of the Company. The Company has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of its independent non-executive Directors independent.

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

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

根據各現任非執行董事及獨立非執行董事的委任書，彼等的委任期均為自二零一七年三月一日起計為期三年，惟按照委任書的條款終止的情況除外。彼等的委任均可由本公司或由有關董事向對方發出三個月書面通知而終止。各現任非執行董事及獨立非執行董事均須按本公司組織章程細則於未來的股東周年大會上輪席退任，並重選連任。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認書。本公司認為所有獨立非執行董事均為獨立人士。

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

董事會相信執行董事及非執行董事組合之比例合理及適當，並充分發揮制衡作用，以保障股東及本集團之利益。非執行董事為本集團帶來多元化的學問、專業知識及經驗。彼等提出的意見及透過參與董事會及委員會會議，在策略、表現、利益衝突及管理程序等事宜上為本集團帶來獨立之判斷及意見，從而確保所有股東之利益均獲得考慮。其中二名獨立非執行董事具備適當專業會計資格或相關財務管理專業知識，這是超越了上市規則所規定的要求。獨立非執行董事在董事會會議上提出意見有助維持良好的企業管治常規。

Directors' Induction and Continuous Professional Development

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

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

From time to time, Directors are provided with written materials to develop and refresh their professional skills. The Company Secretary also coordinates, organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties. During the year, seminar materials, articles and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements have been provided to Directors. An in-house seminar has been conducted by our independent external auditor, Messrs. PricewaterhouseCoopers, covering the topic of "IFRS2 : Share-based payment".

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

董事之入職及持續專業發展

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

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

董事將不時獲提供旨在發展及更新其專業技能之書面材料；公司秘書亦會為董事舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。在年度內，有關上市規則及其他適用監管規定最新發展的研討會閱讀材料、文章與更新資料已發派各董事。本公司曾邀請本公司的獨立外聘核數師「羅兵咸永道會計師事務所」，開辦一次內部研討會，討論議題為「股權激勵會計處理」。

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

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

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

		Types of training 培訓類別
Executive Directors	執行董事	
Mr. WANG Dong	王東先生	A, B
Mr. YUE Zhiqiang	岳志強先生	A, B
Mr. LIU Chen	劉晨先生	A, B
Mr. WONG Hak Kun	王克勤先生	A, B
Ms. HAN Linyou	韓林攸女士	A, B
Non-executive Director	非執行董事	
Ms. JIANG Xiaohong	姜曉虹女士	A, B
Independent Non-executive Directors	獨立非執行董事	
Mr. Jesper Bjoern MADSEN	麥奕鵬先生	A, B
Mr. LEE Conway Kong Wai	李港衛先生	A, B
Mr. Kevin Cheng WEI	蔚成先生	A, B

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

A: 出席內部培訓及／或講座及／或會議及／或論壇

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

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

Delegation by the Board

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

董事會委派

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

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

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

Audit Committee

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

- a) to make a recommendation to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and where applicable, to handle any questions relating to the resignation or dismissal of the external auditor;
- b) to review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- c) to monitor the integrity of financial statements of the Company and the Company’s annual report, interim report and related financial results (if prepared for publication), and to review significant financial reporting judgments contained in them; and
- d) to review the Company’s financial control, internal control and risk management system.

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

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

審核委員會

根據其職權範圍，審核委員會每年至少舉行兩次會議。其主要職責包括：

- a) 就委任、續聘及罷免外聘核數師、批准外聘核數師的薪酬及聘用條款以及有關外聘核數師辭任或撤任的問題向董事會提出建議；
- b) 根據適用準則檢討並監察外聘核數師的獨立性和客觀性，以及審計過程的效用；
- c) 監察本公司財務報表以及本公司年度報告、半年度報告及相關財務業績(倘若為公佈而編製)的真確性，並審閱該等報告所載就財務申報作出的重大判斷；及
- d) 檢討本公司的財務控制、內部控制及風險管理制度。

All the three Audit Committee members are independent non-executive Directors. The Chairman of the Audit Committee possesses the relevant financial management expertise and experience. The committee members, together with our external auditor, met three times during 2018 and discharged their principal responsibilities by:

- a) reviewing the interim results and final results of the Group and the relevant financial statements and reports and significant financial reporting judgments contained in them prior to the approval by the Board and reviewing the external auditor's report and findings relating to the work that has been performed;
- b) reviewing the external auditor's audit plan and terms of engagement for the work performed;
- c) reviewing the independence and objectivity of the external auditor, and the service fee payable to the external auditor; and
- d) reviewing the effectiveness of the internal control systems of the Group including financial control, operational control, compliance control and risk management.

Nomination Committee

Its key responsibilities include:

- a) to review the structure, size, composition and diversity of the Board on a regular basis and make recommendations to the Board on any proposed changes;
- b) to recommend to the Board on matters relating to the selection, appointment or reappointment of Directors and succession planning for Directors;
- c) to ensure sufficient biographical details of the nominated candidates are provided to the Board and Shareholders (when necessary) for them to make decisions regarding the selection of Board members; and
- d) to assess the independence of the independent non-executive Directors.

所有三名審核委員會成員均為獨立非執行董事。審核委員會主席擁有相關財務管理知識及經驗。委員會成員連同外聘核數師於二零一八年內舉行三次會議並透過以下方式履行彼等主要職責：

- a) 於董事會批准前審閱本集團的中期業績和全年業績、有關的財務報表及報告及審閱該等報表所載有關財務申報的重大判斷，以及審閱外聘核數師就已完成的工作所作出的報告及結果；
- b) 檢討外聘核數師的審核方案及已完成工作的委聘條款；
- c) 檢討外聘核數師的獨立性及客觀性，以及應付予外聘核數師的服務費；及
- d) 檢討本集團的內部控制系統是否有效，包括財務控制、運作控制、合規控制及風險管理。

提名委員會

其主要職責包括：

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

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

One meeting has been held by the Nomination Committee during 2018 and the following work has been satisfactorily concluded:

- a) reviewing the structure, size, composition and diversity of the Board; and
- b) assessing the independence of the independent non-executive Directors.

Remuneration Committee

Its key responsibilities include:

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

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

提名委員會於二零一八年年內舉行一次會議，所進行並取得滿意結果的工作包括：

- a) 檢討董事會的架構、規模、組成及多元化；及
- b) 對獨立非執行董事的獨立性進行評估。

薪酬委員會

其主要職責包括：

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

During 2018, the Remuneration Committee has met one time and considered, reviewed and made recommendations to the Board on the existing remuneration package of all the Directors and senior management.

Risk Management Committee

Its key responsibilities include:

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

During 2018, the Risk Management Committee has met twice to consider and review the existing internal control system. Management's recommendations on financial management and production function were discussed, considered and adopted to improve the effectiveness of the internal control and risk management systems.

在二零一八年內，薪酬委員會舉行一次會議並已考慮、檢討和就全體董事及高級管理層的現有薪酬待遇向董事會提出建議。

風險管理委員會

其主要職責包括：

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

在二零一八年內，風險管理委員會已舉行二次會議，以考慮及檢討現行的內部監控系統。管理層在財務管理和生產運作方面的建議，已被討論、考慮及採納，從而加強內部監控及風險管理系統的有效性。

The composition of the Board and the Board members' respective attendance in Board meetings, general meeting, the Audit Committee meetings, the Nomination Committee meetings, the Remuneration Committee meetings and the Risk Management Committee meetings during the year ended 31 December 2018 were as follows:

截至二零一八年十二月三十一日止年度，董事會的組成及彼等各自於董事會會議、股東大會、審核委員會會議、提名委員會會議、薪酬委員會會議及風險管理委員會會議的出席率如下：

		No. of meetings attended/held 已出席/舉行會議數目					
		Board 董事會	General Meeting 股東大會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Risk Management Committee 風險管理 委員會
Executive Directors	執行董事						
Mr. WANG Dong	王東先生	7/8	1/1	—	1/1	1/1	—
Mr. YUE Zhiqiang	岳志強先生	4/8	0/1	—	—	—	—
Mr. LIU Chen	劉晨先生	8/8	1/1	—	—	—	2/2
Mr. WONG Hak Kun	王克勤先生	8/8	1/1	—	—	—	—
Ms. HAN Linyou	韓林攸女士	8/8	1/1	—	—	—	2/2
Non-executive Director	非執行董事						
Ms. JIANG Xiaohong	姜曉虹女士	3/8	0/1	—	—	—	—
Independent Non-executive Directors	獨立非執行董事						
Mr. Jesper Bjoern MADSEN	麥奕鵬先生	7/8	1/1	3/3	1/1	1/1	—
Mr. LEE Conway Kong Wai	李港衛先生	5/8	1/1	3/3	1/1	1/1	—
Mr. Kevin Cheng WEI	蔚成先生	5/8	1/1	3/3	1/1	1/1	2/2
Average attendance rate	平均出席率	76.4%	77.7%	100%	100%	100%	100%

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

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

CORPORATE GOVERNANCE FUNCTION

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

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

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

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. Our internal control system includes a well-defined management structure with limits of authority which is designed for the achievement of business objectives, safeguarding assets against unauthorized use or disposition, ensuring proper maintenance of books and records for the provision of reliable and timely financial information for internal use or publication, and ensuring compliance with relevant legislations and regulations. In addition, the Group has established risk management procedures to identify and prioritise risks for the business to be addressed by management. During the year ended 31 December 2018, the Board has supervised a review of the effectiveness of the internal control system and is satisfied with the scope of review and the effectiveness of the system.

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

企業管治職能

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

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

為履行企業管治職責，董事會已審閱本企業管治報告。

內部監控

董事會的整體責任為維持本集團的穩健和有效的內部監控系統。本集團的內部監控系統包括清晰明確且權限分明的管理架構，以助達致業務目標、保障資產以防止未經授權的使用或出售，確保妥善保存賬目及記錄以提供可靠及時的財務資料供內部使用或作公佈用途，以及確保符合相關法律及法規。此外，本集團已建立風險管理程序以確定和區分須提請管理層注意的業務風險。截至二零一八年十二月三十一日止年度，董事會已監督檢討內部監控系統的效用並對檢討的涵蓋範圍和系統的效用感到滿意。

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

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

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

MANAGEMENT FUNCTION

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

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirements set out in the Model Code for the year ended 31 December 2018. Specific employees who are likely to be in possession of unpublished inside information relating to the Group have been requested to comply with the provisions of the Model Code. No incident of non-compliance of specific employees has been noted by the Company.

年內，董事會已與審核委員會、風險管理委員會、獨立外聘核數師及內部審計人員審閱所有重要的內部監控措施(包括財政、運營及合規控制措施)及風險管理職能。董事會亦已與審核委員會進行審閱，就有關本集團內部監控系統之成效、本公司於會計及財務申報職能方面之資源充足度、員工資格及經驗之資料，亦信納彼等有效並已遵從本集團之政策。

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

管理職能

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

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的標準守則作為其董事進行證券交易的操守準則。

經向全體董事作出特定查詢後，全體董事確認彼等在二零一八年十二月三十一日止年度遵守標準守則所載的規定。特定僱員若可能擁有關於本集團的尚未公開內幕資料，已被要求遵守標準守則的規定。本公司並無發現有任何特定僱員不遵守有關規定的情況。

FINANCIAL REPORTING

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

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

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" on pages 106 to 112 of this Annual Report.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY PROVISION

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

財務報告

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

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

本公司外聘核數師就其對本集團財務報表的報告責任作出的聲明載於本年報第 106 至 112 頁的「獨立核數師報告」一節。

董事及主管人員之責任保險及彌償條文

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

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

SHAREHOLDER RELATIONS

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

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

The members of the Board will meet and communicate with Shareholders in the coming 2019 AGM which will be held on Thursday, 30 May 2019. The notice of the 2019 AGM will be dispatched to all Shareholders not less than twenty clear business days beforehand. At the 2019 AGM, the Chairman of the Board will demand for a poll and the Company's Hong Kong branch share registrar will be appointed as the scrutineer for the vote-taking.

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

股東關係

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

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

董事會成員將於二零一九年五月三十日星期四舉行二零一九年股東周年大會席此與股東見面及交流。二零一九年股東周年大會通告將於不少於二十個整營業日前寄發予全體股東。在二零一九年股東周年大會上，董事會主席將進行投票表決及本公司香港股份登記分處將被委任為投票的監票人。

SHAREHOLDERS' RIGHTS

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

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

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

DIVIDEND POLICY

On 31 December 2018, the Board has approved and adopted a dividend policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future business development.

CONSTITUTIONAL DOCUMENTS

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

股東權利

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

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

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

股息政策

於二零一八年十二月三十一日，董事會已批准並採納股息政策，在建議或宣派股息時，本公司會考慮多項條件及因素，並須維持足夠現金儲備，以滿足其營運資金的需求及將來的業務發展。

憲法文件

年內，本公司之憲法文件並沒有任何變動。

COMPANY SECRETARY

Mr. Chow Wai Kit is a fellow member of the Hong Kong Institute of Chartered Secretaries and was appointed on a full-time basis as the Company Secretary. During the year ended 31 December 2018, Mr. Chow has taken not less than 15 hours of appropriate professional training to update his skills and knowledge as required under Rule 3.29 of the Listing Rules. Mr. Chow reports to the Group Chairman on Board governance matters and is responsible for ensuring that Board policies and procedures are followed. All Board members have access to his advice and services. He arranges the comprehensive and tailored induction program for new Directors prior to their appointment and provides timely updates to the Directors on relevant new legislation or regulatory requirements. Director training has been organized on a regular basis by the Company Secretary to assist Directors' continuous professional development.

EXTERNAL AUDITOR

The Audit Committee is mandated to review and monitor the independence of the external auditor to ensure objectivity and the effectiveness of the audit process of the financial statements in accordance with applicable standards. Members of the Audit Committee were of the view that the Company's external auditor, PricewaterhouseCoopers, is independent and recommended to the Board to re-appoint it as the Company's external auditor at the 2019 AGM. For the year, the fees paid/payable to the Company's external auditor in respect of audit and non-audit services provided to the Group are set out below:

公司秘書

周偉傑先生是香港特許秘書公會的資深會員，並獲委任為全職公司秘書。截至二零一八年十二月三十一日為止年度，周先生已參加不少於15小時更新其技能及知識的專業培訓，並符合上市規則第3.29條的規定。周先生就董事會管治事宜向集團主席匯報，並負責確保董事會政策及程序得以遵守。所有董事會成員均可獲得公司秘書的意見和服務。此外，公司秘書會在新董事被委任前，為其安排全面及特設的就職輔導計劃；並適時為董事更新相關的新頒布法規及監管規定的知識。公司秘書已為董事安排定期的培訓，以協助董事之持續專業發展。

外聘核數師

審核委員會獲授權根據適用標準審閱及監督核數師的獨立性，以確保審計過程中財務報表的客觀性及有效性。審核委員會成員認為，本公司外聘核數師羅兵咸永道會計師事務所屬獨立人士，並向董事會作出建議，於二零一九年股東周年大會上續聘彼為本公司外聘核數師。年內，本公司就外聘核數師向本集團提供之審核及非審核服務的已付／應付之費用載列如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Audit services	審核服務	6,586	6,586
Non-audit services	非審核服務		
Review and other reporting services	審閱及其他申報服務	—	800
		6,586	7,386

INVESTOR RELATIONS

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

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

Month 月份	Event 事項	Organizer 舉辦方
March/April 2018 二零一八年三／四月	Attended 4 post results non-deal roadshows/Investors conference calls 出席發佈業績非交易簡報會／投資者研討電話會議共4場	Investor relations consultant 投資者關係顧問
August/September 2018 二零一八年八／九月	Attended 3 post results non-deal roadshows/Investors conference calls 出席發佈業績非交易簡報會／投資者研討電話會議共3場	Investor relations consultant 投資者關係顧問
Other period of the year 2018 二零一八年其他期間	Attended over 10 analysts or investors meetings and conferences/Conference calls 出席超過10場分析師或投資者會議／研討會／研討電話會議	Investor relations consultant 投資者關係顧問

Disclaimer

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

投資者關係

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

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

免責聲明

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告





The board (the “Board”) of directors (the “Directors”) of Tibet Water Resources Ltd. (the “Company”) and its subsidiaries (collectively the “Group”) present the environmental, social and governance report for the year 2018. The Group is committed to running our business sustainably and for the well-being of employees, business partners, other stakeholders and the environment. For these purposes, as the premier Tibetan water and beer products producer, we ensure that we meet all relevant national and local laws and regulations as well as industry standards and are committed to conducting our business operations as a responsible, ethical and sustainable corporate.

We strive to offer the best quality products to the world and have built our production plants at highland areas at an altitude of about 4,800 meters and 3,600 meters. We continue to improve our ethical and environmental conditions in accordance with international trends.

This report provides information related to the business activities of the production plants and facilities directly controlled by the Group, its headquarters and principal place of business in Hong Kong. Data from our customers or suppliers are not included as such data are difficult to verify with available resources.

ENVIRONMENTAL PROTECTION:

Emissions and wastes

Our production facilities generate and discharge wastes during production activities, which mainly include wastewater, plastics, papers and air pollutants. We consider the protection of the environment to be of utmost importance and have implemented procedures for waste storage, handling and disposal. The Group aims to minimize the impact of our activities on the environment and requires our staff to follow the same principle. We adhere to the principles of low carbon emission, waste and emission reduction, energy and cost saving and an overall environmentally friendly approach in the way we operate.

西藏水資源有限公司(「本公司」)及其附屬公司(統稱「本集團」)的董事(「董事」)會(「董事會」)謹此提呈二零一八年度的環境、社會及管治報告。本集團致力於業務的可持續發展，為僱員、業務夥伴、其他持份者及環境謀福祉。為此，作為西藏高端水及啤酒產品生產商，我們確保遵守所有相關國家及地方法律及規例以及行業標準，並致力作為負責任、有道德及可持續發展的企業經營業務。

我們力求向世界提供最優質的產品，並將生產廠房建在海拔約4,800米及3,600米的高原地區。我們根據國際趨勢，不斷提高我們的道德及環境條件。

本報告提供與本集團、其總部及香港主要營業地點直接控制的生產廠房及設施的業務活動有關的資料，當中不包括我們的客戶或供應商的資料，因為該等資料難以利用可用資源進行驗證。

環境保護：

排放物及廢物

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

The solid wastes (non-hazardous) produced in the production process (waste preforms, waste bottles, waste caps, waste film, waste paper boxes) and domestic garbage in the plant area are all reclaimed with an agreement signed by a qualified contractor and classified according to the relevant national regulations. According to the production shift, it will be collected for recycling twice a day, stored in a government approved storage place for storage, and domestic garbage will be transported to the county landfill. Our production process does not directly involve in the production of hazardous emissions and wastes.

Our water processing process, which includes water collection, inspection, aeration, sedimentation and filtration, utilizes an open and accessible technology and is environmentally-friendly. No chemical raw materials or additive is involved during the water processing process. We employ two filtration technologies, namely, media filtration and membrane technology. Media filtration uses filtering materials such as activated carbon, sand and special granules for prefiltration to remove excessive iron, manganese, arsenic or uranium substances from the water. Membrane technology uses polyethersulfone ultrafiltration to remove bacteria, viruses and all undissolved substances from the water without changing its core mineral content. We have also integrated stretch blow-molding into bottling, bottle labelling and water filling into one unit to minimize contamination and maintain the purity and original taste of our water. We observe strict hygiene standards at our production facilities.

Our beer products are brewed using a process based on individual formulas. The typical brewing process involves mashing, lautering, boiling, fermenting, conditioning, filtering, filling, labelling and packaging. The production of our beer products follows the same brewery procedures as other beer producers in the market.

Within our operating boundaries, the Group actively advocates energy conservation and emission reduction and reduced emissions by continuously increasing investment in environmental protection. Through the use of green electricity in our production facilities and other measures, the Group reduces the generation of exhaust pollutants from the source to avoid environmental pollution. Our business operation or manufacturing process does not produce significant exhaust gas.

生產過程產生的固體廢物(非有害)(廢胚、廢瓶、廢蓋、廢膜、廢紙箱)及廠區生活垃圾，均與一位有資質的承包方簽訂協議全部回收，並按國家相關規定進行分類，每天按生產班次回收兩次，存放至政府批准的儲存地進行儲存，生活垃圾則清運至縣垃圾填埋場。我們的生產過程不直接涉及有害排放物和廢物的產生。

我們的水處理流程(包括水採集、檢測、曝氣、沉澱及過濾)採用公開及易於使用的技術且環保。水處理流程不涉及化學原料或添加劑。我們採用兩種過濾技術，即濾料過濾及膜技術。濾料過濾採用活性炭、砂及特殊顆粒等過濾材料進行預先過濾，分離水中多餘的鐵、錳、砷或鈾等物質。膜技術採用聚醚砜超濾法分離水中細菌、病毒及所有不能溶解物質，而不改變其核心礦物質含量。我們亦已把拉伸吹塑成型以一個單位整合至裝瓶、瓶上貼標籤及裝水，以將污染降至最低及維持我們的水的純度及原味。我們在生產設備遵守嚴格的衛生標準。

我們的啤酒產品以基於個別配方的流程釀造。一般釀造流程涉及糖化、過濾、蒸煮、發酵、浸泡、壓濾、裝瓶、貼標及包裝。我們的啤酒產品的生產遵循與市場上其他啤酒生產商相同的釀製程序。

在業務運營範圍中，本集團積極倡導節能減排，通過不斷加大環保投入減少排放物。本集團的生產設施採用環保電能等措施，減少源頭廢氣污染物的產生，避免環境污染。我們的業務運營或製造過程不會產生大量廢氣。

To the best of our knowledge, there were no identified violation of relevant environmental laws and regulations by the Group during the reporting period.

As green electricity is strictly applied in the Group's production facilities/process, the Group does not directly involve in significant emissions and waste production (both hazardous and non-hazardous). Therefore, there is no specific disclosure made in respect of the general disclosure requirement of the key performance index under the Environmental, Social and Governance Reporting Guide (the "Reporting Guide") under the Appendix 27 of the Listing Rules. The measures to mitigate emissions and wastes handling are mentioned above.

Use of resources

The Group's main energy consumption includes water and electricity used in production lines. We advocate green initiatives and adopt measures to conserve resources and reduce their consumption.

Green electricity is used in full-scale in our production plant at the altitude of 4,800 meters. Furthermore, advanced energy saving contiform filler block and voice control LED lighting system are installed in the production plant. We pile up most of the production in spring, summer and autumn. Major maintenance works on production lines and employees' annual vacations are scheduled in the winter time. During the intensely cold period, the production plants will put to semi or almost hibernated condition as higher energy consumption is needed to keep the production plants in full function. We actively implement energy conservation and environmental protection policies in our production plants and office. For instance, electrical devices must be completely shut down to prevent leaving devices on stand-by mode during non-operating hours. We also continue to operate an in-house telephone and video conferencing system to reduce travelling needs of our management.

據我們所知，於報告期間並無發現本集團有違反相關環保法律及規例的情況。

由於環保電能原則嚴格應用於本集團的生產設施／流程，本集團不直接涉及產生重大排放物和廢物(有害和非有害)，因此並沒有(根據由上市規則附錄27中「環境、社會及管治報告指引」(「報告指引」)下的關鍵績效指標的一般披露規定)作出特定披露。減少排放物和廢物處理的措施已在上文提及。

資源使用

本集團的主要能源消耗包括生產線所使用的水電。我們倡導環保實踐，採取措施節約資源，降低消耗。

在海拔4,800米的生產廠房全面採用環保電能，並於生產廠房內安裝先進的吹灌旋一體節能設備及聲控發光二極體燈光系統。我們的生產主要集中在春季、夏季及秋季。生產線的主要維護工作及僱員年假安排在冬季。於嚴寒期間，由於維持生產廠房全面運轉需要更高能耗，因此生產廠房將處於半數或幾乎全部停產狀態。我們於生產廠房及辦公室積極實施節能環保政策。例如，不使用電子設備時應將其完全關閉，避免設備處於待機模式。我們亦繼續設有內部電話及視頻會議系統，以減少管理層的差旅需求。

The environment and natural resources

Our water source is self-draining springs, but the use of water in pipelines does not require exploitation. Diversion of water through pipelines will not affect the local environment and the surrounding environment. Therefore, according to the actual situation, the water-saving measures should start from the beginning and be adapted to local conditions in order to eliminate any leakage. The assessment of wasteful phenomenon has enhanced the employees' awareness of water-saving.

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

A 3-stage protection zone, including protection zone, limitation zone and monitoring zone, is set up for our water source. A 24-hour closed circuit television system is installed to monitor the trail from the water source to the plant. Our water source is rich in content but the extraction rate is relatively low. The remaining flow of spring water follows the mountain slope and fills the wetland which breeds and protects the local ecology.

Regular maintenance of valves and piping, and leaking pipelines must be promptly replaced and repaired. We also phased out existing inefficient electrical equipment and adopt energy efficient electrical equipment.

SOCIAL:

Employment

We regard employees as the most valuable asset for the Group. Talent is the Group's key to achieving its economic, environmental and social goals. We believe that the establishment of a sense of belonging to the work environment can lead to more effective implementation of our corporate values of sustainable development. Therefore, we strive to create a pleasant working environment, so that every employee can play their strengths. As at 31 December 2018, the Group had hired a total of 458 full-time employees.

環境及天然資源

我們的水源為自溢泉，只是透過管道採水不需開採，通過管道引水對當地及周邊環境不會產生影響，所以在節水方面根據實際情況，應該從入手開始因地制宜，杜絕跑冒滴漏，通過對浪費現象的評定，加強員工節水意識。

為維持水產品的質素及安全性，我們已於水源地方圓60平方公里內維持「水源保護區」。最受限制的區域內禁止一切人類活動，並已對泉水源頭建立嚴密的封閉設施，防止水源地受到可能的污染。

水源地周圍設立了三級防護區(包括保護區、限制區及監控區)，並沿着水源點到廠房的路段安裝了24小時閉路電視系統監控。我們的水源屬於超大型泉，惟採水率較低，其餘泉水順山谷流入濕地，為當地的生態提供繁殖機會與保護。

定期維護閥門及管道，洩漏管道必須及時更換及修理。我們亦淘汰現有低效電器設備，並採用節能電器設備。

社會：

僱傭

我們將員工視為集團最寶貴的資產。人才是集團實現其經濟、環境和社會目標的關鍵。我們認為，建立對工作環境的歸屬感可以更有效地實施我們的可持續發展企業價值觀。因此，我們努力營造愉快的工作環境，讓每一位員工都能發揮自己的優勢。於2018年12月31日，本集團共聘請458名全職僱員。

The Board believes in being people-oriented. The employees of the Group are one of the most important assets of the Group and their contribution and support are highly valued. The Group is committed to providing equal opportunities in recruitment and promotion, regardless of age, gender, race, skin colour, religion, nationality, marital status, disability or sexual orientation. The management review and adjust the structure, size, composition and diversity of the manpower of the Group on a timely basis and make every effort to ensure that there is no harassment in the workplace.

Number of employees by gender, employment type, age group and region:

董事會堅持以人為本。本集團僱員為本集團最重要的資產之一，他們的貢獻及支持受到高度重視。本集團致力於招聘及晉升方面提供平等機會，不論年齡、性別、種族、膚色、宗教信仰、國籍、婚姻狀況、殘疾或性取向。管理層適時檢討和修訂本集團的人力架構、規模、組成及多元化，並盡力確保工作場所內不存在任何騷擾行為。

按性別、僱傭類型、年齡組別及地區劃分的僱員總數：

		Number of employees 僱員數目
By gender:	按性別劃分：	
– Male	– 男性	210
– Female	– 女性	248
By employment type:	按僱傭類型劃分：	
– Full-time	– 全職	458
– Part-time	– 兼職	—
By age group:	按年齡組別劃分：	
– >35	– > 35	180
– <35	– < 35	278
By region:	按地區劃分：	
– Mainland China	– 中國內地	446
– Hong Kong	– 香港	12

The Group ensures staff are reasonably remunerated with regular reviews on compensations and benefits policies in accordance with the industry benchmark as well as the individual performance of the employees. Other fringe benefits, training, employee provident fund and share options, if applicable, are provided by the Group to solicit/retain loyal employees with the aim to form a professional and united staff and management team that can bring higher levels of achievements to the Group. Our staff turnover rate continues to be rather stable and not high.

本集團確保員工合理受薪，並根據行業基準以及僱員個人表現定期檢討薪酬及福利政策。本集團提供其他額外福利、培訓、僱員公積金及購股權(如適用)以招攬/挽留忠誠僱員，以建設專業及團結的員工及管理層團隊，促進本集團取得更高成就。我們的員工流失率依然相當穩定且不高。

Health and safety

The Group follows a people-oriented philosophy by demonstrating care about the mental and physical health of employees and striving to create a comfortable working environment for our employees. We educate employees on health and safety risks that may exist in work, in order to equip them with the relevant knowledge and ability to safeguard personal and production safety.

We have posted operation safety procedures and instructions in a conspicuous and appropriate place of our production plants and remind our employees from time to time of the safety practices. We also implement appropriate protection measures, including but not limited to technical training, for employees who work in positions with relatively high safety risks to reduce the occurrences of occupational accidents and injuries.

No accident relating to serious injuries or death or property damage has been reported to our management during the reporting period. Furthermore, during the reporting period, we were not subject to any claim arising from any serious accident involving personal injury or death or property damage that had a material adverse effect on our business, operation or financial position.

Development and training

The Group believes that employees' growth and development are essential to the sustainable growth and development of the Group. We highly value lifelong learning and training to improve the level of education and ability of employees, and explore potential talent therefrom for our future.

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

健康與安全

本集團堅持以人為本，關心僱員身心健康，力爭為我們的僱員營造舒適的工作環境。我們針對僱員在工作中可能存在的健康安全風險進行教育，從而讓他們擁有相關知識及能力維護自身及生產安全。

我們已於生產廠房當眼及適當的地方張貼操作安全程序及說明，並不時提醒僱員注意安全守則。我們亦為處於相對高安全風險的職位的僱員實行適當的保護措施，包括但不限於技術培訓，以減少職業事故及受傷的發生。

於報告期間，我們的管理層概無接獲涉及重傷或死亡或財物損毀的意外報告。此外，我們於報告期間並無因涉及任何人身傷亡或財物損毀的嚴重意外而產生任何索償致使我們的業務、營運或財務狀況受到重大不利影響。

發展及培訓

本集團認為僱員的成長及發展對本集團的可持續增長及發展至關重要。我們高度重視終生學習和培訓，以提高員工的教育水平和能力，同時發掘未來潛在的人才。

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

Labour standards

The Group strictly prohibits the use of child labour and forced labour. We only employ employees aged over 18 years and never force employees to work overtime in order to foster a working environment that respects human rights. We do not allow any kind of discrimination or potential discrimination in our workplace.

In accordance with the Labour Contract Law of the People's Republic of China (the "PRC") 《中華人民共和國勞動合同法》，employers and employees shall enter into written employment contracts to establish their employment relationships. Employers are required to inform the employees about their job duties, working conditions, occupational hazards, manufacturing safety conditions, remuneration and other matters with which employees may be concerned. Employers shall pay remuneration to employees on time and in full in accordance with the commitments set forth in the employment contracts and the PRC laws and regulations.

Under applicable regulations, including the Interim Regulations Concerning the Levy of Social Insurance Fees 《社會保險費徵繳暫行條例》 and the Administrative Regulation on Housing Fund 《住房公積金管理條例》，employers in the PRC shall make contributions to the basic pension insurance fund, basic medical insurance fund, occupational injury insurance, unemployment insurance fund, maternity insurance fund and housing fund for their employees.

To the best of our knowledge, there were no identified violation of relevant employment laws and regulations by the Group during the reporting period.

Supply chain management

The Group maintains long-term relationships with its suppliers to ensure a stable supply of materials for production.

We also require our suppliers to improve their sustainability performance, act responsibly and adhere to our environmental protection and product safety strategies.

勞工準則

本集團嚴格禁止使用童工及強制勞工。我們僅會聘請18歲以上的僱員且不會強迫僱員超時工作，從而營造一個尊重人權的工作環境。我們的工作場所不允許任何形式的歧視或潛在的歧視行為。

根據《中華人民共和國(「中國」)勞動合同法》，僱主與僱員須訂立書面僱傭合同以確立其僱傭關係。僱主須告知僱員其工作職責、工作條件、職業危險、生產安全狀況、薪酬及僱員要求了解的其他情況。僱主須根據僱傭合同的承諾以及中國法律及規例的規定按時向僱員支付足額薪酬。

根據適用法規，包括《社會保險費徵繳暫行條例》及《住房公積金管理條例》，中國的僱主須為僱員繳納基本養老保險金、基本醫療保險金、工傷保險、失業保險金、生育保險金及住房公積金。

據我們所知，於報告期間並無發現本集團有違反相關僱傭法律及規例的情況。

供應鏈管理

本集團與其供應商保持長期的合作關係，以確保生產材料的穩定供應。

我們亦要求我們的供應商改善其可持續表現、負責任行事及遵守我們的環境保護及產品安全策略。

Product responsibility

The Group has put quality as its priority to ensure customer satisfaction in terms of our products and services. Pursuant to the Product Quality Law of the PRC 《中華人民共和國產品質量法》，a manufacturer shall establish a comprehensive internal management system for product quality, and implement internal policies of quality, responsibility and assessment. We have been awarded several certifications attesting to our outstanding quality control systems over our products.

Our environmental management system in the production and sales of our water products has been certified to comply with ISA 14001:2004 and GB/T 24001-2004 by the China Quality Certification Center since 2008. Our quality control system in the production and sales of our water products has been certified to comply with ISO 9001:2008 and G/T 19001-2008 by the China Quality Certification Center since 2008. Our production process of water business has been certified to comply with CAC/RCP1-1969, Rev4(2003) Guidelines for the Hazard Analysis Critical Control Point (“HACCP”), which is an internationally recognized standard for food safety, since 2008.

Our environmental management system in the production and sales of our beer products has been certified to comply with ISA 14001:2004 and GB/T 24001-2004 by the China Quality Certification Center since 2010. Our production process of beer business has been certified to comply with CAC/RCP1-1969, Rev4(2003) Guidelines for the HACCP, which is an internationally-recognized standard for food safety, since 2010.

To the best of our knowledge, there were no identified violation of relevant laws and regulations on product responsibility and data privacy by the Group during the reporting period.

產品責任

本集團堅持質量第一，確保客戶滿意我們的產品及服務。根據《中華人民共和國產品質量法》，生產商須就產品質量設立綜合內部管理系統，實施質量、責任及評估的內部政策。我們已獲授多項認證，證明我們擁有卓越的產品質量控制系統。

我們生產及銷售水產品的環境管理系統自二零零八年起獲中國質量認證中心認證符合ISA 14001:2004及GB/T 24001-2004。我們生產及銷售水產品的質量控制系統自二零零八年起獲中國質量認證中心認證符合ISO 9001:2008及G/T 19001-2008。我們水業務的生產流程已自二零零八年起獲得認證，遵守危害分析重要管制點（「HACCP」）應用指引CAC/RCP1-1969, Rev4(2003)（國際認可食品安全標準）。

我們生產及銷售啤酒產品的環境管理系統自二零一零年起獲中國質量認證中心認證符合ISA 14001:2004及GB/T 24001-2004。我們啤酒業務的生產流程已自二零一零年起獲得認證，遵守HACCP應用指引CAC/RCP1-1969, Rev4(2003)（國際認可食品安全標準）。

據我們所知，於報告期間並無發現本集團有違反相關產品責任和數據私隱的法律及規例的情況。

Anti-corruption

The Group is committed to doing business with integrity and will not tolerate any bribery or other misconduct. We have implemented internal policies and guidelines to comply with applicable laws in the PRC on anti-bribery and anti-corruption. Whistleblower policies and procedures are in place and disseminated to all employees. These measures are subject to regular review and update to ensure their effectiveness to strengthen the internal controls and compliance regime of the Group. No complaints or suspected cases were received via the whistleblower channel or other channels in 2018.

In addition to the anti-bribery and anti-corruption policies of the Group's staff handbook, the Group has also prepared relevant external reporting procedures and regularly reviewed the effectiveness of the Group's internal control system. The Board is responsible for efficiency monitoring, standardizing various business management decision-making activities of the Group, unifying internal and external inspection of pipelines and strengthening internal and external supervision systems to effectively prevent employees from performing their duties and performing work incorrectly at all levels.

Community investment

We act as a responsible member of society and are dedicated to contributing to the well-being of our environment and to providing help to those who are in need. The Group continued to hire about 95% of its employees at the production plant at Dangxiong, Tibet, from local Tibetan farmers and herdsmen, and the Group provided them with relevant education and on-the-job training. As a result, these local people attained an average annual income of about RMB50,000 per capita, a significant increase from the previous baseline of below RMB2,000 per household before 2005.

反貪污

本集團致力以誠信經營業務，絕不容許行賄或其他不當行為。我們已實施內部政策及指引，以遵守中國有關反賄賂及反貪污的適用法律。我們已訂立舉報政策及程序，並告知全體僱員。該等舉措須定期予以檢討及更新，以確保其可有效加強本集團的內部控制及合規制度。於二零一八年，我們並無從舉報渠道或其他途徑接獲任何投訴或疑似案例。

除本集團員工手冊的反賄賂及反貪污政策外，本集團亦已擬定相關外部報告程序，並定期檢討本集團內部監控系統的有效性。董事會負責效率監察，規範本集團各項業務管理決策活動，統一管道內外部檢查，加強內外部監督制度，在各個層面有效地防止員工不恰當履行職責及工作。

社區投資

我們身為社會上負責任的成員，致力為環境福祉作出貢獻，並向有需要人士提供幫助。本集團於西藏當雄縣的生產廠房繼續向當地西藏農牧民僱用約95%的僱員，且本集團向他們提供相關教育及在職培訓。因此，該等當地員工實現平均年收入人均約人民幣50,000元，遠高於二零零五年之前的先前基線每戶不足人民幣2,000元。

By promoting opportunities and capabilities using a human development approach, the Group has educated farmers in the countryside in Tibet with new industry skills, improved their access to knowledge and learning, and provided them with opportunities to leave defunct industries. By introducing them to modern production methods, operations and management skills, local farmers and herdsmen in rural areas of China gained not only knowledge and skills, but also the understanding of the modern society. Their living standards have substantially improved, and their ways of living have been changed rapidly.

The Group continued to develop the local economy in Tibet and promote the unique local water industry. It emphasized the benefits of providing development oriented aid to underdeveloped regions in Tibet instead of merely handing out one-off relief measures.

Supporting education and helping to create a more productive community are the main drivers of the Group's community investment strategy. The donations made by "Tibet 5100 Education Fund (西藏5100教育發展專項基金)", the charity fund established by the Group, continued to provide support to local basic education and healthcare providers and assist in poverty alleviation, examples include school meals and education facilities provided to local schools at Dangxiong, Tibet.

In 2018, the Group actively participated in the "Haizi Project" through the "Tibet 5100 Education Fund". It is a pure education project focusing on basic education and physical and psychological quality of students in the west. This project has four teaching points in Tibet, Qinghai and Sichuan Tibetan areas. Our active participation is to bring counseling to children in basic subjects and sports. The concept of Haizi's plan is love, knowledge and health. We hope that through the one month of teaching, we can give students the best way to share learning methods, love education and effective physical training, and sports knowledge. To teach and to cultivate their hearts to pass it on.

本集團以人才發展方針推動機遇及能力，為西藏農村的農民提供新的行業技能教育，改善他們獲得知識及學習的途徑，為他們提供離開過時行業的機會。通過引入現代生產方式、經營及管理技能，中國農村地區的當地農牧民不僅可獲得知識及技能，亦可了解現代社會。他們的生活水平大幅提高，生活方式迅速發生變化。

本集團繼續為西藏當地經濟發展及特色水產業宣傳出力，實現西藏落後地區從「輸血式」扶貧向「造血式」幫扶的發展。

支持教育及幫助創造更富有生產力的社區，是本集團社區投資策略的主要推動力。本集團建立的慈善基金「西藏5100教育發展專項基金」繼續作出捐贈，為當地基礎教育及醫療保健提供者提供支持並協助扶貧，其中包括向西藏當雄縣的當地學校提供學校用餐及教育設施。

在2018年，本集團通過「西藏5100教育發展專項基金」積極參與名為「海子計劃」，是一項關注西部基礎教育和學生體能、心理素質的純支教項目。該計劃在西藏、青海和四川藏區開設4個支教點，我們的積極參與為孩子帶來在基礎學科和體育方面的輔導幫助。海子計劃的理念是愛、知識和健康。我們希望通過一個月的支教，能夠以最佳方法給予學生學習方法的分享、愛的教育和有效的體能訓練和體育知識。教書育心，薪火相傳。



In November 2018, with the cooperation of the Tibet 5100 Education Fund, today the “Samaranqi Football Time - Samsung Football Classroom” project was entered into the Dangxiong Middle School, which has the highest and most beautiful football field in the world. The four coaches from Shanghai gave a lively football training course to Dangxiong students who were suffering from severe altitude sickness. The children are still in the mood, and the teacher also warmly welcomes. At the campus of 4,700 meters above sea level, we have rounded out the children’s football dreams.

In November 2018, we led 23 outstanding teachers and students from Nagni Nima County in Tibet to set off for Shanghai. The theme of the event was “Looking for the footprints, feeling the development of the motherland and experiencing the Olympic spirit”.

2018年11月，在西藏5100教育發展專項基金的配合下，今天「薩馬蘭奇足球時間——三星足球教室」項目進入擁有世界上海拔最高、最漂亮足球場的當雄中學。來自上海的四名教練，在身體有嚴重的高原反應的情況下，為當雄的學生上了一堂生動的足球訓練課程。孩子們意猶未盡，老師也熱烈歡迎，在海拔4,700米的校園，我們圓了孩子們的足球夢。

2018年11月，我們帶領來自西藏那曲尼瑪縣的23名優秀師生，啟程來到上海。此次活動的主題為「尋找黨的足跡，感受祖國發展，體驗奧運精神」。



Shareholders

We strive to maximize long-term value and return for our shareholders.

Our commitment towards our stakeholders provides us with guidance in respect of our corporate responsibility policy which we strive to ensure that the values of our social and environmental responsibilities are integrated into our daily operations and business code of conduct.

Customers and business partners

Our main goal is to satisfy our customers and provide them with world-class Tibetan water and beer products. We regard each distributor and supplier as our long-term business partner and conduct all businesses with integrity and in a responsible manner.

In terms of privacy, the Group's customer information system only allows authorized staff to visit. The staff of other departments of the Group strictly apply, accept and provide information when they request for information retrieval.

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

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

股東

我們致力達至股東的長期價值及回報最大化。

我們對持份者的承諾為我們的企業責任政策提供指引，據此我們盡力確保將我們的社會及環境責任價值整合至我們的日常營運及業務操守準則。

客戶及業務夥伴

我們的主要目標為滿足客戶及為其提供世界級西藏水及啤酒產品。我們視各經銷商及供應商為我們的長期業務夥伴，並以真誠及負責任的態度進行所有業務。

在隱私方面，本集團的客戶信息系統僅允許授權員工訪問。本集團其他部門的工作人員在要求信息檢索時須嚴格申請，接受和提供信息。

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

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



DIRECTORS' REPORT & FINANCIAL INFORMATION

董事會報告及財務資料





The Directors are delighted to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 1 to the consolidated financial statements on page 121 of this Annual Report. There were no significant changes in the nature of the Group's principal activities during the financial year.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2018 is set out in the sections headed "Chairman's Statement" and "Management Discussion & Analysis" on pages 10 to 13 and pages 16 to 45 of this Annual Report respectively. Description of the principal risks and uncertainties faced by the Company are set out in the "Management Discussion & Analysis" section and note 3 to the consolidated financial statements on page 40 to 42 and pages 161 to 171 of this Annual Report, respectively.

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 consolidated statement of comprehensive income on pages 116 to 117 of this Annual Report.

The Directors do not recommend the payment of a final dividend for the year 2018.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, the assets and liabilities of the Group for the last five financial years is set out on page 260 of this Annual Report.

FIXED ASSETS

Details of the movements during the year in the land use rights and PP&E of the Group are set out in notes 7 and 8 to the consolidated financial statements respectively on pages 183 to 186 of this Annual Report.

董事欣然提呈本集團截至二零一八年十二月三十一日止年度的報告以及經審核綜合財務報表。

主要業務

本公司為投資控股公司。主要附屬公司的業務載於本年報第121頁綜合財務報表附註1。於財政年度內，本集團主要業務的性質並無重大改變。

業務回顧

本集團截至二零一八年十二月三十一日止年度之業務回顧分別載於本年報第10至13頁及第16至45頁之「主席報告書」及「管理層討論及分析」章節內。本集團面對的主要風險及不明朗因素之描述分別載於本年報第40至42頁及第161至171頁之「管理層討論及分析」中及綜合財務報表附註3內。

業績及盈利分配

本集團截至二零一八年十二月三十一日止年度的業績載於本年報第116至117頁的綜合損益表及綜合全面收益表。

董事不建議於二零一八年年度派發股息。

五年財務概要

本集團過去五個財政年度之業績及資產與負債概要載於本年報第260頁。

固定資產

本集團的土地使用權及物業、廠房及設備於年內的變動詳情分別載於本年報第183至186頁的綜合財務報表附註7及8。

SHARE CAPITAL

Details of the share capital of the Company are set out in note 22 to the consolidated financial statements on page 216 of this Annual Report.

BANK BORROWINGS

Details of bank borrowings as at 31 December 2018 are set out in note 30 to the consolidated financial statements on pages 231 to 235 of this Annual Report.

SHARE OPTION SCHEME

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

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

股本

本公司股本詳情載於本年報第216頁的綜合財務報表附註22。

銀行借款

本公司於二零一八年十二月三十一日之銀行借款詳情載於本年報第231至235頁的綜合財務報表附註30。

購股權計劃

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

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

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

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

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

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

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

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

Movements during the year of the options granted under the Share Option Scheme of the Company to the participants were as follows:

年內根據本公司購股權計劃授予參與人士的購股權的變動情況如下：

Number of share options 購股權數目									
Outstanding as at 1 January 2018 於二零一八年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內取消	Outstanding as at 31 December 2018 於二零一八年 十二月三十一日 尚未行使	Exercise Price per Share 每股行使價 HK\$ 港元	Date of Grant 授出日期	Exercisable Period 行使期	
25,200,000	—	—	25,200,000	—	—	3.00	16/12/2015	1/1/2016 - 31/12/2025	

Note:

The vesting of the share option is conditional, subject to the achievement of the prescribed sales and performance targets by the grantee within three years commencing from 1 January 2016.

SHARE AWARD SCHEME

The Group adopted a share award scheme in 2017. Up to 31 December 2018, no share has been granted by the Group to any parties under the share award scheme.

PRE-EMPTIVE RIGHTS

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

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2018, the accumulated deficits of the Company amounted to approximately RMB85 million (31 December 2017: RMB43 million). As at 31 December 2018, the share premium of the Company, amounted to approximately RMB1,207 million (31 December 2017: RMB1,207 million), is distributable to Shareholders subject to the solvency test and the sanction of an ordinary resolution.

PURCHASE, SALE OR REDEMPTION OF SHARES

In 2017, the Group adopted a share award scheme. In January 2018, the Group purchased 5,000,000 shares (a total consideration of approximately RMB14,169,000) of the Company through Bank of Communications Trustee Limited for this purpose. As at 31 December 2018, no share has been granted by the Company to any parties under the share award scheme.

Besides, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

附註：

購股權的歸屬受承授人於自二零一六年一月一日開始的三年內達到指定銷售及績效目標等條件的規限。

股份獎勵計劃

本集團於二零一七年採納了一項股份獎勵計劃。截至二零一八年十二月三十一日，在該權份獎勵計劃下，本集團未向任何方授予股份。

優先購買權

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

本公司可供分配的儲備

於二零一八年十二月三十一日，本公司累計虧損為人民幣8,500萬元(二零一七年十二月三十一日：人民幣4,300萬元)。於二零一八年十二月三十一日，如具償還能力並經一般決議批准，本公司金額為人民幣12.07億元(二零一七年十二月三十一日：人民幣12.07億元)的股本溢價可用於向股東進行分配。

購買、出售或贖回股份

在二零一七年，本集團採納了一項股份獎勵計劃，在二零一八年一月，本集團通過交通銀行信託有限公司購買了本公司5,000,000股(合計代價為約人民幣14,169,000)股份。截至二零一八年十二月三十一日，在該股份獎勵計劃下，本集團未向任何方授予股份。

除此之外，本公司及其任何附屬公司概無購買、出售或贖回本公司任何股份。

DIRECTORS

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

Executive Directors

Mr. WANG Dong (*Chief Executive Officer*)
Mr. YUE Zhiqiang
Mr. LIU Chen
Mr. WONG Hak Kun
Ms. HAN Linyou

Non-executive Director

Ms. JIANG Xiaohong

Independent Non-executive Directors

Mr. Jesper Bjoern MADSEN (*Chairman*)
Mr. LEE Conway Kong Wai
Mr. Kevin Cheng WEI

In accordance with the provision of the Company's Articles of Association, Mr. YUE Zhiqiang, Mr. WONG Hak Kun, Ms. JIANG Xiaohong and Mr. Kevin Cheng WEI shall retire at the forthcoming 2019 AGM and, being eligible, offer themselves for re-election as Directors.

DIRECTORS' PROFILES

The profiles of the Directors are set out on pages 46 to 53 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming 2019 AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 December 2018, none of the Directors had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO, which are required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

董事

於年內及截至本報告日期，本公司董事為：

執行董事

王東先生(*行政總裁*)
岳志強先生
劉晨先生
王克勤先生
韓林攸女士

非執行董事

姜曉虹女士

獨立非執行董事

麥奕鵬先生(*主席*)
李港衛先生
蔚成先生

根據本公司的組織章程細則的條文，岳志強先生、王克勤先生、姜曉虹女士及蔚成先生將於應屆二零一九年股東周年大會時退任，並合資格膺選連任為董事。

董事履歷

董事履歷載於本年報第46至53頁。

董事的服務合約

擬於應屆二零一九年股東周年大會上重選的董事概無訂有本集團不可於一年無賠償付款而終止的服務合約(法定賠償除外)。

董事及主要行政人員於股份中的權益

於二零一八年十二月三十一日，概無董事於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有或視作擁有根據證券及期貨條例第352條須記入該條文所指登記冊，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

DISCLOSEABLE INTERESTS OF SHAREHOLDERS UNDER THE
SECURITIES AND FUTURES ORDINANCE

As at 31 December 2018, the following persons had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

根據證券及期貨條例股東的須予披露權益

於二零一八年十二月三十一日，下列人士於根據證券及期貨條例第336條規定須由本公司存置的登記冊記錄的本公司股份或相關股份中擁有權益或淡倉：

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

Name 姓名	Long/short position 好倉/淡倉	Capacity/Nature of interest 身份/權益性質	Number of shares/ underlying shares 股份/相關股份的數目	Approximate percentage of shareholding 股權概約百分比
新疆天山產業投資基金管理有限公司 (Note 2)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
	Short position	Interest of controlled corporation	462,400,740 shares	18.00%
新疆天山產業投資基金管理有限公司 (附註2)	好倉	受控法團的權益	462,400,740股股份	18.00%
	淡倉	受控法團的權益	462,400,740股股份	18.00%
申萬宏源集團股份有限公司 (Note 3)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
	Short position	Interest of controlled corporation	462,400,740 shares	18.00%
申萬宏源集團股份有限公司 (附註3)	好倉	受控法團的權益	462,400,740股股份	18.00%
	淡倉	受控法團的權益	462,400,740股股份	18.00%
中央匯金投資有限責任有限公司 (Note 3)	Long position	Interest of controlled corporation	462,400,740 shares	18.00%
	Short position	Interest of controlled corporation	462,400,740 shares	18.00%
中央匯金投資有限責任有限公司 (附註3)	好倉	受控法團的權益	462,400,740股股份	18.00%
	淡倉	受控法團的權益	462,400,740股股份	18.00%
Tibet Water Resources Limited (Note 4) 西藏水資源有限公司(附註4)	Long position	Beneficial owner	324,094,960 shares	12.61%
	好倉	實益擁有人	324,094,960股股份	12.61%
Maple Essence Investments Limited (Note 5)	Long position	Interest of controlled corporation	324,094,960 shares	12.61%
楓華投資有限公司(附註5)	好倉	受控法團的權益	324,094,960股股份	12.61%
True Asset Holdings Limited (Note 6)	Long position	Interest of controlled corporation	324,094,960 shares	12.61%
True Asset Holdings Limited (附註6)	好倉	受控法團的權益	324,094,960股股份	12.61%

Name 姓名	Long/short position 好倉/淡倉	Capacity/Nature of interest 身份/權益性質	Number of shares/ underlying shares 股份/相關股份的數目	Approximate percentage of shareholding 股權概約百分比
Mr. WANG Peter Jian (also known as Mr. WANG Jian Peter) (Note 6 & 7)	Long position	Interest of controlled corporation	324,094,960 shares	12.61%
王堅先生(附註6 & 7)	好倉	受控法團的權益	324,094,960股股份	12.61%
Tyee Capital Funds SPC – Tyee Capital Tibet Fund SP (Note 8)	Long position	Investment manager	145,714,285 shares	5.67%
Tyee Capital Funds SPC – Tyee Capital Tibet Fund SP (附註8)	好倉	投資經理	145,714,285股股份	5.67%
Tyee Capital Funds SPC (Note 9)	Long position	Interest of controlled corporation	145,714,285 shares	5.67%
Tyee Capital Funds SPC (附註9)	好倉	受控法團的權益	145,714,285股股份	5.67%
Tyee Capital Management (Cayman) Limited (Note 9)	Long position	Interest of controlled corporation	145,714,285 shares	5.67%
Tyee Capital Management (Cayman) Limited (附註9)	好倉	受控法團的權益	145,714,285股股份	5.67%
Tyee Capital Group Limited (BVI) (Note 9)	Long position	Interest of controlled corporation	145,714,285 shares	5.67%
Tyee Capital Group Limited (BVI) (附註9)	好倉	受控法團的權益	145,714,285股股份	5.67%
Tian Yee Capital Holdings Limited (BVI) (Note 9)	Long position	Interest of controlled corporation	145,714,285 shares	5.67%
Tian Yee Capital Holdings Limited (BVI) (附註9)	Long position	Beneficial owner	18,060,714 shares	0.70%
	好倉	受控法團的權益	145,714,285股股份	5.67%
	好倉	實益擁有人	18,060,714股股份	0.70%
Jiang Jun (Note 10)	Long position	Interest of controlled corporation	163,774,999 shares	6.38%
蔣鈞 (附註10)	好倉	受控法團的權益	163,774,999股股份	6.38%

Notes:

- (1) Tianshan Industry Investment Limited is 100% held by Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership, which is in turn held as to 46.36% by 新疆金融投資有限公司, which is in turn 100% held by 新疆維吾爾自治區人民政府國有資產監督管理委員會. Tianshan Industry Investment Limited holds 462,400,740 shares in the Company.
- (2) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership holds 100% equity interest in Tianshan Industry Investment Limited and is therefore deemed to be interested in the 462,400,740 shares in the Company in which Tianshan Industry Investment Limited is interested in. Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is owned by 新疆金融投資有限公司 as to 46.36%. Therefore, 新疆金融投資有限公司 is deemed to be interested in 462,400,740 shares in the Company. 新疆維吾爾自治區人民政府國有資產監督管理委員會 holds 46.36% equity interest in Tianshan Industry Investment Limited through 新疆金融投資有限公司 and Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership. Therefore, 新疆維吾爾自治區人民政府國有資產監督管理委員會 is deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited. Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is 0.66% held by and is accustomed to act in accordance with the directions of 新疆天山產業投資基金管理有限公司, which is therefore deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.
- (3) Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership is owned by 申萬宏源集團股份有限公司 as to 33.11%. Therefore, 申萬宏源集團股份有限公司 is deemed to be interested in 462,400,740 shares in the Company. 中央匯金投資有限責任有限公司 holds 61.67% equity interest in 申萬宏源集團股份有限公司. 中央匯金投資有限責任有限公司 holds 33.11% equity interest in Khorgos Tianshan No. 1 Industrial Investment Fund Limited Partnership through the control of 申萬宏源集團股份有限公司. Therefore, 中央匯金投資有限責任有限公司 is deemed to be interested in 462,400,740 shares in the Company held by Tianshan Industry Investment Limited.

附註：

- (1) Tianshan Industry Investment Limited由霍爾果斯天山一號產業投資基金有限合夥企業持有100%，霍爾果斯天山一號產業投資基金有限合夥企業由新疆金融投資有限公司持有46.36%，新疆金融投資有限公司由新疆維吾爾自治區人民政府國有資產監督管理委員會持有100%。Tianshan Industry Investment Limited持有本公司462,400,740股股份。
- (2) 霍爾果斯天山一號產業投資基金有限合夥企業持有Tianshan Industry Investment Limited100%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。新疆金融投資有限公司擁有霍爾果斯天山一號產業投資基金有限合夥企業46.36%，因此被視為於本公司462,400,740股股份中擁有權益。新疆維吾爾自治區人民政府國有資產監督管理委員會透過新疆金融投資有限公司及霍爾果斯天山一號產業投資基金有限合夥企業持有Tianshan Industry Investment Limited46.36%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。霍爾果斯天山一號產業投資基金有限合夥企業由新疆天山產業投資基金管理有限公司持有0.66%及慣於根據後者的指令行事，因此新疆天山產業投資基金管理有限公司被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中持有權益。
- (3) 申萬宏源集團股份有限公司擁有霍爾果斯天山一號產業投資基金有限合夥企業33.11%，因此被視為於本公司462,400,740股股份中擁有權益。中央匯金投資有限責任有限公司持有申萬宏源集團股份有限公司61.67%股權。中央匯金投資有限責任有限公司透過控制申萬宏源集團股份有限公司持有霍爾果斯天山一號產業投資基金有限合夥企業33.11%股權，因此被視為於Tianshan Industry Investment Limited所擁有的本公司462,400,740股股份中擁有權益。

- (4) Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is in turn wholly-owned by True Asset Holdings Limited. Tibet Water Resources Limited holds 324,094,960 shares in the Company.
- (4) 西藏水資源有限公司由楓華投資有限公司持有100%，楓華投資有限公司由True Asset Holdings Limited全資擁有。西藏水資源有限公司持有本公司324,094,960股股份。
- (5) Maple Essence Investments Limited holds 100% equity interest in Tibet Water Resources Limited and is therefore deemed to be interested in the 324,094,960 shares in the Company in which Tibet Water Resources Limited is interested in. Maple Essence Investments Limited is wholly-owned by True Asset Holdings Limited.
- (5) 楓華投資有限公司持有西藏水資源有限公司100%股權，因此被視為於西藏水資源有限公司所擁有權益的本公司324,094,960股股份中擁有權益。楓華投資有限公司由True Asset Holdings Limited全資擁有。
- (6) True Asset Holdings Limited holds 100% equity interest in Maple Essence Investments Limited, which in turn wholly-owns Tibet Water Resources Limited. Therefore, True Asset Holdings Limited is deemed to be interested in 324,094,960 shares in the Company in which Tibet Water Resources Limited is interested in.
- (6) True Asset Holdings Limited透過楓華投資有限公司持有西藏水資源有限公司100%股權。因此，True Asset Holdings Limited被視為於西藏水資源有限公司所擁有權益的本公司324,094,960股股份中擁有權益。
- (7) True Asset Holdings Limited is wholly-owned by Mr. WANG Peter Jian. Therefore, Mr. WANG Peter Jian is deemed to be interested in 324,094,960 shares in the Company in which Tibet Water Resources Limited is interested. For the purpose of the SFO, the spouse of Mr. WANG Peter Jian is taken to have a duty of disclosure in relation to the said 324,094,960 shares in the Company. The interest disclosed by the spouse of Mr. WANG Peter Jian is that of Mr. WANG Peter Jian which is deemed to be attributed to her pursuant to the SFO for disclosure purposes. Nevertheless, she has no interest, legal or beneficial, in those shares in the Company.
- (7) True Asset Holdings Limited由王堅先生全資擁有。因此，王堅先生被視為於西藏水資源有限公司所擁有權益的本公司324,094,960股股份中擁有權益。根據證券及期貨條例，王堅先生的配偶有責任對該324,094,960股股份作出披露。王堅先生的配偶所披露的權益是由王堅先生所擁有的；而為了披露的目的，根據證券及期貨條例，該等權益也被視為歸於王堅先生的配偶。然而，她並沒有對該等股份擁有任何法定或實益權益。
- (8) Tye Capital Funds SPC – Tye Capital Tibet Fund SP holds the 6% convertible bonds with a principal amount of HK\$510,000,000 due in 2019. Upon full exercise of the conversion rights, Tye Capital Funds SPC – Tye Capital Tibet Fund SP will hold 145,714,285 shares in the Company.
- (8) Tye Capital Funds SPC - Tye Capital Tibet Fund SP持有本金額510,000,000港元二零一九年到期6%可換股債券。如全數行使換股權，Tye Capital Funds SPC - Tye Capital Tibet Fund SP將持有本公司145,714,285股股份。
- (9) Tian Yee Capital Holdings Limited (BVI) controls 95% equity interest in Tye Capital Group Limited (BVI), which in turn controls 100% equity interest in Tye Capital Management (Cayman) Limited. Tye Capital Management (Cayman) Limited controls 100% equity interest in Tye Capital Funds SPC, which controls 100% equity interest in Tye Capital Funds SPC - Tye Capital Tibet Fund SP and Tye Capital Funds SPC - Tye Capital China Fund SP. Therefore, Tian Yee Capital Holdings Limited (BVI), Tye Capital Group Limited (BVI), Tye Capital Management (Cayman) Limited and Tye Capital Funds SPC are deemed to be interested in Tye Capital Funds SPC - Tye Capital Tibet Fund SP's derivative interest in 145,714,285 shares in the Company.
- (9) Tian Yee Capital Holdings Limited (BVI)控制Tye Capital Group Limited (BVI) 95%股權，而Tye Capital Group Limited (BVI)則控制Tye Capital Management (Cayman) Limited 100%股權。Tye Capital Management (Cayman) Limited控制Tye Capital Funds SPC 100%股權，而Tye Capital Funds SPC控制Tye Capital Funds SPC - Tye Capital Tibet Fund SP和Tye Capital Funds SPC - Tye Capital China Fund SP 100%股權。因此，Tian Yee Capital Holdings Limited (BVI)、Tye Capital Group Limited (BVI)、Tye Capital Management (Cayman) Limited及Tye Capital Funds SPC被視作於Tye Capital Funds SPC - Tye Capital Tibet Fund SP就本公司145,714,285股股份的衍生權益。

(10) Tian Yee Capital Holdings Limited (BVI) directly holds 18,060,714 shares in the Company. Together with the interest deemed to be interested by Tian Yee Capital Holdings Limited (BVI) through its indirect interest in Tye Capital Funds SPC – Tye Capital Tibet Fund SP, Tian Yee Capital Holdings Limited (BVI) is deemed to be interested in an aggregate of 163,774,999 shares in the Company.

(11) Tian Yee Capital Holdings Limited (BVI) is owned as 90% by Jiang Jun. Therefore, Jiang Jun is deemed to be interested in a total of 163,774,999 shares in the Company.

Save as disclosed above, as at 31 December 2018, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

No contracts of significance to which the Company or any of its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the financial year or at the end of the financial year has been/was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

RETIREMENT BENEFITS SCHEMES

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

(10) Tian Yee Capital Holding Limited(BVI)直接持有本公司18,060,714股股份。加上Tian Yee Capital Holding Limited(BVI)通過其對Tye Capital Funds SPC - Tye Capital Tibet Funds SP的間接權益，Tian Yee Capital Holdings Limited(BVI)被視作於本公司合計163,774,999股股份中擁有權益。

(11) 蔣鈞擁有Tian Yee Capital Holdings Limited (BVI) 90%權益，彼被視作於本公司合計163,774,999股股份中擁有權益。

除上文所披露者外，於二零一八年十二月三十一日，董事及本公司主要行政人員概不知悉任何其他人士(董事或本公司主要行政人員除外)於本公司股份或相關股份中擁有或視作擁有根據證券及期貨條例第XV部第2及第3分部規定須向本公司及聯交所披露或根據證券及期貨條例第336條須由本公司存置的登記冊所記錄或以其他方式須知會本公司及聯交所的權益或淡倉。

董事於重大合約的權益

本公司或其任何附屬公司概無訂立於年末或年內的任何時間仍然有效且董事於當中擁有重大權益(無論直接或間接)的重大合約。

董事購買股份或債券的權利

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

退休福利計劃

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

EMOLUMENT POLICY

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

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

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

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

MAJOR CUSTOMERS AND SUPPLIERS

During the financial year, sales to the Group's five largest customers and purchases from the five largest suppliers accounted for approximately 40.38% and 78.46% of the total sales and total purchases for the year, respectively. The Group's largest customer and supplier accounted for approximately 11.87% and 66.53% of the total sales and total purchases for the financial year, respectively.

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The utilisation status of the net proceeds from the Company's initial public offering is set out on page 43 of this Annual Report.

薪酬政策

本集團僱員的薪酬政策乃由董事會根據其貢獻、資歷及能力制訂。

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

董事於競爭業務的權益

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

主要客戶及供應商

於財政年度內，售予本集團的五大客戶的銷售額及向五大供應商的採購額分別約佔年內總銷售額及總採購額的40.38%及78.46%。本集團的最大客戶及供應商分別約佔財政年度內總銷售額及總採購額的11.87%及66.53%。

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

獨立非執行董事

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

本公司首次公開發售的所得款項用途

本公司首次公開發售的所得款項淨額使用情況載於本年報第43頁。

SUFFICIENCY OF PUBLIC FLOAT

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

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to approximately RMB1.40 million (2017: RMB1.3 million).

AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the Group's annual results for the year ended 31 December 2018 and provided advice and comments thereon.

EXTERNAL AUDITOR

The consolidated financial statements for the year ended 31 December 2018 were audited by PricewaterhouseCoopers, who will retire at the conclusion of the forthcoming 2019 AGM and, being eligible, will offer itself for re-appointment as external auditor of the Company. The Company has not changed its auditor in any of the preceding three years.

CONNECTED TRANSACTIONS

The related party transactions summarized in note 41 to the consolidated financial statements for the year ended 31 December 2018 did not constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

On behalf of the Board

Jesper Bjoern MADSEN

Chairman

22 March 2019

足夠公眾持股量

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

慈善捐款

於年內，本集團的慈善捐款約達人民幣140萬元(二零一七：人民幣130萬元)。

審核委員會

本公司的審核委員會已審閱本集團截至二零一八年十二月三十一日止年度的年度業績並就其提供意見及建議。

外聘核數師

截至二零一八年十二月三十一日止年度的綜合財務報表由羅兵咸永道會計師事務所審核，該會計師事務所將於應屆二零一九年股東周年大會結束時退任，惟合資格並願意重選為本公司的外聘核數師。本公司過往三年並無更換核數師。

關連交易

載於綜合財務報表附註41內的二零一八年度關聯方交易並不構成上市規則第十四A章定義的關連交易或持續關連交易。

代表董事會

麥奕鵬

主席

二零一九年三月二十二日



羅兵咸永道

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

致西藏水資源有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of Tibet Water Resources Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 113 to 259, which comprise:

- the consolidated balance sheet as at 31 December 2018;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

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

意見

我們已審計的內容

列載於第113至259頁西藏水資源有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)的綜合財務報表，當中包括：

- 於二零一八年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等合併財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而中肯地反映貴集團於二零一八年十二月三十一日的綜合財務狀況及彼等截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

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

- Impairment of goodwill and investment in an associate

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

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

關鍵審計事項

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

在我們審計中識別的關鍵審計事項概述如下：

- 商譽減值及於聯營公司的投資

Key Audit Matter

關鍵審計事項

Impairment of goodwill and investment in an associate

Refer to Note 4, Note 10 and Note 12 to the consolidated financial statements

As at 31 December 2018, goodwill recognised in relation to the acquisition of Tibet Tiandi Green Beverage Development Co., Ltd. ("Tiandi Green"), a subsidiary of the Group, amounted to RMB721 million; and the investment in an associate that arose from the acquisition of Tibet Highland Natural Water Limited ("Highland Natural Water") amounted to RMB1,387 million (with goodwill relating to this associate amounting to RMB1,153 million). No impairment loss was provided based on management's impairment analysis.

We focused on the impairment of these areas due to the followings:

- the size of the goodwill/investment in an associate balances;
- the management adopted "value-in-use" of related cash generating units to determine the recoverable amount of goodwill/investment in associate. Such "value-in-use" determination involved significant judgements made by management about the future results of the business and the discount rates applied to future cash flow forecasts. As the assessment involved consideration of future events and uncertainty, there was a risk that the judgement was inappropriate.

商譽減值及於聯營公司的投資

請參閱綜合財務報表附註4、附註10及附註12

於二零一八年十二月三十一日，有關收購本集團附屬公司西藏天地綠色飲品發展有限公司(「天地綠色」)確認的商譽為人民幣7.21億元；及收購西藏高原天然水有限公司(「高原天然水」)產生的於聯營公司的投資為人民幣13.87億元(與該聯營公司相關的商譽為人民幣11.53億元)。基於管理層的減值分析，未對其計提減值虧損撥備。

由於下列各項因素，我們專注於該等事項的減值：

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

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We discussed and evaluated the model used by management in determining the recoverable amount for the impairment analysis and verified the mathematical accuracy of the cash flow model used to estimate value-in-use.

We evaluated management's future cash flow forecasts for Tiandi Green and Highland Natural Water, including the reasonableness of the forecasts in the context of historical results of the businesses and production capacity, and comparing the parameters used with independently obtained market data. We also assessed the appropriateness of the discount rates and long-term growth rates used and considered that they fell within our range of independently obtained market data.

We obtained and evaluated management's sensitivity analysis to ascertain the impact of reasonably possible changes and we performed re-calculation independently for the downside changes in management's sensitivity analysis model, focusing on the most sensitive assumptions, including annual revenue growth rate, long term revenue growth rate, gross margin, discount rate and government subsidy income.

We satisfied ourselves that management's impairment analysis was supported by evidence obtained.

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

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

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

我們信納管理層進行的減值分析是有所取得的證據支持的。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他信息

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

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

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

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

董事和審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會負責監督貴集團財務報告過程。

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

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

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

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

核數師就審計綜合財務報表承擔的責任

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

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

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，確定是否存在與事項或情況有關的重大不確定性，構成而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

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

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

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22 March 2019

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

本獨立核數師報告的審計項目合夥人是 CHONG HENG HON。

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年三月二十二日

		As at 31 December 於十二月三十一日	
		2018	2017
		二零一八年	二零一七年 經重述*
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Land use rights	土地使用權	7	29,245
Property, plant and equipment ("PP&E")	物業、廠房及設備 (「物業、廠房及設備」)	8	578,997
Intangible assets	無形資產	9	88,521
Goodwill	商譽	10	721,139
Investments accounted for using the equity method	使用權益法入賬的投資	12	1,574,938
Deferred tax assets	遞延稅項資產	25	2,838
Prepayments	預付款項	16	38,613
Financial assets at fair value through other comprehensive income ("FVOCI")	以公允價值計量且其變動計入其他綜合收益的金融資產 (「以公允價值計量且其變動計入其他綜合收益的金融資產」)	20	231,881
Financial asset at fair value through profit or loss ("FVPL")	以公允價值計量且其變動計入損益的金融資產 (「以公允價值計量且其變動計入損益的金融資產」)	19	11,517
Available-for-sale financial assets ("AFS")	可供出售金融資產 (「可供出售金融資產」)		—
			65,297
Total non-current assets	非流動資產總額		3,277,689
			2,906,726

* See Note 2.3 for details about restatement for changes in accounting policies.

* 有關因會計政策變動而導致重述的詳情，見附註2.3。

		As at 31 December 於十二月三十一日		
		2018	2017	
		二零一八年	二零一七年 經重述*	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note 附註			
Current assets	流動資產			
Trade receivables	應收貿易款	13	289,885	235,139
Prepayments	預付款項	16	141,552	143,178
Prepaid enterprise income tax	預付企業所得稅		6,358	6,705
Other receivables and other assets	其他應收款及其他資產	17	641,117	175,022
Inventories	存貨	18	99,160	75,613
Financial assets at fair value through profit or loss ("FVPL")	以公允價值計量且其變動計入損益的金融資產(「以公允價值計量且其變動計入損益的金融資產」)	19	179,278	—
Available-for-sale financial assets ("AFS")	可供出售金融資產(「可供出售金融資產」)		—	175,884
Cash and cash equivalents	現金及現金等價物	21	277,152	830,773
Total current assets	流動資產總額		1,634,502	1,642,314
Total assets	總資產		4,912,191	4,549,040
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	22	21,363	21,363
Share premium	股份溢價	22	1,206,829	1,206,829
Shares held for share award scheme	為股份獎勵計劃持有的股份	23	(173,037)	(158,868)
Other reserves	其他儲備	24	177,924	186,037
Retained earnings	留存收益		2,226,217	1,919,027
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		3,459,296	3,174,388
Non-controlling interests	非控股權益		40	—
Total equity	權益總額		3,459,336	3,174,388

* See Note 2.3 for details about restatement for changes in accounting policies.

* 有關因會計政策變動而導致重述的詳情，見附註2.3。

		As at 31 December 於十二月三十一日	
		2018 二零一八年	2017 Restated* 二零一七年 經重述*
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Bank borrowings	銀行借款	240,000	—
Deferred revenue	遞延收入	20,942	22,333
Deferred tax liabilities	遞延稅項負債	15,255	18,572
Convertible bond - liability component	可換股債券－負債部分	—	432,340
Total non-current liabilities	非流動負債總額	276,197	473,245
Current liabilities	流動負債		
Trade and notes payables	應付貿易款及應付票據	78,721	92,841
Deferred revenue and advances received from customers	遞延收入及預收客戶款	2,373	27,498
Contract liabilities	合同負債	21,225	—
Enterprise income tax payable	應付企業所得稅	25,974	27,302
Accruals and other payables	預提費用及其他應付款	129,692	322,766
Bank borrowings	銀行借款	461,000	431,000
Convertible bond - liability component	可換股債券－負債部分	457,673	—
Total current liabilities	流動負債總額	1,176,658	901,407
Total liabilities	負債總額	1,452,855	1,374,652
Total equity and liabilities	權益及負債總額	4,912,191	4,549,040

* See Note 2.3 for details about restatements for changes in accounting policies.

* 有關因會計政策變動而導致重述的詳情，見附註2.3。

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

上述綜合資產負債表應與隨附附註一併閱讀。

The financial statements on pages 113 to 259 were approved by the Board of Directors on 22 March 2019 and were signed on its behalf.

董事會已於二零一九年三月二十二日批准載於第113至259頁的財務報表並代其簽字。

WANG Dong 王東
Director 董事

LIU Chen 劉晨
Director 董事

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

			Year ended 31 December 截至十二月三十一日止年度	
			2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
		Note 附註		
Revenue from contracts with customers	客戶合同收入	6	880,657	931,887
Cost of sales	銷售成本	33	(400,528)	(380,429)
Gross profit	毛利		480,129	551,458
Selling and distribution costs	銷售及分銷費用	33	(115,664)	(120,336)
Administrative expenses	行政費用	33	(89,631)	(84,936)
Net impairment losses on financial assets	金融資產減值損失淨額	33	(1,795)	—
Other gains, net	其他利得，淨額	32	69,009	46,497
Operating profit	經營利潤		342,048	392,683
Finance income	財務收益		31,855	27,957
Finance costs	財務費用		(42,105)	(38,202)
Finance costs, net	財務費用，淨額	35	(10,250)	(10,245)
Share of net profit of associates accounted for using the equity method	應佔使用權益法入賬的 聯營公司利潤淨額	12	20,436	26,089
Profit before income tax	除所得稅前利潤		352,234	408,527
Income tax expense	所得稅費用	36	(34,702)	(40,853)
Profit for the year	年度利潤		317,532	367,674
Profit attributable to:	應佔利潤：			
– Owners of the Company	– 本公司擁有人		317,532	315,174
– Non-controlling interests	– 非控股權益		—	52,500
			317,532	367,674
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔 利潤每股盈利			
– Earnings per share (basic and diluted) (RMB cents per share)	– 每股盈利(基本及攤薄) (每股人民幣分)	37	12.68	12.32

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

上述綜合損益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
Profit for the year	年度利潤	317,532	367,674
Other comprehensive (loss)/income:	其他全面(虧損)/收益：		
<i>Item that will not be reclassified subsequently to profit or loss</i>	<i>將不可於期後被重新分類至損益的項目</i>		
Currency translation differences	外幣折算差額	(18,455)	7,662
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>可於期後被重新分類至損益的項目</i>		
Change in fair value of AFS	可供出售金融資產公允價值變動	—	(346)
Other comprehensive (loss)/income for the year, net of tax	年度其他全面(虧損)/收益，扣除稅項	(18,455)	7,316
Total comprehensive income for the year	年度總全面收益	299,077	374,990
Attributable to:	歸屬於：		
– Owners of the Company	– 本公司擁有人	299,077	323,822
– Non-controlling interests	– 非控股權益	—	51,168
Total comprehensive income for the year	年度總全面收益	299,077	374,990

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

上述綜合全面收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔						Non-controlling interests	Total equity
		Share capital	Share premium	Shares held for share award scheme	Other reserves	Retained earnings	Total		
		股本 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	為股份獎勵計劃持有的股份 RMB'000 人民幣千元	其他儲備 RMB'000 人民幣千元	留存收益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	權益總額 RMB'000 人民幣千元
Balance at 31 December 2017 as originally presented	於二零一七年十二月三十一日的結餘，按原先呈列	21,363	1,206,829	(158,868)	191,921	1,913,143	3,174,388	—	3,174,388
Change in accounting policy (Note 2.3)	會計政策變動(附註2.3)	—	—	—	(5,884)	5,884	—	—	—
Restated total equity as at 31 December 2017	於二零一七年十二月三十一日經重述的權益總額	21,363	1,206,829	(158,868)	186,037	1,919,027	3,174,388	—	3,174,388
Balance at 1 January 2018	於二零一八年一月一日的結餘	21,363	1,206,829	(158,868)	186,037	1,919,027	3,174,388	—	3,174,388
Profit for the year	年度利潤	—	—	—	—	317,532	317,532	—	317,532
Currency translation differences	外幣折算差額	—	—	—	(18,455)	—	(18,455)	—	(18,455)
Total comprehensive income for the year	年度總全面收益	—	—	—	(18,455)	317,532	299,077	—	299,077
Appropriations to statutory surplus reserve (Note 24)	提取法定盈餘公積金(附註24)	—	—	—	10,342	(10,342)	—	—	—
Non-controlling interests on acquisition of subsidiary	收購附屬公司產生的非控股權益	—	—	—	—	—	—	40	40
Acquisition of shares under share award scheme (Note 23)	根據股份獎勵計劃購買股份(附註23)	—	—	(14,169)	—	—	(14,169)	—	(14,169)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	21,363	1,206,829	(173,037)	177,924	2,226,217	3,459,296	40	3,459,336
Balance at 1 January 2017	於二零一七年一月一日的結餘	21,363	1,206,829	—	279,202	1,615,205	3,122,599	371,965	3,494,564
Profit for the year	年度利潤	—	—	—	—	315,174	315,174	52,500	367,674
Currency translation differences	外幣折算差額	—	—	—	7,662	—	7,662	—	7,662
Change in fair value of AFS	可供出售金融資產公允價值變動	—	—	—	986	—	986	(1,332)	(346)
Total comprehensive income for the year	年度總全面收益	—	—	—	8,648	315,174	323,822	51,168	374,990
Appropriations to statutory surplus reserve (Note 24)	提取法定盈餘公積金(附註24)	—	—	—	17,236	(17,236)	—	—	—
Acquisition of shares under share award scheme (Note 23)	根據股份獎勵計劃購買股份(附註23)	—	—	(158,868)	—	—	(158,868)	—	(158,868)
Transaction with non-controlling interests	與非控股權益之交易	—	—	—	(113,165)	—	(113,165)	(423,133)	(536,298)
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	21,363	1,206,829	(158,868)	191,921	1,913,143	3,174,388	—	3,174,388

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

上述綜合權益變動表應與隨附附註一併閱讀。

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	經營活動現金流		
Cash generated from operations	經營活動產生的現金	247,365	518,761
Interest received	已收利息	3,261	5,575
Interest paid	已付利息	(106)	(202)
Income taxes paid	已付所得稅	(38,963)	(42,114)
Net cash flows from operating activities	經營活動產生的現金流量淨額	211,557	482,020
Cash flows from investing activities	投資活動現金流		
Purchases of PP&E	購買物業、廠房及設備	(16,015)	(17,955)
Cash received from government grants related to fixed assets	已收與固定資產有關的政府補助的現金	1,641	—
Purchases of FVOCI	購買以公允價值計量且其變動計入其他綜合收益的金融資產	(173,881)	—
Purchases of FVPL (2017: AFS)	購買以公允價值計量且其變動計入損益的金融資產 (二零一七年：可供出售金融資產)	(684,319)	(600,600)
Proceeds from disposal of FVPL (2017: AFS)	處置以公允價值計量且其變動計入損益的金融資產所得款項(二零一七年：可供出售金融資產)	703,475	591,315
Loans granted to third parties	借予第三方款項	(709,534)	(438,201)
Repayments received from loans to third parties	已收第三方還款	336,016	469,571
Amounts advanced to third parties	已付第三方墊款	(408,257)	(110,450)
Payments received from third parties	已收第三方款項	211,339	117,491
Loans granted to a related party	借予關聯方款項	(22,000)	—
Amounts paid to a related party	已付關聯方款項	(170,000)	(30,000)
Amounts received from related parties	已收關聯方款項	407,704	54,821
Cash acquired from acquisition of a subsidiary	收購一家附屬公司獲得的現金	45,751	—
Investment in associates	於聯營公司的投資	(297,500)	—
Dividends received from an associate	自聯營公司已收股息	32,364	—
Net cash flows (used in)/from investing activities	投資活動(所用)/產生的現金流量淨額	(743,216)	35,992

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
Cash flows from financing activities	融資活動現金流		
Proceeds from bank borrowings	銀行借款所得款項	706,000	186,000
Repayments of bank borrowings and interests	償還銀行借款及利息	(450,108)	(413,861)
Payments for shares bought back	股份購回付款	(14,169)	(158,868)
Coupon interest payments relating to convertible bond	有關可換股債券的票息付款	(26,882)	(26,835)
	31, 39		
Transaction with non-controlling interests	與非控股權益之交易	(239,044)	(297,254)
Capital injections from non-controlling interests	非控股權益注資	40	—
Net cash flows used in financing activities	融資活動所用的現金流量淨額	(24,163)	(710,818)
Net decrease in cash and cash equivalents	現金及現金等價物的減少淨額	(555,822)	(192,806)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	830,773	1,042,398
Exchange gains/(losses)	匯兌收益/(虧損)	2,201	(18,819)
Cash and cash equivalents at end of year	年末現金及現金等價物	277,152	830,773
	21		

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

上述綜合現金流量表應與隨附附註一併閱讀。

1 GENERAL INFORMATION

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

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

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

These financial statements are presented in Renminbi (“RMB”), unless otherwise stated. These financial statements have been approved for issue by the Board on 22 March 2019.

1 一般資料

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

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

本公司的股份自二零一一年六月三十日起在聯交所上市。

除非另有所指，否則該等財務報表以人民幣（「人民幣」）呈列。董事會已於二零一九年三月二十二日批准刊發該等財務報表。

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

In January 2018, the Company (through Tibet Glacier Mineral Water, a wholly-owned subsidiary of the Company) and Shenzhen Guangyuan Investment Management Partnership (Limited Partnership) entered into a partnership agreement (the “**Partnership Agreement**”) to establish a fund named Zhuhai Guangyuan. Zhuhai Guangyuan is a fund to invest in culture, entertainment, consumer product, retail business and other related industries. Based on the Partnership Agreement, Zhuhai Guangyuan is considered as a subsidiary of the Company and it has been consolidated into the Group’s financial statements. As at 31 December 2018, total equity contribution to Zhuhai Guangyuan by the Group is RMB3,600,000. No investment activity has been carried out by Zhuhai Guangyuan as at 31 December 2018.

On 6 December 2018, the Group acquired 25% of equity interests of Fudi Packaging for a cash consideration of RMB187,500,000. Fudi Packaging is a company specialising in the manufacturing and distribution of bottle preforms and caps. No significant transaction costs were incurred in the above acquisition. Given the equity interests the Group acquired and the articles of association of Fudi Packaging, the Group has right to participate in Fudi Packaging’s operational decision-making process. Accordingly, Fudi Packaging is treated as an associate of the Group and the investment is accounted for using the equity method.

1 一般資料(續)**重要事項**

在二零一八年一月，本公司(通過西藏冰川礦泉水，本公司一間全資附屬公司)與深圳市光遠投資管理合夥企業(有限合夥)達成合夥協議(「**合夥協議**」)，以建立新的基金名為珠海光遠。珠海光遠是一項投資文化、娛樂、消費品、零售業及其他相關行業的基金。根據合夥協議，珠海光遠被視為本公司的附屬公司，並已合併入本集團的財務報表。於二零一八年十二月三十一日，本集團對珠海光遠的實繳出資總額為人民幣3,600,000元。於二零一八年十二月三十一日，珠海光遠尚未進行任何投資活動。

於二零一八年十二月六日，本集團收購福地包裝25%權益，現金代價為人民幣187,500,000元。福地包裝為一家專門製造及分銷瓶坯及瓶蓋的公司。上述收購並未產生重大交易成本。鑒於本集團所收購的權益及福地包裝的組織章程細則，本集團有權參與福地包裝的營運決策程序，因此，福地包裝被視為本集團的聯營公司且該投資使用權益法入賬。

1 GENERAL INFORMATION (CONTINUED)

Key events (continued)

On 10 December 2018, the Group acquired 9% of the equity interests of Shannan Yalaxiangbu for a cash consideration of RMB178,200,000. Shannan Yalaxiangbu is a company specialising in the manufacturing and distribution of water products. No significant transaction costs were incurred in the above acquisition.

Based on the share purchase agreement, if Shannan Yalaxiangbu could not meet certain conditions in 2019, the Group has the option to sell the equity shares to the original shareholder; if such conditions are met, the Group has the option to purchase additional shares of Shannan Yalaxiangbu. These options are treated as derivative financial products by the Group and recorded as FVPL on the balance sheet. As at 31 December 2018, the amount of FVPL in relation to the above options was RMB4,319,000.

The balance of the cash consideration paid amounting to RMB173,881,000 was treated as FVOCI. Based on the equity interests the Group acquired and the articles of association of Shannan Yalaxiangbu, the Group has no control or significant influence on Shannan Yalaxiangbu's operational decision-making process. Management views the investment as long-term strategic investment.

1 一般資料(續)

重要事項(續)

於二零一八年十二月十日，本集團收購山南雅拉香布9%權益，現金代價為人民幣178,200,000元。山南雅拉香布為一家專門製造及分銷水產品的公司。上述收購並未產生重大交易成本。

根據股份購買協議，如果山南雅拉香布在二零一九年不能滿足某些條件，則本集團可選擇將權益股份出售給原股東；如果符合上述條件，本集團可選擇購買山南雅拉香布的額外股份。該等購股權被本集團視為衍生金融產品，並於資產負債表內記錄為以公允價值計量且其變動計入損益的金融資產。於二零一八年十二月三十一日，與上述購股權有關的以公允價值計量且其變動計入損益的金融資產金額為人民幣4,319,000元。

已支付的現金代價餘額為人民幣173,881,000元被視為以公允價值計量且其變動計入其他綜合收益的金融資產。根據本集團所收購的權益及山南雅拉香布的組織章程細則，本集團對山南雅拉香布的營運決策程序並無控制權或重大影響力。管理層認為該投資為長期策略投資。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

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

2 主要會計政策概要

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

2.1 編製基準

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policy and disclosures

2.2.1 New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- IFRS 9 Financial Instruments (a)
- IFRS 15 Revenue from Contracts with Customers (b)
- Classification and Measurement of Share-based Payment Transactions – Amendments to IFRS 2
- Annual Improvements 2014-2016 cycle
- Transfers to Investment Property – Amendments to IAS 40
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

The impact of the adoption of IFRS 9 and IFRS 15 is disclosed in Note 2.3 and the new accounting policies are disclosed in Note 2.13 and 2.25. The other amendments and interpretations did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

2 主要會計政策概要(續)

2.2 會計政策變動及披露

2.2.1 本集團已採納的新訂和已修改的準則

本集團已於二零一八年一月一日開始的年度報告期間首次採納下列準則及修改：

- 國際財務報告準則第9號金融工具(a)
- 國際財務報告準則第15號客戶合同收入(b)
- 股份基礎給付交易的分類及計量－國際財務報告準則第2號的修改
- 二零一四年至二零一六年週期的年度改進
- 轉撥至投資物業－國際會計準則第40號的修改
- 詮釋第22號外幣折算及墊付代價

採納國際財務報告準則第9號及國際財務報告準則第15號的影響披露於附註2.3。新的會計政策披露於附註2.13及2.25。其他修改及詮釋對本集團的會計政策並無任何影響及無須作出追溯調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.2 Changes in accounting policy and disclosures (continued)****2.2.2 New standards and interpretations not yet adopted**

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following as set out below:

(i) IFRS 16 Leasing

IFRS 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

2 主要會計政策概要(續)**2.2 會計政策變動及披露(續)****2.2.2 尚未採納的新訂準則及詮釋**

多項新準則和準則的修改及詮釋在二零一九年一月一日後開始的年度期間生效，但未在本綜合財務報表應用。此等準則、修改和詮釋預期不會對本集團的綜合財務報表造成重大影響，惟以下列載者除外：

(i) 國際財務報告準則第16號租賃

國際財務報告準則第16號將導致幾乎所有租賃在資產負債表內確認，經營租賃與融資租賃的劃分已被刪除。根據該新準則，資產(租賃項目的使用權)與支付租金的金融負債被確認。豁免僅適用於短期和低價值的租賃。對出租人的會計處理將不會有重大改變。

本集團將自該準則強制採納日期二零一九年一月一日起應用該準則。本集團有意採用簡化的過渡方法，且不會就首次採納前的年度重述比較數字。物業租賃的使用權資產將於過渡時計量，猶如一直應用新規則。所有其他使用權資產將按採納時的租賃負債金額計量(按照任何預付或預提租賃費用進行調整)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policy and disclosures (continued)

2.2.2 New standards and interpretations not yet adopted (continued)

(i) IFRS 16 Leasing (continued)

The standard will affect primarily the accounting for the Group's operating leases. As at 31 December 2018, the Group has non-cancellable operating lease commitments of RMB578,000 (Note 40).

The Group's activities as a lessor are not material and hence the Group does not expect any significant impact on the financial statements. However, some additional disclosures will be required from next year. Some of the commitments may be covered by the exemption for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.

Given the insignificant amount of operating lease involved, management does not expect the adoption of IFRS 16 will have significant impact on the Group's financial statements.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.3 Impact on the financial statements

This note explains the impact of the adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on the Group's financial statements.

2 主要會計政策概要(續)

2.2 會計政策變動及披露(續)

2.2.2 尚未採納的新訂準則及詮釋(續)

(i) 國際財務報告準則第16號租賃(續)

此準則將主要影響本集團經營租賃的會計處理。於二零一八年十二月三十一日，本集團有不可取消的經營租賃承擔人民幣578,000元(附註40)。

本集團作為出租人進行的活動並不重大，因此本集團預期不會對財務報表產生任何重大影響。然而，本集團須自下年度起作出若干額外披露。部分承擔可能因期限較短及價值較低而獲豁免毋須披露，而部分承擔可能與不符合國際財務報告準則第16號下租賃定義的安排有關。

鑒於經營租賃所涉及的金額並不重大，管理層預期採納國際財務報告準則第16號將不會對本集團的財務報表產生重大影響。

並無尚未生效的其他準則預期會對本集團本期或未來報告期間及可見未來交易產生重大影響。

2.3 對財務報表的影響

下文闡釋採納國際財務報告準則第9號金融工具及國際財務報告準則第15號客戶合同收入對本集團財務報表的影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Impact on the financial statements (continued)

As a result of the changes in the Group's accounting policies, prior year financial statements have been restated. The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. The adjustments are explained in more detail by the notes below.

		31 December 2017		31 December 2017			1 January 2018	
		As originally presented	IFRS 9	Restated	IFRS 9	IFRS 15	Restated	
		二零一七年十二月三十一日	國際財務報告準則第9號	二零一七年十二月三十一日	國際財務報告準則第9號	國際財務報告準則第15號	二零一八年一月一日	
		按原先呈列	第9號	經重述	第9號	第15號	經重述	
		Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Balance Sheet (extract)	資產負債表(摘錄)	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Non-Current assets	非流動資產							
FVPL	以公允價值計量且其變動計入損益的金融資產	(a), (b)	—	—	—	7,297	7,297	
FVOCI	以公允價值計量且其變動計入其他綜合收益的金融資產	(b)	—	—	—	58,000	58,000	
AFS	可供出售金融資產		65,297	—	—	(65,297)	—	
Current assets	流動資產							
FVPL	以公允價值計量且其變動計入損益的金融資產	(a)	—	—	—	175,884	175,884	
AFS	可供出售金融資產		175,884	—	—	(175,884)	—	
			241,181	—	—	—	241,181	
Current liabilities	流動負債							
Deferred revenue and advances received from customers	遞延收入及預收客戶款		27,498	—	—	—	2,248	
Contract liabilities	合同負債	(c)	—	—	—	25,250	25,250	
			27,498	—	—	—	27,498	
Reserves	儲備	(a)	191,921	(5,884)	186,037	—	186,037	
Retained earnings	留存收益		1,913,143	5,884	1,919,027	—	1,919,027	
			2,105,064	—	2,105,064	—	2,105,064	

2 主要會計政策概要(續)

2.3 對財務報表的影響(續)

由於本集團會計政策發生變動，過往年度財務報表已進行重述。下表列示就各單獨項目確認的調整。並無載入不受變動影響的項目。有關調整按下文附註更詳細闡述。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Impact on the financial statements (continued)

(a) Reclassification from AFS to FVPL

Investments in structured financial products were reclassified from AFS to FVPL (RMB175,884,000 as at 1 January 2018 restated). They do not meet the IFRS 9 criteria for classification at amortised cost, because their cash flows do not represent solely payments of principal and interest. Related fair value gains of RMB5,884,000 were transferred from the AFS reserve to retained earnings on 1 January 2018. For the year ended 31 December 2018, net fair value gains of RMB4,959,000 (Note 32) relating to these investments were recognised in profit or loss.

(b) Equity investment previously classified as AFS

Investment in GT Express and China Railway Express Co., Ltd. ("CRE") that were previously classified as AFS, were reclassified to FVPL and FVOCI as designated by the management. Fair value gains of RMB4,220,000 (Note 32) was recognised in profit or loss from investment in GT Express in the year ended 31 December 2018. The management did not expect any significant change in fair value from the investment in CRE for the year ended 31 December 2018.

2 主要會計政策概要(續)

2.3 對財務報表的影響(續)

(a) 由可供出售金融資產重新分類至以公允價值計量且其變動計入損益的金融資產

投資於結構性金融產品由可供出售金融資產重新分類至以公允價值計量且其變動計入損益的金融資產(人民幣175,884,000元，於二零一八年一月一日經重述)。彼等不符合國際財務報告準則第9號按攤銷成本分類的標準，原因是其現金流量並非僅為本金及利息付款。相關公允價值收益人民幣5,884,000元乃於二零一八年一月一日由可供出售金融資產相關的儲備轉撥至留存收益。截至二零一八年十二月三十一日止年度，有關該等投資的公允價值淨收益人民幣4,959,000元(附註32)於損益內確認。

(b) 先前分類為可供出售金融資產的股權投資

於貫通雲網及中鐵快運股份有限公司(「中鐵快運」)的投資先前被分類為可供出售金融資產，經管理層指定重新分類至以公允價值計量且其變動計入損益的金融資產及以公允價值計量且其變動計入其他綜合收益的金融資產。於截至二零一八年十二月三十一日止年度，於貫通雲網的投資於損益內確認公允價值收益人民幣4,220,000元(附註32)。管理層預期截至二零一八年十二月三十一日止年度於中鐵快運的投資的公允價值不會有任何重大變動。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.3 Impact on the financial statements (continued)****(c) Reclassification from deferred revenue and advances received from customers to contract liabilities**

Contract liabilities for sales of water cards were previously presented as deferred revenue. Contract liabilities for sales of water and beer products were previously presented as advances received from customers.

Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under IFRS 15. Contract liabilities for progress billing were recognised in relation to the sales of products that were previously presented as deferred revenue and advances received from customers.

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

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

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

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

2 主要會計政策概要(續)**2.3 對財務報表的影響(續)****(c) 由遞延收入及預收客戶款重新分類至合同負債**

銷售水卡的合同負債先前被呈列為遞延收入。銷售水產品及啤酒產品的合同負債先前被呈列為預收客戶款。

重新分類乃於二零一八年一月一日作出，以與國際財務報告準則第15號項下的詞彙貫徹一致。就銷售產品確認的進度賬項的合同負債先前被呈列為遞延收入及預收客戶款。

2.4 合併原則及權益會計處理**2.4.1 附屬公司**

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

本集團使用收購會計法為業務合併列賬(參閱附註2.5)。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Principles of consolidation and equity accounting (continued)

2.4.2 Associates

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

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

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

2 主要會計政策概要(續)

2.4 合併原則及權益會計處理(續)

2.4.2 聯營公司

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

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

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

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

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

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

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

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

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

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

於聯營公司的投資產生的攤薄收益及虧損於損益表內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Business combinations

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

Acquisition-related costs are expensed as incurred.

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

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

2 主要會計政策概要(續)

2.5 業務合併

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

收購相關成本於產生時支銷。

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.5 Business combinations (continued)**

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

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

2.6 Separate financial statements

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

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

2 主要會計政策概要(續)**2.5 業務合併(續)**

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

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

2.6 單獨財務報表

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Segment reporting

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

2.8 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

2 主要會計政策概要(續)

2.7 分部報告

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

2.8 外幣折算

(a) 功能及列報貨幣

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

(b) 交易及結餘

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 Foreign currency translation (continued)****(c) Group companies**

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

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

2.9 Property, plant and equipment

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

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

2 主要會計政策概要(續)**2.8 外幣折算(續)****(c) 集團公司**

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

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

2.9 物業、廠房及設備

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Property, plant and equipment (continued)

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

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.12).

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

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

2 主要會計政策概要(續)

2.9 物業、廠房及設備(續)

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

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

資產的剩餘價值及使用年期於各呈報期末檢討，並在適當情況下作出調整。

倘資產賬面值高於估計可收回金額時，該項資產的賬面值即時撇減至可收回金額(附註2.12)。

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.10 Intangible assets****2.10.1 Goodwill**

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

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

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

2.10.2 Trade name

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

2 主要會計政策概要(續)**2.10 無形資產****2.10.1 商譽**

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

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

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

2.10.2 品牌名稱

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Intangible assets (continued)

2.10.3 Distribution network

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

2.11 Land use rights

All land in the PRC is state-owned and no individual land ownership right exists. The Group acquired the rights to use certain land and the premiums paid for such rights are recorded as land use rights, which are stated at cost and amortised over the use terms of 50 years using the straight-line method.

2.12 Impairment of non-financial assets

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

2 主要會計政策概要(續)

2.10 無形資產(續)

2.10.3 分銷網絡

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

2.11 土地使用權

中國所有土地均屬國有，不存在個人土地所有權。本集團購買使用若干土地的權利，而就該等權利支付的出讓金記錄為土地使用權，按成本列賬並於50年使用年期內按直線法攤銷。

2.12 非金融資產的減值

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets

(i) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

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

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

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

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

(ii) Recognition and derecognition

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

2 主要會計政策概要(續)

2.13 金融資產

(i) 分類

自二零一八年一月一日起，本集團按以下計量類別對金融資產進行分類：

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

該分類取決於主體管理金融資產的業務模式以及該資產的合同現金流量特徵。

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

僅當管理該等資產的業務模式發生變化時，本集團才對債權投資進行重新分類。

(ii) 確認和終止確認

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets (continued)

(iii) Measurement

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

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

Debt instruments

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

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(iii) 計量

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

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

債務工具

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.13 Financial assets (continued)****(iii) Measurement (continued)**

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

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

2 主要會計政策概要(續)**2.13 金融資產(續)****(iii) 計量(續)**

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets (continued)

(iii) Measurement (continued)

Equity instruments

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

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

2 主要會計政策概要(續)

2.13 金融資產(續)

(iii) 計量(續)

權益工具

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets (continued)

(iv) Impairment

The Group's financial assets that are subject to the expected credit loss model is trade receivables for sales of inventories. The Group applies the IFRS9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2018 or 1 January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the Mainland China to be the most relevant factors given all sales customers of the Group are in Mainland China. Accordingly, the Group adjusts the historical loss rates based on expected changes in these factors.

The loss allowances determined on the above basis as at 31 December 2018 and 1 January 2018 (on adoption of IFRS 9) was insignificant given the Group did not have material credit loss arising from trade and notes receivables historically and there is no such forward-looking factors which will result in significant credit loss for the Group based on management's analysis.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 2 years past due. Impairment losses on trade and notes receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

2 主要會計政策概要(續)

2.13 金融資產(續)

(iv) 減值

本集團受預期信貸虧損模型約束之金融資產為銷售存貨的應收貿易款。本集團應用國際財務報告準則第9號之簡化方法計量預期信貸虧損，該方法就所有應收貿易款均使用存續期內預期虧損撥備。為計量預期信貸虧損，應收貿易款已按共同信貸風險特徵及逾期天數分組。預期虧損率基於二零一八年十二月三十一日或二零一八年一月一日前36個月的銷售支付概況以及此期間相應的歷史信貸虧損。對歷史虧損率進行調整，以反映影響客戶結算應收款項能力的宏觀經濟因素的當前和前瞻性資訊。由於本集團所有銷售客戶均位於中國大陸，本集團已識別中國大陸的國內生產總值及失業率為最相關因素。因此，本集團根據該等因素的預期變動調整歷史虧損率。

根據上述基準釐定的於二零一八年十二月三十一日及二零一八年一月一日(於採納國際財務報告準則第9號時)的虧損撥備並不重大，原因是本集團歷史上並無應收貿易款及應收票據產生的重大信貸虧損，且概無該等根據管理層的分析將導致本集團出現重大信貸虧損的前瞻性因素。

當不存在可收回的合理預期時，應收貿易款會被撇銷。不存在可收回的合理預期的指標包括(其中包括)債務人無法與本集團達成還款計劃及無法就逾期超過2年的賬款作出合約付款。應收貿易款及應收票據的減值虧損列作經營利潤內的減值損失淨額。先前已撇銷金額的後續回收將記入同一行項目。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets (continued)

(iv) Impairment (continued)

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9. The Group did not and is not expected to have impairment from cash and cash equivalents because the Group only transacts with reputable provincial banks and financial institutions and listed in China mainland and Hong Kong and hence the adoption of the new standard does not affect the determination of allowance for cash and cash equivalents.

(v) Accounting policies applied until 31 December 2017

The Group has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

a. Classification

The Group classifies its financial assets in the following categories: loans and receivables and AFS. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's receivables comprise "trade receivables", "other receivables", "cash and cash equivalents" in the consolidated balance sheet.

2 主要會計政策概要(續)

2.13 金融資產(續)

(iv) 減值(續)

現金及現金等價物亦須遵守國際財務報告準則第9號的減值規定。由於本集團僅與在中國大陸及香港上市的信譽良好的省級銀行及金融機構進行交易，故本集團並無且預期不會有現金及現金等價物減值，因此，採納新準則不會影響現金及現金等價物釐定的撥備。

(v) 截至二零一七年十二月三十一日前採用的會計政策

本集團已追溯應用國際財務報告準則第9號，但選擇未重述比較資料。因此，所提供的比較資料繼續根據本集團先前的會計政策入賬。

a. 分類

本集團將其金融資產分為以下類別：貸款及應收款項類別以及可供出售金融資產類別。分類視乎金融資產之收購目的。管理層將於初步確認時為其金融資產分類。

貸款及應收款項為有固定或可確定付款額且並無活躍市場報價的非衍生金融資產。此等項目計入流動資產，惟自報告期末起計超過12個月方到期者，則分類為非流動資產。本集團的應收款項包括綜合資產負債表內的「應收貿易款」、「其他應收款」、「現金及現金等價物」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.13 Financial assets (continued)***(v) Accounting policies applied until 31 December 2017 (continued)**b. Recognition and derecognition and Measurement*

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

c. Measurement

AFS is non-derivative that is either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. AFS are subsequently carried at fair value. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the statement of profit or loss as "other gains, net". Interest on available-for-sale securities calculated using the effective interest method is recognised in the statement of profit or loss as part of other gains.

2 主要會計政策概要(續)**2.13 金融資產(續)***(v) 截至二零一七年十二月三十一日前採用的會計政策(續)**b. 確認及終止確認以及計量*

金融資產的常規買賣於交易日確認一本集團承諾購買或銷售資產的日期。並非透過損益按公允價值列賬的所有金融資產投資初步按公允價值加交易成本確認。倘自投資中收取現金流量的權利過期或已予以轉讓及本集團已轉讓與所有權相關的絕大部分風險及回報，則終止確認金融資產。貸款及應收款項其後通過使用實際利息法按攤銷成本記賬。

c. 計量

可供出售金融資產為指定為此類別或不屬任何其他類別的非衍生工具。除非投資到期或管理層擬於報告期末起計12個月內出售，否則可供出售金融資產列入非流動資產項下。可供金融資產其後按公允價值列賬。分類為可供出售的貨幣及非貨幣證券公允價值變動於其他綜合收益中確認。倘分類為可供出售的證券被出售或出現減值，於權益中確認的累計公允價值調整列入損益表中「其他收益，淨額」項下。按實際利率法計算的可供出售證券利息於損益表中確認為其他收益的一部份。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Financial assets (continued)

(v) Accounting policies applied until 31 December 2017 (continued)

d. Impairment

Loans and receivables

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of profit or loss.

2 主要會計政策概要(續)

2.13 金融資產(續)

(v) 截至二零一七年十二月三十一日前採用的會計政策(續)

d. 減值

貸款及應收款項

本集團於每個報告期末評估是否有客觀證據證明某項金融資產或某組金融資產經已減值。只有當存在客觀證據證明於首次確認資產後發生的一宗或多宗事件導致出現減值(「損失事件」)，而該宗(或該等)損失事件對該項或該組金融資產的估計未來現金流量構成的影響可以可靠估計，有關金融資產或金融資產組別方會出現減值及產生減值虧損。

減值證據或會包括債務人或集團債務人正遇上重大財務困難、拖欠償還利息或本金、彼等可能破產或進行其他財務重組，及有可觀察的資料顯示估計未來現金流量存在可計量減少(如與拖欠有關的欠款或經濟狀況)。

就貸款及應收款項類別而言，損失金額乃根據資產賬面值與估計未來現金流量(不包括仍未產生的未來信用損失)按金融資產原實際利率貼現的現值兩者的差額計量。資產賬面值予以扣減，而損失金額則在綜合損益表中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.13 Financial assets (continued)***(v) Accounting policies applied until 31 December 2017 (continued)**d. Impairment (continued)*

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of profit or loss.

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The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For debt securities, if any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is reclassified from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated statement of profit or loss.

For equity investments, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is reclassified from equity and recognised in profit or loss. Impairment losses recognised in the consolidated statement of profit or loss on equity instruments are not reversed through the consolidated statement of profit or loss.

2 主要會計政策概要(續)**2.13 金融資產(續)***(v) 截至二零一七年十二月三十一日前採用的會計政策(續)**d. 減值(續)*

如在後繼期間，減值損失金額減少，而減少可客觀地聯繫至某件於減值確認後發生的事件(例如債務人的信用評級有改善)，則之前所確認的減值損失可在綜合損益表中轉回。

可供出售金融資產

本集團於各報告期末評估是否有客觀證據顯示一項金融資產或一組金融資產出現減值。

就債務證券而言，倘出現任何有關證據，則累計虧損(按收購成本及目前公允價值之差額減任何先前於損益確認的金融資產減值虧損計量)於權益中重新分類，並於損益中確認。倘，於其後期間，分類為可供出售的債務證券公允價值增加，而有關增幅與於損益確認減值虧損後發生的事件客觀相關，則減值虧損透過綜合損益表撥回。

就股權投資而言，有關證券的公允價值嚴重或長期低於其成本亦屬有關資產出現減值的證據。倘出現任何有關證據，則累計虧損(按收購成本及目前公允價值之差額減任何先前於損益確認的金融資產減值虧損計量)於權益中重新分類，並於損益中確認。權益工具於綜合損益表中確認的減值虧損不得透過綜合損益表撥回。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.14 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.15 Inventories

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

2.16 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. See Note 2.13 and 3.1-(b) for further information about group's accounting for trade receivables and other receivables and for a description of the Group's impairment policies.

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

2 主要會計政策概要(續)**2.14 抵銷金融工具**

倘有合法可強制執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產及結算負債時，金融資產及負債互相抵銷並於資產負債表中列報有關淨金額。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘本集團或對手方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

2.15 存貨

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

2.16 應收貿易款及其他應收款

應收貿易款是於日常業務過程中向客戶銷售商品或提供服務而應收的款項。倘應收貿易款及其他應收款預期將在一年或以內收回(如仍在正常經營週期中，則可較長時間)，則分類為流動資產。否則，呈列為非流動資產。有關集團應收貿易款及其他應收款會計處理方法的進一步詳情及集團減值政策的描述，請參閱附註2.13及3.1-(b)。

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.17 Cash and cash equivalents**

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

2.18 Share capital and shares held for share option scheme

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

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

2.19 Trade and notes payables

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

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

2 主要會計政策概要(續)**2.17 現金及現金等價物**

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

2.18 股本及就購股權計劃持有的股份

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

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

2.19 應付貿易款及應付票據

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Borrowings

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

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

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

2 主要會計政策概要(續)

2.20 借款

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Borrowings (continued)

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

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

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

2.21 Borrowing costs

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

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

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

2 主要會計政策概要(續)

2.20 借款(續)

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

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

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

2.21 借貸成本

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

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

所有其他借貸成本於其產生期間於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Current and deferred income tax

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

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

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要(續)

2.22 當期及遞延所得稅

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

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

遞延所得稅使用負債法按資產和負債的稅基與資產和負債在綜合財務報表的賬面值的暫時性差額確認。然而，若遞延稅項負債來自初步確認商譽，則不予確認，若遞延所得稅來自在交易(不包括業務合併)中資產或負債的初始確認，而在交易時不影響會計處理或應課稅利潤或損失，則不入賬。遞延所得稅採用在結算日已頒布或實質上已頒布，並在有關遞延稅項資產變現或遞延稅項負債結算時預期將適用的稅率(及法例)釐定。

遞延稅項資產僅就可能未來應課稅利潤而就此可使用暫時性差額而確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.22 Current and deferred income tax (continued)**

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.23 Employee benefits

The employee benefit expenses mainly include salary, bonus, allowances and other expenditures incurred in exchange for the employee services. All employee benefit obligations are recognised during the period when the services are provided, and charged to the consolidated statement of profit or loss or included in the cost of the related assets.

2 主要會計政策概要(續)**2.22 當期及遞延所得稅(續)**

就於附屬公司投資產生的應課稅暫時性差額計提遞延稅項負債，但假若本集團可控制暫時性差額的轉回時間，且暫時性差額在可見將來很可能不會轉回則除外。在一般情況下，本集團無法控制聯營公司暫時性差額的撥回。僅在存在協議賦予本集團能力時，方可控制未確認暫時性差額的撥回。

當有法定可執行權利將當期稅項資產與當期稅項負債抵銷，且遞延稅項資產與負債涉及由同一稅務機關對有意以淨額基準結算所得稅結餘的同一應課稅實體或不同應課稅實體徵收的所得稅時，則遞延稅項資產與負債可互相抵銷。

2.23 僱員福利

僱員福利費用主要包括換取僱員服務產生的薪金、花紅、津貼及其他開支。所有僱員福利債務於服務獲提供時確認，並自綜合利潤表扣除或計入相關資產成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Employee benefits (continued)

(a) Pension obligations - defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceilings. The Group's liability in respect of these funds is limited to the contributions payable in each period.

2 主要會計政策概要(續)

2.23 僱員福利(續)

(a) 退休金債務－界定供款計劃

界定供款計劃是本集團向獨立實體支付固定供款的退休金計劃。倘有關基金並無足夠資產向所有僱員支付即期或過往期間的僱員服務福利，本集團亦無法定或推定責任支付任何進一步供款。

本集團以向由公共或私人機構管理的退休金保險計劃支付強制、合約或自願性供款。本集團在支付供款後即無進一步付款責任。供款於到期時確認為僱員福利開支。倘若有現金退款或未來供款額出現下調，預付供款可確認為資產。

(b) 住房公積金、醫療保險及其他社會保險

本集團的中國僱員有權參與多項政府監管的住房公積金、醫療保險及其他僱員社會保險計劃。本集團每月按僱員薪酬的若干百分比就該等公積金供款(受限於若干供款上限)。本集團有關該等公積金的負債僅限於各期間應付供款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.24 Provisions**

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.25 Revenue recognition**(a) Sales of goods – wholesale**

The Group manufactures and sells a range of water products and beer products in the wholesale market. The Group also sells bottle preforms and caps. Sales are recognised when control of the products has transferred, being when the products are delivered to the customers, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specified location; the risks of obsolescence and loss have been transferred to the customers.

2 主要會計政策概要(續)**2.24 撥備**

在出現以下情況時，就法律索償作出撥備：本集團因已發生的事件而產生現有的法律或推定債務；很可能需要資源流出以結算債務；及金額已可靠估計。不就未來經營虧損確認撥備。

如有多項類似債務，其需要在結算中流出資源的可能性，則可根據債務的類別整體考慮後決定。即使在同一債務類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期須結算有關債務的支出的現值計量，該利率反映當時市場對金錢時間值和有關債務固有風險的評估。隨著時間過去而增加的撥備確認為利息費用。

2.25 收入確認**(a) 商品銷售 – 批發**

本集團製造及於批發市場銷售一系列水產品及啤酒產品。本集團亦銷售瓶坯及瓶蓋。當產品的控制權被轉移(即產品交付予客戶)時，客戶對出售產品的渠道及價格有完全決定權，且並無未履行責任從而影響客戶收取這些產品時，銷售方予以確認。在產品運至特定地點且客戶已收取、陳舊過時及虧損風險已轉移至客戶時，方為交付。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Revenue recognition (continued)

(b) Sales of goods – water cards

Sales of water products to certain distributors or end customers are made in form of water cards (“Water Cards Sales Arrangement”). Under the Water Cards Sales Arrangement with the distributors, the distributors sell the water cards to the end customers and use the logistics network, which is designed by the Group with the Group’s long-term cooperative logistics suppliers, to deliver water products to the designated locations at the request of the end customers when the water cards are redeemed before the expiry dates; and relevant logistics expenses are charged to the Group. Sales of goods under the Water Cards Sales Arrangement are deferred as the Group has ultimate obligations towards the card holders. Sales of goods under the Water Cards Sales Arrangement are recognised when the water cards are redeemed by the end customers and the water products are delivered, or when the water cards are expired, whichever is earlier.

(c) Interest income

The Group provides lending services to third parties in Hong Kong with relevant license and earns interest as revenue. Related interest income is recognised in a time proportion basis using effective interest method.

(d) Rental income

Rental income from leasing of a production line is recognised in the statement of profit or loss on a straight-line basis over the term of the lease.

2 主要會計政策概要(續)

2.25 收入確認(續)

(b) 商品銷售－水卡

向部分經銷商或終端客戶的水產品銷售以水卡形式作出(「水卡銷售安排」)。在與經銷商水卡銷售安排下，經銷商向終端客戶銷售水卡，並使用本集團與本集團長期物流合作供應商設計的物流網絡在水卡到期日前，按照兌現水卡的終端客戶要求向其指定地點運送水產品。相關的物流費用由本集團承擔。因本集團對持卡人具有最終義務，該水卡銷售安排下的商品銷售收入予以遞延確認。該水卡銷售安排下的商品銷售收入在終端客戶兌現水卡、水產品已交付或者水卡到期時(以較早為準)予以確認。

(c) 利息收入

本集團於香港擁有向第三方提供借款服務的相關牌照並賺取利息作為收入。有關利息收入採用實際利率法按時間比例基準確認。

(d) 租金收入

一條生產線出租產生的租金收入於租期內以直線法於利潤表中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.26 Interest income recorded as finance income**

Interest income arising from group entities that are not in the business of providing lending services to third parties is presented as finance income. Such interest income is arising from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

2 主要會計政策概要(續)**2.26 利息收入入賬列為財務收益**

呈列為財務收益的利息收入並非從事向第三方提供借款服務業務的集團實體產生。有關利息收入乃產生自持作現金管理用途的金融資產。利息收入按將實際利率應用於金融資產(其後出現信貸減值的金融資產除外)賬面值總額的方式計算。就出現信貸減值的金融資產而言，實際利率乃應用於金融資產的賬面值淨額(經扣除減值撥備)。

2.27 政府補助

倘能夠合理保證政府補助可以收取且本集團將會符合所有附帶條件，補助將按其公允價值確認。

與成本有關的政府補助按擬補償的成本配合所需期間於綜合損益表確認。

與物業、廠房及設備有關的政府補助計入非流動負債中遞延收入項下，並於相關資產的預期壽命內按直線法貸記至綜合損益表內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.28 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases as lessee (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease. Rental received under operating leases as lessor (net of any incentives given to the lessee) is recorded in the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

2.29 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.30 Share-based payments

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services as consideration for equity instruments (options) of the Group. For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of the services received in exchange for the grant of the options is charged to the statement of profit or loss when the services are received.

2 主要會計政策概要(續)

2.28 經營租賃

若租賃所有權的重大部分風險及報酬仍歸出租人保留，歸類為經營租賃。根據經營租賃(作為承租人)支付的款項(扣除出租人給予的任何激勵措施後)，於租期內以直線法於綜合損益表支銷。根據經營租賃(作為出租人)收取的租金(扣除給予承租人的任何激勵措施後)，於租期內以直線法列入綜合損益表。

2.29 股息分配

本集團就報告期末或之前已宣派(即適當獲授權且不再受實體支配)，惟於報告期末尚未分派的任何股息金額計提撥備。

2.30 股份基礎給付

以權益結算的股份基礎給付交易

本集團設有一項以權益結算的股份基礎薪酬計劃，據此，實體收取服務作為本集團權益工具(購股權)的代價。對於以權益結算的股份基礎給付交易，本集團直接按所收取貨品或服務的公允價值計量所收取的貨品或服務以及權益的相應增幅，除非該公允價值無法可靠估計。倘本集團無法可靠估計所收取貨品或服務的公允價值，則本集團須參考所授出股本工具的公允價值直接計量其價值及權益的相應增幅。就所收取的服務而授出購股權的公允價值於服務收取時自損益表中扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.30 Share-based payments (continued)***Equity-settled share-based payment transactions (continued)*

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (and share premium).

2.31 Earnings per share*(i) Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 主要會計政策概要(續)**2.30 股份基礎給付(續)***以權益結算的股份基礎給付交易(續)*

於各報告期末，本集團根據非市場表現及服務條件修訂對預期歸屬的購股權數目所作估計，並在損益表確認原來估計修訂產生的影響(如有)，並對權益作出相應調整。本公司於購股權獲行使時發行新股份。所收款項(扣除任何直接應計交易成本)會撥入股本(及股份溢價)。

2.31 每股盈利*(i) 每股基本盈利*

每股基本盈利乃經以下各項計算：

- 本公司擁有人應佔利潤(扣除普通股以外的任何權益費用)，除以
- 該財政年度已發行普通股加權平均數計算，並根據年內已發行普通股的花紅調整且不計及庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整用於釐定每股基本盈利的數字，以計及：

- 利息的除所得稅後影響及與潛在攤薄普通股有關的其他融資成本，及
- 假設轉換所有潛在攤薄普通股，將會有額外加權平均數的普通股。

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

The functional currency of a majority of the entities within the Group is RMB and most of the transactions are settled in RMB. However, the Group is exposed to foreign exchange risk arising from its cash exchange transactions, which are primarily denominated in HKD.

To mitigate the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. During the year ended 31 December 2018, management did not consider it necessary to enter into any hedging transactions in order to reduce the exposure to foreign exchange risk, because the exposure, after netting off the assets and liabilities subject to foreign exchange risk, is not significant.

3 財務風險管理

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

本附註闡述本集團面臨的財務風險及該等風險對本集團未來財務表現的影響。倘與增加額外內容有關，則計入本年度損益資料。

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

本集團的大部分實體的功能貨幣為人民幣，大部分交易以人民幣結算。然而，本集團的現金匯兌交易主要以港元計值，故本集團面對外匯風險。

為減輕匯率波動的影響，本集團持續評估及監控外匯風險。於截至二零一八年十二月三十一日止年度，管理層認為沒有必要訂立任何對沖交易以減輕外匯風險，因為將承受外匯風險的資產及負債相抵後風險不大。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

As at 31 December 2018, if RMB had weakened/strengthened by 5% against HKD with all other variables held constant, the total net assets of the Group would have been approximately RMB57,140,000 (2017: RMB61,244,000) higher/lower respectively, mainly as a result of foreign exchange translation of the financial statements for the Company and its Hong Kong subsidiary whose functional currency is HKD; the post-tax profit for the year would have been RMB3,065,000 (2017: RMB2,490,000) higher/lower.

(ii) Cash flow and fair value interest rate risk

The Group's borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. During 2018 and 2017, the Group's borrowings at variable rates were all denominated in RMB. At 31 December 2018, if interest rates on RMB-denominated floating-rate borrowings had been 5% higher/lower with all other variables held constant, post-tax profit for the year would have been RMB386,000 (2017: RMB382,000) lower/higher, mainly as a result of higher/lower interest expense on floating-rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於二零一八年十二月三十一日，假定人民幣兌港元貶值／升值5%，而所有其他可變因素保持不變，本集團淨資產總額將分別增加／減少約人民幣57,140,000元(二零一七年：人民幣61,244,000元)，主要歸因於本公司及其功能貨幣為港元的香港附屬公司的財務報表的外匯折算；年內稅後利潤增加／減少人民幣3,065,000元(二零一七年：人民幣2,490,000元)。

(ii) 現金流量及公允價值利率風險

本集團按浮息獲得的借款令本集團面臨現金流利率風險，惟部分被按浮息所持的現金所抵銷。於二零一八年及二零一七年，本集團的浮息借款均以人民幣計值。於二零一八年十二月三十一日，倘人民幣浮息借款的利率上升／下降5%，而其他所有可變因素保持不變，年內的稅後利潤減少／增加人民幣386,000元(二零一七年：人民幣382,000元)，主要是由於浮息借款的利息開支增加／減少。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

At 31 December 2018, the Group has bank borrowings amounting to RMB296,000,000 (2017: RMB136,000,000) and convertible bond of RMB457,673,000 (2017: RMB432,340,000) at fixed interest rates and these expose the Group to fair value interest rate risk. As at 31 December 2018, the carrying amounts of bank borrowings with fixed interest rates approximated their fair value due to their short tenures and the influence of fair value interest rate risk is marginal. If market interest rate for the convertible bond had been 5% higher/lower with all other variables held constant, the fair value of the convertible bond would have been RMB759,000 (2017 RMB2,141,000) lower/higher. There was no impact on the Group's post-tax profits or net assets given the liability portion of the convertible bond is carried at amortised cost.

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, trade receivables and other receivables. The carrying amounts of cash and cash equivalents, trade receivables and other receivables, represent the Group's maximum exposure to credit risk in relation to those financial assets.

Substantially all of the Group's cash and cash equivalents are held in major financial institutions located in the PRC including the Hong Kong Special Administrative Region, which management believes are of high credit quality. There was no recent history of default of cash and cash equivalents from such financial institutions/authorities.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允價值利率風險(續)

於二零一八年十二月三十一日，本集團擁有按固定利率計息的銀行借款人民幣296,000,000元(二零一七年：人民幣136,000,000元)及可換股債券人民幣457,673,000元(二零一七年：人民幣432,340,000元)，其令本集團面臨公允價值利率風險。於二零一八年十二月三十一日，按固定利率計息的銀行借款的賬面值與其公允價值相若，乃由於其短期性質及公允價值利率風險的影響甚微。倘可換股債券的市場利率上升／下降5%，而其他所有可變因素保持不變，可換股債券的公允價值減少／增加人民幣759,000元(二零一七年：人民幣2,141,000元)。鑒於可換股債券的負債部分按攤銷成本列賬，故其對本集團的除稅後利潤及淨資產並無影響。

(b) 信貸風險

信貸風險按照組合方式管理。信貸風險來自現金及現金等價物、應收貿易款及其他應收款。現金及現金等價物、應收貿易款及其他應收款的賬面值為本集團就這些金融資產面對的信貸風險上限。

本集團幾乎所有的現金及現金等價物存於管理層認為具有高信貸質素的中國(包括香港特別行政區)大型金融機構。這些金融機構／機關的現金及現金等價物近來並無拖欠記錄。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The Group's trade receivables due from three single external customers are approximately RMB131,890,000, representing 45% of the balance of the Group's trade receivables as at 31 December 2018 (2017: three single external customers; RMB95,049,000, 40%). In view of the history of business dealings made with these three customers and the sound financial position and reputation of these three customers, management believes that there is no material credit risk inherent in the Group's outstanding receivables balance due from these three customers. The Group's other trade receivables are due from other third parties. The Group performs ongoing credit evaluations of the financial condition of its customers/debtors on an individual basis, taking into account their financial position, past experience and other factors, and generally does not require collateral from the customers/debtors on the outstanding balances. Based on the expected realisation and timing for collection of the outstanding balances, the Group maintains its provision for doubtful accounts and actual losses incurred have been within management's expectation, and management believes that there is no material credit risk inherent in the Group's outstanding trade receivables balances. In the event that the Group fails to collect the outstanding trade receivables due from the three single external customers, the Group's financial position and operating results will be adversely affected.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

於二零一八年十二月三十一日，本集團應收三名單一外部客戶的貿易款約為人民幣131,890,000元，佔本集團應收貿易款結餘的45%（二零一七年：三名單一外部客戶；人民幣95,049,000元，40%）。鑒於與這三名客戶的過往業務往來及這三名客戶良好的財務狀況及聲譽，管理層認為本集團應收這三名客戶未付應收款餘額並無固有的重大信貸風險。本集團的其他應收貿易款為應收其他第三方。本集團持續對客戶／債務人的財務狀況分別進行信貸評估，當中會考慮其財務狀況、過往經驗及其他因素，本集團一般不會要求客戶／債務人就未支付餘額提供抵押品。基於對未償還餘額回收的可預期實現性及時間性，本集團維持就呆賬作出撥備，而產生的實際損失在管理層預期之內，故管理層認為本集團的未結貿易應收款項結餘並無固有重大信貸風險。倘本集團未能收回應收三名單一外部客戶的未結貿易應收款項結餘，可能對本集團的財務狀況及經營成果造成重大的負面影響。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

As at 31 December 2018, the Group has other receivables of RMB641,117,000 (2017: RMB175,022,000) which are mainly loans to several independent third parties amounting to RMB576,421,000 (2017: RMB140,194,000) and loan to associates amounting to RMB22,877,000 (2017: RMB30,000,000). Management performed credit evaluations of the financial conditions of the counter parties and considered that these loans and cash advances will be repaid on time with no collectability risks; management concluded that no impairment provision was necessary accordingly. In the event that the counter parties could not make payments on time or default their payments, the Group's financial position and operating results will be adversely affected.

There was no other financial asset carrying a significant exposure to credit risk.

See Note 2.13 and Note 4-(c) for detailed disclosure on impairment of financial assets.

See Note 15 for further disclosure on credit risk.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's treasury function allows flexibility in funding by maintaining adequate cash and cash equivalents.

Management monitors rolling forecasts of the Group's liquidity position based on the expected cash flows.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

於二零一八年十二月三十一日，本集團其他應收款為人民幣641,117,000元(二零一七年：人民幣175,022,000元)，主要為借給若干獨立第三方的貸款為人民幣576,421,000元(二零一七年：人民幣140,194,000元)及給予聯營公司的貸款為人民幣22,877,000元(二零一七年：人民幣30,000,000元)。管理層就對方進行了財務狀況信貸評估，並認為這些貸款及現金墊款將可按時償還，沒有收回的風險；因此，管理層認為沒有計提減值準備的需要。倘若對方未能按時付款或拖欠其款項，本集團的財務狀況及經營業績將受到不利影響。

概無其他金融資產附帶重大信貸風險。

有關金融資產減值請參閱附註2.13及附註4-(c)的詳細披露。

有關信貸風險請參閱附註15的進一步披露。

(c) 流動性風險

審慎的流動性風險管理包括維持充足的現金及能有足夠的備用信貸融資以維持可供動用資金，及於市場平倉的能力。由於本集團相關業務的動態性，本集團的庫務功能通過維持充足的現金及現金等價物以提供資金的靈活性。

管理層根據預期現金流量監控本集團流動資金狀況的滾動預測。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.1 Financial risk factors (continued)****(c) Liquidity risk (continued)****(i) Financing arrangements**

The Group has no undrawn bank borrowing facilities as at 31 December 2018 and 2017.

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities in relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 一年以內 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-3 years 兩至三年 RMB'000 人民幣千元
Group	本集團			
At 31 December 2018	於二零一八年十二月三十一日			
Bank borrowings	銀行借款	473,300	108,810	158,820
Convertible bond	可換股債券	473,345	—	—
Trade and notes payables (Note 28)	應付貿易款及應付票據 (附註28)	78,721	—	—
Other financial liabilities	其他金融負債	111,198	—	—
At 31 December 2017	於二零一七年十二月三十一日			
Bank borrowings	銀行借款	438,254	—	—
Convertible bond	可換股債券	26,331	451,574	—
Trade payables (Note 28)	應付貿易款(附註28)	92,841	—	—
Other financial liabilities	其他金融負債	279,926	—	—

The Group had no contingent liabilities as at 31 December 2018 and 2017.

3 財務風險管理(續)**3.1 財務風險因素(續)****(c) 流動性風險(續)****(i) 融資安排**

於二零一八年及二零一七年十二月三十一日，本集團並無尚未提取的銀行借款額度。

(ii) 金融負債到期日

下表分析按結算日至合約到期日剩餘期間劃分成相關到期日組別的本集團的金融負債。表中所披露的數額均為合約約定的未折現現金流量。

於二零一八年及二零一七年十二月三十一日，本集團並無或然負債。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital is mainly from equity funding and borrowings from banks for the year ended 31 December 2018.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as borrowings divided by total capital. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus borrowings.

3 財務風險管理(續)

3.2 資本風險管理

本集團管理資本的目標為保障本集團持續經營的能力，從而為股東提供回報、為其他利益相關者提供利益以及保持最佳資本架構以減低資金成本。

為維持或調整資本架構，本集團可調整將支付予股東的股息、向股東退還資本、發行新股或出售資產以減債。

截至二零一八年十二月三十一日止年度，本集團的資本主要來自股本資金及銀行借款。

與業內其他公司一致，本集團以資產負債比率基準監控資本。該項比率按借款除以資本總額計算。資本總額按綜合資產負債表所示「權益」加借款計算。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.2 Capital risk management (continued)**

The gearing ratios as at 31 December 2018 and 2017 are as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Bank borrowings (Note 30)	銀行借款(附註30)	701,000	431,000
Convertible bond-liability component (Note 31)	可換股債券－負債部份(附註31)	457,673	432,340
Total equity	權益總額	3,459,336	3,174,388
Total capital	資本總額	4,618,009	4,037,728
Gearing ratio	資產負債比率	25.09%	21.38%

3.3 Fair value estimation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets measured and recognised at fair value at 31 December 2018 and 2017 on a recurring basis:

3 財務風險管理(續)**3.2 資本風險管理(續)**

於二零一八年及二零一七年十二月三十一日的資產負債比率如下：

3.3 公允價值估計

本節闡述釐定按公允價值於財務報表內確認及計量的金融工具的公允價值時所作的判斷及估計。

(a) 公允價值層級

為得出釐定公允價值所用輸入數據的可信程度指標，本集團根據會計準則規定將其金融工具分為三層。各層級之闡釋列表如下。

下表呈列本集團於二零一八年及二零一七年十二月三十一日按經常基準以公允價值計量及確認的金融資產：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

(a) Fair value hierarchy (continued)

3 財務風險管理(續)

3.3 公允價值估計(續)

(a) 公允價值層級(續)

Recurring fair value measurements	經常性公允價值計量	Note 附註	Level 3 第3層 RMB'000 人民幣千元
At 31 December 2018	於二零一八年十二月三十一日		
Financial Assets	金融資產		
	以公允價值計量且其變動計入損益的		
FVPL	金融資產		
– Investments in structured financial products	– 投資於結構性理財產品	19	174,959
– Investment in GT Express	– 投資於貫通雲網	19	11,517
– Embedded derivative asset	– 嵌入式衍生資產	19	4,319
			190,795
FVOCI	以公允價值計量且其變動計入其他綜合收益的金融資產		
– Investment in CRE	– 投資於中鐵快運	20	58,000
– Investments in Shannan Yalaxiangbu	– 投資於山南雅拉香布	20	173,881
			231,881
Total financial assets	總金融資產		422,676
Recurring fair value measurements	經常性公允價值計量		
At 31 December 2017	於二零一七年十二月三十一日		
AFS	可供出售金融資產		
– Investments in structured financial products	– 投資於結構性理財產品		175,884
– Investment in CRE	– 投資於中鐵快運		58,000
– Investment in GT Express	– 投資於貫通雲網		7,297
Total financial assets	總金融資產		241,181

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**3.3 Fair value estimation (continued)****(a) Fair value hierarchy (continued)**

The table above analyses the Group's financial instruments carried at fair value as at 31 December 2018 and 2017 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

3 財務風險管理(續)**3.3 公允價值估計(續)****(a) 公允價值層級(續)**

上表按計量公允價值之估值技術所用輸入數據的層級，分析本集團於二零一八年及二零一七年十二月三十一日按公允價值列賬之金融工具。有關輸入數據乃按下文所述而分類歸入公允價值架構內的三個層級：

第1層：於活躍市場買賣的金融工具（如公開買賣之衍生工具、貿易及可供出售證券）的公允價值按報告期末所報市價（未經調整）釐定。本集團所持金融資產所用之市場報價為當時買入價。該等工具會列入第1層。

第2層：並非於活躍市場買賣的金融工具（例如場外衍生工具）的公允價值乃採用估值技術釐定。該等估值技術儘量利用可觀察市場數據（如有），儘量少依賴實體的特定估計。倘計算一項工具的公允價值所需的所有重大輸入數據為可觀察數據，則該工具列入第2層。

第3層：倘一項或多項重大輸入數據並非根據可觀察市場數據而定，則該工具列入第3層。非上市權益證券即屬此情況。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

(b) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the year ended 31 December 2018 and 2017:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Opening balance	年初結餘	241,181	186,230
Additions	添置	858,200	625,297
Disposals	出售	(703,475)	(589,604)
Net gains recognised upon disposal (Note 19 & 32)	出售時確認的收益淨額(附註 19 及 32)	17,591	19,604
Fair value changes recorded in other gains (Note 19 & 32)	計入其他利得的公允價值變動 (附註 19 及 32)	9,179	—
Fair value changes recorded in OCI	計入其他綜合收益的公允價值變動	—	(346)
Closing balance	年末結餘	422,676	241,181

(c) Group's valuation processes

The Group's finance department performs the valuation of the financial assets for financial reporting process, including Level 3 fair value. Management engages external valuation experts to facilitate the fair value evaluation as and when necessary. The valuation considers the equity investment business performance in comparison with competitors in the same industry, as well as the valuation report. Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk ratings determined by the Group's internal credit risk management group. Discussion of valuation process and results are held between chief financial officer and the finance team member that is responsible for the valuation.

3 財務風險管理(續)

3.3 公允價值估計(續)

(b) 使用重大非可觀察輸入數據之公允價值計量(第3層)

下表呈列截至二零一八及二零一七年十二月三十一日止年度第3層工具的變動：

(c) 集團之估值程序

本集團財務部門就財務申報程序對金融資產進行估值(包括第3層公允價值)。管理層於有需要時會聘請外部估值專家進行公允價值評估。估值考慮到與同行業競爭對手比較之權益投資業務表現以及估值報告。交易對手的特定風險調整(包括有關信用違約率的假設)乃由本集團內部信用風險管理小組釐定的信用風險等級得出。首席財務總監與負責估值的財務團隊成員會對估值程序及結果進行討論。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Depreciation and amortisation

The Group's management determines the residual value, useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual residual value and useful lives of plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where residual value or useful lives are less than previous estimates, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The current estimated useful lives are stated in Note 2.9.

4 關鍵會計估計及判斷

編製財務報表須使用會計估計，該等會計估計正如其定義很少會與有關實際結果相符。管理層亦須於應用本集團的會計政策時作出判斷。

估計及判斷會持續進行評估，並根據過往經驗及其他因素(包括在有關情況下對未來事件的合理預期)。

本集團對未來作出若干估計及假設。所得的會計估計如其定義，極少與相關的實際結果相同。有很大機會引致下一個財政年度內對資產及負債賬面值作出重大調整風險的估計及假設討論如下。

(a) 折舊及攤銷

本集團管理層釐定其物業、廠房及設備的剩餘價值、使用年期及相關折舊費用。所作估計以類似性質及功能的廠房及設備的實際剩餘價值及使用年期的過往經驗為準。由於技術革新及競爭者就嚴峻的行業週期採取的行動，該估計可能會大幅變動。當剩餘價值或使用年期少於先前估計，管理層將提高折舊費用，或撇銷或撇減技術上過時或已棄用或出售的非戰略性資產。目前預計可使用年期載於附註2.9。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimates are changed.

Dividends derived from the Company's subsidiaries in the PRC earned after 1 January 2008 are subject to withholding tax at the rate of 5%-10%. The Group reassessed its needs to make distributions out of its subsidiaries in the PRC. As a result, withholding income tax has been provided for the undistributed profits to the extent they are expected to be distributed in future.

Deferred tax assets relating to certain temporary differences are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4 關鍵會計估計及判斷 (續)

(b) 所得稅

本集團須於多個司法權區繳納所得稅。在釐定所得稅撥備時須作出重大判斷。有多項交易及計算的最終稅款尚未釐定。本集團根據估計會否有額外應付稅項來確認預期稅項審核事項的負債。當這些事項的最終稅務結果有別於先前記入的金額時，差額將影響作出決定期間的當期及遞延稅項資產及負債。

當預期與原來估計不同時，差額將影響對這些估計出現變動期間的遞延稅項資產及稅項的確認。

於二零零八年一月一日後，自本公司中國附屬公司取得的股息須按5%-10%繳納預扣稅。本集團重新評估了其自中國附屬公司作出分派的需求。因此，倘預期日後將分派有關溢利，則就未分派溢利作出預扣所得稅撥備。

管理層認為未來可能存在可用於抵銷若干暫時性差額應課稅利潤時，會確認與若干暫時性差額相關的遞延稅項資產。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review

(i) Goodwill arising from acquisition of a subsidiary – Tiandi Green (Note 10)

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.10.1. The recoverable amounts of CGU have been determined based on value-in-use calculations. These calculations require the use of estimates.

The table below summarised the key assumptions used in the goodwill impairment review and the impacts to the value-in-use calculations upon unfavourable movements of the key assumptions:

Items 項目	Assumptions used 所用假設	Movement of key assumptions 主要假設變動	Decrease of value-in-use (RMB'000) 使用價值減少 (人民幣千元)
Compound annual revenue growth rate 複合年收入增長率	4.7%~10.4%	Decrease by 1% 下降1%	53,604
Long-term growth rate 長期增長率	4.0%	Decrease to 3% 下降至3%	76,615
Gross margin 毛利率	46.1%~47.0%	Decrease by 5% 下降5%	191,481
Pre-tax discount rate 稅前貼現率	15.2%	Increase to 16.2% 增加至16.2%	114,064
Government subsidy income 政府補貼收入	Continued government subsidy income from 2019 onwards 自二零一九年起 持續政府補貼收入	Discontinued government subsidy income from 2019 onwards 自二零一九年起 終止政府補貼收入	26,105

Based on management's analysis, the goodwill arising from acquisition of Tiandi Green will not suffer impairment loss upon happening of any one of the above mentioned changes of key assumptions.

4 關鍵會計估計及判斷(續)

(c) 減值審閱

(i) 收購附屬公司－天地綠色產生的商譽(附註10)

本集團根據附註2.10.1所列的會計政策每年測試商譽是否出現任何減值。現金產生單位的可收回金額按照使用價值計算方法釐定。有關計算須運用估計。

下表概述商譽減值審閱時所用的主要假設及主要假設出現不利變動時對使用價值計算的影響：

基於管理層的分析，當上述的其中一個主要假設變動發生時，收購天地綠色所產生的商譽將不會產生任何減值虧損。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review (continued)

(ii) Investment in an associate – Highland Natural Water

The Group engaged an independent valuer to perform impairment analysis for investment in Highland Natural Water when there is any indicator for impairment noted in accordance with the accounting policy stated in Note 2.6 and Note 2.12. The recoverable amounts of CGU have been determined based on value-in-use calculations. These calculations require the use of estimates.

The table below summarised the key assumptions used in the impairment review for investment in Highland Natural Water and the impacts to the value-in-use calculations upon unfavourable changes of the key assumptions:

Items	Assumptions used	Movement of key assumptions	Decrease of value-in-use (RMB'000)
項目	所用假設	主要假設變動	使用價值減少 (人民幣千元)
Compound annual revenue growth rate	24.0%~28.1% from 2019 to 2021; 7.3% ~ 24.6% from 2022 to 2026	Decrease by 1%	236,327
複合年收入增長率	二零一九年至二零二一年 24.0%~28.1% ; 二零二二年至二零二六年 7.3%~ 24.6%	下降1%	
Long-term growth rate	3.0%	Decrease to 2%	89,614
長期增長率		下降至2%	
Gross margin	55.4%~58.5%	Decrease by 5%	340,184
毛利率		下降5%	
Pre-tax discount rate	12.5%	Increase to 13.5%	172,928
稅前貼現率		增加至13.5%	
Government subsidy income	Continued government subsidy income from 2019 onwards	Discontinued government subsidy income from 2019 onwards	11,744
政府補貼收入	自二零一九年起 持續政府補貼收入	自二零一九年起 終止政府補貼收入	

4 關鍵會計估計及判斷(續)

(c) 減值審閱(續)

(ii) 於聯營公司—高原天然水的投資

根據附註2.6及附註2.12會計政策，當本集團發現減值跡象時，將引入獨立評估師對高原天然水的投資進行減值分析。現金產生單位的可收回金額按照使用價值計算方法釐定。有關計算須運用估計。

下表概述於高原天然水的投資的減值審閱時所用的主要假設及主要假設出現不利變動時對使用價值計算的影響：

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)(c) Impairment review *(continued)*(ii) Investment in an associate – Highland Natural Water *(continued)*

Based on management's analysis, the negative movements of the key assumptions in the table above are unlikely to happen and thus no impairment loss is noted for the investment in Highland Natural Water for the year ended 31 December 2018 (Note 12).

(iii) Trade and other receivables

Management assesses the impairment of trade receivables according to the expected credit loss model. See Note 2.13 for a description of the Group's impairment policy. Based on management's best estimates, trade receivables amounting to RMB1,833,000 were impaired as at 31 December 2018 (2017: RMB38,000) (Note 13).

For other receivables, management performed credit evaluations of the financial conditions of the counter parties and considered that these loans and cash advances will be repaid on time with no collectability risks. Management concluded that no impairment provision was necessary accordingly.

Where the basis of judgements and estimates is different from the initial assessment, such differences will impact the provision for impairment and the carrying values of the trade and other receivables in the year.

4 關鍵會計估計及判斷(續)

(c) 減值審閱(續)

(ii) 於聯營公司－高原天然水的投資(續)

基於管理層的分析，上表所載的主要假設不太可能發生負向變動，故截至二零一八年十二月三十一日止年度就於高原天然水的投資未發現任何減值虧損(附註12)。

(iii) 應收貿易款及其他應收款

管理層根據預期信貸虧損模型評估應收貿易款的減值。集團減值政策的描述請參閱附註2.13。基於管理層的最佳估計，於二零一八年十二月三十一日應收貿易款人民幣1,833,000元(二零一七年：人民幣38,000元)(附註13)出現減值。

就其他應收款而言，管理層就對方進行了財務狀況信貸評估，並認為這些貸款及現金墊款將可按時償還，沒有收回的風險。因此，管理層認為沒有計提減值準備的需要。

若判斷和估計的基礎與最初的評估有差異，這種差異將影響計提減值撥備，及應收貿易款及其他應收款該年的賬面價值。

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive Directors that are used to make strategic decisions.

(a) Description of segments and principal activities

(i) *Water segment*

The principal activities of the Group are manufacturing and selling a range of water products through wholesales in the PRC, selling bottle preforms and caps to an associate and a third party in the PRC, and providing lending services to third parties in Hong Kong with relevant license.

(ii) *Beer segment*

The Group manufactures and sells a range of beer products mainly in the PRC through wholesales.

The executive Directors assess the performance of the operating segments based on review of their revenue, cost of sales and gross profit.

(b) Segment information disclosures

Sales between segments are based on the agreed terms between both segments. The revenue from external parties reported to the executive Directors is measured in a manner consistent with that in the statement of profit or loss.

The amounts provided to the executive Directors with respect of total assets and total liabilities are measured in a manner consistent with that of the financial statements.

5 分部資料

管理層根據執行董事用於作出戰略決策而審閱的報告釐定了經營分部。

(a) 分部描述及主要業務

(i) 水分部

本集團的主要業務為於中國製造及銷售水產品(透過批發)、向中國一間聯營公司及一名第三方銷售瓶坯及瓶蓋以及憑藉相關許可向香港第三方提供借款服務。

(ii) 啤酒分部

本集團主要於中國製造及銷售啤酒產品(透過批發)。

執行董事基於其對收入、銷售成本及毛利的審閱對經營分部的表現進行評估。

(b) 分部資料披露

分部間銷售乃基於兩個分部協定的條款進行。執行董事獲提供的有關外部客戶的收入按與於損益表呈列者一致的方式計量。

執行董事獲提供的有關總資產及總負債的金額按與於財務報表呈列者一致的方式計量。

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the executive Directors for the reportable segments for the year ended 31 December 2018 is as follows:

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Inter- segment elimination 分部間撇銷 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total segment revenue	分部收入總額	539,501	348,518	(7,362)	880,657
Cost of sales	銷售成本	226,361	181,529	(7,362)	400,528
Gross profit for the year	年度毛利	313,140	166,989	—	480,129
Share of profit from associates	應佔聯營公司利潤	20,436	—	—	20,436
Net impairment losses on financial assets	金融資產減值損失淨額	—	(1,795)	—	(1,795)
Adjusted EBITDA*	經調整的息稅折舊及 攤銷前利潤*	252,197	189,599	—	441,796
Finance income	財務收益	12,071	19,784	—	31,855
Finance costs	財務費用	(35,154)	(6,951)	—	(42,105)
Depreciation and amortisation	折舊及攤銷	(25,694)	(53,618)	—	(79,312)
Profit before tax	除所得稅前利潤	203,420	148,814	—	352,234
Income tax expenses	所得稅費用	(22,973)	(11,729)	—	(34,702)
Profit for the year	年度利潤	180,447	137,085	—	317,532

* Earnings before interest, taxes, depreciation and amortisation

5 分部資料(續)

(b) 分部資料披露(續)

截至二零一八年十二月三十一日止年度，執行董事獲提供的有關可呈報分部的分部資料如下：

* 利息、稅收、折舊和攤銷前的收益

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

5 分部資料(續)

(b) 分部資料披露(續)

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment total assets	分部總資產	3,389,461	2,308,455	5,697,916
Investments accounted for using the equity method	使用權益法入賬的投資	1,574,938	—	1,574,938
Unallocated	未分配			
FVPL	以公允價值計量且其變動計入 損益的金融資產			190,795
FVOCI	以公允價值計量且其變動計入 其他綜合收益的金融資產			231,881
Deferred tax assets	遞延稅項資產			2,838
Corporate assets	企業資產			30,614
Inter-segment elimination	分部間撇銷			(1,241,853)
Total assets	總資產			4,912,191
Segment total liabilities	分部總負債	1,458,808	218,992	1,677,800
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			15,255
Corporate liabilities	企業負債			465,355
Inter-segment elimination	分部間撇銷			(705,555)
Total liabilities	總負債			1,452,855

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the executive Directors for the reportable segments for the year ended 31 December 2017 is as follows:

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Inter- segment elimination 分部間撇銷 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total segment revenue	分部收入總額	569,863	368,938	(6,914)	931,887
Cost of sales	銷售成本	197,746	189,597	(6,914)	380,429
Gross profit for the year	年度毛利	372,117	179,341	—	551,458
Share of profit from associates	應佔聯營公司利潤	26,089	—	—	26,089
Adjusted EBITDA	經調整的息稅折舊及 攤銷前利潤	280,275	216,384	—	496,659
Finance income	財務收益	15,745	12,212	—	27,957
Finance costs	財務費用	(28,246)	(9,956)	—	(38,202)
Depreciation and amortisation	折舊及攤銷	(23,895)	(53,992)	—	(77,887)
Profit before tax	除所得稅前利潤	243,879	164,648	—	408,527
Income tax expenses	所得稅費用	(26,062)	(14,791)	—	(40,853)
Profit for the year	年度利潤	217,817	149,857	—	367,674

5 分部資料(續)

(b) 分部資料披露(續)

截至二零一七年十二月三十一日止年度，執行董事獲提供的有關可呈報分部的分部資料如下：

5 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment total assets	分部總資產	2,921,108	2,313,375	5,234,483
Investments accounted for using the equity method	使用權益法入賬的投資	1,326,300	—	1,326,300
Unallocated	未分配			
AFS	可供出售金融資產			241,181
Deferred tax assets	遞延稅項資產			2,895
Corporate assets	企業資產			103,733
Inter-segment elimination	分部間撇銷			(1,033,252)
Total assets	總資產			4,549,040
Segment total liabilities	分部總負債	1,050,458	362,552	1,413,010
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			18,572
Corporate liabilities	企業負債			440,024
Inter-segment elimination	分部間撇銷			(496,954)
Total liabilities	總負債			1,374,652

Entity-Wide information

Breakdown of total revenue by category is shown in Note 6.

Revenue from external customers of the Group were derived in the PRC for the years ended 31 December 2018 and 2017.

Non-current assets, other than financial instruments and deferred tax assets are all located in the PRC as at 31 December 2018 and 2017.

5 分部資料(續)

(b) 分部資料披露(續)

實體範圍資料

按類別劃分的總收入明細載於附註6。

截至二零一八年及二零一七年十二月三十一日止年度本集團外部客戶的收入自中國產生。

於二零一八年及二零一七年十二月三十一日，非流動資產(金融工具及遞延稅項資產除外)均位於中國。

5 SEGMENT INFORMATION (CONTINUED)**(b) Segment information disclosures (continued)***Entity-Wide information (continued)*

During the year 2018, sales of approximately RMB104,516,000 (2017: RMB102,699,000) are derived from an associate in the water segment, shown in Note 41. Sales of approximately RMB89,757,000 (2017: RMB56,119,000) are derived from one single external customer in the water segment.

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from external customers are derived from the sales of water products and beer products. The Group also sells bottle preforms and caps, leases a bottled water production line, and provides financing services to third parties in Hong Kong with relevant license. Breakdown of the revenue is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Sales of water products	水產品銷售	429,633	465,307
Sales of beer products	啤酒產品銷售	341,156	362,024
Sales of bottle preforms and caps	瓶坯及瓶蓋銷售	103,201	100,648
Rental of a bottled water production line (Note 41)	租賃瓶裝水生產線(附註41)	2,063	2,051
Interest income from financing services provided	所提供融資服務產生的利息收入	4,604	1,857
		880,657	931,887

Revenue from external customers of the Group were derived in the PRC for the years ended 31 December 2018 and 2017.

5 分部資料(續)**(b) 分部資料披露(續)***實體範圍資料(續)*

於二零一八年，水分部銷售約人民幣104,516,000元(二零一七年：人民幣102,699,000元)來自於一間聯營公司，載於附註41。水分部銷售約人民幣89,757,000元(二零一七年：人民幣56,119,000元)來自於一名單一外部客戶。

6 客戶合同收入

外部客戶的收入來自於銷售水產品及啤酒產品。本集團亦銷售瓶坯及瓶蓋及出租一條瓶裝水生產線，並憑藉相關許可向香港第三方提供融資服務。收入明細如下：

截至二零一八年及二零一七年十二月三十一日止年度，本集團對外部客戶的收入來自中國。

7 LAND USE RIGHTS

7 土地使用權

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At beginning of year	年初	29,969	30,693
Amortisation charge (Note 33 & 39)	攤銷費用(附註33及39)	(724)	(724)
At end of year	年末	29,245	29,969

The Group's interests in land use rights represent operating lease assets. All of the Group's land use rights are located in the PRC and each has a lease period of 50 years.

As at 31 December 2018, land use rights with net book value of RMB992,000 (2017: RMB29,892,000) were pledged for bank borrowings (Note 30).

本集團土地使用權的權益指經營租賃資產。本集團所有土地使用權均位於中國，租賃期限均為50年。

於二零一八年十二月三十一日，賬面淨值為人民幣992,000元(二零一七年：人民幣29,892,000元)的土地使用權已被抵押予銀行借款(附註30)。

8 PROPERTY, PLANT AND EQUIPMENT

8 物業、廠房及設備

		Buildings	Machinery	Vehicles	Others	Construction	Total
		樓宇	機器	車輛	其他	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日						
Cost	成本	156,697	706,915	3,152	53,204	57,639	977,607
Accumulated depreciation	累計折舊	(36,326)	(296,470)	(2,158)	(20,955)	—	(355,909)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	120,371	408,134	994	32,249	57,639	619,387
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	120,371	408,134	994	32,249	57,639	619,387
Additions	添置	2,390	6,854	403	1,917	30,849	42,413
Transfer upon completion	完成時結轉	332	13,428	—	—	(13,760)	—
Reclassification between categories	類別之間重新分類						
– Cost	– 成本	30,884	—	—	(30,884)	—	—
– Accumulated depreciation	– 累計折舊	(6,354)	—	—	6,354	—	—
Depreciation charges (Note 33 & 39)	折舊費用(附註33及39)	(5,474)	(47,866)	(170)	(1,567)	—	(55,077)
Closing net book amount	年末賬面淨值	142,149	380,550	1,227	8,069	74,728	606,723
At 31 December 2017	於二零一七年十二月三十一日						
Cost	成本	190,303	727,197	3,555	24,237	74,728	1,020,020
Accumulated depreciation	累計折舊	(48,154)	(344,336)	(2,328)	(16,168)	—	(410,986)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	142,149	380,550	1,227	8,069	74,728	606,723
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	142,149	380,550	1,227	8,069	74,728	606,723
Additions	添置	—	5,274	782	1,218	21,470	28,744
Transfer upon completion	完成時結轉	—	12,981	—	—	(12,981)	—
Depreciation charges (Note 33 & 39)	折舊費用(附註33及39)	(6,354)	(48,402)	(439)	(1,275)	—	(56,470)
Closing net book amount	年末賬面淨值	135,795	350,403	1,570	8,012	83,217	578,997
At 31 December 2018	於二零一八年十二月三十一日						
Cost	成本	190,303	745,452	4,337	25,455	83,217	1,048,764
Accumulated depreciation	累計折舊	(54,508)	(392,738)	(2,767)	(17,443)	—	(467,456)
Impairment (a)	減值(a)	—	(2,311)	—	—	—	(2,311)
Net book amount	賬面淨值	135,795	350,403	1,570	8,012	83,217	578,997

8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Certain idle machineries with the cost amounting to RMB2,978,000 (2017: RMB2,978,000) were considered obsolete before 2012, and an impairment provision of RMB2,311,000 (2017: RMB2,311,000) had been made accordingly based on the assets' fair value less costs to sell.

Depreciation of property, plant and equipment has been charged to the consolidated statement of profit or loss as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost of sales	銷售成本	52,130	50,469
Selling and distribution expenses	銷售及分銷費用	35	51
Administrative expenses	行政費用	4,305	4,557
		56,470	55,077

As at 31 December 2018, the Group was in the process of applying for registration of the ownership certificates for certain of its buildings with an aggregate net book value of approximately RMB322,000 (2017: RMB341,000). The executive Directors are of the opinion that the Group is entitled to lawfully and validly occupy or use these properties.

Interest of RMB3,559,000 has been capitalised in assets under construction for the year ended 31 December 2018 (2017: RMB2,611,000). Interest was capitalised at the weighted average rate of its general borrowings of 3.40% per annum (Note 35).

8 物業、廠房及設備(續)

- (a) 於二零一二年前，成本為人民幣2,978,000元(二零一七年：人民幣2,978,000元)的若干閒置機器被視作廢舊，並根據資產的公允價值減銷售成本相應作出人民幣2,311,000元(二零一七年：人民幣2,311,000元)的減值撥備。

物業、廠房及設備折舊已於綜合損益表扣除，詳情如下：

於二零一八年十二月三十一日，本集團正就總賬面淨值約人民幣322,000元(二零一七年：人民幣341,000元)的若干樓宇申請辦理所有權證登記。執行董事認為本集團有權合法有效佔用或使用該等物業。

截至二零一八年十二月三十一日止年度，在建工程資產資本化利息為人民幣3,559,000元(二零一七年：人民幣2,611,000元)。利息按一般借款加權平均年利率3.40%資本化(附註35)。

8 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2018, buildings with net book value of RMB31,352,000 (2017: RMB101,291,000) was pledged for bank borrowings (Note 30).

The category of machinery includes production line leased by the Group to a related party under operating leases with the following carrying amounts:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost	成本	37,145	37,145
Accumulated depreciation at 1 January	於一月一日累計折舊	(20,417)	(18,015)
Depreciation charge for the year	年度折舊費用	(2,402)	(2,402)
Net book amount	賬面淨值	14,326	16,728

8 物業、廠房及設備(續)

於二零一八年十二月三十一日，賬面淨值為人民幣31,352,000元(二零一七年：人民幣101,291,000元)的樓宇已被抵押予銀行借款(附註30)。

機器的分類包括本集團根據經營租賃向一名關聯方出租的生產線，賬面淨值如下：

9 INTANGIBLE ASSETS

9 無形資產

		Trade Name 商標 RMB'000 人民幣千元	Distribution Network 分銷網絡 RMB'000 人民幣千元	Information System 信息系統 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	47,065	85,487	—	132,552
Amortisation charge (Note 33 & 39)	攤銷費用(附註33及39)	(3,198)	(18,888)	—	(22,086)
Closing net book amount	年末賬面淨值	43,867	66,599	—	110,466
Year ended 31 December 2018	截至二零一八年 十二月三十一日止年度				
Opening net book amount	年初賬面淨值	43,867	66,599	—	110,466
Acquisition of a subsidiary	收購一家附屬公司	—	—	173	173
Amortisation charge (Note 33 & 39)	攤銷費用(附註33及39)	(3,198)	(18,888)	(32)	(22,118)
Closing net book amount	年末賬面淨值	40,669	47,711	141	88,521

Amortisation of approximately RMB3,230,000 (2017: RMB3,198,000) is included in the "Administrative expenses" and RMB18,888,000 (2017: RMB18,888,000) is included in "Selling and distribution costs" in the statement of profit or loss.

約人民幣3,230,000元的攤銷(二零一七年：人民幣3,198,000元)計入損益表的「行政費用」，而人民幣18,888,000元的攤銷(二零一七年：人民幣18,888,000元)計入損益表的「銷售及分銷費用」。

10 GOODWILL

10 商譽

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Goodwill	商譽	721,139	721,139

The goodwill of RMB721,139,000 was generated from acquisition of a controlling stake in Tiandi Green in 2014. Tiandi Green was viewed as one CGU within the beer segment. The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering an eight-year period when optimum market share is expected to be reached. Cash flows beyond the eight-year period are extrapolated using the estimated growth rates.

人民幣721,139,000元的商譽產生於二零一四年收購了天地綠色的控股權。天地綠色被視為在啤酒分部內的一項現金產生單位。現金產生單位的可收回金額乃基於使用價值的計算釐定。該等計算使用了基於管理層批准的，覆蓋了其時為有望達到最佳市場份額的八年期間的財務預算的稅前現金流量預測。超過八年期間的現金流量乃使用估計增長率推測。

10 GOODWILL (CONTINUED)

The key assumptions used for value-in-use calculations in 2018 and 2017 are as follows:

		2018 二零一八年	2017 二零一七年
Compound annual revenue growth rate	複合年收入增長率	4.7%~10.4%	1.4%~8.3%
Long-term growth rate	長期增長率	4.0%	4.0%
Gross margin	毛利率	46.1%~47.0%	47.7%
Pre-tax discount rate	稅前貼現率	15.2%	15.4%
Government subsidy income	政府補貼收入	Continued government subsidy income from 2019 onwards 自二零一九年起 持續政府補貼收入	Continued government subsidy income from 2018 onwards 自二零一八年起 持續政府補貼收入

Revenue growth rate and gross margin are based on past performance and management's expectations of market development. The long term growth rates used are estimated with reference to industry forecasts. The discount rate used is pre-tax and reflects specific risks relating to the business.

The Directors are of the view that there was no impairment of goodwill as at 31 December 2018 and 2017.

10 商譽(續)

二零一八年及二零一七年使用價值的計算所使用的主要假設如下：

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率乃參考行業預測估計。所用的貼現率為稅前貼現率，反映與業務有關的特定風險。

董事認為於二零一八年及二零一七年十二月三十一日商譽並無出現減值。

11 SUBSIDIARIES

The following is a list of significant principal subsidiaries of the Group as at 31 December 2018:

11 附屬公司

於二零一八年十二月三十一日，本集團重大主要附屬公司的名單如下：

Company name 公司名稱	Place/date of incorporation/ type of legal entities 註冊成立地點/日期/ 法律實體類型	Issued/paid-in capital 已發行/實繳股本		Effective interest held 實際所持權益		Principal activities 主要活動
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
<i>Indirectly held:</i> 間接持有：						
Tibet Zhongji Jiahua Industry Co., Ltd. 西藏中稷佳華實業發展有限公司	PRC/1 January 2004/Limited liability company 中國/二零零四年一月一日/有限公司	USD16,000,000 16,000,000美元	USD16,000,000 16,000,000美元	100%	100%	Investment holding 投資控股
Tibet Glacier Mineral Water Co., Ltd. 西藏冰川礦泉水有限公司	PRC/31 October 2005/Limited liability company 中國/二零零五年十月三十一日/有限公司	RMB118,000,000 人民幣 118,000,000元	RMB118,000,000 人民幣 118,000,000元	100%	100%	Water products manufacturing and sales 製造及銷售水產品
Beijing 5100 Management Consulting Co., Ltd. (formerly known as Beijing 5100 Enterprise Planning Club Co., Ltd.) 北京五二零零管理諮詢有限公司 (前稱「北京五二零零企業策劃俱樂部有限公司」)	PRC/13 July 2007/Limited liability company 中國/二零零七年七月十三日/有限公司	RMB1,000,000 人民幣 1,000,000元	RMB1,000,000 人民幣 1,000,000元	100%	100%	Water products market operation and management 水產品市場營運及管理
Tibet Glacier Mineral Water Marketing Co., Ltd. 西藏冰川礦泉水營銷有限公司	PRC/21 April 2010/Limited liability company 中國/二零一零年四月二十一日/有限公司	RMB3,000,000 人民幣 3,000,000元	RMB3,000,000 人民幣 3,000,000元	100%	100%	Water products marketing, promotion, distribution and retailing 營銷、推廣、分銷及零售水產品

11 SUBSIDIARIES (CONTINUED)

11 附屬公司(續)

Company name 公司名稱	Place/date of incorporation/ type of legal entities 註冊成立地點/日期/ 法律實體類型	Issued/paid-in capital 已發行/實繳股本		Effective interest held 實際所持權益		Principal activities 主要活動
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
<i>Indirectly held:</i> 間接持有:						
Tibet Tiandi Green Beverage Development Co., Ltd. 西藏天地綠色飲品發展有限公司	PRC/28 April 2009/Limited liability company 中國/二零零九年四月二十八日/有限公司	RMB200,000,000 人民幣 200,000,000元	RMB200,000,000 人民幣 200,000,000元	100%	100%	Beer manufacturing and sales 啤酒生產及銷售
Wealth Keeper Ltd.	Hong Kong/30 October 2012/ Limited liability company	HKD1	HKD1	100%	100%	Investment holding
Wealth Keeper Ltd.	香港/二零一二年十月三十日/ 有限公司	1港元	1港元	100%	100%	投資控股
Tibet 5100 Water Resources (HK) Ltd.	Hong Kong/6 September 2013/ Limited liability company	HKD100	HKD100	100%	100%	Investment holding and raw material purchases and sales
西藏5100水資源(香港)有限公司	香港/二零一三年九月六日/ 有限公司	100港元	100港元	100%	100%	投資控股及買賣原料
Hong Kong Fairly Well Capital Limited 香港中實資本有限公司	Hong Kong/23 May 2016/ Limited liability company 香港/二零一六年五月二十三日/ 有限公司	HKD1 1港元	HKD1 1港元	100%	100%	Lending service 放貸服務
Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership)	PRC/12 January 2018/ Limited partnership	RMB182,000,000	—	98.9%	—	Investment in culture, entertainment, consumer product, retail business and related industries
珠海光遠匯金股權投資基金(有限合夥)	中國/二零一八年一月十二日/ 有限合夥	人民幣 182,000,000元	—	98.9%	—	文化、娛樂、消費品、零售業務及相關行業投資

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

12 使用權益法入賬的投資

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Opening net book amount	年初賬面淨值	1,326,300	1,307,508
Additions (a)	添置 (a)	306,930	—
Share of profits (Note 39)	應佔利潤(附註39)	20,436	26,089
Transfer to AFS	轉撥至可供出售金融資產	—	(7,297)
Transfer to a subsidiary (b)	轉撥至一間附屬公司(b)	(46,364)	—
Paid of dividend (c)	已付股息(c)	(32,364)	—
Closing net book amount	年末賬面淨值	1,574,938	1,326,300

(a) On 12 June 2018, the Group acquired 3.981% of the equity interests of Highland Natural Water for a cash consideration of RMB119,430,000. No significant transaction costs were incurred in the above acquisition. Taking into consideration of all past acquisitions, the Group held 43.981% of equity shares in Highland Natural Water and accounted for it using the equity method. Goodwill of RMB1,153,407,000 has been identified in the investment in Highland Natural Water.

On 6 December 2018, the Group acquired 25% of equity interests of Fudi Packaging for a cash consideration of RMB187,500,000. Fudi Packaging is a company specialising in the manufacturing of bottle preforms and caps. No significant transaction costs were incurred in the above acquisition. Given the equity interests the Group acquired and the articles of association of Fudi Packaging, the Group has right to participate in Fudi Packaging's operational decision-making process. As such, the Group treats the investment as an investment accounted for using the equity method.

(a) 於二零一八年六月十二日，本集團以人民幣119,430,000元的現金代價收購高原天然水3.981%的股權。上述收購並無產生重大交易成本。經計及所有過往收購，本集團持有高原天然水的43.981%權益股份，並使用權益法將其入賬。於高原天然水的投資中，已獲識別的商譽為人民幣1,153,407,000元。

於二零一八年十二月六日，本集團以人民幣187,500,000元的現金代價收購福地包裝25%股權。福地包裝為一間專注於生產瓶坯和瓶蓋的公司。上述收購並無產生重大交易成本。鑒於本集團收購的股權及福地包裝的組織章程細則，本集團有權參與福地包裝的營運決策程序。因此，本集團視該投資為使用權益法入賬的投資。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

- (b) In August 2018, 5100 Mineral Water purchased its own equity shares held by China Kweichow Moutai Winery (Group) Co., Ltd. based on the fair value of the shares at the date of purchase. These “stock shares” were then cancelled by 5100 Mineral Water. After this action, 5100 Mineral Water became a wholly-owned subsidiary of the Group. As such, the related investment in 5100 Mineral Water was recorded as investment in a subsidiary.
- (c) In 2018, an associate, Highland Natural Water declared cash dividends. The Group received RMB32,364,000 cash dividends according to the percentage of the shares held by the Group.

Management performed impairment analysis for the investment in Highland Natural Water. The recoverable amount of the investment is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering an eight-year period when optimum market share is expected to be reached. Cash flows beyond the eight-year period are extrapolated using the estimated growth rate.

12 使用權益法入賬的投資(續)

- (b) 於二零一八年八月，5100礦泉水購回由中國貴州茅台酒廠(集團)有限責任公司持有的其本身權益股份(根據該等股份於購買日期的公允價值)。該等「股份」隨後由5100礦泉水註銷。此後，5100礦泉水成為本集團全資附屬公司。因此，於5100礦泉水的相關投資被列為於一家附屬公司的投資。
- (c) 於二零一八年，聯營公司高原天然水宣派現金股息。本集團根據本集團所持股份百分比收取現金股息人民幣32,364,000元。

管理層對於高原天然水的投資進行減值分析。投資的可收回金額乃基於使用價值的計算釐定。該等計算使用了基於管理層批准的，覆蓋了其時為有望達到最佳市場份額的八年期間的財務預算的稅前現金流量預測。超過八年期間的現金流量乃使用估計增長率推測。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

The key assumptions used for value-in-use calculations in 2018 and 2017 are as follows:

12 使用權益法入賬的投資(續)

二零一八年及二零一七年使用價值的計算所使用的主要假設如下：

		2018 二零一八年	2017 二零一七年
Compound annual revenue growth rate	複合年收入增長率	24.0%~28.1% from 2019 to 2021; 7.3%~24.6% from 2022 to 2026 二零一九年至二零二一年為24.0%~28.1%； 二零二二年至二零二六年為7.3%~24.6%	19.5%~28.5% from 2018 to 2021; 8.5%~18.5% from 2022 to 2026 二零一八年至二零二一年為19.5%~28.5%； 二零二二年至二零二六年為8.5%~18.5%
Long-term growth rate	長期增長率	3.0%	3.0%
Gross margin	毛利率	55.4%~58.5%	49.5%~57.2%
Pre-tax discount rate	稅前貼現率	12.5%	12.6%
Government subsidy income	政府補貼收入	Continued government subsidy income from 2019 onwards 自二零一九年起持續政府補貼收入	Continued government subsidy income from 2018 onwards 自二零一八年起持續政府補貼收入

Revenue growth rate and gross margin are based on past performance and management's expectations of market development. The long term growth rates used are estimated with reference to industry forecasts. The discount rate used is pre-tax and reflects specific risks relating to the business.

The Directors are of the view that there was no impairment of investment in Highland Natural Water as at 31 December 2018 and 2017.

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率乃參考行業預測估計。所用的貼現率為稅前貼現率，反映與業務有關的特定風險。

董事認為於二零一八年及二零一七年十二月三十一日，於高原天然水的投資並無出現減值。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

Set out below are the associates of the Group as at 31 December 2018.

12 使用權益法入賬的投資(續)

下文載列於二零一八年十二月三十一日日本集團之聯營公司。

Name of entity 實體名稱	Place of business/country of incorporation 營業地點/ 註冊成立國家	% of ownership interest 佔所有權權 益百分比	Principal activities 主要業務	Measurement method 計量方法
Tibet Highland Natural Water Limited 西藏高原天然水有限公司	The PRC 中國	43.981 43.981	Manufacturing and distribution of water products 製造及分銷水產品	Equity 權益
Tibet Fudi Natural Beverage Packaging Ltd. 西藏福地天然飲品 包裝有限責任公司	The PRC 中國	25 25	Manufacturing and distribution of bottle preforms and caps 製造及分銷瓶坯和瓶蓋	Equity 權益

There is no contingent liability relating to the Group's interest in above associates, and the proportion of ownership interest is the same as the proportion of voting rights held.

並無與本集團於以上的聯營公司的權益有關的或然負債，且所有權權益比例與所持投票權比例相同。

Summarised financial information for a material associate – Highland Natural Water

Based on the opinion of the Directors, the Group has one associate - Highland Natural Water that is considered as material. The tables below provide summarised the financial information of the Highland Natural Water.

重大聯營公司財務資料概要 – 高原天然水

根據董事的意見，本集團擁有一間重大的聯營公司 – 高原天然水。下表載列高原天然水之財務資料概要。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

Summarised financial information for a material associate – Highland Natural Water (continued)
Summarised balance sheet

12 使用權益法入賬的投資(續)

重大聯營公司財務資料概要 – 高原天然水(續)
資產負債表概要

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Current	流動		
Cash and cash equivalents	現金及現金等價物	91,767	252,277
Other current assets	其他流動資產	446,388	131,569
Total current assets	流動資產總額	538,155	383,846
Borrowings	借款	(572,460)	(360,000)
Other current liabilities	其他流動負債	(57,315)	(128,912)
Total current liabilities	流動負債總額	(629,775)	(488,912)
Total current net liabilities	流動淨負債總額	(91,620)	(105,066)
Non-current	非流動		
Assets	資產	680,573	729,693
Other liabilities	其他負債	(25,948)	(35,765)
Total non-current net assets	非流動淨資產總額	654,625	693,928
Net assets	淨資產	563,005	588,862

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
(CONTINUED)

Summarised financial information for a material associate – Highland Natural Water (continued)
Summarised statement of comprehensive income

12 使用權益法入賬的投資(續)

重大聯營公司財務資料概要 – 高原天然水(續)
全面收益表概要

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Revenue	收入	460,726	460,943
Pre-tax profit from continuing operations	持續經營業務的除稅前利潤	50,629	71,433
Income tax expense	所得稅費用	(4,244)	(6,578)
Post-tax profit for the year	年內除稅後利潤	46,385	64,855
Total comprehensive income	全面收益總額	46,385	64,855

The information above reflects the amounts presented in the financial statements of Highland Natural Water adjusted for differences in accounting policies between the Group and Highland Natural Water.

以上資料反映出在高原天然水財務報表中所呈列的款項，已就本集團與高原天然水之間會計政策的差異作出調整。

12 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a material associate – Highland Natural Water (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in Highland Natural Water:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Opening net assets 1 January	於一月一日的年初淨資產	588,862	524,007
Profit for the year	年內利潤	46,385	64,855
Valuation adjusted from additional acquisition	額外收購的估值調整	—	—
Closing net assets	年末淨資產	635,247	588,862
Elimination of unrealised profit from inter-company sales	未實現內部銷售利潤抵銷額	(315)	(512)
Adjusted total net assets	調整後的總淨資產	634,932	588,350
Interest in the associate	於聯營公司的權益	234,030	215,489
Goodwill	商譽	1,153,407	1,064,053
Carrying value	賬面值	1,387,437	1,279,542

12 使用權益法入賬的投資(續)

重大聯營公司財務資料概要 – 高原天然水(續)

財務資料概要的對賬

經呈列財務資料概要與本集團於高原天然水權益的賬面值的對賬：

13 TRADE RECEIVABLES

13 應收貿易款

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables due from third parties	應收第三方貿易款	270,397	192,139
Loan receivables due from third parties (a)	應收第三方借款(a)	21,321	36,671
Trade receivables due from associates (Note 41)	應收聯營公司的貿易款(附註41)	—	6,367
		291,718	235,177
Less: Provision for impairment of trade receivables	減：應收貿易款的減值撥備	(1,833)	(38)
		289,885	235,139

Trade receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. For the year 2018, additional impairment provision amounting to RMB1,795,000 were recognised.

(a) This balance includes a loan to a third party amounting to HKD24,333,000 (equivalent to RMB21,321,000, 2017:RMB34,270,000), which represents lending principal of HKD17,000,000 (equivalent to RMB14,895,000, 2017: RMB32,600,000) and accrued interest of HKD7,333,000 (equivalent to RMB6,426,000, 2017: RMB1,670,000). The lending is at a fixed interest rate at 15% per annum after 23 April 2018 and contractual repayment date is 31 December 2019. This loan is secured by the borrower's property located in Beijing.

如預期不能收回額外現金，則已確認減值撥備的應收貿易款會與撥備撇銷。於二零一八年，確認額外減值撥備人民幣1,795,000元。

(a) 該結餘包括一項授予第三方借款24,333,000港元(相當於人民幣21,321,000元，二零一七年：人民幣34,270,000元)，其中借款本金17,000,000港元(相當於人民幣14,895,000元，二零一七年：人民幣32,600,000元)及應計利息7,333,000港元(相當於人民幣6,426,000元，二零一七年：人民幣1,670,000元)。於二零一八年四月二十三日後，借款的固定年利率為15%，合約還款日期為二零一九年十二月三十一日。該借款以借款人的北京物業作抵押。

13 TRADE RECEIVABLES (CONTINUED)

As at 31 December 2018 and 2017, the Group's trade receivables were all denominated in RMB. The aging analysis of trade receivables based on invoice dates is as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 6 months	6個月內	180,205	222,532
Over 6 months but within 1 year	超過6個月但不超過1年	46,220	8,855
Over 1 year but within 2 years	超過1年但不超過2年	61,532	2,302
Over 2 years	超過2年	3,761	1,488
		291,718	235,177

As at 31 December 2018, trade receivables amounting to RMB1,833,000 were impaired and provided for (2017: RMB38,000).

The maximum exposure to credit risk at the reporting date is RMB291,718,000 (2017: RMB235,177,000) including amount due from a third party of RMB21,321,000 (2017: RMB34,270,000), which was secured by a property.

As at 31 December 2018 and 2017, the carrying amounts of the above trade receivables approximated their fair values.

13 應收貿易款(續)

於二零一八年及二零一七年十二月三十一日，本集團的應收貿易款均以人民幣計值。根據發票日期劃分之應收貿易款的賬齡分析如下：

於二零一八年十二月三十一日，已減值及獲撥備的應收貿易款為人民幣1,833,000元(二零一七年：人民幣38,000元)。

報告日期的最高信貸風險為人民幣291,718,000元(二零一七年：人民幣235,177,000元)，包括應收第三方款項人民幣21,321,000元(二零一七年：人民幣34,270,000元)已以一項物業作抵押。

於二零一八年及二零一七年十二月三十一日，上述應收貿易款的賬面值與其公允價值相若。

14 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

14 按類別劃分的金融工具

本集團持有下列金融工具：

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
Financial assets *	金融資產 *		
Financial assets at amortised cost	按攤銷成本列賬的金融資產		
– Trade receivables	– 應收貿易款	13 289,885	235,139
– Other receivables and other assets	– 其他應收款及其他資產	17 641,117	175,022
– Cash and cash equivalents	– 現金及現金等價物	21 277,152	830,773
FVOCI	以公允價值計量且其變動計入 其他綜合收益的金融資產	20 231,881	—
FVPL	以公允價值計量且其變動計入 損益的金融資產	19 190,795	—
AFS	可供出售金融資產	—	241,181
		1,630,830	1,482,115
Financial liabilities	金融負債		
Liabilities at amortised cost	按攤銷成本列賬的負債		
– Trade and notes payables	– 應付貿易款及應付票據	28 78,721	92,841
– Other financial liabilities	– 其他金融負債	111,198	279,926
– Borrowings	– 借款	30 701,000	431,000
– Convertible bond	– 可換股債券	457,673	432,340
– liability component	– 負債部分	31	
		1,348,592	1,236,107

* See note 2.3 for details about the impact from changes in accounting policies.

* 有關會計政策變動的影響的詳情，請參閱附註2.3。

15 CREDIT QUALITY OF FINANCIAL ASSETS

(a) Financial assets neither past due nor impaired

The contractual credit terms based on written sales contracts with customers range from 1 to 3 months.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to the nature of counterparties or to historical information about counterparty default rates:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables	應收貿易款		
– Group 1	– 第1組	14,486	76,532
– Group 2	– 第2組	96,460	121,337
		110,946	197,869

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other receivables	其他應收款		
– Group 1	– 第1組	381,491	103,830
– Group 2	– 第2組	259,626	71,192
		641,117	175,022

15 金融資產的信貨質量

(a) 未過期且無減值的金融資產

合約信貸期基於與客戶的書面銷售合約，介乎一至三個月。

未到期且無減值的金融資產的信貨質量可參考交易對手的性質或其違約比率的歷史資料進行評估：

15 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets neither past due nor impaired (continued)

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash at bank	銀行存款		
– Group 3	– 第3組	276,518	829,720

15 金融資產的信貨質量(續)

(a) 未過期且無減值的金融資產(續)

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
FVPL (2017: AFS)	以公允價值計量且其變動計入損益 的金融資產(二零一七年： 可供出售金融資產)		
– Group 1	– 第1組	4,319	7,297
– Group 2	– 第2組	11,517	—
– Group 3	– 第3組	174,959	175,884
		190,795	183,181

15 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets neither past due nor impaired (continued)

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
FVOCI (2017: AFS)	以公允價值計量且其變動計入 其他綜合收益的金融資產 (二零一七年：可供出售金融資產)		
– Group 1	– 第1組	173,881	—
– Group 2	– 第2組	58,000	58,000
		231,881	58,000

Group 1 – new third parties/related parties

第1組 – 新增第三方／關聯方

Group 2 – existing third parties/related parties with no defaults in the past

第2組 – 過往無違約記錄的現有第三方／關聯方

Group 3 – reputable provincial banks and financial institutions and listed banks in China mainland and Hong Kong

第3組 – 中國大陸和香港知名省級銀行、金融機構及上市銀行

15 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(b) Financial assets past due but not impaired

As at 31 December 2018, trade receivables of approximately RMB178,939,000 (2017: RMB37,270,000) were past due but not impaired. The aging analysis of these trade receivables based on invoice dates is as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Over credit term but within 6 months	超過信貸期但不超過6個月	69,259	24,663
Over 6 months but within 1 year	超過6個月但不超過1年	46,220	8,856
Over 1 year but within 2 years	超過1年但不超過2年	61,532	2,302
Over 2 years	超過2年	1,928	1,449
		178,939	37,270

(c) Financial assets past due and impaired

As at 31 December 2018, trade receivables amounting to RMB1,833,000 (2017: RMB38,000) were past due and impaired.

15 金融資產的信貸質量(續)

(b) 已過期但無減值的金融資產

於二零一八年十二月三十一日，已過期但無減值的應收貿易款約為人民幣178,939,000元(二零一七年：人民幣37,270,000元)。根據發票日期劃分之應收貿易款的賬齡分析如下：

(c) 已逾期及減值的金融資產

於二零一八年十二月三十一日，已逾期及減值的應收貿易款為人民幣1,833,000元(二零一七年：人民幣38,000元)。

16 PREPAYMENTS

16 預付款項

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Prepayments made for purchase of raw materials, services, and equipment	購買原材料、服務及設備的預付款項	180,165	187,115
Less:	減：		
Non-current portion - prepayments made for purchase of equipment (a)	非流動部分－購置設備的預付款項(a)	(38,613)	(43,937)
Current portion	流動部分	141,552	143,178

(a) These balances represent prepayments made for the purchase of equipment, the ownership of which has not been obtained at year end.

(a) 該等結餘指因購置設備(其所有權於年末尚未獲得)而預付的款項。

The carrying amounts of current and non-current prepayments are denominated in the following currencies:

流動及非流動預付款項的賬面值以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
- RMB	- 人民幣	176,771	178,752
- HKD	- 港元	1,197	1,392
- USD	- 美元	72	72
- EUR	- 歐元	2,125	5,836
- GBP	- 英鎊	—	1,063
		180,165	187,115

17 OTHER RECEIVABLES AND OTHER ASSETS

17 其他應收款及其他資產

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Amounts due from third parties (a)	應收第三方款項(a)	576,421	140,194
Amounts due from associates (b) (Note 41)	應收聯營公司款項(b)(附註41)	22,877	30,000
Government grant receivable	政府補助應收款	37,800	—
Deposits	押金	335	970
Others	其他	3,684	3,858
		641,117	175,022

(a) The balances include the following items:

- A loan to a third party company with a principal amount of RMB110,000,000 (2017: nil) and accrued interest of RMB10,992,000 (2017: nil). This loan is guaranteed by a third party and bore an annual interest rate of 12% from 6 March 2018 to 5 June 2018, an annual interest rate of 15% from 6 June 2018 to 5 September 2018, and an annual interest rate of 10% from 6 September 2018 to 31 December 2018. The loan is matured on 31 December 2018 and the amount of RMB120,000,000 was repaid subsequent to the financial year end.

(a) 結餘包括以下項目：

- 提供予一間第三方公司本金金額為人民幣110,000,000元(二零一七年：零)之貸款及應計利息人民幣10,992,000元(二零一七年：零)。該貸款由一名第三方提供擔保，自二零一八年三月六日起至二零一八年六月五日止年利率為12%，自二零一八年六月六日起至二零一八年九月五日止年利率為15%，自二零一八年九月六日起至二零一八年十二月三十一日止年利率為10%。該貸款於二零一八年十二月三十一日到期，金額人民幣120,000,000元已於財政年結日後償還。

17 OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

(a) (continued)

- The loan to a third party company with outstanding principal amounts of RMB213,083,000 (2017: nil) and accrued interest of RMB1,427,000 (2017: nil), which bore an annual interest rate of 10%. The repayment terms of the loan are based on the following schedule: repayments of RMB30,000,000, RMB70,000,000 and RMB113,083,000 on 29 July 2019, 19 December 2019 and 31 December 2019 respectively. The amount of RMB170,000,000 was repaid subsequent to the financial year end.

- The loan to a third party company with outstanding principal amounts of RMB175,880,000 (2017: nil) and accrued interest of RMB1,764,000 (2017: nil), which bore an annual interest rate of 10%. The repayment terms of the loan are based on the following schedule: repayments of RMB18,000,000, RMB5,000,000, RMB20,880,000, RMB61,000,000 and RMB71,000,000 on 12 July 2019, 16 July 2019, 22 November 2019, 2 December 2019 and 5 December 2019 respectively. The amount of RMB125,000,000 was repaid subsequent to the financial year end.

17 其他應收款及其他資產(續)

(a) (續)

- 提供予一間第三方公司未償還本金金額為人民幣213,083,000元(二零一七年：零)之貸款及應計利息人民幣1,427,000元(二零一七年：零)，年利率為10%。該貸款按下列計劃償還：於二零一九年七月二十九日、二零一九年十二月十九日及二零一九年十二月三十一日分別償還人民幣30,000,000元、人民幣70,000,000元及人民幣113,083,000元。金額人民幣170,000,000元已於財政年結日後償還。

- 提供予一間第三方公司未償還本金金額為人民幣175,880,000元(二零一七年：零)之貸款及應計利息人民幣1,764,000元(二零一七年：零)，年利率為10%。該貸款按下列計劃償還：於二零一九年七月十二日、二零一九年七月十六日、二零一九年十一月二十二日、二零一九年十二月二日及二零一九年十二月五日分別償還人民幣18,000,000元、人民幣5,000,000元、人民幣20,880,000元、人民幣61,000,000元及人民幣71,000,000元。金額人民幣125,000,000元已於財政年結日後償還。

17 OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

(a) (continued)

- A loan to a third party company with outstanding principal amounts of RMB53,000,000 (2017: nil) and accrued interest of RMB292,000 (2017: nil), which bore an annual interest rate of 4.35%. The repayment terms of the loan are based on the following schedule: repayments of RMB9,000,000, RMB5,000,000 and RMB39,000,000 on 29 August 2019, 13 November 2019 and 3 December 2019 respectively. The amount of RMB53,000,000 was repaid subsequent to the financial year end. As at 31 December 2018, the Group held 9% equity interests in this third party and the investment was recorded as FVOCI.

17 其他應收款及其他資產(續)

(a) (續)

- 提供予一間第三方公司未償還本金金額為人民幣53,000,000元(二零一七年:零)之貸款及應計利息人民幣292,000元(二零一七年:零),年利率為4.35%。該貸款按下列計劃償還:於二零一九年八月二十九日、二零一九年十一月十三日及二零一九年十二月三日分別償還人民幣9,000,000元、人民幣5,000,000元及人民幣39,000,000元。金額人民幣53,000,000元已於財政年結日後償還。於二零一八年十二月三十一日,本集團持有該第三方的9%股權,該投資列為以公允價值計量且其變動計入其他綜合收益的金融資產。

17 OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

- (b) As at 31 December 2018, the balance represents a loan to Fudi Packaging, with principal amount of RMB22,000,000 (2017: nil) and accrued interest of RMB877,000 (2017: nil) which bore an annual interest rate of 10%. The repayment terms of the loan are based on the following schedule: repayments of RMB2,000,000 and RMB20,000,000 on 12 July 2019 and 8 August 2019 respectively. The balance of 31 December 2017 represents amounts due from Highland Natural Water which was repaid in 2018. They were unsecured, non-interest bearing and repayable on demand.

The Group's maximum exposure to credit risk from other receivables and other assets at the balance sheet date is amounting to RMB641,117,000 (2017: RMB175,022,000) (Note 3.1).

The carrying amounts of other receivables are denominated in the following currencies:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
– RMB	– 人民幣	640,930	174,244
– HKD	– 港元	177	768
– USD	– 美元	10	10
		641,117	175,022

17 其他應收款及其他資產(續)

- (b) 於二零一八年十二月三十一日，結餘指提供予福地包裝之貸款，本金金額為人民幣22,000,000元(二零一七年：零)及應計利息人民幣877,000元(二零一七年：零)，年利率為10%。該貸款按下列計劃償還：於二零一九年七月十二日及二零一九年八月八日分別償還人民幣2,000,000元及人民幣20,000,000元。於二零一七年十二月三十一日的結餘指應收高原天然水款項，已於二零一八年償還。有關款項為無抵押、無息和可即時被要求償還。

於資產負債表日本集團來自其他應收款及其他資產的最高信貸風險額為人民幣641,117,000元(二零一七年：人民幣175,022,000元)(附註3.1)。

其他應收款的賬面值以下列貨幣計值：

18 INVENTORIES

18 存貨

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Raw materials	原材料	88,171	62,541
Finished goods – at cost	產成品 – 按成本	6,652	8,458
Work in progress	在製品	4,337	4,614
		99,160	75,613

The cost of inventories which was recognised as an expense and was included in “cost of sales” amounted to approximately RMB383,651,000 for the year ended 31 December 2018 (2017: RMB361,911,000).

Write-downs of inventories to net realisable value amounted to RMB230,000 (2017: nil). These were recognised as an expense during the year ended 31 December 2018 and included in “cost of sales” in profit or loss.

The costs of individual items of inventory are determined using monthly weighted average costs.

截至二零一八年十二月三十一日止年度，確認為費用並計入「銷售成本」的存貨成本約為人民幣383,651,000元（二零一七年：人民幣361,911,000元）。

存貨撇減至可變現淨值人民幣230,000元（二零一七年：零）。該等款項於截至二零一八年十二月三十一日止年度確認為開支，計入損益之「銷售成本」。

各存貨項目成本使用加權平均成本釐定。

19 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

19 以公允價值計量且其變動計入損益的金融資產

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January AFS restated as FVPL	於一月一日可供出售金融資產 重述為以公允價值計量且其 變動計入損益的金融資產	183,181	—
Additions in structured financial products	結構性理財產品添置	680,000	—
Embedded derivative asset (Note 20)	嵌入式衍生資產(附註20)	4,319	—
Net gains recognised upon disposal (Note 32 & 39)	出售時確認的收益淨額 (附註32及39)	17,591	—
Fair value changes recorded in other gains (Note 32 & 39)	計入其他利得的公允價值變動 (附註32及39)	9,179	—
Disposals in structured financial products	結構性理財產品出售	(703,475)	—
At 31 December	於十二月三十一日	190,795	—
Less: non-current portion	減：非流動部分	(11,517)	—
Current portion	流動部分	179,278	—

All FVPL (2017: AFS) are denominated in RMB as at 31 December 2018 and 2017.

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

於二零一八年及二零一七年十二月三十一日，以公允價值計量且其變動計入損益的金融資產(二零一七年：可供出售金融資產)全部以人民幣計值。

有關釐定公允價值所用的方法及假設的資料載於附註3.3。

20 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER
COMPREHENSIVE INCOME

20 以公允價值計量且其變動計入其他
綜合收益的金融資產

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January AFS restated as FVOCI (a)	於一月一日可供出售金融資產 重述為以公允價值計量且其 變動計入其他綜合收益的 金融資產 (a)	58,000	—
Acquisition of Shannan Yalaxiangbu (b)	收購山南雅拉香布 (b)	173,881	—
At 31 December	於十二月三十一日	231,881	—

(a) Investment in CRE that were previously classified as AFS, were reclassified to FVOCI as designated by the management. The management did not expect any fair value change in investment in CRE for the year ended 31 December 2018.

(b) On 10 December 2018, the Group acquired 9% of the equity interests of Shannan Yalaxiangbu for a cash consideration of RMB178,200,000.

(a) 先前分類為可供出售金融資產的於中鐵快運的投資被管理層指定重新分類為以公允價值計量且其變動計入其他綜合收益的金融資產。管理層預期，截至二零一八年十二月三十一日止年度，於中鐵快運的投資並無任何公允價值變動。

(b) 於二零一八年十二月十日，本集團收購山南雅拉香布9%的權益，現金代價為人民幣178,200,000元。

20 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

(b) (continued)

Based on the share purchase agreement, if Shannan Yalaxiangbu could not meet certain conditions in 2019, the Group has the option to sell the equity shares to the original shareholder; if such conditions are met, the Group has the option to purchase additional shares of Shannan Yalaxiangbu. These options are treated as derivative financial products by the Group and recorded as FVPL on the balance sheet. As at 31 December 2018, the amount of FVPL in relation to the above options was RMB4,319,000. The balance of the cash consideration paid amounting to RMB173,881,000 was treated as FVOCI.

Management did not expect any significant fair value change in above options and the investment in Shannan Yalaxiangbu for the year ended 31 December 2018 due to the short time passage from the acquisition date.

20 以公允價值計量且其變動計入其他 綜合收益的金融資產(續)

(b) (續)

根據股份購買協議，如果山南雅拉香布在二零一九年不能滿足某些條件，則本集團可選擇將權益股份出售給原股東；如果符合上述條件，本集團可選擇購買山南雅拉香布的額外股份。該等購股權被本集團視為衍生金融產品，並於資產負債表內記錄為以公允價值計量且其變動計入損益的金融資產。於二零一八年十二月三十一日，與上述購股權有關的以公允價值計量且其變動計入損益的金融資產金額為人民幣4,319,000元。已支付的現金代價餘額為人民幣173,881,000元被視為以公允價值計量且其變動計入其他綜合收益的金融資產。

由於距離收購日期後為時尚短，故管理層預期，於截至二零一八年十二月三十一日止年度，上述購股權及於山南雅拉香布的投資並無任何重大公允價值變動。

21 CASH AND CASH EQUIVALENTS

21 現金及現金等價物

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash on hand	手頭現金	634	1,053
Cash at bank	銀行存款	266,988	813,327
Restricted cash	受限制現金	9,530	16,393
		277,152	830,773
Denominated in:	計值貨幣：		
– RMB	– 人民幣	269,402	794,356
– USD	– 美元	4,179	1,042
– HKD	– 港元	3,309	35,115
– Others	– 其他	262	260
		277,152	830,773

As at 31 December 2018, the Group's cash and cash equivalents amounting to RMB267,693,000 (2017: RMB768,148,000) were held in the financial institutions located in the mainland of PRC. The remaining balances of RMB8,825,000 (2017: RMB61,572,000) were held in major financial institutions located in the Hong Kong Special Administrative Region.

The conversion of RMB denominated balances into foreign currencies and the remittance of the foreign currencies out of the mainland of PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

於二零一八年十二月三十一日，本集團的現金及現金等價物人民幣267,693,000元(二零一七年：人民幣768,148,000元)由在中國大陸的金融機構持有。餘下人民幣8,825,000元(二零一七年：人民幣61,572,000元)由香港特別行政區的主要金融機構持有。

以人民幣計值的結餘兌換為外幣以及將外幣從中國大陸匯出，須遵守中國政府頒布的相關外匯管制規則及規例。

21 CASH AND CASH EQUIVALENTS (CONTINUED)

The Group earns interests on cash at bank at floating bank deposit rates, which range from 0.01% to 4.05% per annum for the year ended 31 December 2018 (2017: range from 0.01% to 4.05% per annum).

As at 31 December 2018, bank deposits of RMB9,530,000 (2017: RMB16,393,000) are restricted as guarantee for payments of imported equipment and an amount held by the Bank of Communications Trustee Limited on behalf of the Company for purchase of the Company's own shares.

21 現金及現金等價物(續)

本集團按浮動銀行存款利率從銀行存款賺取利息，截至二零一八年十二月三十一日止年度，有關年利率介乎0.01%至4.05%（二零一七年：年利率介乎0.01%至4.05%）。

於二零一八年十二月三十一日，受限制銀行存款人民幣9,530,000元（二零一七年：人民幣16,393,000元）作為進口設備的付款擔保及交通銀行信託有限公司代表本公司持有的購買本公司本身股份的款項。

22 SHARE CAPITAL AND SHARE PREMIUM**22 股本及股份溢價**

	Number of ordinary shares (thousands) 普通股數目 (千股)	Nominal value of ordinary shares 普通股賬面值 HKD'000 千港元	Equivalent nominal value of ordinary shares 普通股 賬面值等值 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Balance as at 1 January and 31 December 2017 and 2018	於二零一七年及 二零一八年一月一日及 十二月三十一日的結餘	2,568,893	25,689	21,363	1,206,829	1,228,192

23 SHARES HELD FOR SHARE AWARD SCHEME

The movement of shares held for share award scheme is as follows:

		Number of ordinary shares (thousands)	RMB'000 人民幣千元
		普通股數目 (千股)	
Opening balance 1 January 2018	於二零一八年一月一日的年初結餘	60,626	158,868
Shares bought back (a)	股份購回 (a)	5,000	14,169
Closing Balance 31 December 2018	於二零一八年十二月三十一日的年終結餘	65,626	173,037

On 18 August 2017, the Group adopted a share award scheme for purposes of (i) encouraging or facilitating the holding of Shares by the Selected Participants; (ii) encouraging and retaining certain individuals to work with the Group; and (iii) providing incentive for the Selected Participants to achieve performance goals. Based on the rules of the scheme, the Group may grant shares of the Company to eligible participants in the future.

On 8 September 2017, the Group entered an agreement with Bank of Communications Trustee Limited (the "Trustee") to establish a share award scheme trust ("Share Award Trust"), where the Trustee may purchase or subscribe ordinary shares of the Company on behalf of the Group from the open market, based on the instructions of the Group. The Share Award Trust is consolidated in the Group's consolidated financial statements as a special purpose entity.

(a) During the year ended 31 December 2018, the Group purchased 5,000,000 shares (2017: 60,626,000 shares) of the Company through the Trustee for a total consideration of RMB14,169,000 (2017: RMB158,868,000). As at 31 December 2018, no share has been granted by the Group to any parties under the above mentioned share award scheme.

23 為股份獎勵計劃持有的股份

為購股權計劃持有的股份變動如下：

於二零一七年八月十八日，本集團採納一項股份獎勵計劃，旨在(i)鼓勵或促進經選定參與者持有股份；(ii)鼓勵及挽留若干人士為本集團工作；及(iii)為經選定參與者實現績效目標提供獎勵。根據計劃規則，未來本集團可向合資格參與者授出本公司股份。

於二零一七年九月八日，本集團與交通銀行信託有限公司(「受託人」)訂立協議以成立股份獎勵計劃信託(「股份獎勵信託」)，據此，受託人可根據本集團的指示代表本集團於公開市場購買或認購本公司普通股。股份獎勵信託作為特別目的實體於本集團綜合財務報表綜合入賬。

(a) 截至二零一八年十二月三十一日止年度，本集團透過受託人購買5,000,000股(二零一七年：60,626,000股)本公司股份，總代價為人民幣14,169,000元(二零一七年：人民幣158,868,000元)。於二零一八年十二月三十一日，本集團概無根據上述股份獎勵計劃向任何一方授出任何股份。

24 OTHER RESERVES

24 其他儲備

		Capital reserve 資本儲備 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘公積金 RMB'000 人民幣千元	Currency translation differences 外幣折算差額 RMB'000 人民幣千元	Investment revaluation reserve 投資重估儲備 RMB'000 人民幣千元	Convertible bond- equity component 可換股債券 — 權益部分 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2017	二零一七年一月一日的結餘	146,012	157,920	(48,013)	4,898	18,385	279,202
Currency translation differences	外幣折算差額	—	—	7,662	—	—	7,662
Appropriations to statutory surplus reserve (a) - (ii)	提取法定盈餘公積金(a) - (ii)	—	17,236	—	—	—	17,236
Revaluation	重估	—	—	—	986	—	986
Transaction with non-controlling interest	與非控股權益之交易	(113,165)	—	—	—	—	(113,165)
At 31 December 2017	於二零一七年十二月三十一日	32,847	175,156	(40,351)	5,884	18,385	191,921
Change in accounting policy (Note 2.3)	會計政策變動(附註2.3)	—	—	—	(5,884)	—	(5,884)
Restated total equity as at 31 December 2017	重述於二零一七年十二月三十一日的權益總額	32,847	175,156	(40,351)	—	18,385	186,037
Balance at 1 January 2018	二零一八年一月一日的結餘	32,847	175,156	(40,351)	—	18,385	186,037
Currency translation differences	外幣折算差額	—	—	(18,455)	—	—	(18,455)
Appropriations to statutory surplus reserve (a) - (ii)	提取法定盈餘公積金(a) - (ii)	—	10,342	—	—	—	10,342
At 31 December 2018	於二零一八年十二月三十一日	32,847	185,498	(58,806)	—	18,385	177,924

24 OTHER RESERVES (CONTINUED)

(a) Nature and purpose of other reserves

(i) *Capital reserve*

Excess amounts contributed by shareholders on top of the share capital are recorded as capital reserve. This reserve is also used to record the differences described in Note 2.4 which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

(ii) *Statutory surplus reserve*

According to the provisions of the articles of association of the Group's subsidiaries located in PRC ("PRC subsidiaries"), the PRC subsidiaries shall first set aside 10% of its profit attributable to owners after tax as indicated in their statutory financial statements for the statutory surplus reserve (except where the reserve has reached 50% of the entity's registered share capital) each year. PRC subsidiaries may also make appropriations from its profit attributable to shareholders to a discretionary surplus reserve, provided it is approved by a resolution passed in a shareholders' general meeting. These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends without the prior approval obtained from the shareholders in a shareholders' general meeting under specific circumstances.

24 其他儲備(續)

(a) 其他儲備的性質及目的

(i) *資本儲備*

股東注資超出股本部分記為資本儲備。該儲備亦用於記錄附註2.4所述可能於不會導致損失控制權的與非控股權益之交易中產生的差額。

(ii) *法定盈餘公積金*

根據本集團位於中國的附屬公司(「中國附屬公司」)的組織章程細則條文，中國附屬公司須每年將法定財務報表所示其擁有人應佔稅後利潤的10%撥作法定盈餘公積金(惟公積金已達實體註冊股本50%者除外)。中國附屬公司亦可在經股東大會通過的決議案批准後從股東應佔利潤提取任意盈餘公積金。除公積金設立的目的外，該等公積金不得用作其他用途，且除在特定情況下經股東於股東大會上事先批准外，亦不得用作現金股息分配。

24 OTHER RESERVES (CONTINUED)**(a) Nature and purpose of other reserves (continued)****(ii) Statutory surplus reserve (continued)**

When the statutory surplus reserve is not sufficient to make good for any losses of the PRC subsidiaries from previous years, the current year profit attributable to the owners shall be used to make good the losses before any allocations are set aside for the statutory surplus reserve.

The statutory surplus reserve, the discretionary surplus reserve and the capital reserve of the PRC subsidiaries may be converted into share capital of the PRC subsidiaries provided it is approved by a resolution passed in a shareholders' general meeting and meets other regulatory requirements with the provision that the ending balance of the statutory surplus reserve does not fall below 25% of the registered share capital amount.

For the year ended 31 December 2018, the directors of the PRC subsidiaries proposed appropriations amounting to approximately RMB10,342,000 (2017: RMB17,236,000) to the statutory surplus reserve.

(iii) Currency translation differences

Exchange differences arising from the difference between functional and presentation currency are recognised in other comprehensive income as described in Note 2.8 and accumulated in a separate reserve within equity.

24 其他儲備(續)**(a) 其他儲備的性質及目的(續)****(ii) 法定盈餘公積金(續)**

當法定盈餘公積金不足以彌補中國附屬公司以前年度虧損時，本年度的擁有人應佔利潤可在提取法定盈餘公積金前用作彌補虧損。

中國附屬公司的法定盈餘公積金、任意盈餘公積金及資本公積金可在經股東大會通過的決議案批准且符合其他監管規定下轉為其股本，但年末的法定盈餘公積金不得少於註冊股本的25%。

截至二零一八年十二月三十一日止年度，中國附屬公司董事建議提取的法定盈餘公積金約為人民幣10,342,000元(二零一七年：人民幣17,236,000元)。

(iii) 外幣折算差額

功能與列報貨幣差異產生的匯兌差額於其他綜合收益確認(如附註2.8所述)及權益下的獨立儲備累計。

24 OTHER RESERVES (CONTINUED)

(a) Nature and purpose of other reserves (continued)

(iv) *Investment revaluation reserve*

Changes in the fair value and exchange differences arising on translation of investments that are classified as FVOCI (2017: AFS) are recognised in other comprehensive income and accumulated in a separate reserve in equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired, see accounting policy Note 2.13 for details.

(v) *Convertible bond-equity component*

The amount shown for equity component is the value of conversion rights relating to the 6.0% convertible bonds, details of which are shown in Note 31.

24 其他儲備(續)

(a) 其他儲備的性質及目的(續)

(iv) *投資重估儲備*

分類為以公允價值計量且其變動計入其他綜合收益的金融資產(二零一七年：可供出售金融資產)的投資於折算時產生的公允價值變動及匯兌差額於其他綜合收益確認及於權益下獨立儲備累計。有關金額將於相關資產出售或減值時重新分類至損益，詳情見附註2.13會計政策。

(v) *可換股債券－權益部分*

權益部分所示金額為6.0%可換股債券的換股權價值，詳情載列於附註31。

25 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

25 遞延所得稅

遞延稅項資產及遞延稅項負債的分析如下：

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
- Deferred tax assets to be recovered after 12 months	- 12個月後收回的遞延稅項資產	2,377	2,463
- Deferred tax assets to be recovered within 12 months	- 12個月內收回的遞延稅項資產	461	432
		2,838	2,895
Deferred tax liabilities:	遞延稅項負債：		
- Deferred tax liabilities to be recovered after 12 months	- 12個月後收回的遞延稅項負債	(2,223)	(15,014)
- Deferred tax liabilities to be recovered within 12 months	- 12個月內收回的遞延稅項負債	(13,032)	(3,558)
		(15,255)	(18,572)

25 DEFERRED INCOME TAX (CONTINUED)

The gross movement of the deferred tax assets and deferred tax liabilities is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
At beginning of year	年初	2,895	2,818
Statement of profit or loss (charge)/credit	損益表(計入)/貸記	(57)	77
At end of year	年末	2,838	2,895
Deferred tax liabilities:	遞延稅項負債：		
At beginning of year	年初	(18,572)	(20,652)
Statement of profit or loss credit	損益表貸記	3,317	2,080
At end of year	年末	(15,255)	(18,572)

The credit to statement of profit or loss is as follows:

損益表貸記如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	57	(77)
Deferred tax liabilities	遞延稅項負債	(3,317)	(2,080)
Credit to statement of profit or loss (Note 36)	損益表貸記(附註36)	(3,260)	(2,157)

25 DEFERRED INCOME TAX (CONTINUED)

The balances of deferred tax assets and liabilities as at 31 December 2018 were not offset because the deferred tax assets and liabilities related to income taxes were levied by different taxation authorities. The movement of deferred tax assets and liabilities during the year is as follows:

25 遞延所得稅(續)

於二零一八年十二月三十一日，遞延稅項資產及負債結餘並未抵銷，乃由於與該等遞延稅項資產及負債有關的所得稅由不同稅務機關徵收。年內遞延稅項資產及負債的變動如下：

		Provisions for impairment 減值撥備 RMB'000 人民幣千元	Deferred income 遞延收益 RMB'000 人民幣千元	Withholding tax 預扣稅 RMB'000 人民幣千元	Other temporary differences 其他 暫時性差額 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產					
At 1 January 2017	於二零一七年一月一日	347	2,019	—	452	2,818
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	(11)	—	88	77
At 31 December 2017	於二零一七年十二月三十一日	347	2,008	—	540	2,895
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	(232)	—	175	(57)
At 31 December 2018	於二零一八年十二月三十一日	347	1,776	—	715	2,838
Deferred tax liabilities	遞延稅項負債					
At 1 January 2017	於二零一七年一月一日	—	—	—	(20,652)	(20,652)
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	—	—	2,080	2,080
At 31 December 2017	於二零一七年十二月三十一日	—	—	—	(18,572)	(18,572)
(Charged)/credited to statement of profit or loss	損益表(計入)/貸記	—	—	(2,500)	5,817	3,317
At 31 December 2018	於二零一八年十二月三十一日	—	—	(2,500)	(12,755)	(15,255)

25 DEFERRED INCOME TAX (CONTINUED)

As at 31 December 2018, the certain Company's subsidiaries' future taxable income would not be available against which their temporary losses could be utilised and also the losses of those subsidiaries would not be offset by the taxable income of other subsidiaries within the Group, as there is no legally enforceable right to do so. As such, the Group did not recognise deferred tax assets of RMB9,450,000 (2017: RMB10,263,000) in respect of losses amounting to RMB37,813,000 (2017: RMB41,064,000) that can be carried forward against future taxable income. Losses of RMB37,813,000 as at 31 December 2018 (2017: RMB41,064,000) will expire on the following dates to offset the future taxable income:

25 遞延所得稅(續)

於二零一八年十二月三十一日，本公司的若干附屬公司的未來應課稅收入將無法彌補暫時性虧損，而該等附屬公司的虧損不可由本集團其他附屬公司的應課稅收入抵銷，因為並不具備這樣做的合法可強制執行權利。故本集團並無就可抵銷未來應課稅收入的虧損人民幣37,813,000元(二零一七年：人民幣41,064,000元)確認遞延稅項資產人民幣9,450,000元(二零一七年：人民幣10,263,000元)。於二零一八年十二月三十一日抵銷未來應課稅收入的人民幣37,813,000元(二零一七年：人民幣41,064,000元)的虧損連同屆滿日期載列如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Expiring in	於以下年度屆滿		
– 2018	– 二零一八年	—	10,795
– 2021	– 二零二一年	14,625	14,625
– 2022	– 二零二二年	15,644	15,644
– 2023	– 二零二三年	7,544	—
		37,813	41,064

25 DEFERRED INCOME TAX (CONTINUED)

Deferred tax liabilities of RMB235,281,000 (2017: RMB192,096,000) had not been recognised for the withholding tax that would be payable on the distributable retained profits amounting to RMB2,804,906,000 (2017: RMB2,464,631,000) of the Company's PRC subsidiaries. For the year ended 31 December 2018, The Group had intention to distribute retained earnings of a subsidiary of RMB50,000,000, except for this, the Group has no intention to distribute these retained earnings out from the PRC subsidiaries in the foreseeable future.

26 CONTRACT LIABILITIES

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Sales of water cards	銷售水卡	14,697	—
Sales of water and beer products	銷售水產品及啤酒產品	6,528	—
		21,225	—

Contract liabilities for sales of water cards were previously presented as deferred revenue. Contract liabilities for sales of water and beer products were previously presented as advances received from customers. As at 31 December 2018, the Group's contract liabilities were all denominated in RMB. The impact from the adoption of IFRS 15 has been described in Note 2.3. The Group recognised revenue amounting to RMB75,416,000 relating to contract liabilities for the year ended 31 December 2018.

25 遞延所得稅(續)

本公司並無就中國附屬公司的可分派保留溢利人民幣2,804,906,000元(二零一七年：人民幣2,464,631,000元)應付預扣稅確認遞延稅項負債人民幣235,281,000元(二零一七年：人民幣192,096,000元)。截至二零一八年十二月三十一日止年度，本集團打算分派附屬公司人民幣50,000,000元之留存收益，除此之外，本集團目前並不打算在可見將來從中國境內附屬公司向分派有關留存收益。

26 合同負債

銷售水卡的合同負債先前被呈列為遞延收入。銷售水產品及啤酒產品的合同負債先前被呈列為預收客戶款。於二零一八年十二月三十一日，本集團的合同負債均以人民幣計值。採納國際財務報告準則第15號的影響於附註2.3闡述。本集團就截至二零一八年十二月三十一日止年度的合同負債為人民幣75,416,000元確認收入。

27 DEFERRED REVENUE AND ADVANCES RECEIVED
FROM CUSTOMERS

27 遞延收入及預收客戶款

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Non-current	非流動		
Government grant	政府補助	20,942	22,333
Current	流動		
Government grant	政府補助	2,373	2,248
Sales of water cards	銷售水卡	—	14,596
Sales of water and beer products	銷售水產品及啤酒產品	—	10,654
		2,373	27,498

As at 31 December 2018 and 2017, the Group's deferred revenue was all denominated in RMB.

於二零一八年及二零一七年十二月三十一日，本集團的遞延收入全部以人民幣計值。

28 TRADE AND NOTES PAYABLES

28 應付貿易款及應付票據

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade payables	應付貿易款	73,275	92,841

28 TRADE AND NOTES PAYABLES (CONTINUED)

As at 31 December 2018 and 2017, the aging analysis of trade payables based on invoice dates is as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 3 months	3個月內	56,232	69,402
Over 3 months but within 6 months	超過3個月但不超過6個月	9,983	4,247
Over 6 months but within 1 year	超過6個月但不超過1年	2,386	6,046
Over 1 year but within 2 years	超過1年但不超過2年	548	9,011
Over 2 years	超過2年	4,126	4,135
		73,275	92,841

As at 31 December 2018 and 2017, the Group's trade payables were all denominated in RMB and were not interest bearing.

Trade payables are unsecured and are usually paid within 90 days of recognition.

The carrying amounts of trade payables are considered to be the same as their fair values.

28 應付貿易款及應付票據(續)

於二零一八年及二零一七年十二月三十一日，基於發票日期的應付貿易款的賬齡分析如下：

於二零一八年及二零一七年十二月三十一日，本集團的應付貿易款均以人民幣計值且並不計息。

應付貿易款為無抵押且一般於確認後90日內支付。

應付貿易款的賬面值被視為與其公允價值相同。

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Notes payables	應付票據	5,446	—

29 ACCRUALS AND OTHER PAYABLES

29 預提費用及其他應付款

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salary payables	應付薪金	3,278	10,025
Welfare payables	應付福利	7,637	9,706
Payables for value added tax and other taxes	應繳增值稅及其他稅項	7,579	23,109
Accrued operating expenses	預提經營費用	18,353	13,408
Payables for purchase of equipment	購置設備應付款項	14,248	5,067
Audit fee payable	應付審計費	6,060	6,060
Professional service fee payable	應付專業服務費	5,363	4,930
Amounts payable for acquisition of equity shares in an associate/a subsidiary (a)	應付收購聯營公司／附屬公司權益股份之款項(a)	9,430	239,044
Amounts received from a third party	從第三方收到的款項	49,044	—
Deposits from customers	客戶存款	1,434	1,419
Others	其他	7,266	9,998
		129,692	322,766

(a) The balance as at 31 December 2018 represents amounts payable for the acquisition of 3.981% equity interests in Highland Natural Water. The balance as at 31 December 2017 represented amounts payable for the acquisition of remaining 35% equity interests in Tiandi Green, which was settled in 2018.

(a) 於二零一八年十二月三十一日的結餘指應付收購高原天然水3.981%的股權之款項。於二零一七年十二月三十一日的結餘指應付收購天地綠色餘下35%的股權之款項，於二零一八年結清。

29 ACCRUALS AND OTHER PAYABLES (CONTINUED)

The carrying amounts of the accruals and other payables are denominated in the following currencies:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
- RMB	- 人民幣	123,327	316,337
- USD	- 美元	1,310	1,250
- HKD	- 港元	5,055	5,179
		129,692	322,766

The carrying amounts of other payables approximate their fair values.

29 預提費用及其他應付款(續)

預提費用及其他應付款的賬面值以下列貨幣計值：

其他應付款的賬面值與其公允價值相若。

30 BANK BORROWINGS

30 銀行借款

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Non-current	非流動		
Long-term borrowing from a bank – Guaranteed and pledged (a)	長期銀行借款—有保證及質押(a)	240,000	—
Current	流動		
Current portion of long-term borrowing from a bank - Guaranteed and pledged (a)	長期銀行借款的即期部分 —有保證及質押(a)	50,000	—
Current portion of long-term borrowing from a bank - Guaranteed and secured	長期銀行借款的即期部分 —有保證及抵押	—	190,000
Current portion of long-term borrowing from a bank – Guaranteed (b)	長期銀行借款的即期部分 —有保證(b)	115,000	105,000
Short-term borrowing from a bank – Guaranteed and secured (c)	短期銀行借款—有保證及抵押(c)	66,000	66,000
Short-term borrowing from a bank – Guaranteed and pledged (d)	短期銀行借款—有保證及質押(d)	100,000	—
Short-term borrowings from banks – Guaranteed (e)	短期銀行借款—有保證(e)	130,000	70,000
		461,000	431,000
Total borrowings	借款總額	701,000	431,000

All borrowings were denominated in RMB as at 31 December 2018 and 2017.

於二零一八年及二零一七年十二月三十一日，所有借款均以人民幣計值。

30 BANK BORROWINGS (CONTINUED)

The balances include the following borrowings from banks:

- (a) The borrowing with principal amount of RMB290,000,000 was guaranteed by the Company and was pledged by 35% of a subsidiary's share capital. The interest rate was based on the directive interest rate announced by the People's Bank of China Lhasa Central Sub-branch, which was 4.75% per annum as at 31 December 2018 of which 2.00% interest is charged in advance, which will be refunded when the relevant authority in the Chinese Central government refund the interest allowances to the lender. The tenure of the borrowing is from 8 November 2018 to 7 November 2021 and repayment terms are based on the following schedule: repayments of RMB50,000,000, RMB100,000,000 and RMB140,000,000 on 7 November 2019, 7 November 2020 and 29 October 2021 respectively. According to the loan agreement, unpaid principal of RMB50,000,000 is required to be repaid on 7 November 2019. Accordingly, borrowing amount of RMB50,000,000 was recorded as current liability as at 31 December 2018 and amount of RMB240,000,000 was recorded as non-current liability as at 31 December 2018.

30 銀行借款(續)

結餘包括下列銀行借款：

- (a) 本金金額為人民幣290,000,000元的借款由本公司提供保證，以附屬公司35%股本作質押。利率基於中國人民銀行拉薩中心支行公佈的指示利率，於二零一八年十二月三十一日為每年4.75%，其中預先扣除2.00%利息，將於中國中央政府有關部門向貸款人退還利息撥備時退還。借款期為二零一八年十一月八日至二零二一年十一月七日，並按以下計劃償還：分別於二零一九年十一月七日、二零二零年十一月七日及二零二一年十月二十九日償還人民幣50,000,000元、人民幣100,000,000元及人民幣140,000,000元。根據貸款協議，須於二零一九年十一月七日償還的未支付本金金額為人民幣50,000,000元。因此，於二零一八年十二月三十一日的借款人民幣50,000,000元列為流動負債，而於二零一八年十二月三十一日的借款人民幣240,000,000元則列為非流動負債。

30 BANK BORROWINGS (CONTINUED)

- (b) The borrowing with principal amount of RMB120,000,000 was guaranteed by a subsidiary of the Group. The interest rate was based on the general interest rate in Tibet region, which was 2.75% per annum as at 31 December 2018. During the period of the loan, the interest rate will be adjusted according to the directive interest rate published by the People's Bank of China Lhasa Central Sub-branch every twelve months. The tenure of the borrowing is from 28 April 2018 to 28 April 2020 and repayment terms are based on the following schedule: repayments of RMB5,000,000, RMB5,000,000 and RMB110,000,000 on 18 October 2018, 18 October 2019 and 28 April 2020 respectively. The first payment has been made by the Group based on the contractual terms. Due to certain terms of the borrowing agreement, the bank has the potential right to request for repayment of the loan before the contractual maturity dates. Accordingly, the outstanding borrowing amounting to RMB115,000,000 was recorded as current liability as at 31 December 2018.
- (c) The borrowing with principal amount of RMB66,000,000 was guaranteed by the Company and secured by the Group's factory plant with net book value of RMB31,352,000 (Note 8) and land use rights with net book value of RMB992,000 (Note 7). The loan was repaid and reborrowed in 2018. The loan is at fixed interest rate of 4.35% per annum. The tenure of the borrowing is from 12 June 2018 to 11 June 2019.

30 銀行借款(續)

- (b) 本金金額為人民幣120,000,000元的借款由本集團的附屬公司提供保證。利率乃基於西藏地區的一般利率，於二零一八年十二月三十一日為每年2.75%。於貸款期間，利率將根據中國人民銀行拉薩中心支行公佈的指示利率每12個月進行調整。借款期為二零一八年四月二十八日至二零二零年四月二十八日，並按以下計劃償還：分別於二零一八年十月十八日、二零一九年十月十八日及二零二零年四月二十八日償還人民幣5,000,000元、人民幣5,000,000元及人民幣110,000,000元。本集團已根據合同條款償還首筆款項。由於借款協議的某些條款，該銀行擁有合同到期日之前要求償還借款的潛在權利。因此，於二零一八年十二月三十一日，尚未償還借款人民幣115,000,000元列為流動負債。
- (c) 本金金額為人民幣66,000,000元的借款由本公司提供保證，並以本集團賬面淨值為人民幣31,352,000元的工廠廠房(附註8)及賬面淨值為人民幣992,000元的土地使用權(附註7)作抵押。該貸款已於二零一八年償還及再借款。該貸款的固定年利率為4.35%。借款期為二零一八年六月十二日至二零一九年六月十一日。

30 BANK BORROWINGS (CONTINUED)

- (d) The borrowing with principal amount of RMB100,000,000 was guaranteed by a subsidiary and was pledged by 5% of an associate's equity interests. The loan is at fixed interest rate of 2.35% per annum. The tenure of the borrowing is from 3 September 2018 to 3 September 2019.
- (e) The balances include the following borrowings from banks:
- (i) The borrowing with principal amount of RMB80,000,000 was guaranteed by the Company and a subsidiary of the Group. The loan was repaid and reborrowed in 2018. The loan is at fixed interest rate of 4.35% per annum. The tenure of the borrowing is from 29 June 2018 to 28 June 2019.
- (ii) The borrowing with principal amount of RMB50,000,000 was guaranteed by the Company and a subsidiary of the Group. The loan is at fixed interest rate of 4.35% per annum. The tenure of the borrowing is from 25 September 2018 to 24 September 2019.

Details of the Group's exposure to risks arising from current and non-current borrowings are set out in Note 3.1.

30 銀行借款(續)

- (d) 本金金額為人民幣100,000,000元的借款由一間附屬公司提供保證並由一間聯營公司5%的股權作質押。該貸款的固定年利率為2.35%。借款期為二零一八年九月三日至二零一九年九月三日。
- (e) 結餘包括下列銀行借款：
- (i) 本金金額為人民幣80,000,000元的借款由本公司及本集團的一間附屬公司提供保證。該貸款已於二零一八年償還及再借款。該貸款的固定年利率為4.35%。借款期為二零一八年六月二十九日至二零一九年六月二十八日。
- (ii) 本金金額為人民幣50,000,000元的借款由本公司及本集團的一間附屬公司提供保證。該貸款的固定年利率為4.35%。借款期為二零一八年九月二十五日至二零一九年九月二十四日。

有關本集團所面臨自流動及非流動借款所產生的風險詳情載於附註3.1。

30 BANK BORROWINGS (CONTINUED)

As at 31 December 2018, the Group's borrowings were repayable as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 1 year	1年內	461,000	431,000
Between 1 and 2 years	1至2年	100,000	—
Between 2 and 5 years	2至5年	140,000	
		701,000	431,000

30 銀行借款(續)

於二零一八年十二月三十一日，本集團借款的還款期如下：

31 CONVERTIBLE BOND – LIABILITY COMPONENT

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Non-current	非流動		
Convertible bond - liability component	可換股債券－負債部分	—	432,340
Current	流動		
Convertible bond - liability component	可換股債券－負債部分	457,673	—

31 可換股債券－負債部分

31 CONVERTIBLE BOND – LIABILITY COMPONENT (CONTINUED)

The Group issued 6.0% convertible bonds at a par value of HKD525,000,000 on 24 June 2016. The Bonds mature three years from the issue date at their nominal value of HKD525,000,000 or can be converted into ordinary shares of the Company at the Bond holder's option at a price of HKD3.50 per share. The values of the liability component and the equity conversion component were determined at issuance date of the bonds. The Bonds are secured by the entire issued shares of Wealth Keeper Limited, a wholly-owned subsidiary of the Group and can be early redeemed upon certain events at the option of the Bond holder or the issuer. The early redemption options were closely related to the host contract of the Bonds and as such they were not separated from the host debt. As at 31 December 2018, the liability portion of the Bond amounting to RMB457,673,000 was classified as current liability as it will mature within the next twelve months (As at 31 December 2017, the liability portion of the Bond amounting to RMB432,340,000 was classified as non-current liability as it will mature after twelve months).

31 可換股債券－負債部分(續)

於二零一六年六月二十四日，本集團發行年息率為6.0%的可換股債券，面值為525,000,000港元。債券將自發行日期起計三年後按其面值525,000,000港元到期或可由債券持有人選擇按每股3.50港元的價格轉換為本公司普通股。負債部分及權益轉換部分的價值於債券發行日期釐定。債券以本集團全資附屬公司Wealth Keeper Limited的全部已發行股份作抵押，及當某些事件出現時，可由債券持有人或發行人選擇提前贖回。提前贖回權與債券的主合同密切地關連，因此，該提前贖回權沒有從主負債中被分離為衍生產品。於二零一八年十二月三十一日，債券的負債部分人民幣457,673,000元分類為流動負債，由於其於未來12個月內到期(於二零一七年十二月三十一日，債券的負債部分人民幣432,340,000元分類為非流動負債，由於其將於12個月後到期)。

31 CONVERTIBLE BOND – LIABILITY COMPONENT (CONTINUED)

The movement of convertible bond-liability component is as follows:

31 可換股債券－負債部分(續)

可換股債券－負債部分的變動如下：

		RMB'000 人民幣千元
Face value of convertible bond issued on 24 June 2016	於二零一六年六月二十四日發行 之可換股債券面值	469,613
Transaction costs	交易成本	(2,728)
Equity component	權益部分	(18,385)
Fair value change between the commitment date and issuance date	承擔日期及發行日期之間的 公允價值變動	7,839
Liability component on initial recognition at 24 June 2016	於二零一六年六月二十四日 初步確認時的負債部分	456,339
Interest expense	利息費用	16,114
Interest paid	已付利息	(14,387)
Liability component at 31 December 2016	於二零一六年十二月三十一日 的負債部分	458,066
Interest expense	利息費用	31,748
Interest paid	已付利息	(26,835)
Currency translation differences	外幣折算差額	(30,639)
Liability component at 31 December 2017	於二零一七年十二月三十一日 的負債部分	432,340
Interest expense (Note 35)	利息費用(附註35)	30,895
Interest paid	已付利息	(26,882)
Currency translation differences	外幣折算差額	21,320
Liability component at 31 December 2018	於二零一八年十二月三十一日 的負債部分	457,673

The fair value of the liability component of the convertible bond at 31 December 2018 amounted to RMB457,195,000, which is calculated using cash flows discounted at the rate of 7.34% and are within level 2 of the fair value hierarchy.

Details of the Group's exposure to risks arising from convertible bond are set out in Note 3.1.

於二零一八年十二月三十一日，可換股債券負債部分的公允價值為人民幣457,195,000元，按7.34%折現的現金流量計算並屬於公允價值層級的第2層之內。

有關本集團所面臨自可換股債券所產生的風險詳情載於附註3.1。

32 OTHER GAINS, NET

32 其他利得，淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Government grants	政府補助		
– Tax refund (a)	– 退稅(a)	37,800	23,235
– Amortisation of deferred income	– 遞延收入攤銷	2,907	1,908
Gain on disposal of FVPL (2017: AFS) (b)	處置以公允價值計量且其變動計入損益的金融資產的收益(二零一七年：可供出售金融資產)(b)	17,591	19,604
Fair value changes on FVPL (c)	以公允價值計量且其變動計入損益的金融資產的公允價值變動(c)	9,179	—
Others	其他	1,532	1,750
		69,009	46,497

(a) According to “Zang Zheng Ban[1997] No.24”, “Zang Cai Qi Zi[2010] No.93”, “La Kai Cai Zhu Zi[2010] No.29”, “La Kai Cai Zhu Zi[2012] No.101”, “La Jing Kai Cai Qi Zhuan[2015] No.01”, “La Kai Cai Qi Zhuan[2016] No.91”, “Support to enterprises in Tibet Lhasa Economy and Technology Development Zone (Temporary) No.8” and “Zang Zheng Fa[2018] No.25 Notice for Several Regulations in relation to Attraction of Investment in Tibet Autonomous Region (Trial Version)”, the Group is eligible to receive subsidy income from the local government in relation to the domestic subsidiaries’ fiscal contribution to the local economic development as a major tax payer and employer in Tibet. The Group recognised such income of approximately RMB37,800,000 for the year ended 31 December 2018 (2017: RMB23,235,000).

(a) 根據「藏政辦[1997]第24號」、「藏財企字[2010]第93號」、「拉開財駐字[2010]第29號」、「拉開財駐字[2012]第101號」、「拉開財企專[2015]第01號」、「拉開財企專[2016]第91號」、「西藏拉薩經濟技術開發區關於支持入區企業發展的若干意見(暫行)第8號」及「藏政發[2018]25號關於印發西藏自治區招商引資優惠政策若干規定(試行)的通知」，本集團作為西藏主要納稅戶及僱主，有資格獲得有關境內附屬公司向地方經濟發展作出財務貢獻的地方政府補助收入。本集團於截至二零一八年十二月三十一日止年度確認的此類收入約為人民幣37,800,000元(二零一七年：人民幣23,235,000元)。

32 OTHER GAINS, NET (CONTINUED)

- (b) The Group purchased financial products issued by a financial institution in the PRC. These financial products will mature within one year with variable return rates indexed to the performance of the underlying assets. During the year, the Group disposed these investments amounting to RMB680,000,000 (2017: RMB570,000,000), which resulted in a gain amounting to RMB17,591,000 (2017: RMB19,604,000).
- (c) The amounts include the following items:
- As at 31 December 2018, the Group held structured financial products amounting to RMB170,000,000, which is accounted as FVPL. The related fair value gains of RMB4,959,000 were recognised for the year.
 - The Group recorded fair value gain of RMB4,220,000 from investment in GT Express for the year ended 31 December 2018 based on the fair value implied by the latest fund raising of GT Express from the external investors.

32 其他利得，淨額(續)

- (b) 本集團購入中國境內金融機構發行的金融產品。這些產品的可變回報率與相關資產的表現掛鉤，將於一年內到期。年內，本集團處置該等投資人民幣680,000,000元(二零一七年：人民幣570,000,000元)，獲得人民幣17,591,000元(二零一七年：人民幣19,604,000元)的收益。
- (c) 金額包括以下項目：
- 於二零一八年十二月三十一日，本集團持有結構性金融產品人民幣170,000,000元，入賬列為以公允價值計量且其變動計入損益的金融資產。年內確認相關公允價值收益人民幣4,959,000元。
 - 於截至二零一八年十二月三十一日止年度，本集團自貫通雲網的投資錄得公允價值收益人民幣4,220,000元，乃按最新的貫通雲網對外來投資者募集資金推算之公允價值計算。

33 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution costs, administrative expenses and net impairment losses on financial assets are analysed as follows:

33 按性質劃分的費用

包括銷售成本、銷售及分銷費用、行政費用及金融資產減值損失淨額的費用分析如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Raw materials and consumables used	所用原材料及耗材	284,105	271,650
Decrease/(Increase) in the balances of inventories of finished goods and work in progress	產成品及在製品存貨結餘減少/(增加)	2,083	(32)
Transportation costs	運輸成本	72,676	75,091
Depreciation of PP&E (Note 8)	物業、廠房及設備折舊(附註8)	56,470	55,077
Employee benefit expenses (Note 34)	僱員福利費用(附註34)	82,587	74,841
Advertising and marketing expenditure	廣告及市場推廣費用	17,409	19,760
City construction tax and education surcharge	城市建設費及教育附加費	16,566	16,632
Electricity and other utility expenses	電力及其他能源費用	17,834	17,651
Rental expenses	租金費用	2,200	3,433
Legal and other consulting services fee	法律和其他諮詢服務費用	10,517	8,192
Repair and maintenance	修理及保養	2,750	2,807
Amortisation of land use rights (Note 7)	土地使用權攤銷(附註7)	724	724
Amortisation of intangible assets (Note 9)	無形資產攤銷(附註9)	22,118	22,086
Auditor's remuneration	核數師酬金		
– Audit services	– 審計服務	6,586	6,586
– Non-audit services	– 非審計服務	—	800
Exploration rights expenses	探礦權費用	500	500
Office and consumption expenses	辦公及消耗費用	3,988	4,982
Provision for impairment of trade receivables (Note 13)	應收貿易款減值撥備(附註13)	1,795	—
Provision for impairment of inventories (Note 18)	存貨減值撥備(附註18)	230	—
Others	其他	6,480	4,921
		607,618	585,701

34 EMPLOYEE BENEFIT EXPENSES

34 僱員福利費用

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	67,048	62,531
Provision for medical and other employee benefits	醫療及其他僱員福利撥備	4,693	3,873
Contributions to defined contribution pension scheme (a)	界定供款退休金計劃供款(a)	6,670	4,940
Contributions to the housing scheme (b)	住房計劃供款(b)	4,176	3,497
		82,587	74,841

(a) Pension scheme

The Group pays contributions to publicly administered pension insurance plans on a mandatory, contractual basis. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Housing scheme

In accordance with the PRC housing reform regulations, the Group is required to make contributions to the Chinese state-sponsored housing fund at 10% of the salaries of the PRC employees. At the same time, the employees are also required to make a contribution at 10% of their salaries out of their payroll. The employees are entitled to claim the entire sum of the fund under certain specified withdrawal circumstances.

(a) 退休金計劃

本集團按強制、合約基準向公營管理退休金保險計劃作出供款。倘該基金並無足夠資產支付所有僱員於本期間及過往期間有關僱員服務所得的福利，本集團亦無進一步供款的法定或推定責任。供款於到期時確認為僱員福利開支。預付供款在可取得退回現金或日後付款減少的情況下確認為資產。

(b) 住房計劃

根據中國住房制度改革法規，本集團必須按中國僱員薪金的10%向中國政府組織的住房公積金作出供款。同時，僱員亦須從其薪金中提取10%作為供款。在若干特定情形下，僱員有權提取全額的住房公積金供款。

34 EMPLOYEE BENEFIT EXPENSES (CONTINUED)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2017: three) directors whose emoluments are reflected in the analysis presented in Note 45. The emoluments paid and payable to the remaining one (2017: two) individuals during the year are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	1,166	2,294
Contribution to pension scheme	退休金計劃供款	15	16
Bonuses	花紅	93	86
		1,274	2,396

The emoluments fell within the following bands:

酬金介乎以下範圍：

		Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
Emolument bands	酬金範圍		
HKD1,000,001 to HKD1,500,000 (approximately RMB844,001 to RMB1,265,000)	1,000,001 港元至 1,500,000 港元 (約人民幣 844,001 元至 人民幣 1,265,000 元)	—	2
HKD1,500,001 to HKD2,000,000 (approximately RMB1,265,001 to RMB1,687,000)	1,500,001 港元至 2,000,000 港元 (約人民幣 1,265,001 元至 人民幣 1,687,000 元)	1	—

34 僱員福利費用(續)

(c) 五名最高薪酬人士

本年度本集團五名最高薪酬人士包括四名(二零一七年:三名)董事,彼等的酬金已於附註45所呈列的分析反映。本年度已付及應付予其餘一名(二零一七年:兩名)個別人士的酬金如下:

35 FINANCE COSTS, NET

35 財務費用，淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Foreign exchange (loss)/gain, net	匯兌(損失)/收益，淨額	(556)	3,998
Interest costs on bank borrowings	銀行借款利息費用	(14,107)	(12,861)
Interest costs on convertible bond (Note 31)	可換股債券利息費用(附註31)	(30,895)	(31,748)
Other finance costs	其他財務費用	(106)	(202)
		(45,664)	(40,813)
Amount capitalised (a)	資本化金額(a)	3,559	2,611
Finance costs	財務費用	(42,105)	(38,202)
Finance income - interest income	財務收入－利息收入	31,855	27,957
Finance costs, net	財務費用，淨額	(10,250)	(10,245)

(a) Interest of RMB3,559,000 has been capitalised in assets under construction for the year ended 31 December 2018 (2017: RMB2,611,000). Interest was capitalised at the weighted average rate of its general borrowings of 3.40% per annum (2017: 2.44% per annum).

(a) 截至二零一八年十二月三十一日止年度，利息人民幣3,559,000元(二零一七年：人民幣2,611,000元)已資本化至在建工程資產。利息按一般借款加權平均年利率3.40%(二零一七年：年利率2.44%)資本化。

36 INCOME TAX EXPENSE

The amount of income tax expense charged to the consolidated statement of profit or loss represents:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Current income tax	當期所得稅	37,962	43,010
Deferred income tax credit (Note 25)	遞延所得稅貸記(附註25)	(3,260)	(2,157)
Income tax expense	所得稅費用	34,702	40,853

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	352,234	408,527
Tax calculated at statutory tax rate of 15%	按法定稅率15%計算的稅項	52,835	61,279
Preferential tax rates on income of certain group entities (a)	若干集團實體的收入所享受的優惠稅率(a)	(25,688)	(28,329)
Income not subject to tax	毋須課稅收入	(1,795)	(2,523)
Tax losses of certain group entities for which no deferred tax assets were recognised	並無確認遞延稅項資產的若干集團實體的稅項虧損	1,498	2,347
Expenses not deductible for tax purposes	不可扣稅費用	5,352	8,079
Withholding tax from distribution of profits by a PRC subsidiary	中國附屬公司分配溢利所產生的預扣稅	2,500	—
Income tax expense	所得稅費用	34,702	40,853

36 所得稅費用

以下為在綜合損益表計入的所得稅費用金額：

本集團的除所得稅前利潤計繳的稅項有別於採用法定稅率計算得出的理論數額，詳請如下：

36 INCOME TAX EXPENSE (CONTINUED)

The weighted average tax rate was 9.9% for the year ended 31 December 2018 (2017: 10.0%).

- (a) The Company was incorporated in the Cayman Islands. Under current laws of the Cayman Islands, there is no income, estate, corporation, capital gains or other taxes payable by the Company. The group entities established under the International Business Companies Acts of the British Virgin Islands are exempted from British Virgin Islands income taxes.

The group entities incorporated in the PRC are subject to PRC enterprise income tax. Major operational entities of the Group are located in Tibet and were entitled to preferential income tax rate. Based on the tax ruling announced by the PRC central tax authorities, the corporate income tax rate of Lhasa is 9% for the years from 2015 to 2021. From 2022 onwards, the corporate income tax rate in Tibet will resume to 15% if no further announcement from the PRC central tax authorities is made. The remaining entities incorporated in the PRC were taxed based on the income tax rate of 25% for the year ended 31 December 2018 (2017: 25%) as determined in accordance with the relevant PRC income tax rules and regulations. The relevant deferred tax balances had been measured based on the expected tax rates applicable in the future. Hong Kong profits tax has been provided for at the rate of 16.5% (2017: 16.5%).

37 EARNINGS PER SHARE

- (a) **Basic earnings per share**

As at 31 December 2018 and 2017, basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company

36 所得稅費用(續)

截至二零一八年十二月三十一日止年度，加權平均稅率為9.9%（二零一七年：10.0%）。

- (a) 本公司於開曼群島註冊成立。根據開曼群島現行法律，本公司概無任何應繳所得稅、遺產稅、公司稅、資本增益稅或其他稅項。根據英屬處女群島的國際商務公司法成立的集團實體獲豁免繳付英屬處女群島的所得稅。

在中國註冊成立的集團實體須繳納中國企業所得稅。本集團位於西藏主要營運實體享受所得稅優惠稅率；根據中國中央稅務機關公佈的稅務規例，拉薩的企業所得稅稅率於二零一五年至二零二一年為9%。自二零二二年起，如中國中央稅務機關並無進一步公佈，則西藏的企業所得稅稅率將恢復至15%。其餘於中國註冊成立的實體於截至二零一八年十二月三十一日止年度根據相關的中國所得稅規則及規例按25%的所得稅率（二零一七年：25%）繳稅。相關遞延稅項結餘已根據預期於日後適用的稅率予以計量。香港利得稅已按16.5%（二零一七年：16.5%）的稅率計提。

37 每股盈利

- (a) **每股基本盈利**

於二零一八年及二零一七年十二月三十一日的每股基本盈利乃經以下各項計算：

- 本公司擁有人應佔利潤，除以

37 EARNINGS PER SHARE (CONTINUED)**(a) Basic earnings per share (continued)**

- by the weighted average number of ordinary shares outstanding during the financial year, excluding the shares held for share award scheme (Note 23).

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年	2017 二零一七年
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔利潤 (人民幣千元)	317,532	315,174
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(以千計)	2,503,421	2,557,839
Earnings per share (basic and diluted) (RMB cents per share)	每股盈利(基本及攤薄) (每股人民幣分)	12.68	12.32

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has potential ordinary shares, from the convertible bond issued on 24 June 2016. During the year 2018, when the convertible bond is assumed to have converted into ordinary shares since 1 January 2018, the calculated diluted earnings per share is more than the basic earnings per share. As such, the convertible bond is determined to be anti-dilutive and not to be included in the calculation of the diluted earnings per share.

38 DIVIDENDS

No dividend has been declared by the Company in respect of 2018 (2017: nil). No dividend was paid during the year.

37 每股盈利(續)**(a) 每股基本盈利(續)**

- 按財政年度內已發行普通股的加權平均數，不包括股份獎勵計劃持有的股份(附註23)。

(b) 每股攤薄盈利

每股攤薄盈利乃經調整已發行普通股加權平均數以假設轉換所有具攤薄效應的潛在普通股而計算。本公司擁有潛在普通股：於二零一六年六月二十四日發行的可換股債券。於二零一八年，假設可換股債券自二零一八年一月一日起轉換為普通股，計算每股攤薄盈利會高於每股基本盈利。因此，可換股債券被釐定具反攤薄作用，計算每股攤薄盈利時並未計入。

38 股息

本公司宣告不派發二零一八年股息(二零一七年：無)。年內概無派付任何股息。

39 CASH GENERATED FROM OPERATIONS

39 經營活動產生的現金

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	352,234	408,527
Adjustments for:	調整：		
Amortisation of land use rights (Note 7)	土地使用權攤銷(附註7)	724	724
Amortisation of intangible assets (Note 9)	無形資產攤銷(附註9)	22,118	22,086
Depreciation of PP&E (Note 8)	物業、廠房及設備折舊(附註8)	56,470	55,077
Deferred income credited to statement of profit or loss (Note 32)	貸記損益表的遞延收入(附註32)	(2,907)	(1,908)
Finance cost, net (Note 35)	財務費用，淨額(附註35)	10,250	10,245
Share of profit of associates (Note 12)	應佔聯營公司利潤(附註12)	(20,436)	(26,089)
Loss from acquisition of a subsidiary	收購一家附屬公司的虧損	282	—
Gain on disposal of FVPL (2017: AFS) (Note 19 & 32)	處置以公允價值計量且其變動計入損益的金融資產的收益 (二零一七年：可供出售金融資產) (附註19 & 32)	(17,591)	(19,604)
Fair value gains of FVPL (Note 19 & 32)	以公允價值計量且其變動計入損益的金融資產的公允價值收益 (附註19 & 32)	(9,179)	—
Impairment of trade receivables	應收貿易款減值	1,795	—
Impairment of inventories	存貨減值	230	—
Operating profit before working capital changes	營運資金變動前的經營溢利	393,990	449,058
Increase in inventories	存貨增加	(23,777)	(8,097)
Increase in trade receivables	應收貿易款增加	(56,541)	(41,213)
(Increase)/Decrease in prepayments, other receivables	預付款項及其他應收款(增加)/減少	(35,365)	61,035
(Decrease)/Increase in trade and notes payable	應付貿易款及應付票據(減少)/增加	(5,519)	14,786
(Decrease)/Increase in accruals and other payables	預提費用及其他應付款(減少)/增加	(21,398)	30,404
(Decrease)/Increase in deferred revenue and advances received from customers	遞延收入及預收客戶款(減少)/增加	(4,025)	12,788
Cash generated from operations	經營活動產生的現金	247,365	518,761

39 CASH GENERATED FROM OPERATIONS (CONTINUED)

Significant non-cash transaction

During the year ended 31 December 2018, amounts due from a related party of RMB214,644,000 were offset against amounts due to a third party for the same amount based on the settlement agreements among the Group, the third party and the related party.

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Net debt		2018	2017
債務淨額		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash and cash equivalents	現金及現金等價物	277,152	830,773
Borrowings – repayable within one year (Note 30)	借款 – 須於一年內償還(附註30)	(461,000)	(431,000)
Borrowings – repayable after one year (Note 30)	借款 – 須於一年後償還(附註30)	(240,000)	—
Convertible bond - liability component (Note 31)	可換股債券 – 負債部分(附註31)	(457,673)	(432,340)
Net debt	債務淨額	(881,521)	(32,567)
Cash and liquid investments	現金及流動性投資	277,152	830,773
Gross debt – fixed interest rates (Note 3.1 (a)(ii))	債務總額 – 固定利率 (附註3.1 (a)(ii))	(753,673)	(568,340)
Gross debt – variable interest rates	債務總額 – 浮動利率	(405,000)	(295,000)
Net debt	債務淨額	(881,521)	(32,567)

39 經營活動產生的現金(續)

重大非現金交易

截至二零一八年十二月三十一日止年度，應收關聯方款項人民幣214,644,000元已就基於本集團、第三方及關聯方的結算協議的相同款項與應付第三方款項相抵。

本節載列債務淨額的分析及各呈列期間債務淨額的變動。

39 CASH GENERATED FROM OPERATIONS (CONTINUED)

39 經營活動產生的現金(續)

		Other assets 其他資產	Liabilities from financing activities 融資活動產生的負債			Total 總計
		Cash and cash equivalents 現金及 現金等價物	Borrowings due within 1 year 於1年內 到期的借款	Borrowings due after 1 year 於1年後 到期的借款	Convertible bond 可換股債券	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Net debt as at	於二零一六年十二月					
31 December 2016	三十一日的債務淨額	1,042,398	(456,000)	(190,000)	(458,066)	(61,668)
Cash flows	現金流量	(192,806)	227,861	—	26,835	61,890
Foreign exchange adjustments	匯兌調整	(18,819)	—	—	30,639	11,820
Other non-cash movements	其他非現金流動	—	(202,861)	190,000	(31,748)	(44,609)
Net debt as at	於二零一七年十二月					
31 December 2017	三十一日的債務淨額	830,773	(431,000)	—	(432,340)	(32,567)
Net debt as at	於二零一七年十二月					
31 December 2017	三十一日的債務淨額	830,773	(431,000)	—	(432,340)	(32,567)
Cash flows	現金流量	(555,822)	(15,892)	(240,000)	26,882	(784,832)
Foreign exchange adjustments	匯兌調整	2,201	—	—	(21,320)	(19,119)
Other non-cash movements	其他非現金流動	—	(14,108)	—	(30,895)	(45,003)
Net debt as at	於二零一八年十二月					
31 December 2018	三十一日的債務淨額	277,152	(461,000)	(240,000)	(457,673)	(881,521)

40 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

As at 31 December 2018 and 2017, capital expenditures contracted for but not yet incurred were as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	73,109	116,904
Equity investment	權益投資	197,600	13,000
		270,709	129,904

(b) Operating lease commitments

The Group leases offices and plant under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases were as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 1 year	1年以內	578	1,079
More than 1 year but within 5 years	1至5年	—	528
		578	1,607

(c) Contingent liabilities

The Group had no contingent liabilities as at 31 December 2018 and 2017.

40 承諾和或然負債

(a) 資本性承諾

於二零一八年及二零一七年十二月三十一日，已定約但尚未產生之資本開支如下：

(b) 經營租賃承諾

本集團根據不可取消的經營租約租用辦公室及廠房。以下是不可取消經營租賃項下的未來最低租金總額：

(c) 或然負債

本集團於二零一八年及二零一七年十二月三十一日並無或然負債。

41 RELATED-PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

(a) Transactions with related parties

		Year ended 31 December	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue from	來自下列各項的收入		
– Leasing of a production line to an associate (i)	– 租賃生產線予一間聯營公司(i)	2,063	2,051
– Selling of bottle preforms and caps to an associate (i)	– 銷售瓶坯和瓶蓋予一間聯營公司(i)	102,453	100,648
– Selling of mineral water products to an associate	– 銷售礦泉水產品予一間聯營公司	—	884
Purchase of	採購		
– Goods from an associate (i)	– 向一間聯營公司採購貨物(i)	—	331
Cash advance to an associate (i)	給予一間聯營公司的現金墊款(i)	170,000	30,000
Loan to an associate (ii)	給予一家聯營公司的貸款(ii)	22,000	—

(i) These were the transactions between the Group and Highland Natural Water, an associate of the Group. The transactions were based on agreed terms between both parties.

(ii) This was the transaction between the Group and Fudi Packaging, an associate of the Group. The transaction was based on agreed terms between both parties.

41 關聯方交易

關聯方是指能夠控制另一方或對其財務及經營決策施加重大影響的人士。共同控制實體亦被視為關聯方。

(a) 與關聯方的交易

Year ended 31 December	
2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元

Revenue from	來自下列各項的收入		
– Leasing of a production line to an associate (i)	– 租賃生產線予一間聯營公司(i)	2,063	2,051
– Selling of bottle preforms and caps to an associate (i)	– 銷售瓶坯和瓶蓋予一間聯營公司(i)	102,453	100,648
– Selling of mineral water products to an associate	– 銷售礦泉水產品予一間聯營公司	—	884
Purchase of	採購		
– Goods from an associate (i)	– 向一間聯營公司採購貨物(i)	—	331
Cash advance to an associate (i)	給予一間聯營公司的現金墊款(i)	170,000	30,000
Loan to an associate (ii)	給予一家聯營公司的貸款(ii)	22,000	—

(i) 這些為本集團與高原天然水(本集團的聯營公司)之間的交易。該等交易乃基於訂約雙方協定的條款進行。

(ii) 這為本集團與福地包裝(本集團的聯營公司)之間的交易。該交易乃基於訂約雙方協定的條款進行。

41 RELATED-PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties:

The balances with related parties are as follows:

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade receivables due from associates (Note 13)	應收聯營公司的應收貿易款 (附註 13)	—	6,367

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other receivables	其他應收款		
– An associate - Highland Natural Water (Note 17)	– 聯營公司 – 高原天然水(附註 17)	—	30,000
– An associate - Fudi Packaging (Note 17)	– 聯營公司 – 福地包裝(附註 17)	22,877	—
		22,877	30,000

41 關聯方交易(續)

(b) 與關聯方的結餘：

與關聯方的結餘如下：

41 RELATED-PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties: (continued)

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Contract liabilities	合同負債		
– An associate - Tibet 5100 Cosmetic Co., Ltd. (i)	– 聯營公司 – 西藏 5100 化妝品 有限公司 (i)	371	371
– An associate - Highland Natural Water	– 聯營公司 – 高原天然水	63	—
		434	371

(i) Tibet 5100 Cosmetic Co., Ltd. (“5100 Cosmetic”) is an entity controlled by a major individual shareholder.

(i) 西藏 5100 化妝品有限公司 (「5100 化妝品」) 為由一名主要個人股東控制的實體。

(c) Key management compensation

The compensation paid/payable to key management is shown below:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	11,949	11,118

41 關聯方交易 (續)

(b) 與關聯方的結餘：(續)

(c) 主要管理人員報酬

已付／應付主要管理人員的報酬呈列如下：

42 SHARE-BASED PAYMENT

On 16 December 2015, the Company granted 25,200,000 of share options to China Distribution, a customer of the Group. Under the agreement, China Distribution has the right to purchase up to 25,200,000 ordinary shares of the Company at the price of HKD3.00 per share within 10 years from 1 January 2016 if certain performance conditions are met by China Distribution during the vesting period from 1 January 2016 to 31 December 2018.

The vesting of the share options is conditional, subject to the achievement of the prescribed sale and performance targets by China Distribution within three years commencing from 1 January 2016.

The Group has no legal or constructive obligation to repurchase or settle the options in cash. As at 31 December 2018, none of the share options was exercisable.

The Company determined that the above share option scheme was a sales incentive to its customer – China Distribution. As at 31 December 2018, China Distribution did not meet the vesting conditions. Accordingly, no debit of revenue was recorded for the year ended 31 December 2018 (2017: nil) relating to the sales incentive under the above share option scheme.

43 EVENTS AFTER THE BALANCE SHEET DATE

On 18 February 2019, Tibet Glacier Mineral Water, a subsidiary of the Group, entered into a share purchase agreement with Tibet Everest to purchase 70% equity shares of Tibet Yuanzheng at the price of RMB117,600,000. After the transaction, Tibet Yuanzheng became a subsidiary of the Group. Tibet Yuanzheng is in the business of manufacturing and distribution of packing materials, such as cartons and paper boxes. It is a major supplier for the Group.

42 股份基礎給付

於二零一五年十二月十六日，本公司向中進企業(本集團客戶)授出25,200,000份購股權。根據協議，倘自二零一六年一月一日起至二零一八年十二月三十一日止的歸屬期間內中進企業達到了若干表現條件，則自二零一六年一月一日開始的十年內，中進企業有權以每股3.00港元的價格認購本公司最多25,200,000股普通股。

購股權的歸屬受中進企業於自二零一六年一月一日開始的三年內達到指定銷售及績效目標等條件的規限。

本集團並無法律或推定義務，以現金回購或結算該購股權。於二零一八年十二月三十一日，概無購股權獲行使。

本公司將上述購股權計劃釐定為對其客戶—中進企業的銷售激勵。於二零一八年十二月三十一日，中進企業並無滿足歸屬條件。因此，於截至二零一八年十二月三十一日止年度並無錄入與上述購股權計劃項下的銷售激勵有關的收入抵減(二零一七年：無)。

43 資產負債表日期後事項

於二零一九年二月十八日，本集團附屬公司西藏冰川礦泉水與西藏珠峰訂立股份購買協議，購買西藏遠征70%股權，價格為人民幣117,600,000元。交易完成後，西藏遠征成為本集團的附屬公司。西藏遠征從事紙箱等包裝材料的製造和分銷業務。它是本集團的主要供應商。

44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

44 本公司資產負債表及儲備變動

		As at 31 December 於十二月三十一日	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Balance sheet of the Company 本公司資產負債表		Note 附註	
Assets	資產		
Non-current assets	非流動資產		
Loans to subsidiaries	貸款予附屬公司	1,503,478	1,402,160
		1,503,478	1,402,160
Current assets	流動資產		
Cash and cash equivalents	現金及現金等價物	1,310	55,375
Prepayment	預付款項	444	395
Other receivables	其他應收款	—	38,389
		1,754	94,159
Total assets	總資產	1,505,232	1,496,319
Equity and liabilities	權益及負債		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	21,363	21,363
Share premium	股份溢價	1,206,829	1,206,829
Shares held for share award scheme	為股份獎勵計劃持有的股份	(173,037)	(158,868)
Other reserves	其他儲備	72,244	31,948
Accumulated deficits	累計虧絀	(85,489)	(42,690)
Total equity	權益總額	1,041,910	1,058,582
Liabilities	負債		
Non-current liabilities	非流動負債		
Convertible bond-liability component	可換股債券－負債部分	—	432,340
		—	432,340
Current liabilities	流動負債		
Other payables	其他應付款	5,649	5,397
Convertible bond-liability component	可換股債券－負債部分	457,673	—
		463,322	5,397
Total liabilities	負債總額	463,322	437,737
Total equity and liabilities	權益及負債總額	1,505,232	1,496,319

The balance sheet of the Company was approved by the Board of Directors on 22 March 2019 and was signed on its behalf.

董事會已於二零一九年三月二十二日批准本公司資產負債表並代其簽字。

WANG Dong 王東
Director 董事

LIU Chen 劉晨
Director 董事

44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY
(CONTINUED)

44 本公司資產負債表及儲備變動(續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

		Accumulated deficits 累計虧絀 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	(5,268)	110,693
Loss for the year	年度虧損	(37,422)	—
Currency translation differences	外幣折算差額	—	(78,745)
Total comprehensive (loss)/income	全面(虧損)/收益總額	(42,690)	31,948
At 31 December 2017	於二零一七年十二月三十一日	(42,690)	31,948
At 1 January 2018	於二零一八年一月一日	(42,690)	31,948
Loss for the year	年度虧損	(42,799)	—
Currency translation differences	外幣折算差額	—	40,296
Total comprehensive (loss)/income	全面(虧損)/收益總額	(85,489)	72,244
At 31 December 2018	於二零一八年十二月三十一日	(85,489)	72,244

45 BENEFITS AND INTERESTS OF DIRECTORS

(A) Directors' and chief executive's emoluments

The remuneration of each director and the chief executive for the year ended 31 December 2018 is set out below:

Name	姓名	Employer's contribution to benefit				Total
		Salary	Discretionary bonuses	Employer's scheme	Allowance and benefits	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Mr. Wang Dong	王東先生	1,265	—	—	6	1,271
Mr. Jesper Bjoern Madsen	麥奕鵬先生	1,570	—	—	219	1,789
Mr. Yue Zhiqiang	岳志強先生	1,265	—	—	—	1,265
Mr. Liu Chen	劉晨先生	1,063	85	15	—	1,163
Mr. Wong Hak Kun	王克勤先生	1,265	—	15	—	1,280
Ms. Han Linyou	韓林攸女士	1,063	85	15	—	1,163
Ms. Jiang Xiaohong	姜曉虹女士	840	—	—	—	840
Mr. Wei Cheng, Kevin	蔚成先生	470	—	—	—	470
Mr. Lee Kong Wai, Conway	李港衛先生	470	—	—	—	470
		9,271	170	45	225	9,711

45 董事福利及權益

(A) 董事及主要行政人員酬金

各董事及主要行政人員截至二零一八年十二月三十一日止年度的薪酬載列如下：

45 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(A) Directors' and chief executive's emoluments (continued)

The remuneration of each director and the chief executive for the year ended 31 December 2017 is set out below:

Name	姓名	Employer's contribution to benefit				Total
		Salary	Discretionary bonuses	Employer's contribution to benefit scheme	Allowance and benefits	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Mr. Wang Dong (i)	王東先生(i)	759	—	—	—	759
Mr. Fu Lin (ii)	付琳先生(ii)	712	—	—	—	712
Mr. Yue Zhiqiang	岳志強先生	1,127	—	—	—	1,127
Ms. Jiang Xiaohong	姜曉虹女士	433	—	—	—	433
Mr. Liu Chen	劉晨先生	1,040	83	16	—	1,139
Mr. Jesper Bjoern Madsen	麥奕鵬先生	1,430	—	—	221	1,651
Mr. Lee Kong Wai, Conway	李港衛先生	416	—	—	—	416
Mr. Wei Cheng, Kevin	蔚成先生	416	—	—	—	416
Mr. Wong Hak Kun	王克勤先生	1,300	—	16	—	1,316
Ms. Han Linyou (iii)	韓林攸女士(iii)	607	49	9	—	665
		8,240	132	41	221	8,634

(i) Appointed as the director on 29 May 2017 and the chief executive officer of the Company on 18 August 2017.

(ii) Resigned on 18 August 2017.

(iii) Appointed on 29 May 2017.

There was no remuneration, inducement fee, or compensation for loss of office to Directors during the year ended 31 December 2018 and 2017.

45 董事福利及權益(續)

(A) 董事及主要行政人員酬金(續)

各董事及主要行政人員截至二零一七年十二月三十一日止年度的薪酬載列如下：

(i) 於二零一七年五月二十九日獲委任為董事及二零一七年八月十八日獲委任為本公司行政總裁。

(ii) 於二零一七年八月十八日辭任。

(iii) 於二零一七年五月二十九日獲委任。

截至二零一八年及二零一七年十二月三十一日止年度，概無向董事支付任何袍金、獎勵費或離職補償金。

45 BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(B) Directors' retirement benefits

During the year ended 31 December 2018, no retirement benefits operated by the Group were paid or made, directly or indirectly, to or receivable by a director in respect of his services as a director or other services in connection with the management of the affairs of the Company or its subsidiaries (2017: nil).

(C) Directors' termination benefits

During the year ended 31 December 2018, no payments or benefits in respect of termination of director's services were paid or made, directly or indirectly, to or receivable by a director; nor are any payable (2017: nil).

(D) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2018, no consideration was provided to or receivable by third parties for making available director's services (2017: nil).

(E) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities (2017: nil).

(F) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: nil).

45 董事福利及權益(續)

(B) 董事退休福利

截至二零一八年十二月三十一日止年度，概無直接或間接向董事派付或作出由本集團運營的退休福利，亦無就董事職務或有關本公司或其附屬公司之事務管理的其他服務向董事應付的退休福利(二零一七年：無)。

(C) 董事終止福利

截至二零一八年十二月三十一日止年度，概無就董事服務終止直接或間接向董事派付或作出任何款項或福利，董事亦無應收款項或福利及任何應付款(二零一七年：無)。

(D) 因董事服務向第三方提供的代價

截至二零一八年十二月三十一日止年度，並無因董事服務向第三方提供代價，第三方亦無應收代價(二零一七年：無)。

(E) 有關以董事、董事之受控制法團及關連實體為受益人的貸款、準貸款及其他交易的資料

概無以董事、董事之受控制法團及關連實體為受益人的貸款、準貸款或其他交易(二零一七年：無)。

(F) 董事於交易、安排或合約的重大權益

於年末或於年內任何時間，概無存續本公司作為訂約方且本公司董事於當中擁有重大權益(不論直接或間接)的與集團業務有關的重大交易、安排及合約(二零一七年：無)。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

		For the year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年
Profitability data	盈利數據					
(RMB million)	(人民幣百萬元)					
Revenue	收入	881	932	868	832	773
Gross profit	毛利	480	551	520	502	484
Operating profit	經營利潤	342	393	393	363	460
Profit for the year	年度利潤	318	368	359	323	385
Profitability data (%)	盈利數據 (%)					
Gross profit margin	毛利率	55%	59%	60%	60%	63%
Operating profit margin	經營利潤率	39%	42%	45%	44%	60%
Net profit margin	淨利潤率	36%	39%	41%	39%	50%
Return on total shareholders' equity	股東權益總額回報率	9%	12%	10%	10%	13%
Assets and liabilities data	資產與負債數據					
(RMB million)	(人民幣百萬元)					
Non-current assets	非流動資產	3,278	2,907	2,880	2,635	2,215
Current assets	流動資產	1,635	1,642	1,938	1,025	1,221
Current liabilities	流動負債	1,177	901	631	403	327
Non-current liabilities	非流動負債	276	473	693	60	158
Equity attributable to owners of the Company	本公司擁有人 應佔權益	3,459	3,174	3,123	2,878	2,678
Assets and Working Capital data	資產和流動資金數據					
Current assets ratios	流動資產比率	33%	36%	40%	28%	36%
Gearing ratios	資本負債比率	25%	21%	24%	6%	6%

Note:

The summary above does not form part of the audited consolidated financial statements.

附註：

上述概要並不構成經審核綜合財務報表的一部分。

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