



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 2020 年 報



商界展關懷
caringcompany^{2020/21}
Awarded by The Hong Kong Council of Social Service
香港社會服務聯會頒發

市場上的

PREMIUM GLACIER MINERAL WATER

IN THE MARKET

高端
冰川礦泉水



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

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

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

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



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

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

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

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



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

5100®

UNIQUENESS •
PURITY
獨特 • 純淨



PREMIUM GLACIAL MINERAL WATER
高端冰川礦泉水

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



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

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

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

“ZHUOMA SPRING”
NATURAL DRINKING WATER
「卓瑪泉」天然飲用水



TIBET SHANNAN YALAXIANGBU
INDUSTRIAL LIMITED
西藏山南雅拉香布實業有限公司

“GESANG SPRING”
NATURAL DRINKING WATER
「格桑泉」天然飲用水



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

EXECUTIVE DIRECTORS

- Mr. YUE Zhiqiang
Mr. YAN Qingjiang (appointed on 27 May 2020)
- Mr. LIU Chen (resigned on 27 May 2020)
- Mr. WANG Dong (*Chief Executive Officer*)
(retired as Director on 30 June 2020)

NON-EXECUTIVE DIRECTORS

- Ms. JIANG Xiaohong
Mr. Kevin Cheng WEI (*Chairman*)
(appointed as Chairman on 27 May 2020 and re-designated as non-executive Director from independent non-executive Director on 9 October 2020)
- Mr. WEI Zhe Ming
(retired on 30 June 2020)
- Mr. XU Liang
(retired on 30 June 2020)
- Ms. GUO Kun Kun
(retired on 30 June 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS

- Mr. HUNG Ka Hai Clement
Mr. TANG Zeping
(appointed on 2 March 2020)
- Mr. DAI Yang
(appointed on 27 May 2020)
- Mr. LEE Conway Kong Wai
(resigned on 29 February 2020)
- Mr. Jesper Bjoern MADSEN (*ex-Chairman*)
(resigned on 27 May 2020)

CHIEF EXECUTIVE OFFICER

Mr. WANG Dong

COMPANY SECRETARY

Mr. CHOW Wai Kit

AUTHORISED REPRESENTATIVES

Mr. CHOW Wai Kit
Mr. YAN Qingjiang

INDEPENDENT EXTERNAL AUDITOR

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

本公司董事(「董事」)會(「董事會」)

執行董事

- 岳志強先生
閻清江先生
(於二零二零年五月二十七日獲委任)
- 劉晨先生
(於二零二零年五月二十七日辭任)
- 王東先生(*行政總裁*)
(於二零二零年六月三十日退任董事)

非執行董事

- 姜曉虹女士
蔚成先生(*主席*)
(於二零二零年五月二十七日獲委任為主席並於二零二零年十月九日由獨立非執行董事調任為非執行董事)
- 魏哲明先生(於二零二零年六月三十日退任)
- 徐亮先生(於二零二零年六月三十日退任)
- 郭昆琨女士(於二零二零年六月三十日退任)

獨立非執行董事

- 洪嘉禧先生
唐澤平先生
(於二零二零年三月二日獲委任)
- 戴揚先生
(於二零二零年五月二十七日獲委任)
- 李港衛先生
(於二零二零年二月二十九日辭任)
- 麥奕鵬先生(*前任主席*)
(於二零二零年五月二十七日辭任)

行政總裁

王東先生

公司秘書

周偉傑先生

授權代表

周偉傑先生
閻清江先生

獨立外聘核數師

國衛會計師事務所
執業會計師

LEGAL ADVISOR

Sit, Fung, Kwong & Shum Solicitors

INVESTOR RELATIONS CONSULTANT

Kredito PR Consultancy Limited
Unit 3007, 30/F., LAWS Commercial Plaza
788 Cheung Sha Wan Road, Kowloon, Hong Kong
Phone: +852 2248 1188
Fax: +852 2248 1199

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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2 Heung Yip Road, Wong Chuk Hang
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR

Union Registrars Limited
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Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong
Phone: +852 2849 3399
Fax: +852 2849 3319

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
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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

法律顧問

薛馮鄭岑律師行

投資者關係顧問

潛豐公關顧問有限公司
香港九龍長沙灣道788號
羅氏商業廣場30樓3007室
電話: +852 2248 1188
傳真: +852 2248 1199

註冊辦事處

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

總部及香港主要營業地點

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

香港股份登記分處

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

主要股份登記及過戶處

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

公司資料查閱網址*

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

聯交所主板股份代號

1115

* 網站內容不構成本年報的一部分

LETTER TO SHAREHOLDERS

致股東函件





BUSINESS REVIEW

During the year ended 31 December 2020 (the “Reporting Period”), operating revenue of the Group was RMB493 million, representing a decrease of approximately 31.7% compared with RMB721 million of the same period last year. The profit attributable to shareholders of the Company was RMB16.97 million (2019: loss attributable to shareholders was RMB745 million).

The global economy remained affected by the COVID-19 coronavirus pandemic in 2020. Economies across the world continued to decline and many companies have gone out of business due to the pandemic. Our water business continued to suffer from the significant adverse impact of lockdowns imposed in response to serious outbreaks. In addition, major sales channels for our packaged drinking water products in Mainland China and Hong Kong SAR, including cinemas, hotels, airlines and major corporate customers, were adversely affected by the pandemic and lockdowns, and sales have slumped accordingly. During second half of 2020, the Group benefitted from a strict controls of the prevention and spread of pandemic in China as production and sales gradually resumed.

It is hoped that economic activity will gradually recover to pre-epidemic levels. Despite the harsh economic environment, the Group continued to explore marketing models and channels, and launching new lines of quality beer products offered in various flavours and packaging to satisfy the ever-changing tastes of consumers. While the economic environment ahead remains challenging, the Group’s beer business has maintained a stable market share and the business should continue to develop at a steady pace, further building its brand and expanding its market presence in the foreseeable future.

業績回顧

於截至二零二零年十二月三十一日止年度（「報告期間」），本集團的營業收入人民幣4.93億元，較去年同期人民幣7.21億元，下跌約31.7%。本公司股東應佔利潤人民幣1,697萬元（二零一九年：股東應佔損失人民幣7.45億元）。

二零二零年，全球經濟仍受著COVID-19新型冠狀病毒疫情影響，各地經濟持續向下，不少企業因疫情亦陸續倒閉。本集團的水業務，仍因疫情嚴重而採取的封城措施而受到了較大的負面影響。加上，我們的包裝飲用水產品已經在中國內地和香港特區銷售，但電影院線、酒店、航空公司和大型企業客戶等在內的重要銷售管道均受到了疫情封城的不利影響，因此銷量大受打擊。二零二零年下半年，中國境內已對疫情進行嚴格控制，本集團因此逐漸恢復生產和銷售，有望經濟活動陸續回復疫前水平。在此嚴峻的經濟環境下，仍不斷尋求營銷方法及渠道，推出不同口味和包裝的新型優質啤酒產品，以滿足消費者不斷變化的口味。儘管未來經濟環境仍充滿挑戰，本集團的啤酒業務在市場保持穩定份額，有望保持業務穩步發展，在可見的未來繼續品牌建設，擴大市場影響力。

PROSPECT

The Group has a major share in Tibet's water industry. Besides developing 5100 Glacial Water, China's leading domestic premium water brand, the Group has focused on development of Tibet's beer industry. In 2021, the Group acquired 31% equity interests in Tibet Shannan Yalaxiangbu Industrial Ltd. (西藏山南雅拉香布實業有限公司) ("Shannan Yalaxiangbu") and will own an aggregate of 40% equity interests, becoming its second largest shareholder. Earlier in 2019, the Group had commenced this strategic cooperation with PetroChina. Through the acquisition, the Group will obtain a significant share in Tibet's water resources, becoming a major leader in Tibet's natural drinking water industry and further establishing the Group's strategic position. In addition, the "Gesang Spring" line of natural drinking water produced by Shannan Yalaxiangbu is sold in over 20,000 "uSmile" convenience stores in PetroChina's gas stations. The Group believes that this sales channel has massive growth potential and expects significant sales growth in the years ahead.

前景展望

本集團已在西藏的水產業中參與了重要份額，除了發展5100冰川水這一中國領先本土高端水品牌，集團重點發展西藏啤酒產業。於二零二一年，向西藏山南雅拉香布實業有限公司(「山南雅拉香布」)購入31%的股權，合共擁有40%的股權，成為第二大股東。本集團與中石油早於二零一九年已開始戰略合作項目，該收購項目將獲得西藏的水資源之重要份額，成為西藏地區天然飲用水產業的重要領導者，令本集團的戰略定位更進一步。再，山南雅拉香布生產的「格桑泉」天然飲用水在超過20,000家中石油加油站的「崑崙好客」便利店進行銷售，相信此銷售渠道有巨大的增長潛力，並預計在未來年內有很大的銷量增長。

The Group also leveraged its logistic network advantage and new retail sales model to build a new customer service network with better coverage, fully utilising and integrating the Group's service system based on the sales channel of the gas stations of Sinopec and PetroChina, combined with the Group's online sales and logistics cooperation with JD.com and T-Mall, which should provide new momentum for revenue growth for the Group and drive rapid development in Tibet's natural drinking water industry. In future, we will also explore more diverse models of strategic cooperation by exploiting the sales channel resource of the gas stations of Sinopec and PetroChina, which have over 50,000 gas stations combined across China.

Even under the pandemic impact in 2020, the Group's beer business still has achieved robust results with high margins. We remain very confident that our beer segment will have significant potential in Tibet and other regions in China in 2021 and beyond. In particular, the Group plans to develop new, high quality sales channels in 2021, expanding through e-commerce and gas station channels. Establishing a presence through these channels enables the Group to reach more end consumers, which will facilitate brand development and business growth of the beer business.

CORPORATE SOCIAL RESPONSIBILITY

We have always complied with stringent quality control systems. The Group emphasizes protection of water resources and the environment and promotes a lifestyle based on "conservation, environmental protection, nature, health". We have established the "5100 Tibet Education Development Specialty Grant" in support of the development of Tibet's local education. In order to bring quality education resources to Tibet, the 5100 Grant collaborated with StarPower Charity Foundation to organise the "StarPower Tibet Champion's Camp". StarPower invited champion athletes to lead a one-week camp in Tibet, inspiring young athletes in Tibet to train to be world champions. The Group was also honoured with the "2019 National Charity Contribution Award" jointly organised by the China Advertising Association, the Economic Observer and Modern Advertising magazine. With strong associations to Tibet, the Group actively supports local Tibetan pastoral farmers in building wealth. We have always supported and will continue to support "Industries Fighting Poverty" through providing sustainable aid to Tibet in an effort to improve the livelihoods of the people of Tibet and further develop regional economy and culture.

此外，本集團更利用物流網路優勢和新的零售銷售模式，建設和佈局新的客戶服務網路，即通過充分利用和整合本集團在中石化和中石油的加油站渠道的服務體系，結合本集團與京東和天貓的線上銷售及物流合作，有望為本集團帶來新的盈利增長動力，帶動西藏天然飲用水產業高速發展。我們未來也將與中石化和中石油在遍佈中國境內合計超過50,000家加油站的渠道資源上開展更多樣化的戰略合作。

即使在疫情影響下，在二零二零年本集團的啤酒業務繼續實現高利潤的強勁業績，我們依然非常有信心我們的啤酒業務將在二零二一年及後在西藏以及中國其他地區具有巨大的潛力，尤其本集團計劃通過電商以及加油站渠道在二零二一年拓展新的優質銷售渠道。通過滲透這些渠道，觸達更多終端消費者，將有利於啤酒業務的品牌發展和業務增長。

企業社會責任

我們一直遵循嚴格的質量控制體系，重視水資源和環境的保護，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。5100基金為了更好的把內地教育資源引入西藏，與北京星能公益基金會共同發起了「星能冠軍助學項目西藏行」活動，進行為期一個星期的冠軍助學西藏行，為更多西藏地區的青少年運動員踏上成為世界冠軍之路。此外，本集團榮獲由中國廣告協會、經濟觀察報社與現代廣告雜誌聯合主辦的「2019大國公益貢獻獎」。集團以西藏特色優勢，積極扶持當地藏族牧民發家致富，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。

CONCLUSION

The Group faced both internal and external challenges in 2020 as the COVID-19 coronavirus pandemic continued to affect global economic activities and adversely impacted the Group's business while deepening market concerns about the uncertainty in future economic development. However, there is hope that the launch of vaccines will spark a recovery in global economic activities. As the Group tackled internal and external challenges, it continued to monitor trends and conditions closely. Based on advantageous resources of the Tibet water industry and a diverse product range, we continued to explore opportunities to develop various sales models and marketing channels. The Group remains fully confident that it will be back on track for robust growth in terms of long-term development.

We would like to express our 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.

Kevin Cheng WEI
Chairman and Non-Executive Director

31 March 2021

總結

於二零二零年，本集團同時面對內外部挑戰，COVID-19 新型冠狀病毒疫情仍影響全球經濟活動，對本集團的業務產生負面影響，加深了市場對未來經濟發展不確定性的疑慮。但有望疫苗能令全球經濟活動復蘇，本集團面臨內外的挑戰仍審時度勢，憑藉我們在西藏水產業中的優勢資源和多元化產品，不斷尋找機會開發不同的銷售模式及營銷渠道。從長遠發展而言，本集團仍然對重新回到健康增長軌道充滿信心。

我們對董事會、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。

蔚成
主席兼非執行董事

二零二一年三月三十一日

Year ended 31 December 截至十二月三十一日止年度

		2020 二零二零年	2019 二零一九年	Change 變動
Revenue (RMB million)	收入(人民幣百萬元)	493	721	↓ 31.7%
Operating profit (RMB million)	經營利潤(人民幣百萬元)	81	133	↓ 39.0%
Adjusted EBITDA*(RMB million)	調整後息稅折舊及攤銷前利潤* (人民幣百萬元)	162	228	↓ 29.2%
Impairment losses on investment accounted for using the equity method (RMB million)	使用權益法入賬的投資減值損失 (人民幣百萬元)	—	(873)	↓ 100%
Profit/(loss) attributable to owners of the Company (RMB million)	本公司擁有人應佔利潤/(虧損) (人民幣百萬元)	17	(745)	N/A 不適用
Earnings/(loss) per share – Basic and diluted (RMB cents)	每股盈利/(虧損) – 基本及攤薄(人民幣分)	0.68	(29.77)	N/A 不適用
Gross profit margin	毛利率	43.6%	56.0%	↓ 12.4% point 百分點

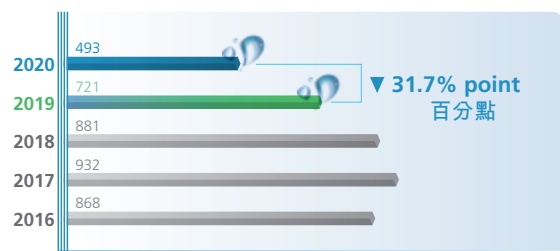
As at 31 December 於十二月三十一日

		2020 二零二零年 (RMB million) (人民幣百萬元)	2019 二零一九年 (RMB million) (人民幣百萬元)	Change 變動
Total assets	資產總額	4,152	4,262	↓ 2.6%
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,722	2,702	↑ 0.7%

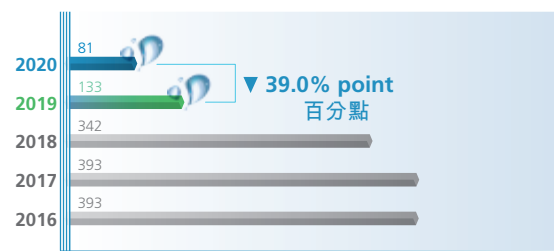
* Adjusted EBITDA is not accounting measures under International Financial Reporting Standards (“IFRSs”) which should be read in conjunction with Note 6(b).

* 調整後息稅折舊及攤銷前利潤並非國際財務報告準則(「國際財務報告準則」)項下的會計處理辦法，請與附註6(b)一起閱讀。

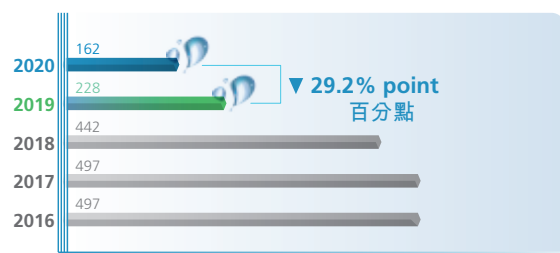
Revenue (RMB million)
收入(人民幣百萬元)



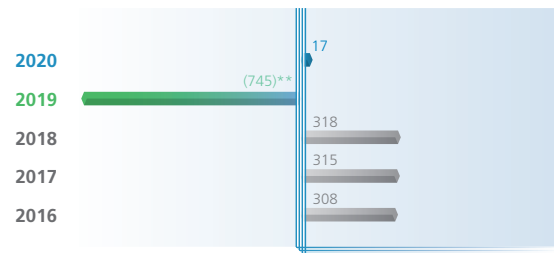
Operating profit (RMB million)
經營利潤(人民幣百萬元)



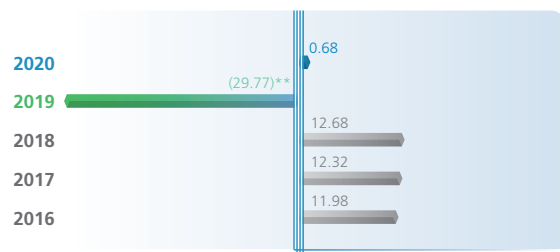
Adjusted EBITDA* (RMB million)
調整後息稅折舊及攤銷前利潤*(人民幣百萬元)



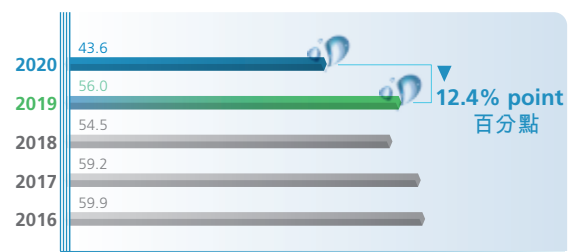
Profit attributable to owners of the company (RMB million)
本公司擁有人應佔利潤(人民幣百萬元)



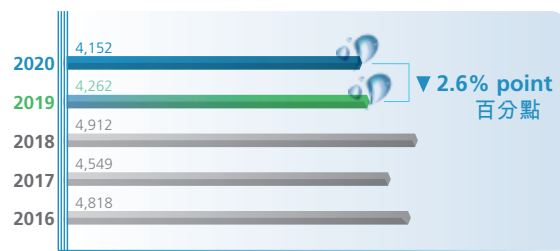
Earnings/(loss) per share - Basic and diluted (RMB cents)
每股盈利/(虧損) - 基本及攤薄(人民幣分)



Gross profit margin (%)
毛利率(%)



Total assets (RMB million)
資產總額(人民幣百萬元)



Equity attributable to owners of the Company (RMB million)
本公司擁有人應佔權益(人民幣百萬元)



* Adjusted EBITDA is not accounting measures under International Financial Reporting Standards ("IFRSs") which should be read in conjunction with Note 6(b).

** Loss attributable to owners of the Company and loss per share in 2019 including one-off impairment losses on investment accounted for using the equity method of RMB873 million.

* 調整後息稅折舊及攤銷前利潤並非國際財務報告準則(「國際財務報告準則」)項下的會計處理辦法，請與附註6(b)一起閱讀。

** 二零一九年的本公司擁有人應佔虧損及年每股虧損包括了一次性的使用權益法入賬的投資減值損失為人民幣8.73億元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析







BUSINESS REVIEW

In 2020, we continued our endeavors in the development of the water industry in Tibet and supplying premium products and high-quality services to our customers.

In 2020, the overall economic environment in PRC has been severely adversely affected by the COVID-19 (Coronavirus) pandemic. As a result, the Group's business, especially the water business, has suffered some significant negative impact from the pandemic related lockdown in PRC. Even with such unusual challenges, in the second half of 2020, the Group quickly resumed production and sales, leveraging the Group's existing advantages in resource, channels, and logistics network to pursue a long-term expansion.

業務回顧

在二零二零年，我們持續致力於西藏水產業的發展，為客戶提供優質產品和高品質服務。

二零二零年，中國整體經濟環境受COVID-19(冠狀病毒)疫情嚴重不利影響。因此，本集團的業務，尤其是水業務，因中國為應對疫情而採取的封城措施而受到了較大的負面衝擊。即便面對如此非同尋常的挑戰，本集團仍然在二零二零年下半年迅速恢復生產和銷售，利用本集團已有的資源優勢、管道優勢和物流網路優勢，尋求長遠擴張。



In 2020, our packaged water products have been sold in PRC and Hong Kong SAR. The Group's key sales channels, including movie theaters, hotels, airlines and large corporate customers, were adversely affected by the pandemic related lockdown; E-commerce platforms and household consumers through JD.com and Tmall remained relatively stable, and brought positive cash inflows.

Our beer products are mainly sold in Tibet through supermarkets, convenience stores, restaurants and entertainment outlets. In 2020, revenue of our beer products sold within Tibet was 97.3% (outside Tibet was 2.7%). In the past two years, we have continuously launched new premium beer products with different flavors and packages, such as 6° Highland Barley Beer, Highland Barley Puree Beer, etc., to meet the changing tastes of the consumers. Despite the pessimistic sentiment of the overall economic environment, our beer business still remained strong and maintained a stable significant market share in Tibet in 2020.

二零二零年，我們的包裝飲用水產品已經在中國內地和香港特區銷售。電影院線、酒店、航空公司和大型企業客戶等在內的本集團的重要銷售管道均受到了疫情封城的不利影響；但以京東和天貓為代表的電商平台和家庭用戶等管道依然保持相對穩定，並帶來正向的現金流入。

我們的啤酒產品在西藏主要通過超市、便利店、餐飲和娛樂店點等銷售。二零二零年，在西藏區內銷售的啤酒產品收入為97.3%（西藏以外為2.7%）。在最近兩年內，我們不斷推出不同口味和包裝的新型優質啤酒產品，例如6°青稞啤酒、青稞原漿啤酒，以滿足消費者不斷變化的口味。二零二零年，在整體經濟環境不樂觀的情況下，我們的啤酒業務仍保持強勁，在西藏仍然保持著穩定的顯著市場份額。

With the recent improvement of COVID-19 pandemic situation including mass vaccination programs in PRC, we remain hopeful that our overall water and beer business will recover and improve to a normalized level in 2021 and onward.

FINANCIAL REVIEW

REVENUE ANALYSIS

In 2020, due to the reasons mentioned in the “Business Review” section above, the total revenue of the Group amounted to RMB493 million, representing a decrease of approximately RMB228 million or 31.7% in comparison with 2019.

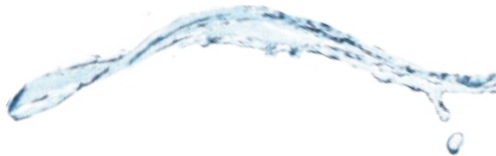
隨著 COVID-19 疫情的近期改善，包括中國的大規模疫苗接種計劃，我們仍希望水及啤酒業務整體將於二零二一年及以後復甦，並改善至正常水平。

財務回顧

收入分析

在二零二零年，由於上述「業務回顧」章節提及的因素，本集團的總銷售額為人民幣 4.93 億元，相比二零一九年減少了約人民幣 2.28 億元或 31.7%。





The revenue generated from our water business segment was RMB180 million, representing a decrease of 55.9% in comparison with 2019. It is mainly due to the decrease in sale volume of water and the Group's response to market changes and reduced prices to major distributors in light of COVID-19 pandemic impact.

For beer business segment, the year over year change is as follow:

水業務分部的收入為人民幣1.80億元，相比二零一九年減少了55.9%。主要由於水的銷量下降，以及由於COVID-19疫情影響導致本集團為應對市場變化而降低了對主要經銷商的價格。

至於啤酒務分部，同比變化如下：

		2020 二零二零年	2019 二零一九年	% change % 變動
Volume (hectoliter)	銷量(百升)	447,370	442,090	↑ 1.2%
Revenue (RMB'000)	收入(人民幣千元)	311,503	310,502	↑ 0.3%
Adjusted EBITDA* (RMB'000)	調整後除息稅折舊及攤銷利潤* (人民幣千元)	143,542	169,099	↓ 15.1%

* Adjusted EBITDA is not accounting measures under International Financial Reporting Standards ("IFRSs") which should be read in conjunction with Note 6(b).

* 調整後息稅折舊及攤銷前利潤並非國際財務報告準則(「國際財務報告準則」)項下的會計處理辦法，請與附註6(b)一起閱讀。

In 2020, the overall gross profit margin of the Group was 43.6%, which decreased by 12.4 percentage points when compared to 2019. The gross profit margin of the water business segment was 47.3%, which decreased by 15.8 percentage points when compared to 2019. The gross profit margin of the beer business segment decreased by 5.2 percentage points to 41.3% in 2020.

SELLING AND DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

In 2020, the selling and distribution costs decreased by 7.1% to RMB105 million from RMB113 million in 2019, mainly due to the decrease in transportation costs and promotion fees. The administrative expenses decreased by approximately 26.7% from RMB92 million in 2019 to RMB68 million in 2020, mainly due to the decrease in staff expenses and traveling expenses when comparing with 2019.

在二零二零年，本集團的整體毛利率為43.6%，與二零一九年相比下降了12.4個百分點。水業務分部的毛利率為47.3%，與二零一九年相比下降了15.8個百分點。而啤酒業務分部的毛利率在二零二零年則下降了5.2個百分點至41.3%。

銷售及分銷費用和行政費用

在二零二零年，銷售及分銷費用從二零一九年人民幣1.13億元減少了7.1%至約人民幣1.05億元，主要是由於運輸成本及推廣費的減少。行政費用從二零一九年的人民幣9,200萬元減少了約26.7%至二零二零年的人民幣6,800萬元，主要是由於員工費用和差旅費相比二零一九年減少所致。





REVERSAL OF ALLOWANCE FOR/ALLOWANCE FOR EXPECTED CREDIT LOSS (“ECL”) ON FINANCIAL ASSETS

Reversal of allowance for/allowance for ECL on financial assets included the reversal of allowance for ECL on of trade receivables and the allowance for ECL on other financial asset at amortised cost. The reversal of allowance for ECL on trade receivables was RMB19 million in 2020 (the allowance for ECL on trade receivables in 2019: RMB78 million). The allowance for ECL on other financial asset at amortised cost was RMB3 million in 2020 (2019: RMB5 million).

金融資產預期信貸虧損(「預期信貸虧損」)撥備轉回／撥備

金融資產預期信貸虧損撥備轉回／撥備包括應收貿易款預期信貸虧損撥備轉回及以攤餘成本計量的其他金融資產預期信貸虧損撥備。二零二零年的應收貿易款預期信貸虧損撥備轉回為人民幣1,900萬元(二零一九年的應收貿易款預期信貸虧損撥備：人民幣7,800萬元)。二零二零年的以攤餘成本計量的其他金融資產預期信貸虧損撥備為人民幣300萬元(二零一九年：人民幣500萬元)。

OTHER GAINS, NET

Other gains, net increased from net gains of RMB17 million in 2019 to approximately RMB22 million in 2020, which was attributable to (a) the decrease in loss maturing FVTPL of RMB4 million; (b) the decrease in impairment loss of inventory of RMB18 million; and (c) the increase of RMB2 million in gain on disposal of FVTPL, offset by the decrease of approximately RMB18 million in government grants.

其他利得淨額

其他利得淨額由二零一九年的淨利得人民幣1,700萬元上升至二零二零年約人民幣2,200萬元，這歸因於(a)以公允價值計量且其變動計入損益的金融資產到期時的損失減少了人民幣400萬元；(b)存貨減值損失減少了人民幣1,800萬元；和(c)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增加了人民幣200萬元；與政府補助減少了約人民幣1,800萬元相抵。





SHARE OF RESULT ON INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The share of result on investments accounted for using the equity method was mainly the share of net profit of Tibet Highland Natural Water Limited (“Highland Natural Water”) whose ultimate controlling shareholder is Sinopec. The sales volume of Highland Natural Water in 2020 was 119,088 tonnes, and its revenue was RMB301 million which represent a decrease of 38.6% and 33.4% from 2019, respectively. These decreases were mainly due to COVID-19 pandemic impact in the first half of 2020. Starting from June 2020, the production and sales of Highland Natural Water have progressively returned to the normal level.

As a result, the Group’s 43.981% equity interests in Highland Natural Water generated share of Highland Natural Water’s net loss of RMB5 million (Share of Highland Natural Water’s net profit in 2019: RMB16 million).

應佔使用權益法入賬的投資利潤

應佔使用權益法入賬的投資利潤主要為應佔西藏高原天然水有限公司(「高原天然水」)(最終控股股東為中石化)的利潤淨額。於二零二零年，高原天然水的銷量為119,088噸，及其收入為人民幣3.01億元，較二零一九年分別減少了38.6%及33.4%。減少主要由於二零二零年上半年COVID-19疫情影響所致。自二零二零年六月開始，高原天然水的生產和銷售已經逐步恢復到正常水平。

因此，本集團對高原天然水43.981%的權益產生了人民幣500萬元的應佔高原天然水淨虧損(二零一九年應佔高原天然水利潤淨額：人民幣1,600萬元)。

FINANCE COSTS/INCOME, NET

In 2020, the Group incurred finance costs of RMB45 million and gained finance income of RMB1 million. Finance costs decreased by RMB9 million compared with 2019 mainly due to (i) the decrease of RMB4 million in interest costs on borrowings from banks; and (ii) the decrease of approximately RMB18 million in interest costs on the convertible bonds issued by the Company, which were offset by (iii) the increase of RMB12 million in interest costs on borrowings from third parties. Finance income decreased by RMB63 million mainly due to reduced and waived interest income from interest-bearing loans to third parties as a result of the pandemic impact.

INCOME TAX EXPENSE

In 2020, the income tax expense was RMB18 million which decreased by RMB11 million when compared to RMB29 million in 2019. It was mainly due to the decrease in profit before income tax of certain group entities.

PROFIT/LOSS FOR THE YEAR

In 2020, the profit for the year was RMB17 million, as compared to loss for the year of RMB745 million in 2019. The increase in profit for the year mainly due to (i) the recognition of one-off impairment loss on investment accounted for using the equity method of RMB873 million in 2019, whereas no such related loss was recognised in 2020; (ii) the decrease in ECL on financial asset of RMB99 million; (iii) the decrease in selling and distribution costs and administrative expenses of RMB32 million in total; (iv) the decrease in income tax expenses of approximately RMB11 million; and (v) the increase in other net gains of RMB6 million; offset by (a) the decrease in the Group's gross profit of RMB189 million due to the decline in revenue; (b) the increase in net finance costs of RMB54 million; and (c) the decrease in share of result on investments accounted for using the equity method of RMB16 million.

財務費用／收益淨額

在二零二零年，本集團產生了人民幣4,500萬元財務費用及獲得了人民幣100萬元財務收益。與二零一九年相比，財務費用減少了人民幣900萬元，主要由於(i)銀行借款的利息費用減少了人民幣400萬元；和(ii)本公司發行的可換股債券的利息費用減少了約人民幣1,800萬元，與(iii)第三方借款的利息費用增加了人民幣1,200萬元相抵。財務收益減少了人民幣6,300萬元，主要由於受疫情影響，減少及豁免了借予第三方有息款項的利息收入。

所得稅費用

在二零二零年，所得稅費用為人民幣1,800萬元，與二零一九年的人民幣2,900萬元相比減少了人民幣1,100萬元，這主要是因為除所得稅前利潤減少。

年度利潤／虧損

在二零二零年，年度利潤為人民幣1,700萬元，二零一九年的年度虧損則為人民幣7.45億元。年度利潤增加的主要原因是(i)二零一九年確認了一次性以權益法入賬的投資減值損失人民幣8.73億元、而二零二零年並沒有確認相關虧損；(ii)金融資產預期信貸虧損減少了人民幣9,900萬元；(iii)銷售及分銷費用和行政費用減少了共人民幣3,200萬元；及(iv)所得稅費用減少了約人民幣1,100萬元；和(v)其他利得淨額增加人民幣600萬元；與(a)因收入下降影響本集團的毛利下降了人民幣1.89億元；(b)財務費用淨額增加了約人民幣5,400萬元；和(c)應佔使用權益法入賬的投資利潤淨額減少人民幣1,600萬元相抵。

OTHER FINANCIAL POSITIONS

As at 31 December 2020, prepayments of the Group amounted to RMB86 million compared to RMB122 million as at 31 December 2019. The decrease was due to the decrease of RMB36 million in prepayment for purchasing raw materials, services and equipment.

As at 31 December 2020, Financial asset at fair value through other comprehensive income (“FVTOCI”) of the Group amounted to RMB174 million, compared to RMB232 million as at 31 December 2019. The decrease was mainly due to the disposal of RMB58 million invested in China Railway Express Co., Ltd. (“CRE”) in 2020.

As at 31 December 2020, Financial asset at fair value through profit or loss (“FVTPL”) (non-current) of the Group amounted to RMB12 million, compared to RMB17 million as at 31 December 2019. The decrease was mainly due to the disposal of RMB5 million invested in Shanghai Maikaite Network Technology Co., Ltd. (“Shanghai MKT”) in 2020.

As at 31 December 2020, net trade receivables of the Group amounted to RMB283 million compared to RMB259 million as at 31 December 2019. The increase was mainly attributable to the reversal of allowance for expected credit loss on of trade receivables of RMB19 million.

The Group maintained regular contact with our major debtors through meetings and telephone conversations and paid regular attention to public information about our major debtors to understand the status of their operations, their continuing business needs and the ways in which the Group can improve its services. As at 31 December 2020, allowance for expected credit losses of trade receivables balance was RMB59 million (31 December 2019: RMB78 million).

其他財務狀況

於二零二零年十二月三十一日，本集團的預付款項為人民幣8,600萬元，而於二零一九年十二月三十一日則為人民幣1.22億元。該減少主要是因為購買原材料、服務和設備的預付款項減少了人民幣3,600萬元。

於二零二零年十二月三十一日，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(「以公允價值計量且其變動計入其他綜合收益的金融資產」)為人民幣1.74億元，於二零一九年十二月三十一日為人民幣2.32億元。該減少主要是由於已於二零二零年處置了投資於中鐵快運股份有限公司(「中鐵快運」)的人民幣5,800萬元。

於二零二零年十二月三十一日，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」)(非流動)為人民幣1,200萬元，於二零一九年十二月三十一日為人民幣1,700萬元。該減少主要是由於已於二零二零年處置了投資於上海麥鎧特網絡科技有限公司(「上海麥鎧特」)的人民幣500萬元。

於二零二零年十二月三十一日，本集團應收貿易款淨額為人民幣2.83億元，於二零一九年十二月三十一日為人民幣2.59億元。其上升主要歸因於應收貿易款預期信貸虧損撥備轉回人民幣1,900萬元。

本集團透過會議及電話對話與我們的主要債務人定期聯絡，以及定期關注涉及我們的主要債務人的公開資訊，以瞭解彼等的經營狀況、持續業務需要及本集團能改善服務的方式。於二零二零年十二月三十一日，應收貿易款預期信貸虧損撥備餘額為人民幣5,900萬元(二零一九年十二月三十一日：人民幣7,800萬元)。

As at 31 December 2020, other financial assets at amortised cost, net of allowance for expected credit losses of the Group amounted to approximately RMB1,367 million compared to RMB832 million as at 31 December 2019. As at 31 December 2020, other financial assets at amortised cost mainly included the amounts due from third parties amounting to RMB1,267 million, amounts due from associates amounting to approximately RMB34 million, and other receivables amounting to RMB71 million. As at 31 December 2020, as mentioned above, the Group continued to be committed to the development of Tibet's water industry and allocated resources to the long term strategic positioning in Tibet's water industry. As at 31 December 2020, allowance for expected credit losses on other financial assets at amortised cost amounted to RMB5 million (31 December 2019: RMB2 million). Management expects to collect a significant portion of the balances due from third parties in the second quarter of 2021.

As at 31 December 2020, inventories of the Group amounted to RMB60 million compared to RMB53 million as at 31 December 2019. The increase was mainly attributable to an increase in raw materials inventories.

As at 31 December 2020, contract liabilities of the Group amounted to RMB17 million compared to RMB29 million as at 31 December 2019. The decrease was mainly due to the decrease in advances received from customers of the sales of water and beer products of RMB13 million.

As at 31 December 2020, the bank borrowings of the Group decreased by RMB106 million, which was mainly because the repayment of principal of bank borrowings amounting to RMB531 million in 2020 was offset by the proceeds from bank borrowings amounting to RMB425 million in 2020.

As at 31 December 2020, cash and cash equivalents of the Group decreased by RMB451 million from RMB516 million as at 31 December 2019 to RMB65 million as at 31 December 2020, which was mainly attributable to a significant decrease in operating cash flows, an increase in other financial assets at amortised cost, and a decrease in bank loans.

於二零二零年十二月三十一日，本集團以攤餘成本計量的其他金融資產扣除預期信貸虧損撥備約為人民幣13.67億元，而於二零一九年十二月三十一日則為人民幣8.32億元。於二零二零年十二月三十一日，以攤餘成本計量的其他金融資產主要包括應收第三方款項人民幣12.67億元，應收聯營公司款項約人民幣3,400萬元，和其他應收款項人民幣7,100萬元。於二零二零年十二月三十一日，如上所述，本集團持續致力於西藏水產業的發展，將資源分配於西藏水產業的長期戰略佈局。於二零二零年十二月三十一日，以攤餘成本計量的其他金融資產的預期信貸虧損撥備為人民幣500萬元（二零一九年十二月三十一日：人民幣200萬元）。管理層預期將於二零二一年第二季度收取該等應收第三方結餘款項的大部分款項。

於二零二零年十二月三十一日，本集團的存貨為人民幣6,000萬元，而於二零一九年十二月三十一日為人民幣5,300萬元。其上升的主要原因來自於原材料存貨的增加。

於二零二零年十二月三十一日，本集團的合同負債為人民幣1,700萬元，而於二零一九年十二月三十一日則為人民幣2,900萬元。其減少主要由於銷售水產品及啤酒產品的預收客戶款減少了人民幣1,300萬元。

於二零二零年十二月三十一日，本集團的銀行借款減少了人民幣1.06億元，主要是由於二零二零年歸還銀行借款本金人民幣5.31億元，與於二零二零年借入銀行借款人民幣4.25億元相抵。

於二零二零年十二月三十一日，本集團的現金及現金等價物由二零一九年十二月三十一日的人民幣5.16億元減少了人民幣4.51億元至二零二零年十二月三十一日的人民幣6,500萬元，主要是由於經營活動現金流大幅減少，以攤餘成本計量的其他金融資產增加及銀行借款淨額減少。

EMPLOYEES

As at 31 December 2020, the total number of employees of the Group was 395 compared to 417 as at 31 December 2019. The decrease in the number of employees was mainly due to the fact that in 2020, the Group's production of preforms and bottle caps has been transferred from the Company's PRC subsidiary to the Group's associate, Tibet Fudi Natural Beverage Packaging Ltd. ("Fudi Packaging"), and the corresponding production and management staff were also transferred to Fudi Packaging. Relevant staff cost of the Group was RMB62 million in 2020 (2019: RMB83 million). The decrease was also due to reduced and exempted corporate social welfare contributions for a certain period of time according to PRC government pandemic relief.

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

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

The Group adopted a share award scheme in 2017. Up to 31 December 2020, no share has been granted by the Group to any parties under the share award scheme.

員工

於二零二零年十二月三十一日，本集團員工總數為395人，於二零一九年十二月三十一日為417人，人員減少主要由於自二零二零年開始，本集團的瓶坯和瓶蓋生產由本公司之中國境內附屬公司轉由本集團之聯營企業西藏福地天然飲品包裝有限責任公司（「福地包裝」）進行，相應生產和管理人員亦轉入福地包裝。在二零二零年，本集團有關僱員成本為人民幣6,200萬元（二零一九年：人民幣8,300萬元）。下降亦由於根據中國政府的疫情紓困計劃，於特定期間內豁免繳納企業社會保險繳費所致。

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，員工也享有其他福利，包括社會保險供款、僱員公積金計劃和酌情獎勵。本集團亦考慮以其他額外福利、培訓及購股權（如適用）招攬／挽留忠誠僱員，以建設專業及團結的員工及管理層隊伍，促進本集團取得更高成就。

本集團根據僱員的職位需要及專長於生產廠房適時提供多元化的在職培訓。本集團亦鼓勵管理人員參與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聯交所證券上市規則（「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。這些在職培訓包括參加內部培訓、研討會、閱讀講義、報紙、期刊、本集團新聞、行業新聞等。

本集團於二零一七年採納了一項股份獎勵計劃。截至二零二零年十二月三十一日，本集團未根據股份獎勵計劃向任何方授予股份。

GEARING RATIO

The gearing ratio is calculated as borrowings (including bank borrowings and borrowings from third parties) divided by total capital. The total capital is calculated as “equity” as shown in the condensed consolidated balance sheet plus borrowings (including bank borrowings and borrowings from third parties). As at 31 December 2020 and 31 December 2019, the gearing ratios of the Group were 25.09% and 27.14%, respectively.

MERGER AND ACQUISITION

There was no merger and acquisition transaction in 2020. For acquisition after the reporting period, please refer to Note 46 to the consolidated financial statements on pages 286 to 287 of this Annual Report and details in the Company’s announcement on 30 March 2021 regarding a further acquisition of 31% equity interests in Shannan Yalaxiangbu.

SIGNIFICANT INVESTMENTS

In 2020, the Group acquired Property, plant and equipment (“PP&E”) of RMB9 million (2019: RMB5 million). Regarding the future development and outlook of the Group, please refer to the section headed “Outlook” in this “Management Discussion and Analysis” section.

CAPITAL COMMITMENTS

As at 31 December 2020, the Group has committed to purchasing PP&E of approximately RMB37 million (31 December 2019: RMB37 million), and equity investment of RMB16 million (31 December 2019: RMB197 million). The funding sources related to these commitments are expected to be disbursed from the Group’s own capital.

負債比率

負債比率是按借款(包括銀行借款和第三方借款)除以資本總額計算。資本總額按簡明綜合資產負債表所示「權益」加借款(包括銀行借款和第三方借款)計算。於二零二零年十二月三十一日及於二零一九年十二月三十一日，本集團的負債比率分別為25.09%及27.14%。

兼併與收購

於二零二零年，本集團並無任何兼併與收購活動。至於報告期間後的收購，請參閱本年報第286至287頁綜合財務報表附註46及本公司日期為二零二一年三月三十日有關進一步收購山南雅拉香布31%股權的公告詳情。

重大投資

在二零二零年，本集團購買物業、廠房及設備(「物業、廠房及設備」)為人民幣900萬元(二零一九年：人民幣500萬元)。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

於二零二零年十二月三十一日，本集團已承諾購買物業、廠房及設備約為人民幣3,700萬元(二零一九年十二月三十一日：人民幣3,700萬元)，以及承諾股權投資人民幣1,600萬元(二零一九年十二月三十一日：人民幣1.97億元)。這些承諾事項相關的資金來源預計將自本集團自有資金中撥付。

CHARGES (OR PLEDGES)

As at 31 December 2020, (i) a bank loan with the principal amount of RMB290 million (31 December 2019: RMB290 million) of the Group was secured by the pledge of 35% of Tibet Tiandi Green Beverage Development CO., Ltd.'s ("Tiandi Green") equity interests; (ii) a bank loan with principal amount of RMB100 million (31 December 2019: RMB100 million) of the Group was secured by the Group's factory plant with net book value of RMB62 million (31 December 2019: RMB66 million) and land use rights with net book value of RMB27 million (31 December 2019: RMB27 million); (iii) a bank loan with the principal amount of RMB100 million (31 December 2019: RMB100 million) of the Group was secured by the pledge of 15% of Highland Natural Water's equity interests; (iv) a bank loan with the principal amount of RMB65 million (31 December 2019: RMB66 million) of the Group was secured by the Group's factory plant with net book value of RMB28 million (31 December 2019: RMB29 million) and land use rights with net book value of RMB1 million (31 December 2019: RMB1 million); (v) a bank loan with the principal amount of RMB60 million (31 December 2019: RMB60 million) of the Group was secured by the pledge of 15% of Highland Natural Water's equity interests; (vi) a bank loan with the principal amount of RMB50 million (31 December 2019: RMB50 million) of the Group was secured by the Group's machinery with net book value of RMB55 million (31 December 2019: nil); and (vii) a bank loan with the principal amount of RMB150 million (31 December 2019: nil) was secured by land use rights of a third party (31 December 2019: nil).

The bank acceptance notes amounting to RMB242 million (31 December 2019: RMB260 million) were guaranteed by bank deposits of RMB48 million (31 December 2019: RMB60 million).

抵(質)押

於二零二零年十二月三十一日，(i)本集團的一筆本金為人民幣2.90億元的銀行借款(二零一九年十二月三十一日：人民幣2.90億元)以西藏天地綠色飲品發展有限公司(「天地綠色」)35%的權益作質押；(ii)本集團的一筆本金為人民幣1億元的銀行借款(二零一九年十二月三十一日：人民幣1億元)以賬面淨值為人民幣6,200萬元的工廠廠房(二零一九年十二月三十一日：人民幣6,600萬元)，以及賬面淨值為人民幣2,700萬元的土地使用權(二零一九年十二月三十一日：人民幣2,700萬元)作抵押；(iii)本集團的一筆本金為人民幣1億元的銀行借款(二零一九年十二月三十一日：人民幣1億元)以高原天然水15%的權益作質押；(iv)本集團的一筆本金為人民幣6,500萬元的銀行借款(二零一九年十二月三十一日：人民幣6,600萬元)以本集團賬面淨值為人民幣2,800萬元的工廠廠房(二零一九年十二月三十一日：人民幣2,900萬元)以及賬面淨值為人民幣100萬元的土地使用權(二零一九年十二月三十一日：人民幣100萬元)作抵押；(v)本集團的一筆本金為人民幣6,000萬元的銀行借款(二零一九年十二月三十一日：人民幣6,000萬元)以高原天然水15%的權益作質押；(vi)本集團的一筆本金為人民幣5,000萬元的銀行借款(二零一九年十二月三十一日：人民幣5,000萬元)以本集團賬面淨值為人民幣5,500萬元的機器(二零一九年十二月三十一日：無)作抵押；以及(vii)本集團的一筆本金為人民幣1.50億元的銀行借款(二零一九年十二月三十一日：無)以本集團的一個第三方的土地使用權(二零一九年十二月三十一日：無)作抵押。

人民幣2.42億元的銀行承兌匯票(二零一九年十二月三十一日：人民幣2.60億元)以銀行存款人民幣4,800萬元作抵押(二零一九年十二月三十一日：人民幣6,000萬元)。

CONTINGENT LIABILITIES

The Group provided financial guarantee amounting to RMB170 million to an associate as at 31 December 2020 (31 December 2019: RMB200 million). The guarantee was provided for bank borrowings obtained by the associate with the remaining amounts of RMB170 million as at 31 December 2020 (31 December 2019: RMB200 million). The period of the guarantee for RMB120 million is from 3 June 2020 to 2 June 2021. The period of the remaining guarantee amounting to RMB50 million is from 26 March 2020 to 25 March 2021, and such RMB50 million was repaid by the associate on 26 March 2021, the due date of the loan.

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 2020, 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.

PRODUCTION CAPACITY

In 2020, the annual water production capacity and annual beer production capacity were approximately 300,000 tonnes and 2,000,000 hectoliter respectively, same as in 2019. The Group will assess its production capacity periodically and consider increasing production capacity to meet the demands of future development.

或然負債

於二零二零年十二月三十一日，本集團向一家聯營公司提供的財務擔保為人民幣1.70億元（二零一九年十二月三十一日：人民幣2億元）。該擔保向聯營公司於二零二零年十二月三十一日餘額為人民幣1.70億元的銀行借款提供擔保（二零一九年十二月三十一日：人民幣2億元）。人民幣1.20億元的擔保期限為自二零二零年六月三日至二零二一年六月二日，人民幣5,000萬元的剩餘擔保期限為二零二零年三月二十六日至二零二一年三月二十五日，該聯營公司已於二零二一年三月二十六日償還了該筆人民幣5,000萬元的借款。

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。在二零二零年期間，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。

產能

在二零二零年，年度水產能和年度啤酒產能分別約為300,000噸和2,000,000百升，與二零一九年一致。本集團將定期評估產能並考慮增加產能以滿足未來發展的需要。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group has adopted internal control measures to monitor the continuous compliance with relevant laws and regulations such as the Companies Law of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the SFO, the Listing Rules and other rules and regulations implemented in relevant jurisdictions. Also, as the Group's major subsidiaries are located in the PRC, relevant regulatory requirements on the Group include PRC government policies and regulations towards the mineral water industry, PRC laws and regulations on environmental protection, PRC laws on regulation of manufacture and sales of general food products, PRC taxes, regulation of foreign currency exchange and dividend distribution, and other relevant PRC laws and regulations. During the financial year ended 31 December 2020, 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. During 2020, the Company has not timely complied with the disclosure requirement under Chapter 14 of the Listing Rules for discloseable transactions of the Company in respect of loans made by subsidiaries of the Company to independent third parties or an associated company of the Company, the total outstanding sum of which as at 31 December 2020 was approximately RMB1,263 million, which are recognized as the other financial assets at amortised cost of the Group, and guarantees provided to an associated company of the Company for the total sum of RMB170 million. Further disclosures will be made by the Company in due course.

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

遵守相關法律及規例

本集團已採納內部監控措施監督持續遵守相關法律及法規，例如開曼群島公司法、公司條例(香港法例第622章)、證券及期貨條例、上市規則以及於相關司法管轄區內執行之其他規則及規例。此外，由於本集團主要附屬公司均位於中國，本集團面臨的相關監管規定包括中國政府有關礦泉水行業的政策及規例、中國有關環境保護的法律及法規、中國有關規管一般食品生產及銷售的法律、中國稅項、外幣匯兌及股息分派規例以及其他相關中國法律及規例。於截止二零二零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。於二零二零年，就有關本公司附屬公司向獨立第三方或本公司聯營公司作出的借款(於二零二零年十二月三十一日，其尚未償還總額為約人民幣12.63億元，被確認為本集團以攤餘成本計量的其他金融資產)及向本公司聯營公司提供的擔保總額人民幣1.70億元的本公司須予披露交易而言，本公司並未及時遵守上市規則第14章項下的披露規定。本公司將會在適當時候作進一步的披露。

本集團繼續致力遵守相關法律及規例。

ENVIRONMENTAL PROTECTION

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

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

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

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

環境保護

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

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

與僱員、客戶及供應商之關係

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

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

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

1. Risks relating to our industry

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

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

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

主要風險及不明朗因素

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

1. 有關我們所處行業的風險

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

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

2. Risks relating to our Business

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

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

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

2. 有關我們業務的風險

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

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

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

3. Financial risks

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

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

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

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。

來自全球發售的所得款項淨額用途

本公司股份於二零一一年六月三十日在聯交所主板上市，來自全球發售的所得款項淨額約為14.72億港元（包括行使超額配股權的所得款項及經扣除包銷佣金和相關費用）。於二零一三年四月十日，本公司已決議更改全球發售所得款項淨額用途，詳情請參閱本公司日期為二零一三年四月十日之公告。已更改的所得款項淨額用途已分配如下：

		As at 31 December 2019	As at 31 December 2020	As at 31 December 2020		
	Revised usage of net proceeds 更改後的 所得款項 淨額用途 HKD'Million 百萬港元	Utilized net proceeds 於二零一九年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	In 2020 Utilized net proceeds 於二零二零年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	Utilized net proceeds 於二零二零年 十二月三十一日 已運用的 所得款項淨額 HKD'Million 百萬港元	Unutilized net proceeds 於二零二零年 十二月三十一日 未運用的 所得款項淨額 HKD'Million 百萬港元	
Expand our production capacity by constructing additional facilities and purchasing additional production equipment	用作建設新增廠房及購買額外生產設備以擴大生產能力	133	133	—	133	—
Expand our distribution network and toward promotional activities	用作擴大經銷網絡及宣傳推廣活動	206	34	12	46	160
Mergers and acquisitions that complement our existing business	用作能補充我們現有業務的合併與收購	1,092	1,092	—	1,092	—
Working capital and other general corporate purpose	用作營運資金及其他一般企業用途	41	41	—	41	—
		1,472	1,300	12	1,312	160

As at 31 December 2020, the Group has utilized net proceeds amounting to HKD133 million, HKD46 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.

於二零二零年十二月三十一日，本集團已運用了1.33億港元、4,600萬港元、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。

FINAL DIVIDEND

No dividend has been declared by the Company in respect of 2020 (2019: nil).

OUTLOOK

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

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

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

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

EVENTS AFTER THE REPORTING PERIOD

Please refer to Note 46 to the consolidated financial statements on pages 286 to 287 of this Annual Report.

末期股息

本公司並無宣告派發二零二零年股息(二零一九年：無)。

展望

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

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

本集團將持續保持和發展「5100冰川礦泉水」的高端品牌優勢，結合現有的電影院線、酒店、航空、電子商務、辦公及家庭使用者等重要目標管道資源和營銷推廣活動，不斷提升品牌形象和影響力。

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

報告期後事項

請參閱本年報第286至287頁綜合財務報表附註46。

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



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

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. YUE Zhiqiang, aged 56, is an executive Director and was appointed to the Board on 1 March 2011. Mr. Yue has over 30 years of experience in mechanical engineering and manufacturing plant operation, and is the chairman of our major subsidiary company, Tibet Glacier Mineral Water Co., Ltd. (“**Tibet Glacier Mineral Water**”). Mr. Yue studied at Shandong University of Technology (山東工業大學) (now combined into Shandong University (山東大學)) in Machinery Production and obtained a bachelor degree. Mr. Yue was appointed as the director of Tiandi Green on 25 December 2012.

Mr. YAN Qingjiang, aged 51, is an executive Director and the authorised representative of the Company and was appointed to the Board on 27 May 2020. He is a member of the risk management committee of the Company. He was a director of Tibet Galaxy Science & Technology Development Co., Ltd.* (西藏銀河科技發展股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code:000752.SZ) from March 2002 to September 2017, during which he was the chairman of the board of directors from March 2002 to June 2017.

Non-Executive Director

Ms. JIANG Xiaohong, aged 63, is a non-executive Director and was appointed to the Board on 1 March 2011. Ms. Jiang is also the legal representative of our major subsidiary company, Tibet Glacier Mineral Water Co. Ltd., and is responsible for the operation, quality control, equipment and production site management. She has over 31 years of experience in operational management. She graduated from Xinjiang Vocational University (新疆職工大學) with a diploma in Economic Management, then from Jiangnan University (江南大學) (formerly known as Wuxi University of Light Industry (無錫輕工大學) with a diploma of Brewery Engineering, and from Xinjiang University (新疆大學) with a diploma of Analytical Chemistry.

董事及高級管理層履歷

執行董事

岳志強先生，56歲，執行董事，於二零一一年三月一日進入董事會。岳先生在機械工程及製造工廠運營方面擁有逾30年經驗，並為本公司之主要子公司西藏冰川礦泉水有限公司(「**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。岳先生於二零一二年十二月二十五日被委任為天地綠色之董事。

閻清江先生，51歲，執行董事及本公司授權代表，於二零二零年五月二十七日進入董事會。閻先生為本公司風險管理委員會成員。自二零零二年三月至二零一七年九月閻先生擔任於深圳證券交易所上市的西藏銀河科技發展股份有限公司(股票代號：000752.SZ)的董事，在此期間彼於二零零二年三月至二零一七年六月擔任董事長。

非執行董事

姜曉虹女士，63歲，非執行董事，於二零一一年三月一日加入董事會。姜女士亦為本公司之主要附屬公司西藏冰川礦泉水有限公司的法定代表人，負責營運、質量控制、設備及生產場所管理。彼擁有超過31年營運管理經驗。彼畢業於新疆職工大學，獲授經濟管理文憑，然後於江南大學(前稱無錫輕工大學)，獲授釀造工程文憑；於新疆大學，獲授分析化學文憑。

Mr. Kevin Cheng WEI, aged 53, joined the Group and was appointed as an independent non-executive Director on 1 March 2011 and further appointed as Chairman of the board of Director on 27 May 2020. He was re-designated to a non-executive Director with effect from 9 October 2020. He is the chairman of the nomination committee and also a member of the remuneration committee of the Company.

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

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

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

蔚成先生，53歲，於二零一一年三月一日加入本集團並獲委任為獨立非執行董事及後於二零二零年五月二十七日獲委任為董事會主席。彼於二零二零年十月九日調任為非執行董事。彼為本公司提名委員會主席，亦為薪酬委員會成員。

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

蔚先生目前還擔任以下公司的董事職務：

- 耐世特汽車系統集團有限公司(股票代號：1316)的獨立非執行董事及審計委員會主席，該公司是在聯交所主板上市；及
- 自二零一九年十二月十二日起擔任Alphamab Oncology公司(股票代號：9966)為獨立非執行董事，審計委員會主席和薪酬委員會成員，該公司是在聯交所主板上市。

Mr. WEI's prior directorship include:

- As an independent director and the chairman of the audit committee of the board of Hunter Maritime Acquisition Corp. from April 2019 to July 2019, a company which was listed on NASDAQ (ticker symbol: HUNT) and delisted from NASDAQ in 2019; and
- As an independent director of Alpha Peak Leisure Inc., a company listed on the TSX Venture Exchange (TSX-V: AAP) in Canada from November 2017 to June 2020.

Independent Non-Executive Director

Mr. HUNG Ka Hai Clement, aged 65, joined the Group and was appointed as an independent non-executive Director on 31 December 2019. He is the chairman of the risk management committee and also a member of the audit committee, remuneration committee and nomination committee of the Company.

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

蔚先生過往曾擔任的董事職務包括：

- 於二零一九年四月至二零一九年七月為 Hunter Maritime Acquisition Corp. (股票代碼：HUNT) 的獨立董事兼審計委員會主席，該公司在納斯達克上市並於二零一九年從納斯達克退市；及
- 於二零一七年十一月至二零二零年六月為 Alpha Peak Leisure Inc. (TSX-V：AAP) 的獨立董事，該公司是在加拿大多倫多證券交易所創業板上市。

獨立非執行董事

洪嘉禧先生，65歲，於二零一九年十二月三十一日加入本集團並獲委任為獨立非執行董事。彼為本公司風險管理委員會主席，亦為審核委員會、薪酬委員會及提名委員會成員。

彼於一九八零年在英國赫德斯菲爾德大學取得文學學士學位。洪先生曾經服務德勤中國31年，彼於二零一四年至二零一六年擔任德勤中國主席一職前曾擔任不同的領導職位。彼於二零一六年六月於德勤中國退任。洪先生於德勤中國所擔任不同的領導職位，包括德勤深圳辦公室及廣州辦公室之辦公室主管合夥人。彼亦曾經為德勤中國之中國管理團隊成員。洪先生曾出任華南區審計主管兼華南區副主管合夥人(地區包括：香港、澳門、深圳、廣州、廈門及長沙)。彼亦曾任德勤國際的董事會成員。

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

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

- an independent non-executive director of Gome Finance Technology Company Limited (formerly known as Sino Credit Holdings Limited) (stock code: 628) since 31 October 2016;
- an independent non-executive director of Sheng Ye Capital Limited (stock code: 6069, the listing of the shares of which has been transferred to the Main Board from the GEM of the Stock Exchange (GEM stock code: 8469) from 24 October 2019) since 19 June 2017;
- a non-executive director of High Fashion International Limited (stock code: 608) since 1 December 2017;
- an independent non-executive director of Aoyuan Healthy Life Group Company Limited (stock code: 3662) since 22 February 2019;
- an independent non-executive director of China East Education Holdings Limited (stock code: 667) since 12 June 2019;
- an independent non-executive director of Huarong International Financial Holdings Limited (stock code: 993) since 13 December 2019;

洪先生於二零零四年至二零一四年擔任廣州註冊會計師協會顧問。於二零零六年至二零一一年期間，彼亦曾出任深圳市羅湖區政治協商委員會委員。彼於退任德勤中國之主席職務後，獲中國財政部委任為諮詢專家。洪先生為英格蘭及威爾斯特許會計師公會之終身會員。

洪先生目前／過往三年曾擔任下列上市公司（其股份均於聯交所上市）的董事：

- 自二零一六年十月三十一日起擔任國美金融科技有限公司（前稱華銀控股有限公司，股份代號：628）的獨立非執行董事；
- 自二零一七年六月十九日起擔任盛業資本有限公司（股份代號：6069，該公司股份於二零一九年十月二十四日由聯交所GEM上市（GEM股份代號：8469）轉為主板上市）的獨立非執行董事；
- 自二零一七年十二月一日起擔任達利國際集團有限公司（股份代號：608）的非執行董事；
- 自二零一九年二月二十二日起擔任奧園健康生活集團有限公司（股份代號：3662）的獨立非執行董事；
- 自二零一九年六月十二日起擔任中國東方教育控股有限公司（股份代號：667）的獨立非執行董事；
- 自二零一九年十二月十三日起擔任華融國際金融控股有限公司（股份代號：993）的獨立非執行董事；

- an independent non-executive director of Skyworth Group Limited (stock code: 751) since 18 March 2020;
- an independent non-executive director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited) (stock code: 112) from 24 February 2017 to 3 March 2017 and a non-executive director of the said company from 3 March 2017 to 30 June 2017. He was re-designated as an independent non-executive director of the said company on 30 June 2017 and subsequently resigned with effect from 30 September 2018;
- an independent non-executive director of SMI Holdings Group Limited (stock code: 198) from 16 January 2017 to 15 March 2017 and re-designated as a non-executive director of the said company on 15 March 2017. He subsequently resigned with effect from 28 February 2019; and
- an independent non-executive director of Zhongchang International Holdings Group Limited (formerly known as Henry Group Holdings Limited) (stock code: 859) since 12 January 2018 and subsequently resigned with effect from 15 June 2020.
- 自二零二零年三月十八日起擔任創維集團有限公司(股份代號：751)的獨立非執行董事；
- 於二零一七年二月二十四日至二零一七年三月三日擔任勒泰集團有限公司(前稱勒泰商業地產有限公司)(股份代號：112)的獨立非執行董事，於二零一七年三月三日至二零一七年六月三十日擔任該公司的非執行董事，並自二零一七年六月三十日獲重新委任為該公司獨立非執行董事，隨後於二零一八年九月三十日辭任；
- 於二零一七年一月十六日至二零一七年三月十五日擔任星美控股集團有限公司(股份代號：198)的獨立非執行董事及於二零一七年三月十五日調任為該公司的非執行董事，隨後於二零一九年二月二十八日辭任；及
- 自二零一八年一月十二日起擔任中昌國際控股集團有限公司(前稱為鎮科集團控股有限公司，股份代號：859)的獨立非執行董事，隨後於二零二零年六月十五日辭任。

Mr. TANG Zeping, aged 63, joined the Group and was appointed as an independent non-executive Director on 2 March 2020. He is the chairman of the audit committee and remuneration committee and also a member of the nomination committee of the Company.

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

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

唐澤平先生，63歲，於二零二零年三月二日加入本集團並獲委任為獨立非執行董事。彼為本公司審核委員會及薪酬委員會主席，亦為提名委員會成員。

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

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

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

Mr. Dai Yang, aged 52, joined the Group and was appointed as an independent non-executive Director on 27 May 2020. He is a member of the audit committee, nomination committee and risk management committee of the Company. Mr. Dai has successively served as deputy chief officer, chief officer, deputy division director, deputy director and director of the Supervision Department of Listed Companies of the Tibet Securities Regulatory Bureau of the China Securities Regulatory Commission during the period of October 2000 to December 2008. Further, Mr. Dai was (i) a general manager of Tibet Mineral Development Co., Ltd.* (西藏礦業發展股份有限公司) (stock code: 000762.SZ) from January 2009 to February 2015; (ii) director of Tibet Mineral Development Co., Ltd.* (西藏礦業發展股份有限公司) (stock code: 000762.SZ) from June 2009 to September 2017, during which he was the vice-chairman and chairman of the board of directors from July 2009 to February 2015 and from February 2015 to September 2017 respectively; and (iii) a director of Hainan Haide Industry Co., Ltd.* (海南海德實業股份有限公司) (stock code: 000567.SZ) from May 2018 to March 2019, during which he was the chairman and vice-chairman of the board of directors from May 2018 to October 2018 and from October 2018 to March 2019 respectively. Since August 2019, Mr. Dai is an independent director of Yunnan Baiyao Group Co., Ltd.* (雲南白藥集團股份有限公司) (stock code: 000538.SZ). Since April 2021, Mr. Dai is an independent director of Wondershare Technology Co., Ltd (萬興科技集團股份有限公司) (stock code: 300624.SZ).

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

戴揚先生，52歲，於二零二零年五月二十七日加入本集團並獲委任為獨立非執行董事。戴先生為本公司審核委員會、提名委員會及風險管理委員會成員。彼於二零零零年十月至二零零八年十二月期間歷任中國證監會西藏證監局副主任科員、主任科員、綜合處副處長、主任及上市公司監管處處長。此外，戴先生(i)於二零零九年一月至二零一五年二月擔任西藏礦業發展股份有限公司（股份代號：000762.SZ）總經理；(ii)於二零零九年六月至二零一七年九月擔任西藏礦業發展股份有限公司（股份代號：000762.SZ）董事，彼分別於二零零九年七月至二零一五年二月及二零一五年二月至二零一七年九月期間擔任董事會副董事長及董事長；及(iii)於二零一八年五月至二零一九年三月擔任海南海德實業股份有限公司（股份代號：000567.SZ）董事，彼分別於二零一八年五月至二零一八年十月及二零一八年十月至二零一九年三月期間擔任董事會董事長及副董事長。自二零一九年八月起，戴先生為雲南白藥集團股份有限公司（股份代號：000538.SZ）的獨立董事。自二零二一年四月起，戴先生為萬興科技集團股份有限公司（股份代號：300624.SZ）的獨立董事。

Chief Executive Officer

Mr. WANG Dong, aged 55, was appointed as executive Director on 29 May 2017 and further appointed as the chief executive officer of the Company on 18 August 2017. He retired as an executive Director on 30 June 2020. Mr. Wang graduated with a bachelor of laws degree at Xinjiang University. He obtained a master degree in engineering at Wuhan University and an EMBA degree at the South China University of Technology.

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

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

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

* for identification purpose only

行政總裁

王東先生，55歲，於二零一七年五月二十九日獲委任為執行董事，並於二零一七年八月十八日獲委任為本公司行政總裁。彼於二零二零年六月三十日退任執行董事。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。

據公司所知，董事會成員及本公司行政總裁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。

* 僅供識別

CORPORATE GOVERNANCE

企業管治





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

CORPORATE GOVERNANCE PRACTICES

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

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

During 2020, the Company has complied with the code provisions of the CG Code save for the following deviation:

Under code provision A.5.5, where the board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting, among other things, the reasons why it considers the individual to be independent.

The Company's circular dated 29 May 2020 (the "Circular") on, among other things, the re-election of Mr. Dai Yang ("Mr. Dai"), an independent non-executive Director, did not set out the reasons why the Board considered him to be independent notwithstanding his interest in 16,000 ordinary shares in the Company. The Board had considered Mr. Dai to be independent on the grounds that his shareholding only represented approximately 0.00062% of the entire issued share capital of the Company, being far below the 1% limit set out in rule 3.13(1) of the Listing Rules. Given the very small number and insignificant value of the shares involved, the Board was of the view that such shareholding was immaterial to the assessment of the independence of Mr. Dai. As the number of shares held by Mr. Dai had already been disclosed in the Circular and the immateriality of such interest was obvious, no further elaboration was considered necessary.

董事會謹此提呈載於本集團回顧年度年報內的企業管治報告。

企業管治常規

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

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

於二零二零年，除以下偏離行為外，本公司一直遵守企業管治守則的守則條文：

根據守則條文第A.5.5條，若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，有關股東大會通告所隨附的致股東通函及／或說明函件中，應該列明（其中包括）其認為該名人士屬獨立人士的原因。

本公司日期為二零二零年五月二十九日有關（其中包括）重選獨立非執行董事戴揚先生（「戴先生」）的通函（「該通函」）並無列明董事會認為彼屬獨立人士的原因，儘管其擁有16,000股本公司普通股的權益。董事會認為戴先生屬獨立人士是基於其持股僅佔本公司全部已發行股本的約0.00062%，遠低於上市規則第3.13(1)條的1%上限。鑑於所涉及的股份數目很少且價值並非重大，董事會認為該持股對評估戴先生的獨立性並不具關鍵性。由於戴先生持有的股份數目已在該通函中披露，且該權益明顯不具關鍵性，因此視為無需作進一步闡述。

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 seven Directors, comprising two executive Directors, two non-executive Directors 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. YUE Zhiqiang
Mr. YAN Qingjiang

Non-executive Directors

Ms. JIANG Xiaohong
Mr. Kevin Cheng WEI (*Chairman*)

Independent Non-executive Directors

Mr. HUNG Ka Hai Clement
Mr. TANG Zeping
Mr. DAI Yang

董事會

職責

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

董事會組成和多元化

董事會現由七名成員組成，包括兩名執行董事、兩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

岳志強先生
閻清江先生

非執行董事

姜曉虹女士
蔚成先生(主席)

獨立非執行董事

洪嘉禧先生
唐澤平先生
戴揚先生

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

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

		Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Risk Management Committee 風險管理委員會
Mr. YAN Qingjiang (executive Director)	閻清江先生 (執行董事)	—	—	—	Member 會員
Mr. Kevin Cheng WEI (non-executive Director)	蔚成先生 (非執行董事)	—	Chairman 主席	Member 會員	—
Mr. HUNG Ka Hai Clement (independent non-executive Director)	洪嘉禧先生 (獨立非執行董事)	Member 會員	Member 會員	Member 會員	Chairman 主席
Mr. TANG Zeping (independent non-executive Director)	唐澤平先生 (獨立非執行董事)	Chairman 主席	Member 會員	Chairman 主席	—
Mr. DAI Yang (independent non-executive Director)	戴揚先生 (獨立非執行董事)	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 on pages 40 to 49 of this Annual Report.

董事名單及彼等的職務及職能可於本公司及聯交所網站查詢。彼等的履歷載於本年報第40至49頁「董事及高級管理層履歷」一節。

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

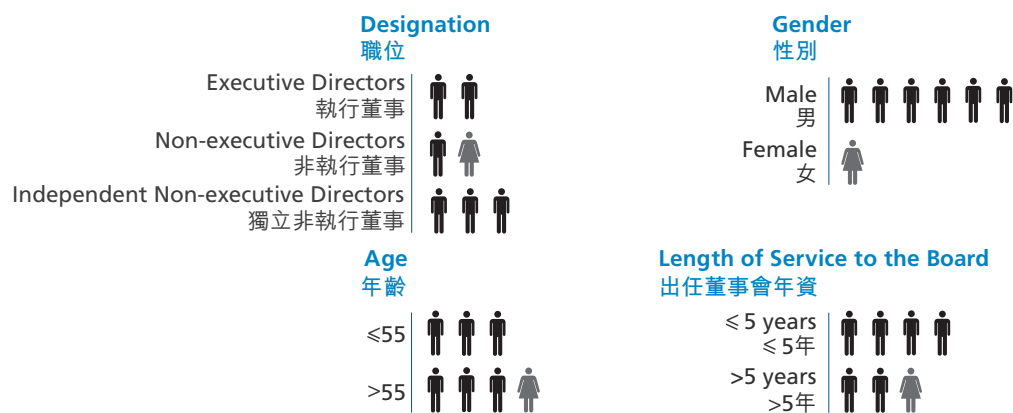
董事會有七名董事，其中三名為獨立非執行董事，並已符合上市規則第3.10A條的規定。

During 2020, the Board noted that following the resignation of Mr. Lee Conway Kong Wai as an independent non-executive Director on 29 February 2020, the number of the independent non-executive Directors had fallen below one-third of the Board as required under Rule 3.10A of the Listing Rules. However, following the appointment of Mr. Tang Zeping on 2 March 2020, the Company has complied with the requirement under Rule 3.10A of the Listing Rules.

於二零二零年，董事會注意到，自李港衛先生於二零二零年二月二十九日起辭任獨立非執行董事後，獨立非執行董事人數低於上市規則第3.10A條下須佔董事會成員人數至少三分之一的規定。但緊隨唐澤平先生於二零二零年三月二日之委任後已符合上市規則第3.10A條的規定。

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

The profile of our current Board members are as follows:



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

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. Kevin Cheng Wei and Mr. Wang Dong, respectively. The Chairman's primary responsibilities include deciding on the meeting schedule and agenda, formulating Board policies, ensuring Board effectiveness, promoting the Company and upholding the Company's corporate governance standards. The Chief Executive has delegated authority from the Board and is responsible for managing the Group's business, including the implementation of the strategies and initiatives adopted by the Board.

主席及行政總裁

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

Operation of the Board

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

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

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

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

董事會的運作

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。

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。有關會議記錄的正本由公司秘書保存,可供任何董事於發出合理通知後在任何時間查閱。

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

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

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

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

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

在每屆股東周年大會上，當時三分一的董事（若其人數並非三的倍數，則以最接近但不少於三分之一的人數）將輪流退任，惟每位董事必須最少每三年於股東周年大會上輪席退任一次。

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

Directors' Induction and Continuous Professional Development

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

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

From time to time, Directors are provided with written materials to develop and refresh their professional skills. The Company Secretary also coordinates, organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties. During the year, seminar materials, articles and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements have been provided to Directors.

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.

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:

董事之入職及持續專業發展

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

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

董事將不時獲提供旨在發展及更新其專業技能之書面材料；公司秘書亦會為董事協調、舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。在年度內，有關上市規則及其他適用監管規定最新發展的研討會閱讀材料、文章與更新資料已發派各董事。

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

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

		Types of training 培訓類別
Executive Directors		
Mr. YUE Zhiqiang	執行董事 岳志強先生	A, B
Mr. YAN Qingjiang (appointed on 27 May 2020)	閻清江先生 (於二零二零年五月二十七日獲委任)	A, B, C
Mr. LIU Chen (resigned on 27 May 2020)	劉晨先生 (於二零二零年五月二十七日辭任)	A, B
Mr. WANG Dong (retired on 30 June 2020)	王東先生 (於二零二零年六月三十日退任)	A, B
Non-executive Directors		
Ms. JIANG Xiaohong	非執行董事 姜曉虹女士	A, B
Mr. Kevin Cheng WEI (re-designated from independent non-executive Director to non-executive Director on 9 October 2020)	蔚成先生 (於二零二零年十月九日 由獨立非執行董事調任為非執行董事)	A, B
Mr. WEI Zhe Ming (retired on 30 June 2020)	魏哲明先生 (於二零二零年六月三十日退任)	A, B, C
Mr. XU Liang (retired on 30 June 2020)	徐亮先生 (於二零二零年六月三十日退任)	A, B, C
Ms. GUO Kun Kun (retired on 30 June 2020)	郭昆琨女士 (於二零二零年六月三十日退任)	A, B, C
Independent Non-executive Directors		
Mr. HUNG Kai Hai Clement	獨立非執行董事 洪嘉禧先生	A, B, C
Mr. TANG Zeping (appointed on 2 March 2020)	唐澤平先生 (於二零二零年三月二日獲委任)	A, B, C
Mr. DAI Yang (appointed on 27 May 2020)	戴揚先生 (於二零二零年五月二十七日獲委任)	A, B, C
Mr. LEE Conway Kong Wai (resigned on 29 February 2020)	李港衛先生 (於二零二零年二月二十九日辭任)	A, B
Mr. Jesper Bjoern MADSEN (resigned on 27 May 2020)	麥奕鵬先生 (於二零二零年五月二十七日辭任)	A, B

- A: attending training and/or seminars and/or conferences and/or forums
- 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.
- C: a comprehensive induction package and training provided by the Company's external legal advisor

- A: 出席培訓及/或講座及/或會議及/或論壇
- B: 閱讀研討會刊物、報章、期刊、本集團的資訊、行業資訊及有關持續合規責任、企業管治及其他相關課題的最新消息等
- C: 收到一份全面之入職資料及由本公司外聘法律顧問提供的培訓

Delegation by the Board

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

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

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

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

董事會委派

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

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

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

各董事委員會須就其決策及建議（按適用情況而定）向董事會匯報。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。

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.

All three Audit Committee members (including the Chairman) are independent non-executive Directors. The Chairman of the Audit Committee possesses the relevant financial management expertise and experience. The committee members, together with our external auditor, met four times during 2020 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) making a recommendation to the Board on the appointment of the external auditor, approving the remuneration and terms of engagement of the external auditor, and where applicable, handling any questions relating to the resignation of the external auditor;

審核委員會

根據其職權範圍，審核委員會每年至少舉行兩次會議。其主要職責包括：

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

全部三名審核委員會成員（包括主席）均為獨立非執行董事。審核委員會主席擁有相關財務管理知識及經驗。委員會成員連同外聘核數師於二零二零年內舉行四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) 就委任命外聘核數師向董事會提出建議，批准外聘核數師的薪酬和聘用條款，並在適用的情況下處理與外聘核數師辭職有關的任何問題；

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| <ul style="list-style-type: none"> c) reviewing the external auditor's audit plan and terms of engagement for the work performed; d) reviewing the independence and objectivity of the external auditor, and the service fee payable to the external auditor; and e) reviewing the effectiveness of the internal control systems of the Group including financial control, operational control, compliance control and risk management. | <ul style="list-style-type: none"> c) 檢討外聘核數師的審核方案及已完成工作的委聘條款； d) 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 e) 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。 |
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Nomination Committee

Its key responsibilities include:

- | | |
|---|--|
| <ul style="list-style-type: none"> 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. | <p>提名委員會</p> <p>其主要職責包括：</p> <ul style="list-style-type: none"> 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.

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

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

Three meetings have been held by the Nomination Committee during 2020 and the following work has been satisfactorily concluded:

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

Remuneration Committee

Its key responsibilities include:

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

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

提名委員會於二零二零年內舉行三次會議，所進行並取得滿意結果的工作包括：

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

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 2020, the Remuneration Committee has met four times and considered, reviewed and made recommendations to the Board on the remuneration package of all the Directors (including the nominated candidates) and senior management.

Risk Management Committee

Its key responsibilities include:

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

During 2020, the Risk Management Committee has met once to consider and review the existing internal control system. Management's recommendations on financial management function were discussed, considered and adopted to improve the effectiveness of the internal control and risk management systems.

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 2020 were as follows:

在二零二零年內，薪酬委員會舉行四次會議並已考慮、檢討和就全體董事(包括獲提名人士)及高級管理層的薪酬待遇向董事會提出建議。

風險管理委員會

其主要職責包括：

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

在二零二零年內，風險管理委員會已舉行一次會議，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。

截至二零二零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					Risk Management Committee 風險管理委員會
		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	
Executive Directors							
Mr. YUE Zhiqiang	岳志強先生	7/7	1/1	—	—	—	—
Mr. YAN Qingjiang (appointed on 27 May 2020)	閻清江先生 (於二零二零年五月二十七日獲委任)	4/4	1/1	—	—	—	—
Mr. LIU Chen (resigned on 27 May 2020)	劉晨先生 (於二零二零年五月二十七日辭任)	3/3	—	—	—	—	1/1
Mr. WANG Dong (retired on 30 June 2020)	王東先生 (於二零二零年六月三十日退任)	4/4	1/1	—	2/2	2/2	—
Non-executive Directors							
Ms. JIANG Xiaohong	姜曉虹女士	7/7	1/1	—	—	—	—
Mr. Kevin Cheng WEI (re-designated as non-executive Director on 9 October 2020)	蔚成先生 (於二零二零年十月九日調任為非執行董事)	1/1	—	—	—	—	—
Mr. WEI Zhe Ming (retired on 30 June 2020)	魏哲明先生 (於二零二零年六月三十日退任)	4/4	1/1	—	—	—	—
Mr. XU Liang (retired on 30 June 2020)	徐亮先生 (於二零二零年六月三十日退任)	4/4	1/1	—	—	—	—
Ms. GUO Kun Kun (retired on 30 June 2020)	郭昆琨女士 (於二零二零年六月三十日退任)	4/4	1/1	—	—	—	—
Independent Non-executive Directors							
Mr. HUNG Ka Hai Clement	洪嘉禧先生	7/7	1/1	4/4	3/3	4/4	1/1
Mr. TANG Zeping (appointed on 2 March 2020)	唐澤平先生 (於二零二零年三月二日獲委任)	6/6	1/1	4/4	2/2	3/3	—
Mr. DAI Yang (appointed on 27 May 2020)	戴揚先生 (於二零二零年五月二十七日獲委任)	4/4	1/1	2/2	1/1	—	—
Mr. LEE Conway Kong Wai (resigned on 29 February 2020)	李港衛先生 (於二零二零年二月二十九日辭任)	—	—	—	—	—	—
Mr. Jesper Bjoern MADSEN (resigned on 27 May 2020)	麥奕鵬先生 (於二零二零年五月二十七日辭任)	3/3	—	2/2	2/2	2/2	—
Mr. Kevin Cheng WEI (re-designated as non-executive director on 9 October 2020)	蔚成先生 (於二零二零年十月九日調任為非執行董事)	6/6	1/1	3/3	2/2	4/4	1/1
Average attendance rate	平均出席率	100%	100%	100%	100%	100%	100%

During the year under review, the Chairman of the Company has held a meeting with independent non-executive Directors without the presence of other Directors.

CORPORATE GOVERNANCE FUNCTION

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

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

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

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective internal control system of the Group. Our internal control system includes a well-defined management structure with limits of authority which is designed for the achievement of business objectives, safeguarding assets against unauthorized use or disposition, ensuring proper maintenance of books and records for the provision of reliable and timely financial information for internal use or publication, and ensuring compliance with relevant laws and regulations. In addition, the Group has established risk management procedures to identify and prioritise risks for the business to be addressed by management. During the year ended 31 December 2020, the Board has supervised a review of the effectiveness of the internal control system and has received a confirmation from management on the effectiveness of these systems during the Reporting Period.

於回顧年度，本公司主席曾分別與獨立非執行董事舉行一次沒有其他董事出席的會議。

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。截至二零二零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已收到管理層對這些系統在報告期間有效性的確認。

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.

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.

The Group shall review the effectiveness of the internal control system at least once every year to ensure the effectiveness and adequacy of the system.

MANAGEMENT FUNCTION

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

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries to all Directors, all Directors confirmed that they have complied with the requirements set out in the Model Code for the year ended 31 December 2020.

內部監控系統旨在管理(而不是消除)經營風險,以幫助保護本集團資產免受欺詐及其他違規,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。

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

本集團將每年檢討至少一次內部監控系統的有效性,以確保系統之效率及足夠程度。

管理職能

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

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)作為其董事進行證券交易的操守準則。經向全體董事作出特定查詢後,全體董事確認彼等於截至二零二零年十二月三十一日止年度已遵守標準守則所載的規定。

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 Auditors' Report" on pages 91 to 101 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91至101頁的「獨立核數師報告」一節。

董事及主管人員之責任保險及彌償條文

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

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

SHAREHOLDER RELATIONS

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

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

The forthcoming annual general meeting ("2021 AGM") would be convened in a later time as of the outbreak of COVID-19 pandemic in Hong Kong. The Board would monitor how the current situation develops in order to better suggest how to manage the potential health risks of a physical meeting and also to decide the appropriate time schedule to convene the 2021 AGM. Once the situation allows, the notice of the 2021 AGM will then be dispatched to all Shareholders not less than twenty clear business days beforehand. At the 2021 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。

應屆股東周年大會(「二零二一年股東周年大會」)將因COVID-19疫情在香港爆發而於稍後時間舉行。董事會將監視當前形勢的發展，以便更好地建議如何管理一次現場會議的潛在健康風險，並確定召開二零二一年股東周年大會的適當時間表。一旦情況允許，二零二一年股東周年大會通告將於不少於二十個整營業日前寄發予全體股東。在二零二一年股東周年大會上，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.

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。

DIVIDEND POLICY

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

CONSTITUTIONAL DOCUMENTS

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

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 2020, 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.

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。

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。截至二零二零年十二月三十一日止年度，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佈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。

EXTERNAL AUDITOR

PricewaterhouseCoopers (“PwC”) has resigned as the auditor of the Company with effect from 21 December 2020. With the recommendation of the Audit Committee, HLB Hodgson Impey Cheng Limited (“HLB”) has been appointed as the new auditor of the Company with effect from 21 December 2020 to fill the casual vacancy following the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company. 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, HLB, is independent and recommended to the Board to re-appoint it as the Company’s external auditor at the 2021 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:

外聘核數師

羅兵咸永道會計師事務所(「羅兵咸永道」)已辭任本公司核數師，自二零二零年十二月二十一日起生效。經本公司審核委員會推薦後，國衛會計師事務所有限公司(「國衛」)已獲委任為本公司新核數師，自二零二零年十二月二十一日起生效，以填補羅兵咸永道辭任後之空缺，任期直至本公司下屆股東周年大會結束為止。審核委員會獲授權根據適用標準審閱及監督外聘核數師的獨立性，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，本公司外聘核數師國衛屬獨立人士，並向董事會作出建議，於二零二一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：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Audit services	審核服務	1,779	7,136
Non-audit services	非審核服務	—	—
		1,779	7,136

INVESTOR RELATIONS

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

投資者關係

為確保投資者對本集團有更深入之瞭解，管理層採取積極參與投資者關係的策略。本公司董事、首席財務官與投資者關係主管與研究分析員及機構投資者於本公司業績公佈刊發後進行持續溝通，並參與非交易簡報會，以傳達本公司之財務表現及業務策略。

Disclaimer

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

免責聲明

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

The Directors are delighted to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

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 110 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 2020 is set out in the sections headed "Letter to Shareholders" and "Management Discussion & Analysis" on pages 8 to 13 and pages 16 to 39 of this Annual Report respectively. Description of the principal risks and uncertainties faced by the Group are set out in the "Management Discussion & Analysis" section and Note 5 to the consolidated financial statements on page 35 to 37 and pages 184 to 205 of this Annual Report, respectively.

In addition, discussions on the Group's environmental policies and performance, compliance with relevant laws and regulations which have a significant impact on the Group and an account of the Group's key relationships with its employees, customers and suppliers are set out in the "Management Discussion & Analysis" section on pages 33 to 35 of this Annual Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 102 to 103 of this Annual Report.

The Directors do not recommend the payment of a final dividend for the year 2020.

董事欣然提呈本集團截至二零二零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110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

本集團截至二零二零年十二月三十一日止年度之業務回顧分別載於本年報第8至13頁及第16至39頁之「致股東函件」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35至37頁及第184至205頁之「管理層討論及分析」中及綜合財務報表附註5內。

此外，有關本集團環境政策及表現、遵守對本集團有重大影響之相關法律及規例，以及本集團與僱員、客戶及供應商之關係說明載於本年報第33至35頁「管理層討論及分析」章節內。

業績及盈利分配

本集團截至二零二零年十二月三十一日止年度的業績載於本年報第102至103頁的綜合損益表及綜合全面收益表。

董事不建議派發二零二零年年度末期股息。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 288 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 15 and 16 to the consolidated financial statements respectively on pages 222 to 226 of this Annual Report.

SHARE CAPITAL

Details of the share capital of the Company are set out in Note 35 to the consolidated financial statements on page 267 of this Annual Report.

BANK BORROWINGS

Details of bank borrowings as at 31 December 2020 are set out in Note 33 to the consolidated financial statements on pages 260 to 266 of this Annual Report.

SHARE OPTION SCHEME

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

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288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222至226頁的綜合財務報表附註15及16。

股本

本公司股本詳情載於本年報第267頁的綜合財務報表附註35。

銀行借款

本公司於二零二零年十二月三十一日之銀行借款詳情載於本年報第260至266頁的綜合財務報表附註33。

購股權計劃

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

The Board may, at its discretion, grant options pursuant to the Share Option Scheme to directors (including independent non-executive directors) of the Group, 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 is 256,889,330 shares. 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 the adoption date.

The Company granted 25,200,000 share options for the subscription of 25,200,000 shares of the Company on 16 December 2015. However, these share options had lapsed on 31 December 2018.

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

董事會根據購股權計劃可酌情決定向本集團董事(包括獨立非執行董事)、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。最大可能授出的購股權所涉及的股份數目為256,889,330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。購股權計劃自採納日期起計10年期間仍屬有效。

本公司於二零一五年十二月十六日授出25,200,000份購股權，可認購本公司25,200,000股股份，但該些購股權已於二零一八年十二月三十一日失效。

於任何十二個月期間，根據購股權計劃行使購股權後已發行及將發行予各合資格參與者的股份數目上限不得超過本公司已發行股本的1%。惟除非獲股東事先批准且有關參與者及其聯繫人放棄投票。向任何董事或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(不包括任何為承授人的獨立非執行董事)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任何購股權將導致於截至及包括授出日期十二個月期間直至有關授出日期(包括該日)因行使已授予或將授予有關人士的全部購股權而已發行及將予發行的股份：(i) 合共超過於有關授出日期已發行股份的0.1%；及(ii) 按股份收市價計算的總值超過5百萬港元，則授出有關購股權須經股東於股東大會以投票方式事先批准。

An offer of a grant of an option under the Share Option Scheme shall remain open for acceptance for no more than 14 days from the offer date. 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 during a period determined by the Board which shall not exceed 10 years from the date of grant. The subscription price shall be determined by the Board in its absolute discretion, and in any event shall not be less than the highest of (i) the closing price of the shares as stated in the daily quotation sheets of the Stock Exchange on the offer date, (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 offer date, and (iii) the nominal value of a share. No option may be granted more than ten years after the adoption date of the Share Option Scheme (i.e. 7 September 2012). Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the adoption date.

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

SHARE AWARD SCHEME

The Group adopted a share award scheme in 2017. Up to 31 December 2020, no share has been granted by the Group to any parties under the share award scheme.

根據購股權計劃授出購股權的要約自要約日期起計14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由董事會釐定的授出日期起計不超過10年的期間隨時行使。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) 股份於要約日期在聯交所每日報價表所報的收市價；(ii) 緊接要約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。於購股權計劃獲採納當日起(即二零一二年九月七日)十年後不得授出購股權。除非本公司於股東大會或經由董事會提前終止，否則購股權計劃自採納日期起十年內有效及具效力。

年內並無已授出、獲行使、已失效、遭註銷或尚未行使之購股權。

股份獎勵計劃

本集團於二零一七年採納了一項股份獎勵計劃。截至二零二零年十二月三十一日，在該股份獎勵計劃下，本集團未向任何方授予股份。

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 2020, the accumulated deficits of the Company amounted to RMB147 million (31 December 2019: RMB123 million). As at 31 December 2020, the share premium of the Company, amounted to RMB1,225 million (31 December 2019: RMB1,225 million), is distributable to Shareholders subject to the solvency test and the sanction of an ordinary resolution.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

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

於二零二零年十二月三十一日,本公司累計虧損為人民幣1.47億元(二零一九年十二月三十一日:人民幣1.23億元)。於二零二零年十二月三十一日,如具償還能力並經一般決議批准,本公司金額為人民幣12.25億元(二零一九年十二月三十一日:人民幣12.25億元)的股本溢價可用於向股東進行分配。

購買、出售或贖回股份

截至二零二零年十二月三十一日止年度,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 during the year and up to the date of this report were:

Executive Directors

Mr. YUE Zhiqiang

Mr. YAN Qingjiang

(appointed on 27 May 2020)

Mr. LIU Chen

(resigned on 27 May 2020)

Mr. WANG Dong (*Chief Executive Officer*)

(retired as Director on 30 June 2020)

Non-executive Directors

Ms. JIANG Xiaohong

Mr. Kevin Cheng WEI (*Chairman*)

(appointed as Chairman on 27 May 2020 and re-designated as non-executive Director from independent non-executive director on 9 October 2020)

Mr. WEI Zhe Ming

(retired on 30 June 2020)

Mr. XU Liang

(retired on 30 June 2020)

Ms. GUO Kun Kun

(retired on 30 June 2020)

Independent Non-executive Directors

Mr. HUNG Ka Hai Clement

Mr. TANG Zeping

(appointed on 2 March 2020)

Mr. DAI Yang

(appointed on 27 May 2020)

Mr. LEE Conway Kong Wai

(resigned on 29 February 2020)

Mr. Jesper Bjoern MADSEN (*ex-Chairman*)

(resigned on 27 May 2020)

In accordance with Article 84(1) of the Articles of Association of the Company, Mr. YUE Zhiqiang, Mr. Kevin Cheng WEI and Mr. HUNG Ka Hai Clement shall retire by rotation, and being eligible, have offered themselves for re-election at the 2021 AGM.

董事

於年內及截至本報告日期，本公司董事為：

執行董事

岳志強先生

閻清江先生

(於二零二零年五月二十七日獲委任)

劉晨先生

(於二零二零年五月二十七日辭任)

王東先生(*行政總裁*)

(於二零二零年六月三十日退任董事)

非執行董事

姜曉虹女士

蔚成先生(*主席*)

(於二零二零年五月二十七日獲委任為主席及於二零二零年十月九日由獨立非執行董事調任為非執行董事)

魏哲明先生

(於二零二零年六月三十日退任)

徐亮先生

(於二零二零年六月三十日退任)

郭昆琨女士

(於二零二零年六月三十日退任)

獨立非執行董事

洪嘉禧先生

唐澤平先生

(於二零二零年三月二日獲委任)

戴揚先生

(於二零二零年五月二十七日獲委任)

李港衛先生

(於二零二零年二月二十九日辭任)

麥奕鵬先生(*前任主席*)

(於二零二零年五月二十七日辭任)

根據本公司組織章程細則第84(1)條，岳志強先生、蔚成先生及洪嘉禧先生將輪席告退，惟符合資格願意於二零二一年股東周年大會上膺選連任。

Details of the retiring Directors to be re-elected at the 2021 AGM will be set out in the circular to the Shareholders to be dispatched before the 2021 AGM.

DIRECTORS' PROFILES

The profiles of the Directors are set out on pages 40 to 51 of this Annual Report.

CHANGES OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

The changes of directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the interim report of the Company for the six months ended 30 June 2020 are set out below:

Mr. Kevin Cheng WEI has been re-designated from an independent non-executive Director to a non-executive Director with effect from 9 October 2020 and remains as the chairman of the Board. Mr. Wei has been appointed as the chairman of the Nomination Committee and has ceased to be the chairman of the Audit Committee with effect from 9 October 2020. Please refer to the announcement of the Company dated 9 October 2020 for details. Pursuant to a supplemental letter dated 18 January 2021, Mr. Wei's remuneration has been changed to HK\$1,200,000 per annum (inclusive of the fee as the chairman of the Nomination Committee) with effect from 1 January 2021.

Mr. TANG Zeping, an independent non-executive Director, was appointed as the chairman of the Audit Committee and ceased to be the chairman but remains as a member of the Nomination Committee with effect from 9 October 2020. Following such changes in the composition of the Board committees, Mr. Tang's remuneration comprises a director's fee of HK\$537,600 per annum under his letter of appointment and additional fees of HK\$40,000 per annum and HK\$20,000 per annum as the chairman of the Audit Committee and Remuneration Committee respectively. Please refer to the announcement of the Company dated 9 October 2020 for details.

有關將於二零二一年股東周年大會上膺選連任的退任董事的詳情將載於二零二一年股東周年大會前發出的致股東通函內。

董事履歷

董事履歷載於本年報第40至51頁。

根據上市規則第13.51B(1)條所作出的董事資料變更

自本公司截至二零二零年六月三十日止六個月的中期報告日期起，根據上市規則第13.51B(1)條須予披露的董事資料變更載列如下：

蔚成先生由獨立非執行董事調任為非執行董事，自二零二零年十月九日起生效，並繼續擔任董事會主席。蔚先生已獲委任為提名委員會主席及不再擔任審核委員會主席，自二零二零年十月九日起生效。詳情請參閱本公司日期為二零二零年十月九日的公告。根據日期為二零二一年一月十八日的補充函件，蔚先生的酬金已變更為每年1,200,000港元（包括擔任提名委員會主席的袍金），自二零二一年一月一日起生效。

獨立非執行董事唐澤平先生已獲委任為審核委員會主席及不再擔任提名委員會主席，但繼續擔任提名委員會成員，自二零二零年十月九日起生效。該等董事委員會組成之變動後，唐先生的薪酬包括其委任書所訂明的董事袍金每年537,600港元及擔任審核委員會主席及薪酬委員會主席的額外袍金分別為每年40,000港元及每年20,000港元。詳情請參閱本公司日期為二零二零年十月九日的公告。

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming 2021 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 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and 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 under Section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long positions in shares of the Company:

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條之規定予以披露。

董事的服務合約

擬於應屆二零二一年股東周年大會上重選的董事概無訂有本集團在一年內不可在不予賠償(法定賠償除外)的情況下終止的服務合約。

董事及主要行政人員於股份中的權益

於二零二零年十二月三十一日，董事及本公司主要行政人員於本公司及其相聯法團(按證券及期貨條例第XV部的定義)的股份、相關股份及債權證中擁有根據證券及期貨條例第352條規定須於本公司存置之登記冊內記錄或根據標準守則須知會本公司及聯交所之權益及淡倉如下：

本公司股份的好倉：

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	No. of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 股權概約百分比
Mr. DAI Yang 戴揚先生	Beneficial owner 實益擁有人	16,000	0.0006

DISCLOSEABLE INTERESTS OF SHAREHOLDERS UNDER THE
SECURITIES AND FUTURES ORDINANCE

As at 31 December 2020, 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

於二零二零年十二月三十一日，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	18.00
Tianshan Industry Investment Limited (附註1)	好倉	實益擁有人	462,400,740	18.00
Khorgos Tianshan No.1 Industrial Investment Fund Limited Partnership (Note 2)	Long position	Interest of controlled corporation	462,400,740	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	18.00
新疆金融投資有限公司 (Note 2)	Long position	Interest of controlled corporation	462,400,740	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	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	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	18.00
新疆天山產業投資基金管理有限公司 (Notes 2 & 3)	Long position	Interest of controlled corporation	462,400,740	18.00
新疆天山產業投資基金管理有限公司 (附註2 & 3)	好倉	受控法團的權益	462,400,740	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
申萬宏源產業投資管理有限責任公司(Note 4)	Long position	Interest of controlled corporation	462,400,740	18.00
申萬宏源產業投資管理有限責任公司(附註4)	好倉	受控法團的權益	462,400,740	18.00
申萬宏源集團股份有限公司 (Note 5)	Long position	Interest of controlled corporation	462,400,740	18.00
申萬宏源集團股份有限公司(附註5)	好倉	受控法團的權益	462,400,740	18.00
中央匯金投資有限責任公司 (Note 3, 4 & 5)	Long position	Interest of controlled corporation	462,400,740	18.00
中央匯金投資有限責任公司(附註3、4 & 5)	好倉	受控法團的權益	462,400,740	18.00
Tibet Water Resources Limited (Note 6)	Long position	Beneficial owner	437,410,960	17.02
西藏水資源有限公司(附註6)	好倉	實益擁有人	437,410,960	17.02
Maple Essence Investments Limited (Note 7)	Long position	Interest of controlled corporation	437,410,960	17.02
楓華投資有限公司(附註7)	好倉	受控法團的權益	437,410,960	17.02
True Asset Holdings Limited (Note 8)	Long position	Interest of controlled corporation	437,410,960	17.02
True Asset Holdings Limited (附註8)	好倉	受控法團的權益	437,410,960	17.02
Mr. WANG Peter Jian (also known as Mr. WANG Jian Peter) (Notes 8 & 9)	Long position	Interest of controlled corporation	437,410,960	17.02
王堅先生(附註8 & 9)	好倉	受控法團的權益	437,410,960	17.02

Notes:

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

附註:

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

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

- (6) Tibet Water Resources Limited is held as to 100% by Maple Essence Investments Limited, which is in turn wholly-owned by True Asset Holdings Limited. Tibet Water Resources Limited holds 437,410,960 shares in the Company. For 200,000,000 shares in the Company out of these 437,410,960 shares in the Company, please refer to the Company's announcement dated 14 November 2019.
- (7) Maple Essence Investments Limited holds 100% equity interest in Tibet Water Resources Limited and is therefore deemed to be interested in the 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested in. Maple Essence Investments Limited is wholly-owned by True Asset Holdings Limited.
- (8) True Asset Holdings Limited holds 100% equity interest in Maple Essence Investments Limited, which in turn wholly-owns Tibet Water Resources Limited. Therefore, True Asset Holdings Limited is deemed to be interested in 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested in.
- (9) True Asset Holdings Limited is wholly-owned by Mr. WANG Peter Jian. Therefore, Mr. WANG Peter Jian is deemed to be interested in 437,410,960 shares in the Company in which Tibet Water Resources Limited is interested. For the purpose of the SFO, the spouse of Mr. WANG Peter Jian is taken to have a duty of disclosure in relation to the said 437,410,960 shares in the Company. The interest disclosed by the spouse of Mr. WANG Peter Jian is that of Mr. WANG Peter Jian which is deemed to be attributed to her pursuant to the SFO for disclosure purposes. Nevertheless, she has no interest, legal or beneficial, in those shares in the Company.
- (6) 西藏水資源有限公司由楓華投資有限公司持有100%，楓華投資有限公司由True Asset Holdings Limited全資擁有。西藏水資源有限公司持有本公司437,410,960股股份。就此等本公司437,410,960股股份當中的本公司200,000,000股股份，請參閱本公司日期為二零一九年十一月十四日的公告。
- (7) 楓華投資有限公司持有西藏水資源有限公司100%股權，因此被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。楓華投資有限公司由True Asset Holdings Limited全資擁有。
- (8) True Asset Holdings Limited透過楓華投資有限公司持有西藏水資源有限公司100%股權。因此，True Asset Holdings Limited被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。
- (9) True Asset Holdings Limited由王堅先生全資擁有。因此，王堅先生被視為於西藏水資源有限公司所擁有權益的本公司437,410,960股股份中擁有權益。就證券及期貨條例而言，王堅先生的配偶有責任對該本公司437,410,960股股份作出披露。王堅先生的配偶所披露的權益是由王堅先生所擁有的；而為了披露的目的，根據證券及期貨條例，該等權益也被視為歸于王堅先生的配偶。然而，她並沒有對該等本公司股份擁有任何法定或實益權益。

Save as disclosed above, as at 31 December 2020, 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.

除上文所披露者外，於二零二零年十二月三十一日，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。

TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

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

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

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

RETIREMENT BENEFITS SCHEMES

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

Details of the defined contribution pension scheme are set out in Note 12 of the consolidated financial statements on page 219 to 220 of this Annual Report.

重大交易、安排或合約

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

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

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

董事購買股份或債權證的權利

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

退休福利計劃

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

有關退休金計劃詳情載於本年報第219至220頁綜合財務報表附註12。

EMOLUMENT POLICY

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

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

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

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

MANAGEMENT CONTRACTS

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

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 60.5% and 56.9% of the total sales and total purchases for the year, respectively. The Group's largest customer and supplier accounted for approximately 28.9% and 29.0% of the total sales and total purchases for the financial year, respectively.

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

PROFESSIONAL TAX ADVICE RECOMMENDED

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

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，概無董事被視為與本集團的業務直接或間接競爭或可能競爭的業務中擁有權益(定義見上市規則)。

管理合同

於本年度，概無有關本公司全部或任何重大部分業務的管理及行政的合約。

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60.5%及56.9%。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28.9%及29.0%。

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

專業稅務意見建議

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The utilisation status of the net proceeds from the Company's initial public offering is set out on pages 37 to 38 of this Annual Report.

ISSUANCE OF CONVERTIBLE BONDS AND USE OF PROCEEDS

On 2 February 2021, the Company entered into subscription agreements (as amended by the supplemental agreements dated 23 February 2021) with six corporate and individual investors, whereby the investors agreed to subscribe for and the Company agreed to issue 5% convertible bonds in the aggregate principal amount of HK\$379,620,000 due 2024 at a total cash consideration of HK\$379,620,000. Assuming full conversion of the convertible bonds at the initial conversion price of HK\$0.74, the convertible bonds will be convertible into 513,000,000 shares of the Company, representing approximately 19.97% of the existing issued share capital of the Company and approximately 16.65% of the issued share capital of the Company as enlarged by the issue of the conversion shares. The initial conversion price of HK\$0.74 per conversion share represents the closing price of the shares of the Company of HK\$0.74 per share as quoted on the Stock Exchange on 2 February 2021, being the date of the subscription agreements. The convertible bonds were issued by the Company to the investors in March 2021. The gross and net proceeds (after deducting expenses) from the issue of the convertible bonds were approximately HK\$379,620,000 and HK\$377,620,000, respectively and were used for the repayment of the Group's borrowings according to the intentions previously disclosed in the Company's announcement dated 2 February 2021. For details, please refer to the Company's announcements dated 2 February 2021, 23 February 2021 and 29 March 2021.

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37至38頁。

發行可換股債券及其所得款項用途

於二零二一年二月二日，本公司與六名公司及個人投資者訂立認購協議（經日期為二零二一年二月二十三日的補充協議修訂），據此，投資者同意認購而本公司同意發行本金總額三億七千九百六十二萬港元二零二四年到期5%可換股債券，總現金代價為三億七千九百六十二萬港元。假設可換股債券按初始換股價0.74港元悉數轉換，可換股債券將可轉換為513,000,000股本公司股份，相當於本公司現有已發行股本約19.97%及本公司經發行轉換股份擴大的已發行股本約16.65%。初始換股價每股轉換股份0.74港元相當於本公司股份於二零二一年二月二日（即認購協議日期）在聯交所所報的收市價每股0.74港元。本公司於二零二一年三月向投資者發行可換股債券。可換股債券發行的所得款項總額及淨額（扣除開支後）分別約為三億七千九百六十二萬港元及三億七千七百六十二萬港元，已根據本公司日期為二零二一年二月二日的公告所披露的計劃，用於償還本集團貸款。詳情請參閱本公司日期為二零二一年二月二日、二零二一年二月二十三日及二零二一年三月二十九日的公告。

The Company and its subsidiaries are principally engaged in the production and sales of premium bottled mineral water products and beer products in the PRC. The Company sought to capitalize on the then market environment for convertible bond issues to raise capital for the repayment of the Group's borrowings. The Board had considered other alternative fund-raising methods such as bank loan, rights issue or open offer. The Board considered that bank loan may incur security pledging on the Group's assets and may be subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position and the then financial market condition and it may be relatively uncertain and time-consuming. On the other hand, rights issue or open offer would involve the issue of prospectus with other application and administrative procedures (such as arrangements for nil-paid rights shares) which may lead to relatively longer time and additional administrative cost to complete as compared to the issue of convertible bonds.

As at the date of this Annual Report, none of the convertible bonds has been redeemed, converted, purchased or cancelled.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the reasonable knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of its shares in the hands of the public in accordance with the Listing Rules as at the latest practicable date of the issue of this Annual Report (i.e. 26 April 2021).

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to approximately RMB0.2 million (2019: RMB0.09 million).

AUDIT COMMITTEE

The Audit Committee had reviewed the Group's annual results for the year ended 31 December 2020 and provided advice and comments thereon.

本公司及其附屬公司主要在中國從事生產及銷售高端瓶裝礦泉水產品及啤酒產品。本公司擬利用當時可換股債券發行的市況以籌集資金用於償還本集團貸款。董事會已考慮銀行貸款、供股或公開發售等其他替代集資方法。董事會認為，銀行貸款或會要求本集團的資產作為抵押，且可能須進行冗長的盡職審查，並須與銀行經參考本集團的財務狀況及當時的金融市場狀況進行磋商，此方法可能較為帶有不確定性且耗時。另一方面，與發行可換股債券比較，供股或公開發售將涉及刊發招股章程以及其他申請及行政程序（如未繳股款供股股份安排），亦可能導致須投入相對較長的時間及額外行政成本方可完成。

於本年報日期，概無可換股債券獲贖回、轉換、購回或註銷。

足夠公眾持股量

根據本公司所得的公開資料及董事合理所知，本公司於刊發本年報之最後實際可行日期（即二零二一年四月二十六日）已根據上市規則維持足夠之不少於25%股份的公眾持股量。

慈善捐款

於年內，本集團的慈善捐款約達人民幣20萬元（二零一九：人民幣9萬元）。

審核委員會

審核委員會已審閱本集團截至二零二零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。

EXTERNAL AUDITOR

PwC has resigned as the auditor of the Company after serving for 9 years with effect from 21 December 2020. HLB has been appointed as the new auditor of the Company with effect from 21 December 2020 to fill the casual vacancy following the resignation of PwC and to hold office until the conclusion of the next AGM. The consolidated financial statements for the year ended 31 December 2020 were audited by HLB, who will retire at the conclusion of the forthcoming 2021 AGM and, being eligible, will offer itself for re-appointment as external auditor of the Company.

CONNECTED TRANSACTIONS

The related party transactions summarized in note 45 to the consolidated financial statements for the year ended 31 December 2020 did not constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

ANNUAL GENERAL MEETING

The 2021 AGM would be convened in a later time because of the outbreak of COVID-19 pandemic in Hong Kong. The Board would monitor how the current situation develops in order to better suggest how to manage the potential health risks of a physical meeting and also to decide the appropriate time schedule to convene the 2021 AGM. Further information will be advised in due course.

By order of the Board

Kevin Cheng WEI

Chairman and Non-Executive Director

31 March 2021

外聘核數師

羅兵咸永道已服務9年並辭任本公司核數師，自二零二零年十二月二十一日起生效。國衛已獲委任為本公司新核數師，自二零二零年十二月二十一日起生效，以填補羅兵咸永道辭任後之空缺，任期直至本公司下屆股東周年大會結束為止。截至二零二零年十二月三十一日止年度的綜合財務報表由國衛審核，該會計師事務所將於應屆二零二一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。

關連交易

載於綜合財務報表附註45內截至二零二零年十二月三十一日止年度的關聯方交易並不構成上市規則第十四A章定義的關連交易或持續關連交易。

股東周年大會

二零二一年股東周年大會因COVID-19疫情在香港爆發而於稍後時間舉行。董事會將關注當前形勢的發展，以便更好地建議如何管理一次現場會議的潛在健康風險，並確定召開二零二一年股東周年大會的適當時間表。詳情將在適當時候通知。

承董事會命

蔚成

主席兼非執行董事

二零二一年三月三十一日



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The Landmark
11 Pedder Street
Central
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香港
中環
畢打街11號
置地廣場
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TO THE SHAREHOLDERS OF
TIBET WATER RESOURCES LTD.

(Incorporated in the 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

We have audited the consolidated financial statements of Tibet Water Resources Ltd. ("the Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 102 to 287, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss, consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Boards ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

我們已審計列載於第102至287頁西藏水資源有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，當中包括於二零二零年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益表、綜合其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等合併財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映 貴集團於二零二零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。

意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的香港審計準則(「香港審計準則」)進行審核。我們於該等準則下的責任於本報告核數師就審核綜合財務報表的責任一節中詳述。根據香港會計師公會的專業會計師道德守則(「該守則」)，我們獨立於 貴集團，及我們已根據該等要求及該守則履行其他道德責任。我們相信，我們所獲取的審核憑證充分和適當，可為我們的意見提供基礎。

KEY AUDIT MATTERS

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

Impairment assessment of goodwill and investments accounted for using the equity method

Refer to Notes 19 and 20 in the consolidated financial statements

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在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。

商譽減值評估及使用權益法入賬的投資

請參閱綜合財務報表附註19及20

The key audit matter

We identified the impairment assessment of goodwill arising on acquisition of businesses through acquisition of subsidiaries and investments accounted for using the equity method as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the significant degree of judgments made by the management of the Group associated with the recoverable amount of the cash-generating units to which goodwill has been allocated and investments accounted for using the equity method.

Management concluded that there is no impairment on goodwill and investments accounted for using the equity method. This conclusion was based on a value-in-use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth. An independent external valuation was obtained in respect of the impairment assessment on goodwill and investments accounted for using the equity method in order to support management's estimates.

How our audit addressed the key audit matter

Our procedures in relation to management's impairment assessment of goodwill and investments accounted for using the equity method included:

- Evaluating the independent external valuers' competence, capabilities and objectivity;
- Assessing the appropriateness of the valuation methodology, key assumptions and estimates used base on our knowledge of the relevant industry and using our valuation experts;
- Challenging the reasonableness of key assumptions based on our knowledge of business and industry; and
- Checking, on a sampling basis, the accuracy and relevance of the input data used.

We found that the management judgment and estimates used to assess the recoverable amount of cash-generating units and investments accounted for using the equity method and determine the impairment provision were supportable by available evidence.

關鍵審計事項

我們將通過收購附屬公司收購業務而產生的商譽減值評估及使用權益法入賬的投資識別為關鍵審核事項，乃由於結餘就整體綜合財務報表而言屬重大，且貴集團管理層就獲分配商譽之現金產生單位及使用權益法入賬的投資的可收回金額須作出重大判斷。

管理層認為有關商譽並無出現減值及並無使用權益法入賬的投資。該結論乃根據使用價值模式須管理層對折現率及相關現金流，尤其是未來收益增長的重大判斷。為支持管理層的估計，還就使用權益法入賬的投資及商譽減值評估取得獨立外部估值。

我們的審計如何處理關鍵審計事項

我們關於管理層商譽減值評估及使用權益法入賬的投資的程序包括：

- 評估獨立外部估值師的資歷、能力及客觀性；
- 基於我們對相關行業的瞭解，利用估值專家，評估所用估值方法、關鍵假設及估計的適當性；
- 基於我們對業務及行業的瞭解，判斷關鍵假設的合理性；及
- 抽樣檢查所使用的輸入數據的準確性及相關性。

我們發現，管理層用於評估使用權益法入賬的投資的現金產生單位可收回金額及釐定減值撥備的判斷及假設有足夠證據支持。

Fair value measurement on financial assets

Refer to Notes 5.3, 22 and 27 in the consolidated financial statements

金融資產公允價值計量

請參閱綜合財務報表附註5.3, 22及27

The key audit matter

At 31 December 2020, the fair value of the Group's financial assets totaled approximately RMB 366,810,000 were classified under the fair value hierarchy as level 3 financial instruments.

The valuation of the Group's financial instrument is based on a combination of market data and valuation models which often require a considerable number of inputs. Many of these inputs are obtained from readily available data for liquid markets. Where such observable data is not readily available, as in the case of level 3 financial instruments, estimates need to be developed which can involve significant judgement.

We identified assessing the fair value of financial instruments as a key audit matter because of the degree of complexity involved in valuing certain financial instruments and because of the degree of judgement exercised by management in determining the inputs used in the valuation methods.

How our audit addressed the key audit matter

Our procedures in relation to assess the fair value of financial instruments included the following:

- Enquiring the management the assumptions around the sustainability of earnings based on the plans of the investee companies and whether these were achievable;
- Obtaining management information including budgets and forecasts from the portfolio companies being valued and using these to corroborate the key inputs in the valuation model;
- Checking, on sample basis, the accuracy and relevance of the input data used such as comparing key underlying financial data inputs to external sources and investee companies' financial statements and management information as applicable;
- Evaluating the independent external valuers' competence, capabilities and objectivity; and
- Checking the arithmetical accuracy on the valuation model.

We considered management's fair value measurement on financial assets were supportable by available evidence.

關鍵審計事項

於二零二零年十二月三十一日，貴集團金融資產公允價值合共約人民幣366,810,000元根據公允價值層級被分類為第3層金融工具。

貴集團以公允價值計量的金融工具的估值以市場數據和估值模型為基礎，其中估值模型通常需要大量的輸入數據。大部分輸入數據來源於能夠可靠獲取的流通市場數據。當可觀察的數據無法可靠獲取時，即公允價值屬於第3層的情形下，輸入值的確定會使用估計，這當中會涉及重大判斷。

由於部分金融工具公允價值的評估較為複雜，且在確定估值模型使用的輸入值時涉及管理層判斷的程度重大，我們將評估金融工具公允價值識別為關鍵審計事項。

我們的審計如何處理關鍵審計事項

我們相關的金融工具公允價值的審計程序包括以下：

- 基於接受投資公司之計劃，以及計劃能否達成，向管理層查詢有關盈利可持續性之假設；
- 索取進行估值之組合公司之管理資料，包括預算及預測，據此證實估值模式中之關鍵數據；
- 抽樣檢查所用輸入數據之準確性及適切性，例如比較關鍵相關財務數據與外界資料，以及比較接受投資公司之財務報表與管理資料(如適用)；
- 評估獨立外部估值師之資格、能力及客觀性；及
- 檢查估值模式之算術準確性。

吾等認為管理層對金融資產之公允價值計量得到足夠證據支持。

Allowance for expected credit losses on trade receivables and other financial assets at amortised cost

Refer to Notes 23 and 25 in the consolidated financial statements

應收貿易款及以攤餘成本計量的金融資產預期信貸虧損

請參閱綜合財務報表附註23及25

The key audit matter

As at 31 December 2020, the Group recorded the trade receivables and other financial assets at amortised cost of approximately RMB342,509,000 and RMB1,371,938,000 respectively before the loss allowance amounting to approximately RMB59,235,000 and RMB4,670,000 has been made on trade receivables and other financial assets at amortised cost respectively.

Loss allowances for trade receivables and other financial assets at amortised cost are based on management's estimate of the lifetime or 12-month expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' and debtors' repayment history, collaterals and financial position and the assessment of both the current and forecast general economic conditions, all of which involve significant degree of management judgement and estimation.

We focused on this area due to the use of significant management judgements and estimates included in the allowance for expected credit losses assessment of trade receivables and other financial assets at amortised cost under the expected credit losses model involved.

How our audit addressed the key audit matter

Our procedures in relation to management's assessment on provision for allowance for expected credit losses of trade receivables and other financial assets at amortised cost included:

- Assessing whether items in the trade receivables ageing report were classified within the appropriate ageing bracket by comparing, on a sample basis, individual items in the report with the relevant sales invoices and credit terms;
- Assessing the reasonableness of management's loss allowance estimates on trade receivables and other financial assets at amortised cost by examining the information used by management to form such judgements, including on a sample basis, testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances; and
- Assessing the reasonableness of recoverability of trade receivables and other financial assets at amortised cost with reference to historical utilisation pattern and credit history of trade debtors including default or delay in payments, settlement records, subsequent settlements and ageing analysis

We found that the management judgment and estimates used to assess the recoverability of the trade receivables and other financial assets at amortised cost and determine the allowance for expected credit losses provision were supportable by available evidence.

關鍵審計事項

於二零二零年十二月三十一日，貴集團於分別就應收貿易款及以攤餘成本計量的其他金融資產作出損失撥備約人民幣59,235,000元及人民幣4,670,000元前分別錄得應收貿易款及以攤餘成本計量的其他金融資產約人民幣342,509,000元及人民幣1,371,938,000元。

應收貿易款及以攤餘成本計量的其他金融資產的損失撥備乃基於管理層對存續期或將予產生的12個月預期信貸虧損的估算，其藉考量信貸虧損經驗、逾期貿易應收帳項帳齡、客戶及債務人還款記錄、抵押品及財政狀況以及對目前和預測一般經濟狀況之評估來估量，當中各項均涉及重大程度的管理層判斷及估計。

我們關注該領域是因為在預期信貸虧損模式下，使用了重要的管理判斷和估計，這些判斷和估計包括了應收賬款和攤餘成本計量的金融資產的評估。

我們的審計如何處理關鍵審計事項

我們關於管理層對應收貿易款及以攤餘成本計量的金融資產預期信貸虧損的評估的程序包括：

- 通過將報告中的各個項目與相關銷售發票及信貸條款以抽樣方式進行比較，評估應收貿易款賬齡報告中的項目是否屬於適當的賬齡範圍內；
- 通過檢查管理層用於形成此類判斷的信息，評估管理層對應收貿易款及以攤餘成本計量的其他金融資產的損失撥備估計的合理性，包括抽樣測試歷史違約數據的準確性、評估歷史損失率是否根據當前狀況及前瞻性資料進行適當調整，及檢查本財政年度記錄的實際虧損，並在確認虧損撥備時評估是否存在管理偏差的跡象；及
- 參照過往使用模式及貿易債務人之信貸歷史(包括付款違約或延誤、結算記錄、其後結算及帳齡分析)評估應收貿易款及以攤餘成本計量的其他金融資產的可收回性的合理性。

我們發現，管理層用於評估應收貿易款及以攤餘成本計量的金融資產預期信貸虧損可收回性及釐定減值撥備的判斷及假設有足夠證據支持。

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 31 March 2020.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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 are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs issued by the IASB 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.

其他事項

貴集團截至二零一九年十二月三十一日止年度的綜合財務報表由另一核數師審計，該核數師於二零二零年三月三十一日就該等報表發表未經修訂意見。

其他信息

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（「其他信息」）。

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信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所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

董事須負責根據國際會計準則理事會頒佈的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。

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.

AUDITORS' 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 auditors' report that includes 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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。

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，並僅向 閣下出具包括我們意見的核數師報告，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，但不能保證按香港審計準則進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們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，則使用者依賴綜合財務報表有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了職業判斷，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。

- 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.
- 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 auditors' 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 auditors' 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.
- 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。
- 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.

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。

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

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 auditors' 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 director on the audit resulting in this independent auditors' report is Shek Lui.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Shek Lui
Practising Certificate Number: P05895

Hong Kong, 31 March 2021

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，為消除威脅採取的行動或採用的防範措施。

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董事是石磊。

國衛會計師事務所有限公司
執業會計師

石磊
執業證書號碼：P05895

香港，二零二一年三月三十一日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	7	492,879	721,455
Cost of sales	銷售成本		(277,743)	(317,140)
Gross profit	毛利		215,136	404,315
Selling and distribution costs	銷售及分銷費用		(104,842)	(112,829)
Administrative expenses	行政費用		(67,776)	(92,465)
Reversal of allowance for/ (allowance for) expected credit loss ("ECL") on financial assets	金融資產預期信貸 虧損(「預期信貸虧損」) 撥備轉回/(撥備)		16,012	(83,164)
Other gains, net	其他利得，淨額	8	22,407	16,811
Operating profit	經營利潤		80,937	132,668
Finance (costs)/income, net	財務(費用)/收入，淨額	9	(44,117)	9,561
Impairment losses on investments accounted for using the equity method	使用權益法入賬的投資減值損失	20	—	(873,151)
Share of result on investments accounted for using the equity method	應佔使用權益法入賬 的投資利潤	20	(2,097)	14,319
Profit/(loss) before income tax	除所得稅前利潤/(虧損)		34,723	(716,603)
Income tax expense	所得稅費用	10	(17,805)	(28,515)
Profit/(loss) for the year	年度利潤/(虧損)	11	16,918	(745,118)
Profit/(loss) for the year attributable to:	應佔年度利潤/(虧損)：			
– Owners of the Company	– 本公司擁有人		16,973	(745,118)
– Non-controlling interests	– 非控股權益		(55)	—
			16,918	(745,118)
Earnings/(loss) per share attributable to owners of the Company – basic and diluted (RMB cents)	本公司擁有人應佔 每股盈利/(虧損) – 基本及攤薄(人民幣分)	13	0.68	(29.77)

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 OTHER COMPREHENSIVE INCOME

綜合其他全面收益表

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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit/(loss) for the year	年度利潤／(虧損)	11	16,918	(745,118)
Other comprehensive income/(loss):	其他全面收入／(虧損)：			
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>將不可於期後被重新分類至損益的項目</i>			
Exchange differences on translation from functional currency to presentation currency	由功能貨幣換算為呈列貨幣的匯兌差額	37	14,191	(12,235)
Fair value loss on financial assets at fair value through other comprehensive income ("FVTOCI")	以公允價值計量且其變動計入其他全面收益(「以公允價值計量且其變動計入其他全面收益」)的金融資產公允價值虧損	22	(10,999)	—
Other comprehensive income/(loss) for the year, net of tax	年度其他全面收入／(虧損)，扣除稅項		3,192	(12,235)
Total comprehensive income/(loss) for the year	年內全面收入／(虧損)總額		20,110	(757,353)
Total comprehensive income/(loss) attributable to:	應佔全面收入／(虧損)總額：			
– Owners of the Company	– 本公司擁有人		20,165	(757,353)
– Non-controlling interests	– 非控股權益		(55)	—
Total comprehensive income/(loss) for the year	年內全面收入／(虧損)總額		20,110	(757,353)

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

上述綜合其他全面收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	15	27,942	28,521
Property, plant and equipment ("PP&E")	物業、廠房及設備 （「物業、廠房及設備」）	16	469,984	521,083
Investment properties	投資性房地產	17	4,445	4,679
Intangible assets	無形資產	18	44,285	66,403
Goodwill	商譽	19	721,139	721,139
Investments accounted for using the equity method	使用權益法入賬的投資	20	650,697	698,283
Deferred tax assets	遞延稅項資產	21	4,277	9,511
Prepayments	預付款項	24	6,067	6,518
Financial assets at fair value through other comprehensive income ("FVTOCI")	以公允價值計量且其變動計入 其他綜合收益（「以公允價值 計量且其變動計入其他全面 收益」）的金融資產	22	174,482	231,881
Financial assets at fair value through profit or loss ("FVTPL")	以公允價值計量且其變動計入損益 （「以公允價值計量且其變動 計入損益」）的金融資產	27	11,517	16,517
Total non-current assets	非流動資產總額		2,114,835	2,304,535
Current assets	流動資產			
Trade receivables	應收貿易款	23	283,274	258,991
Prepayments	預付款項	24	79,678	115,428
Tax recoverable	可收回稅項		627	2,860
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產	25	1,367,268	831,736
Inventories	存貨	26	60,266	52,716
Financial assets at FVTPL	以公允價值計量且其變動計入 損益的金融資產	27	180,811	180,630
Cash and cash equivalents	現金及現金等價物	28	64,752	515,510
Total current assets	流動資產總額		2,036,676	1,957,871
Current liabilities	流動負債			
Trade and notes payables	應付貿易款及應付票據	29	324,150	323,881
Deferred revenue	遞延收入	30	2,374	2,373
Contract liabilities	合同負債	31	16,854	29,409
Tax payable	應付稅項		28,588	34,355
Accruals and other payables	預提費用及其他應付款	32	407,777	410,137
Bank borrowings	銀行借款	33	500,000	576,000
Lease liabilities	租賃負債	15	147	—
Total current liabilities	流動負債總額		1,279,890	1,376,155

		Note	2020	2019
		附註	二零二零年	二零一九年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Net current assets	流動資產淨額		756,786	581,716
Total assets less current liabilities	總資產減流動負債		2,871,621	2,886,251
Non-current liabilities	非流動負債			
Bank borrowings	銀行借款	33	110,000	140,000
Other payables	其他應付款	32	16,000	16,000
Deferred revenue	遞延收入	30	16,142	18,517
Deferred tax liabilities	遞延稅項負債	21	7,371	9,695
Total non-current liabilities	非流動負債總額		149,513	184,212
Net assets	淨資產		2,722,108	2,702,039
Capital and reserves	資本及儲備			
Share capital	股本	35	21,363	21,363
Reserves	儲備		2,700,745	2,680,580
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		2,722,108	2,701,943
Non-controlling interests	非控股權益		—	96
Total equity	權益總額		2,722,108	2,702,039

The consolidated financial statements on pages 102 to 287 are approved and authorised for issue by the Board of Directors on 31 March 2021 and are signed on its behalf by:

第102至287頁的綜合財務報表已於二零二一年三月三十一日獲董事會批准及授權發行，並經以下董事代表簽署：

YUE Zhiqiang 岳志強
Director 董事

YAN Qingjiang 閔清江
Director 董事

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to the owners of the Company 本公司擁有人應佔							
		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Shares held for share award scheme 為股份獎勵計劃持有的股份 RMB'000 人民幣千元	Other reserves (Note 37) 其他儲備 (附註37) RMB'000 人民幣千元	Retained earnings 留存收益 RMB'000 人民幣千元	Sub-total 小計 RMB'000 人民幣千元	Non-controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日的結餘	21,363	1,206,829	(173,037)	177,924	2,226,217	3,459,296	40	3,459,336
Loss for the year	年內虧損	—	—	—	—	(745,118)	(745,118)	—	(745,118)
Other comprehensive loss:	其他全面虧損：								
Exchange differences on translation from functional currency to presentation currency	由功能貨幣換算為呈列貨幣的匯兌差額	—	—	—	(12,235)	—	(12,235)	—	(12,235)
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	(12,235)	(745,118)	(757,353)	—	(757,353)
Convertible bond-equity component (Note 34)	可換股債券—權益部分(附註34)	—	18,385	—	(18,385)	—	—	—	—
Capital injections from non-controlling interests	非控股權益注資	—	—	—	—	—	—	56	56
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日的結餘	21,363	1,225,214	(173,037)	147,304	1,481,099	2,701,943	96	2,702,039
Profit for the year	年內利潤	—	—	—	—	16,973	16,973	(55)	16,918
Other comprehensive income/(loss):	其他全面收入/(虧損)：								
Exchange differences on translation from functional currency to presentation currency	由功能貨幣換算為呈列貨幣的匯兌差額	—	—	—	14,191	—	14,191	—	14,191
Fair value loss on financial assets at FVTOCI	以公允價值計量且其變動計入其他全面收益的金融資產公允價值虧損	—	—	—	(10,999)	—	(10,999)	—	(10,999)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	—	—	—	3,192	16,973	20,165	(55)	20,110
Transfer of reserve upon disposal of financial assets at FVTOCI	出售以公允價值計量且其變動計入其他全面收益的金融資產時的儲備轉移	—	—	—	11,600	(11,600)	—	—	—
Capital injection from non-controlling interests of a subsidiary	附屬公司非控股權益注資	—	—	—	—	—	—	20	20
Dividend paid to non-controlling interests by a subsidiary	附屬公司支付予非控股權益的股息	—	—	—	—	—	—	(61)	(61)
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	21,363	1,225,214	(173,037)	162,096	1,486,472	2,722,108	—	2,722,108

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。

	Note	2020	2019
	附註	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元
Cash flow from operating activities	經營活動現金流		
Profit/(loss) before income tax	除所得稅前利潤/(虧損)	34,723	(716,603)
Adjustments for:	調整：		
Depreciation of right-of-use assets	使用權資產折舊	868	724
Depreciation of PP&E	物業、廠房及設備折舊	59,560	58,359
Depreciation of investment properties	投資性物業折舊	234	175
Amortisation of intangible assets	無形資產攤銷	22,118	22,118
Amortisation of deferred income	遞延收入攤銷	(2,374)	(2,425)
Loss on matured financial assets at FVTPL	以公允價值計量且其變動計入其他損益的到期金融資產虧損	—	4,319
Finance income	財務收入	(1,261)	(63,819)
Finance cost	財務費用	45,378	54,258
Share of result of investments accounted for using the equity method	應佔使用權益法入賬的投資利潤	2,097	(14,319)
Loss on disposal of PP&E	出售物業、廠房及設備虧損	89	—
Gain on disposal of financial assets at FVTPL	出售以公允價值計量且其變動計入其他損益的金融資產收益	(12,482)	(10,198)
Fair value changes of financial assets at FVTPL	以公允價值計量且其變動計入其他損益的金融資產公允價值變動	(811)	(630)
(Reversal of allowance for)/allowance for ECL on financial assets	金融資產預期信貸虧損(撥備轉回)/撥備	(16,012)	83,164
Write-down of inventories	存貨撇減	94	17,885
Impairment losses on investments accounted for using the equity method	使用權益法入賬的投資減值損失	—	873,151
Operating cash flows before movement in working capital	營運資金變動前的經營現金流	132,221	306,159
(Increase)/decrease in inventories	存貨(增加)/減少	(7,644)	28,559
Increase in trade receivables	應收貿易款增加	(5,769)	(46,855)
Decrease in prepayments, other financial assets at amortised cost	預付款項及以攤餘成本計量的其他金融資產減少	39,456	36,546
Increase in trade and notes payable	應收貿易款及應付票據增加	269	245,160
Decrease in accruals and other payables	預提費用及其他應付款減少	(13,876)	(775)
(Decrease)/increase in deferred revenue and contract liabilities	遞延收入及合同負債(減少)/增加	(12,555)	8,184

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash generated from operations	經營活動產生的現金		132,102	576,978
Interest received	已收利息		1,261	492
Interest paid	已付利息		(28,256)	(375)
Income taxes paid	已付所得稅		(18,429)	(28,869)
Net cash flows generated from operating activities	經營活動產生的現金流量淨額		86,678	548,226
Cash flows from investing activities	投資活動現金流			
Purchases of PP&E	購買物業、廠房及設備		(6,105)	(1,583)
Proceeds from disposal of financial assets at FVTOCI	出售以公允價值計量且其變動計入其他全面收益的金融資產所得款項	22	46,400	—
Purchases of financial assets at FVTPL	購買以公允價值計量且其變動計入損益的金融資產	27	(180,000)	(525,000)
Proceeds from disposal of financial assets at FVTPL	出售以公允價值計量且其變動計入損益的金融資產所得款項	27	198,112	525,157
Loans granted to third parties	借予第三方款項		(1,054,330)	(1,138,642)
Repayments received from loans to third parties	已收第三方還款		400,577	1,354,389
Amounts advanced to third parties	已付第三方墊款		(29,275)	(349,699)
Payments received from third parties	已收第三方款項		29,222	162,481
Loans granted to related parties	借予關聯方款項		(34,445)	(288,200)
Repayments received from loans to a related party	已收關聯方還款		189,800	14,363
Amounts paid to related parties	已付關聯方款項		—	(55,623)
Payments for investment in associates	投資於聯營公司的付款		—	(5,020)
Net cash flows used in investing activities	投資活動所用的現金流量淨額		(440,044)	(307,377)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flows from financing activities	融資活動現金流			
Proceeds from bank borrowings	銀行借款所得款項	41	425,000	456,000
Repayments of bank borrowings	償還銀行借款	41	(531,000)	(471,540)
Loans from third parties	取得第三方借款	41	12,068	295,697
Repayment of loans to third parties	償還第三方貸款	41	(3,292)	—
Payments of lease liabilities	租賃負債付款	41	(150)	—
Repayments of convertible bond	償還可換股債券	41	—	(282,789)
Dividends paid to non-controlling interests	支付予非控股權益的股息		(61)	—
Capital injections from non-controlling interests of a subsidiary	附屬公司非控股權益注資		20	56
Net cash flows used in financing activities	融資活動所用的現金流量淨額		(97,415)	(2,576)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物的(減少)/增加淨額		(450,781)	238,273
Cash and cash equivalents at beginning of year	年初現金及現金等價物		515,510	277,152
Exchange gains	匯兌收益		23	85
Cash and cash equivalents at end of year	年末現金及現金等價物	28	64,752	515,510

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 and provision of lending services to third parties in Hong Kong with relevant license.

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

The consolidated financial statements are presented in Reminbi ("RMB"), which is different from the Company's functional currency Hong Kong Dollar ("HKD"). The Directors adopted RMB as presentation currency as the operational entities are located in the PRC.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

New and amendments to IFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to IFRSs issued by the International Accounting Standard Board (the "IASB") for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 3	Definition of a Business
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform

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並在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。

綜合財務報表乃以人民幣呈列(「人民幣」)，有別於本公司的功能貨幣港元(「港元」)。董事採用人民幣作為其列報貨幣，乃由於經營實體位於中國。

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

於本年度強制生效的新訂及經修訂國際財務報告準則

本集團於本年度首次應用以下由國際會計準則理事會(「國際會計準則理事會」)頒佈的新訂及經修訂國際財務報告準則用於呈列綜合財務報表，國際財務報告準則於二零二零年一月一日或之後開始的年度期間強制生效：

國際會計準則第1號及 國際會計準則第8號修訂本	重大的定義
國際財務報告準則第3號修訂本	業務的定義
國際財務報告準則第9號、 國際會計準則第39號及 國際財務報告準則第7號 修訂本	利率基準改革

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

In addition, the Group has early applied the Amendment to IFRS 16 Covid-19-Related Rent Concessions.

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

Impacts on early application of Amendment to IFRS 16 Covid-19-Related Rent Concessions

The Group has applied the amendment for the first time in the current year. The amendment introduces a new practical expedient for lessees to elect not to assess whether a Covid-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of the Covid-19 that meets all of the following conditions:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying IFRS 16 Leases if the changes were not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

The application of the amendment had no impact to the opening retained earnings at 1 January 2020.

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

此外，本集團提前採用《國際財務報告準則第16號》(修訂)－「Covid-19相關租金減讓」。

除下文所述外，於本年度應用新訂及經修訂國際財務報告準則及國際財務報告準則中對概念框架的提述的修訂不會對本集團於本期間及過往期間的財務狀況及表現及／或該等綜合財務報表所載的披露事項造成重大影響。

有關提前採用《國際財務報告準則第16號》(修訂)－「Covid-19相關租金減讓」的影響

本集團已於本年度首次應用該修訂。該修訂為承租人引入新的可行權宜之計使其可選擇不評估Covid-19相關租金減讓是否為一項租賃修訂。該可行權宜之計僅適用於滿足以下所有條件的Covid-19直接產生的租金減讓：

- 租賃付款變動導致的租賃的經修訂代價與緊接變動前的租賃代價大致相同或低於該代價；
- 租賃付款的任何減少僅影響原定於二零二一年六月三十日或之前到期的付款；及
- 租賃的其他條款及條件並無實質性變動。

承租人應用可行權宜方法，將租金減讓導致的租賃付款變動列賬的租賃，以同一方式應用國際財務報告準則第16號租賃的變動入賬(倘變動並非租賃修訂)。租賃付款的寬減或豁免被入賬列作可變租賃付款。相關租賃負債獲調整以反映寬減或豁免的金額，並於該事件發生的期內在損益中確認相應調整。

應用該修訂不會對二零二零年一月一日的年初留存收益造成影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

New and amendments to IFRSs in issue but not yet effective

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

IFRS 17	Insurance Contracts and the related Amendments ¹
Amendment to IFRS 3	Reference to the Conceptual Framework ²
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2 ⁴
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use ²
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to IFRSs	Annual Improvements to IFRSs 2018-2020 ²

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2021.

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但仍未生效的新訂及經修訂國際財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂或經修訂國際財務報告準則：

國際財務報告準則第17號	保險合約及相關修訂 ¹
國際財務報告準則第3號修訂本	概念框架之提述 ²
國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號修訂本	利率基準改革—第二階段 ⁴
國際財務報告準則第10號及國際會計準則第28號修訂本	投資者與其聯營公司或合營企業間的資產出售或注入 ³
國際會計準則第1號修訂本	負債分類為流動或非流動 ¹
國際會計準則第16號修訂本	物業、廠房及設備：未作擬定用途前之所得款項 ²
國際會計準則第37號修訂本	虧損合約—達成合約之成本 ²
國際財務報告準則修訂本	國際財務報告準則二零一八年至二零二零年週期的年度改進 ²

¹ 於二零二三年一月一日或之後開始的年度期間生效。

² 於二零二二年一月一日或之後開始的年度期間生效。

³ 於待定期日或之後開始的年度期間生效。

⁴ 於二零二一年一月一日或之後開始的年度期間生效。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

New and amendments to IFRSs in issue but not yet effective (continued)

The Directors anticipate that the application of all new and amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRSs (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for the financial assets at FVTPL and the financial assets at FVTOCI, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但仍未生效的新訂及經修訂國際財務報告準則(續)

本公司董事預期採納所有新訂及經修訂國際財務報告準則將不會對可見將來的綜合財務報表造成重大影響。

3. 綜合財務報表及主要會計政策的編製基準

綜合財務報表的編製基準

綜合財務報表已根據國際會計準則理事會頒佈的國際財務報告準則(「國際財務報告準則」)(包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)編製。就編製綜合財務報表而言，倘有關資料合理預期會影響主要用戶作出之決定，則有關資料被視為重大。此外，綜合財務報表包括上市規則及香港公司條例規定的適用披露。

綜合財務報表已根據歷史成本基準編製，惟按公允價值且其變動計入損益的金融資產及以公允價值計量且其變動計入其他全面收益的金融資產除外，詳述於下文會計政策。歷史成本一般基於為換取貨物及服務而支付代價之公允價值。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of preparation of consolidated financial statements (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRSs 2 *Share-based Payment*, leasing transactions that are within the scope of IFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

The principal accounting policies adopted are set out below.

Basis of consolidation

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

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

3. 綜合財務報表及主要會計政策的編製基準(續)

綜合財務報表的編製基準(續)

公允價值是市場參與者於計量日期在有序交易中出售資產將收取或轉讓負債將支付之價格，而不論該價格是否可直接觀察或使用其他估值方法作出估計。於估計資產或負債之公允價值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮資產或負債之特點。在該等綜合財務報表中計量及／或租賃的公允價值均在此基礎上予以確定，惟國際財務報告準則第2號以股份為基礎付款範圍內以股份為基礎付款交易、國際財務報告準則第16號租賃範圍內的租賃交易，及與公允價值具有若干類似性惟並非公允價值的計量(如國際會計準則第2號存貨的可變現淨值或國際會計準則第36號資產減值的使用價值)則除外。

採納的主要會計政策載列如下。

綜合基準

合併財務報表包括本公司及本公司及其附屬公司控制實體的財務報表。如本公司符合以下情況，即為取得控制權：

- 對被投資對象擁有權力；
- 就其參與被投資對象的可變回報承受風險或享有權利；及
- 能行使權力以影響其回報。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation (continued)

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Company ceases to control the subsidiary.

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

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

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

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

3. 綜合財務報表及主要會計政策的編製基準(續)

綜合基準(續)

若事實及情況顯示上文所列控制權的三個元素中其中一個或以上元素出現變動，本集團會重新評估其是否控制被投資對象。

合併附屬公司於本公司取得附屬公司的控制權時開始，並於本集團失去附屬公司的控制權時終止。具體而言，於年內收購或出售的附屬公司業績會由本公司取得控制權之日起直至本集團失去附屬公司的控制權當日計入損益。

損益及其他全面收益之各組成部分歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使會導致非控股權益產生虧絀結餘。

如有需要，會對附屬公司的財務報表作出調整，使該等公司使用的會計政策與本集團所使用者一致。

本集團內公司間的所有資產及負債、權益、收入、開支及有關本集團成員公司之間交易的現金流量，一概於合併時對銷。

附屬公司的非控股權益從本集團權益中獨立呈列，列示為現時擁有權權益賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Separate financial statements

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

Impairment testing of the investments in subsidiaries is required upon receiving a dividend 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.

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 steering committee that makes strategic decisions.

3. 綜合財務報表及主要會計政策的編製基準(續)

獨立財務報表

於附屬公司的投資按成本扣除減值列賬。成本包括投資的直接成本。本公司基於已收及應收股息呈列附屬公司業績。

倘股息超逾附屬公司宣派股息期間的綜合收益總額或獨立財務報表內投資賬面值超逾被投資方合併財務報表資產淨值(包括商譽)的賬面值，則收取該等投資的股息後須對附屬公司投資進行減值測試。

分部報告

經營分部按照與向主要經營決策者提供的內部報告一致的方式報告。負責為經營分部分配資源及評估表現的主要經營決策者，已獲認定為作出策略性決定的指導委員會。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations

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

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

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;

3. 綜合財務報表及主要會計政策的編製基準(續)

業務合併

收購業務採用收購法列賬。業務合併所轉讓的代價按公允價值計量，為本集團所轉讓的資產、本集團所產生被收購方的前擁有人須承擔的負債及本集團為交換被收購方的控制權所發行的股權於收購日期的公允價值的總和。收購相關成本一般於產生時在損益中確認。

於收購日期，所收購的可確認資產及所承擔負債已於收購日期按其公允價值確認，惟下列各項除外：

- 遞延稅項資產或負債及與僱員福利安排相關的資產或負債分別根據國際會計準則第12號*所得稅*及國際會計準則第19號*僱員福利*確認及計量；

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations (continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based payment* at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discounted Operations* are measured in accordance with that Standard.
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 16 *Leases*) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

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

3. 綜合財務報表及主要會計政策的編製基準(續)

業務合併(續)

- 於收購日期，被收購方以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購方以股份為基礎的付款安排的負債或權益工具，按國際財務報告準則第2號以股份為基礎的付款計量(見下文)；
- 按照國際財務報告準則第5號持作銷售的非流動資產及已終止業務分類為持作銷售的資產(或處置組別)按該準則予以計量；及
- 租賃負債按剩餘租賃付款(定義見國際財務報告準則第16號租賃)的現值確認及計量，猶如所收購的租賃於收購日期為新租賃，惟(a)租賃期限於收購日期12個月內結束的租賃；或(b)相關資產屬低價值的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並經調整以反映與市場條款相比租賃的有利或不利條款。

商譽按所轉讓的代價、任何非控股權益於被收購方中的金額及收購方過往持有的被收購方股權(如有)公允價值的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部份計量。倘經過重新評估後，所收購可識別資產及所承擔負債的淨值超出所轉讓代價、任何非控股權益於被收購方的金額及收購方過往持有的被收購方權益(如有)公允價值的總和，則超出部份即時於損益中確認為議價收購收益。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

3. 綜合財務報表及主要會計政策的編製基準(續)

業務合併(續)

屬現時擁有權權益且賦予其持有人權利於清盤時按比例分佔實體淨資產的非控股權益可初步按公允價值或按非控股權益分佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益按其公允價值計量。

倘本集團於業務合併時轉讓的代價包含或然代價安排，或然代價按收購日期的公允價值計量，並計入業務合併時所轉讓代價的一部份。符合作為計量期間調整的或然代價的公允價值變動，須以追溯方式進行調整，並對商譽作出相應調整。計量期間調整是指於「計量期間」(不超出收購日期起計一年)取得與於收購日期已存在的事實及情況相關的額外資料而產生的調整。

不符合計量期間調整的或然代價公允價值變動的其後會計處理，取決於或然代價的分類。分類為權益的或然代價不會於其後報告日期重新計量，而其後結算於權益內列賬。其他或然代價於其後報告日期重新計量至公允價值，而公允價值的變動於損益中確認。

當業務合併分階段實現，本集團過往持有的所收購實體權益(包括共同經營)於收購日期重新計量至公允價值，而由此產生的收益或虧損(如有)則於損益中確認。於收購日期前自被收購方權益產生且過往已於其他綜合收入中確認的金額，均重新分類至損益(該處理方法在出售該權益時適用)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Business combinations (continued)

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

Goodwill

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

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

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

3. 綜合財務報表及主要會計政策的編製基準(續)

業務合併(續)

倘業務合併的初步會計處理於合併發生的報告期末尚未完成，則本集團呈報未完成會計處理的項目的臨時金額。該等臨時金額會於計量期間(見上文)內調整，或確認額外資產或負債，以反映所取得於收購日期已存在而據所知可能影響該日已確認金額的相關事實與情況的新資料。

商譽

收購業務產生的商譽以收購業務當日建立的成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期可從合併的協同效益中獲益的本集團各個現金產生單位(或現金產生單位組別)，而現金產生單位或現金產生單位組別指就內部管理而言監控商譽且不過經營分部的最低水平。

獲得商譽分配的現金產生單位(或現金產生單位組別)每年進行減值測試及每當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位(或現金產生單位組別)於該報告期間結束前進行減值測試。倘現金產生單位(或現金產生單位組別)的可收回金額低於其賬面值，則首先分配減值虧損以減低任何商譽的賬面值，然後按該單位內各項資產的賬面值所佔比例分配至該單位(或現金產生單位組別)的其他資產。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Goodwill (continued)

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

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 綜合財務報表及主要會計政策的編製基準(續)

商譽(續)

於出售相關現金產生單位或現金產生單位組別中的任何現金產生單位後，商譽的應佔金額計入釐定的出售損益金額。當本集團出售現金產生單位(或現金產生單位組別中的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或現金產生單位組別)部分的相對價值計量。

本集團有關因收購聯營公司及合營企業而產生的商譽的政策載於下文。

於聯營公司及合營企業的投資

聯營公司為本集團對其擁有重大影響力的實體，但並非附屬公司或於合營企業的權益。重大影響力乃指參與被投資方的財務及經營政策決策但非控制或共同控制該等政策之權力。

合營企業為一項合營安排，據此，對安排擁有共同控制權的各方均有權獲得該合營安排的資產淨值。共同控制權乃指訂約協定共同控制該安排，且僅在相關活動的決策須獲共同控制的各方一致同意時方會存在。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discounted Operations*. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of other comprehensive income.

3. 綜合財務報表及主要會計政策的編製基準(續)

於聯營公司及合營企業的投資(續)

聯營公司或合營企業的業績與資產及負債，乃採用權益會計法入賬併入該等財務報表，惟倘投資被分類為持作出售時除外，在此情況下其按照國際財務報告準則第5號*持作銷售的非流動資產及已終止業務*入賬。就權益會計法入賬的聯營公司及合營公司的財務報表，乃使用本集團有關類似情況下類似交易及事件的統一會計政策編製。根據權益法，除非該投資分類為持作出售(或計入分類為持作出售之出售組別)。根據權益法，投資初步按成本記賬，並按本集團應佔被投資公司於收購日期可識別淨資產之公允價值超出投資成本之差額(如有)作出調整。投資成本包括購買價、收購投資直接應佔其他成本，及構成部分本集團權益工具的任何對聯營公司或合營企業的直接投資。其後，投資乃就本集團應佔被投資公司收購後之淨資產變動及與投資有關之任何減值虧損作出調整。於各報告日期，本集團評估是否有客觀證據顯示投資出現減值。收購日期超出成本之任何差額、本集團應佔被投資公司於收購後及除稅後業績以及年內任何減值虧損乃於綜合損益表確認，而本集團應佔被投資公司於收購後及除稅後其他全面收益項目乃於綜合其他全面收益表內確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the investment in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 綜合財務報表及主要會計政策的編製基準(續)

於聯營公司及合營企業的投資(續)

於聯營公司或合營企業的投資乃自投資對象成為聯營公司或合營企業之日起按權益法入賬。收購於聯營公司或合營企業的投資時，投資成本超出本集團應佔投資對象可識別資產及負債的公允價值淨額的部分將確認為商譽，並計入該投資的賬面值。在重新評估後，本集團應佔可識別資產及負債之公允價值淨額超出投資成本的部分將即時於投資被收購期間的損益內確認。

本集團會評估是否有客觀證據顯示於聯營公司或合營企業之投資可能出現減值。倘存在任何客觀證據，投資之全部賬面值(包括商譽)會根據國際會計準則第36號作為單一資產進行減值測試，方法為將其可收回金額(即使用價值與公允價值之較高者減出售成本)與其賬面值進行比較。任何已確認減值虧損均不會分配至構成投資賬面值一部分之任何資產(包括商譽)。有關減值虧損之任何撥回於該項投資可收回金額其後增加時根據國際會計準則第36號確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in associates and joint ventures (continued)

When the Group ceases to have significant influence over an associate or joint control over or joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IFRS 9 *Financial instrument*, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

3. 綜合財務報表及主要會計政策的編製基準(續)

於聯營公司及合營企業的投資(續)

倘本集團不再對聯營公司擁有重大影響力或於合營企業擁有共同控制權，則按出售於該被投資方之全部權益入賬，所產生之收益或虧損於損益確認。倘本集團保留於前聯營公司或合營企業之權益且該保留權益為國際財務報告準則第9號金融工具範圍內之金融資產，則本集團會於該日按公允價值計量保留權益，而該公允價值被視為於初步確認時之公允價值。聯營公司或合營企業之賬面值與任何保留權益及出售聯營公司或合營企業之部分權益所得款項公允價值間之差額，會於釐定出售該聯營公司或合營企業之收益或虧損時入賬。再者，本集團會將過去在其他全面收益中就聯營公司或合營企業確認之所有金額入賬，基準與該聯營公司或合營企業直接出售有關之資產及負債所規定之基準相同。因此，過往在其他全面收益中確認該聯營公司或合營企業之損益會被重新分類到出售有關資產或負債之損益中，於出售／部分出售相關聯營公司或合營企業後，本集團把收益或虧損由權益重新歸類到損益內作重列調整。

於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團繼續採用權益法。於所有權權益有變時，概不會重新計量公允價值。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in associates and joint ventures (continued)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue from contracts with customers and other income

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- i. the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- ii. the Group's performance creates and enhances an asset that the customer controls as the Group performs; or;

3. 綜合財務報表及主要會計政策的編製基準(續)

於聯營公司及合營企業的投資(續)

當本集團減少其於聯營公司或合營企業之所有權權益但本集團繼續採用權益法時，本集團將過往已於其他全面收益確認之收益或虧損，按其減少所有權權益之相關比例重新分類至損益（倘該收益或虧損將在出售相關資產或負債時重新分類至損益）。

倘一個集團實體與本集團之聯營公司或合營企業進行交易，與該聯營公司或合營企業進行交易所產生之損益僅會在有關聯營公司或合營企業之權益與本集團無關的情況下，方會在本集團綜合財務報表確認。

客戶合約收益及其他收入

本集團於履行履約責任時(或就此)確認收入，即與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時確認收入。

履約責任指一項或一組明確的貨品或服務或基本相同的一系列明確貨品或服務。

倘符合下列其中一項標準，控制權在一段時間內轉移，而收益確認會按一段時間內已完成相關履約責任的進度進行：

- i. 於本集團履約時客戶同時收取及耗用由本集團履約所帶來的利益；
- ii. 本集團履約創設及提升於本集團履約時由客戶控制的資產；及

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers and other income (continued)

- iii. the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(a) Sales of goods – wholesale

The Group manufactures and sells a range of water products and beer products in the wholesale market. The Group also sells raw materials and consumables to associates and third parties. Sales are recognised at a point in time 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.

3. 綜合財務報表及主要會計政策的編製基準(續)

客戶合約收益及其他收入(續)

- iii. 本集團履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權，以支付至今已履約部分的款項。

否則，收益於客戶獲得明確商品或服務的控制權時確認。

合約負債指本集團向客戶轉讓本集團已收取客戶代價(或代價到期應付)的貨品或服務的責任。

(a) 商品銷售 – 批發

本集團製造及於批發市場銷售一系列水產品及啤酒產品。本集團亦向聯營公司及第三方銷售原材料及耗材。當產品的控制權被轉移(即產品交付予客戶)時，客戶對出售產品的渠道及價格有完全決定權，且並無未履行責任從而影響客戶收取這些產品時，銷售於某個時間點方予以確認。在產品運至特定地點且客戶已收取、陳舊過時及損失風險已轉移至客戶時，方為交付。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers and other income (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 at a point in time 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 money lending services to third parties in Hong Kong with relevant license and earns interest as revenue. Related interest income is recognised in a time proportion basis using effective interest method.

(d) Rental income

Rental income from leasing of production lines and a plant is recognised in the statement of profit or loss on a straight-line basis over the term of the lease.

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

3. 綜合財務報表及主要會計政策的編製基準(續)

客戶合約收益及其他收入(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)於某個時間點予以確認。

(c) 利息收入

本集團於香港擁有向第三方提供金錢借款服務的相關牌照並賺取利息作為收入。有關利息收入採用實際利率法按時間比例基準確認。

(d) 租金收入

生產線及一間廠房出租產生的租金收入於租賃期限內以直線法於損益表中確認。

租賃

租賃的定義

倘合約賦予為換取代價而給予在一段時間內控制已識別資產用途的權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修訂或因業務合併而產生之合約而言，本集團於開始時、修改日期或收購日期(按適用者)根據國際財務報告準則第16號之定義評估合約是否為或包含租賃。有關合約將不會被重新評估，除非合約條款及條件其後有所變動。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of premises and office equipments that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人

分配代價至合約組成部分

對於包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約，本集團按租賃組成部分的相對獨立價格及非租賃組成部分的單獨價格總額將合約代價分配至各租賃組成部分。

本集團亦應用實際權宜法不將非租賃部分與租賃部分分開，而相反將租賃部分及任何相關非租賃部分以單一租賃部分入賬。

短期租賃及低價值資產租賃

本集團對租期自開始日期起計為12個月或以下且並不包括購買選擇權的物業及辦公設備租賃應用短期租賃確認豁免。其亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款於租期內按直線法或另一有系統的基準確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團拆卸及移除相關資產、恢復其所在位置原貌或將相關資產恢復至租賃條款及條件所要求的狀況將產生的估計成本。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities other than adjustments to lease liabilities resulting from Covid-19-related rent concessions in which the Group applied the practical expedient.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人(續)

使用權資產(續)

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整，惟本集團因Covid-19相關租金減讓所應用的可行權宜方法而導致的租賃負債調整除外。

本集團合理確定能於租期結束時獲得相關租賃資產擁有權的使用權資產自開始日期至可使用年期結束止期間計提折舊。否則，使用權資產於其估計可使用年期及租期(以較短期間為準)內按直線法計提折舊。

本集團在綜合財務狀況表中將使用權資產作為單獨的項目列示。

可退回租賃按金

已付可退回租賃按金根據國際財務報告準則第9號入賬及初步按公允價值計量。初始確認時的公允價值調整被視作額外租賃付款並計入使用權資產成本。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於租賃開始日期，本集團按該日尚未支付之租賃付款現值確認及計量租賃負債。倘租賃內含之利率無法即時釐定，本集團使用於租賃開始日期之增量借款利率計算租賃付款之現值。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 視乎一項指數或比率釐定的可變租賃付款，並於開始日期使用有關指數或比率作初始計量；
- 預期本集團根據剩餘價值擔保應付之款項；
- 購買選擇權之行使價(倘本集團合理確定行使該選擇權)；及
- 終止租賃之違約金付款(倘租期反映本集團行使終止租賃的選擇權)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

於開始日期後，租賃負債根據利息增長及租賃付款進行調整。

於以下情況，本集團會重新計量租賃負債(並對有關使用權資產作出相應調整)：

- 租期有所變動或行使購買選擇權的評估發生變化，在該情況下有關租賃負債是以經修訂租賃付款按於重新評估日期的經修訂貼現率進行貼現而重新計量。
- 租賃付款因進行市場租金調查後市場租金率／有擔保剩餘價值下預期付款變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團在綜合財務狀況表中將租賃負債作為單獨的項目列示。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Lease modifications

Except for Covid-19-related rent concessions in which the Group applied the practical expedient, the Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities and lease incentives from lessor by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人(續)

租賃修訂

除本集團因Covid-19相關租金減讓應用的可行權宜方法外，倘發生下列情況，本集團將租賃修訂入賬列作一項單獨租賃：

- 透過該項修訂增加使用一項或多項相關資產的權利以擴大租賃範圍；及
- 租賃代價增加的金額相當於範圍擴大對應的單獨價格，並對該單獨價格作出任何適當調整以反映特定合約的實際情況。

就並非入賬列作一項單獨租賃的租賃修訂而言，本集團會根據經修訂租賃的租期以經修訂租賃付款按於修訂生效日期的經修訂貼現率進行貼現，以重新計量租賃負債。

本集團透過對相關使用權資產作出相應調整來就租賃負債及出租人的租賃激勵的重新計量進行會計處理。當經修改合約包含租賃組成部分及一項或多項額外租賃或非租賃組成部分，本集團按租賃組成部分的相對獨立價格及非租賃組成部分的單獨價格總額將經修訂合約代價分配至各租賃組成部分。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Covid-19-related rent concessions

In relation to rent concessions that occurred as a direct consequence of the Covid-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying IFRS 16 if the changes are not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in profit or loss in the period in which the event occurs.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為承租人(續)

Covid-19 相關租金減讓

就Covid-19疫情直接導致的租金減讓而言，本集團已選擇應用可行權宜方法，在滿足以下所有條件的情況下，不評估該等變動是否構成租賃修訂：

- 租賃付款的變更導致租賃經修訂的代價與緊接變更前的租賃代價基本相同或低於該代價；
- 租賃付款的任何減少僅影響最初於2021年6月30日或之前到期的付款；及
- 租賃的其他條款及條件並無實質性變動。

應用可行權宜方法將租金減讓導致的租賃付款變動列賬的承租人將以同一方式將應用國際財務報告準則第16號的變動入賬(倘變動並非租賃修訂)。租賃付款的寬免或豁免被入賬列作可變租賃付款。相關租賃負債會予以調整，以反映寬免或豁免的金額，並於該事件發生期間內在損益中確認相應調整。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

3. 綜合財務報表及主要會計政策的編製基準(續)

租賃(續)

本集團作為出租人

租賃分類及計量

本集團為出租人之租賃會分類為融資或經營租賃。凡租賃之條款將相關資產擁有權附帶之絕大部分風險及回報轉移至承租人者，該租賃即分類為融資租賃。所有其他租賃均分類為經營租賃。

經營租賃之租金收入乃按相關租賃年期以直線法於損益內確認。在磋商及安排經營租賃時產生之初步直接成本乃加入租賃資產之賬面值，而該等成本於租賃期間按直線法確認為開支，惟根據公允價值模型計量之投資物業則除外。

可退還租賃按金

已收的可退還租賃按金根據國際財務報告準則第9號入賬及初步按公允價值計量。於初步確認時對公允價值作出的調整被視為自承租人收取的額外租賃付款。

租賃修訂

並非原有條款及條件一部分之租賃合約代價變動，乃入賬作為租賃修訂，包括透過租金寬免或豁免提供之租賃優惠。

本集團就經營租賃變動為新租賃之入賬，從修訂日期起，將原租賃有關之任何預付及應付租賃付款作為新租賃之租賃付款。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entities, transactions in currencies other than functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a currency translation reserve (attributed to non-controlling interests as appropriate).

3. 綜合財務報表及主要會計政策的編製基準(續)

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易按交易日期之匯率確認。於呈報期末，以外幣計值之貨幣項目按當日匯率重新換算。以公允價值列值並以外幣計價的非貨幣性項目會按釐定公允價值日期的匯率換算。以歷史成本計量並以外幣計價的非貨幣性項目不會再換算。過往成本以外幣計量之非貨幣項目毋須重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額於產生當期的損益確認，惟既無計劃結算亦不可能產生的海外營運之應收或應付貨幣項目的匯兌差額(因而構成於海外營運的投資淨額的一部分)除外，其初步在其它全面收益內確認及由權益重新分類至出售或部分出售本集團於聯營公司的權益的損益。

呈列綜合財務報表時，本集團海外業務之資產與負債按報告期末之匯率換算為本集團之呈報貨幣。收入及開支項目按当期平均匯率換算，惟倘期內匯率大幅波動，則採用交易日期之匯率換算。所產生之匯兌差額(如有)於其它全面收益確認並在貨幣換算儲備內累計(按適用情況歸屬於非控股權益)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Foreign currencies (continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a currency translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Exchange differences relating to the retranslation of the Group's net assets in HKD to the Group's presentation currency (i.e. RMB) are recognised directly in other comprehensive income and accumulated in currency translation reserve. Such exchange differences accumulated in the currency translation reserve are not reclassified to profit or loss subsequently.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3. 綜合財務報表及主要會計政策的編製基準(續)

外幣(續)

出售海外營運(即出售本集團於海外營運的全部權益或出售涉及喪失對包括海外營運的附屬公司的控制權或部分出售於包括海外營運的合營安排或聯營公司的權益,其保留的權益成為金融資產)時,就本公司擁有人應佔的該營運的貨幣換算儲備內累計的所有匯兌差額重新分類至損益。

此外,就包括並不引致本集團喪失對附屬公司控制權的海外業務的部分出售而言,累計匯兌差額的百分比份額歸屬於非控股權益及不在損益內確認。就所有其它出售(即並不引致本集團喪失重大影響力或共同控制權的聯營公司或共同安排的部分出售)而言,累計匯兌差額的百分比份額重新分類至損益。

有關將本集團的港元資產淨值重新換算為本集團呈列貨幣(即人民幣)的匯兌差額乃於其他全面收益直接確認,並於貨幣換算儲備累計。貨幣換算儲備中累計的有關匯兌差額不會在以後重新分類至損益。

收購海外業務產生之已收購可識別資產商譽及公允價值調整,被視為該海外業務之資產及負債,並按各報告期末之匯率換算。由此產生之匯兌差額於其他全面收益確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Borrowing costs

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

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. 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.

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3. 綜合財務報表及主要會計政策的編製基準(續)

借款成本

為購買、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)直接應佔之借款成本加入至該等資產之成本,直至該等資產已大致可供其擬定用途或銷售之時為止。

在相關資產可供擬定用途或銷售後仍未償還之任何特定借款,乃計入匯總一般借款,用以計算一般借款之資本化比率。就有待於合資格資產支銷之特定借款之暫時性投資所賺取之投資收入乃自符合資格作資本化之借款成本扣除。

所有其他借款成本於其產生期間於損益內確認。

政府補助

政府補助直至可合理保證本集團將符合政府補助附帶的條件並可取得補助方予確認。

政府補助於本集團將補助擬補償之成本確認為開支當期,系統性地於損益確認。具體而言,以本集團須購買、建造或以其它方式獲得非流動資產(包括物業、廠房及設備)為主要條件之政府補助,於綜合財務狀況表確認為遲延收入,並於資產可使用年期內按系統性的合理基準轉撥至損益。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Government grants (continued)

Government grants relate to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under “other gains, net” line item.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefit costs

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

3. 綜合財務報表及主要會計政策的編製基準(續)

政府補助(續)

用作補償已產生開支或虧損或用於向本集團提供即時財務援助，而無未來相關成本之與收入有關之應收政府補助，於成為應收當期的損益確認。該等補助金於「其他利得淨額」一列條款項下呈列。

退休福利成本

向定額供款退休福利計劃的付款於僱員提供服務令彼等有權收取該等供款時確認為開支。

離職福利成本

離職福利負債會於本集團實體無法再撤回離職福利邀約及當其確認任何相關重組成本(取其較早者)時確認。

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Short-term and other long-term employee benefits (continued)

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another IFRS requires or permits their inclusion in the cost of an asset.

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.

3. 綜合財務報表及主要會計政策的編製基準(續)

短期及其他長期僱員福利(續)

僱員累計福利(如工資及薪金、年假及病假)於扣除已付金額後確認為負債。

就其他長期僱員福利確認的負債按本集團截至報告日期預期就僱員所提供服務作出的估計未來現金流出的現值計量。服務成本、利息及重新計量引致負債賬面值的任何變動於損益確認，惟有另一項香港財務報告準則規定或允許計入資產成本則作別論。

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。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

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.

3. 綜合財務報表及主要會計政策的編製基準(續)

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。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Share-based payments

Equity-settled share-based payments to employees and other providing similar services are measured at fair value of the equity instruments at the grant date.

The fair value of the equity-settled share based payments determined at the grant date of the equity-settled share-based payments is expensed to profit or loss on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share held for share award scheme). At the end of the reporting period, the Group revises its estimates of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share held for share award scheme.

When share options are exercised, the amount previously recognised in the share held for share award scheme will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the share held for share award scheme will be transferred to retained earnings.

3. 綜合財務報表及主要會計政策的編製基準(續)

基於股份的付款

向僱員及提供類似服務之其他人士作出以權益結算基於股份的付款乃按授出日期權益工具的公允值計量。

於以權益結算並以股份為基礎支付的授出日期釐定的公平值，基於本集團預計將最終歸屬的權益工具按直線法於歸屬期內在損益支銷，而權益(為股份獎勵計劃持有的股份)亦相應增加。於報告期末，本集團根據所有相關非市場歸屬條件的評估修訂其對預期歸屬的權益工具數目的估計。歸屬期內修訂原有估計的影響(如有)於損益內確認，致使累計開支能反映經修訂估計，為股份獎勵計劃持有的股份亦作出相應調整。

於行使購股權之時，先前於為股份獎勵計劃持有的股份確認之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未獲行使，先前於為股份獎勵計劃持有的股份確認之款項將轉撥至保留溢利。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

3. 綜合財務報表及主要會計政策的編製基準(續)

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

即期稅項

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利與損益內呈報的淨利潤不同，乃由於其不包括其他年度應課稅或可扣稅的收入或開支項目及永不須課稅或不可扣稅的項目所致。本集團乃按報告期末已實行或實際已實行之稅率計算即期稅項負債。

遞延稅項

遞延稅項乃就綜合財務報表中資產及負債之賬面值與用於計算應課稅溢利的相應稅基之暫時性差額確認。遞延稅項負債一般會就所有應課稅暫時性差額予以確認，而遞延稅項資產一般於可能有應課稅溢利用以抵銷可扣稅暫時性差額時就所有可扣稅暫時性差額予以確認。若暫時性差額乃因首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不予確認有關資產及負債。此外，若暫時性差額是源自商譽之初步確認，則不確認遞延稅項負債。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (continued)

Deferred tax (continued)

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

3. 綜合財務報表及主要會計政策的編製基準(續)

稅項(續)

遞延稅項(續)

遞延稅項負債乃就與附屬公司投資相關之應課稅暫時性差額予以確認，惟若本集團可控制暫時性差額之撥回及暫時性差額於可見未來很可能不會撥回之情況除外。與該等投資相關的可扣稅暫時性差額所產生的遞延稅項資產，僅於很可能有足夠應課稅溢利可以抵銷暫時性差額的利益且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值在報告期末進行檢討，並於不再可能有足夠應課稅溢利可用以備抵將收回的全部或部分資產時作出相應扣減。

遞延稅項資產及負債乃根據於報告期末已實行或實際已實行的稅率(及稅法)，按清償該負債或變現該資產期間預期適用的稅率計量。

遞延稅項負債及資產的計量反映本集團在報告期末預期收回或清償其資產及負債賬面值所用方式可能導致的稅務後果。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (continued)

Deferred tax (continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. 綜合財務報表及主要會計政策的編製基準(續)

稅項(續)

遞延稅項(續)

計量本集團確認使用權資產及相關租賃負債之租賃交易的遞延稅項時，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將國際會計準則第12號*所得稅*規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債之暫時差額並未於初步確認時於租期內確認。因重新計量租賃負債及租賃修訂導致對使用權資產及租賃負債的賬面值進行後續修訂而產生的不受初始確認豁免之暫時差額，於重新計量或修訂日期確認。

倘有可執行合法權利許可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (continued)

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment loss, if any. 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.

3. 綜合財務報表及主要會計政策的編製基準(續)

稅項(續)

年內即期稅項及遞延稅項

即期及遞延稅項於損益確認。

物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及減值損失(如有)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。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

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:

Buildings	12-40 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.

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.

3. 綜合財務報表及主要會計政策的編製基準(續)

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損失按下列估計使用年期分配至其剩餘價值：

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

資產的剩餘價值及使用年期於各呈報期末檢討，並在適當情況下作出調整。

倘資產賬面值高於估計可收回金額時，該項資產的賬面值即時撇減至可收回金額。

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses, if any. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual values using the straight-line method.

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

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

3. 綜合財務報表及主要會計政策的編製基準(續)

投資性房地產

投資性房地產乃持作賺取租金及／或資本增值的物業。

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

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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.

3. 綜合財務報表及主要會計政策的編製基準(續)

獨立收購之無形資產

獨立收購之無形資產按成本扣除累計攤銷及累計減值虧損入賬。該等無形資產乃以直線法按估計其可使用年期進行攤銷。估計可使用年期及攤銷方法乃於各全年申報期間結束時檢討，估計變動之影響按預先計提之基準入賬。

於業務合併中收購之無形資產

於業務合併時收購及於商譽中分別確認之無形資產在收購日期以其公允值初步確認，而有關公允值被視為其成本。

於初步確認後，於業務合併中收購之無形資產按與分別收購之無形資產相同之基準以成本減累計攤銷及累計減值虧損計算。

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。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Intangible assets acquired in a business combination (continued)

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.

Information system

Information system acquired in a business combination is recognised at fair value at the acquisition date. The information system has a finite useful life of 5 years and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the information system.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3. 綜合財務報表及主要會計政策的編製基準(續)

於業務合併中收購之無形資產(續)

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。

資訊系統

於業務合併收購的資訊系統按於收購日期的公允價值確認。資訊系統有確定的5年使用壽命，並按成本減累計攤銷列賬。攤銷按直線法計算，以按資訊系統估計壽命分配資訊系統的成本。

取消確認無形資產

無形資產於出售或預期其用途或出售不會帶來任何未來經濟利益時終止確認。終止確認無形資產時產生的收益及虧損乃以出售所得款項淨額與該資產賬面值的差額計算，並於該資產終止確認時在損益賬內確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment of property, plant and equipment, right-of-use assets and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

3. 綜合財務報表及主要會計政策的編製基準(續)

物業、廠房及設備、使用權資產及無形資產(商譽除外)減值

於各報告期末，本集團審閱其物業、廠房及設備、使用權資產及具有限使用年期無形資產(商譽除外)之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何有關跡象，則會估計有關資產的可收回金額以釐定減值虧損(如有)之程度。當資產並無產生獨立於其他資產之現金流量時，本集團估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則公司資產亦會分配至個別現金產生單位，否則或會分配至可識別合理及一致分配基準之最小現金產生單位組別。

可收回金額指公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映目前市場對貨幣時間值及資產特定風險之評估，而當中並未對估計未來現金流量作出調整。

倘估計資產(或現金產生單位)之可收回金額少於其賬面值，資產(或現金產生單位)之賬面值下調至其可收回金額。減值虧損即時於損益確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment of property, plant and equipment, right-of-use assets and intangible assets excluding goodwill *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

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

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 綜合財務報表及主要會計政策的編製基準(續)

物業、廠房及設備、使用權資產及無形資產(商譽除外)減值(續)

倘減值虧損於其後撥回，則該項資產(或現金產生單位)之賬面值會增加至其經調整之估計可收回金額，惟增加後於賬面值不得超出假設過往年度並無就該項資產(或現金產生單位)確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

存貨

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

金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時予以確認。金融資產之一切常規買賣均按交易日基準確認或終止確認。常規買賣指須根據市場規則或慣例確立之時間內交付資產之金融資產買賣。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產及金融負債初步按公平值計量，惟來自客戶合約產生的應收賬款則根據國際財務報告準則第15號進行初步計量。收購或發行金融資產及金融負債(透過損益按公平值列賬之金融資產及金融負債除外)直接應佔之交易成本於初步確認時加進金融資產或金融負債之公平值或從中扣除(如適用)。直接自收購透過損益按公平值列賬之金融資產及金融負債產生之交易成本即時於損益確認。

實際利率法乃計算金融資產或金融負債之攤銷成本以及分配相關期間利息收入及利息開支之方法。實際利率乃於初步確認時，按金融資產或金融負債之預期年期或適用較短期間，準確貼現估計未來現金收入及付款(包括構成實際利率之組成部分之所有已付或已收費用及款項、交易成本及其他溢價或折讓)至賬面淨值之利率。

本集團一般業務過程中賺取的利息收入呈列為收入。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產

金融資產分類及後續計量

符合以下條件的金融資產其後按攤銷成本計量：

- 於目的為收取合約現金流量之業務模式內持有之金融資產；及
- 合約條款導致於特定日期產生之現金流量純粹用作支付本金及未償還本金利息。

符合以下條件之金融資產其後以公允價值計量且其變動計入其他綜合收益計量：

- 於目的為同時收取合約現金流量及出售之業務模式內持有之金融資產；及
- 合約條款導致於特定日期產生之現金流量純粹用作支付本金及未償還本金利息。

所有其他金融資產其後以公允價值計量且其變動計入損益計量，惟倘股本投資既非持作買賣，亦非國際財務報告準則第3號業務合併所適用之業務合併收購方確認之或然代價，於首次應用／初步確認金融資產當日，本集團或不可撤回地選擇將該股本投資之其後公平值變動於其他全面收入呈列。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

A financial asset is classified as held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

達成以下條件的情況下，該項金融資產會乃持作買賣：

- 主要目的是為了在短期內出售；或
- 於初步確認時，本集團集管理之可識別金融工具組合之一部分，及近期曾實際短期獲利；或
- 並非已指定作有效對沖工具之衍生工具。

此外，本集團或不可撤回地指定須按攤銷成本或以公允價值計量且其變動計入其他綜合收益計量之金融資產按公平值計入損益計量，前提為有關指定可消除或大幅減少會計錯配。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本及債務工具計量之金融資產之利息收入使用實際利率法確認。利息收入乃對金融資產賬面總值應用實際利率計算，惟其後出現信貸減值之金融資產除外(見下文)。對於其後出現信貸減值之金融資產而言，利息收入按金融資產自下個報告期起之攤銷成本應用實際利率確認。倘信貸減值金融工具之信貸風險有所改善，致使金融資產不再信貸減值，則利息收入自釐定有關資產不再出現信貸減值後之報告期開始對賬面總值應用實際利率確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised on other comprehensive income and accumulated in the FVTOCI reserves; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained earnings.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other gains, net" line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains, net" line item.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

(ii) 指定為以公允價值計量且其變動計入其他綜合收益之權益工具

以公允價值計量且其變動計入其他綜合收益之權益工具的投資其後按公平價值計量，其公平值變動產生的收益及虧損於其他全面收入中確認及於以公允價值計量且其變動計入其他綜合收益之儲備累計，並無須作減值評估。累計收益或虧損於出售權益工具時將不會重新分類至損益，並將轉撥至保留盈利。

當本集團確認收取股息的權利時，該等權益工具投資的股息於損益中確認，除非股息明確表示收回部分投資成本。股息計入損益中「其他利得，淨額」的項目中。

(iii) 以公允價值計量且其變動計入損益的金融資產

金融資產如不符合按攤銷成本或以公允價值計量且其變動計入其他綜合收益或指定為以公允價值計量且其變動計入其他綜合收益的條件，則以公允價值計量且其變動計入損益計量。

於各報告期末，以公允價值計量且其變動計入損益計量的金融資產按公平價值計量，而任何公允價值收益或虧損於損益確認。於損益確認的收益或虧損淨額不包括就金融資產所賺取的任何股息或利息，並計入「其他利得，淨額」項目內。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group performs impairment assessment under ECL model on financial assets which are subject to impairment assessment under IFRS 9 (including trade receivables, other financial asset at amortised cost, restricted bank deposits and cash at bank). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on trade receivables with significant balances or credit impaired are assessed individually and the remaining trade receivables are assessed collectively using a provision matrix with appropriate age groupings.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值

本集團根據國際財務報告準則第9號就發生減值之金融資產(包括應收貿易款、以攤餘成本計量的其他金融資產、受限制銀行存款及銀行現金)根據預期信貸虧損模式進行減值評估。預期信貸虧損的金額於各報告日期更新，以反映自初步確認後信貸風險的變動。

全期預期信貸虧損指因相關工具的預期使用期內所有可能的違約事件而將產生之預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告期末後12個月內可能發生的違約事件導致之全期預期信貸虧損部份。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告期末當前狀況的評估以及對未來狀況的預測作出調整。

本集團一直就不涉及重大融資成分之應收貿易款確認全期預期信貸虧損。結餘數額重大或出現信貸減值之應收貿易款的預期信貸虧損單獨予以評估，而其餘的應收貿易款的預期信貸虧損採用合適賬齡組別之撥備矩陣進行整體評估。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) *Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

就所有其他工具而言，本集團計量的虧損撥備等於12個月預期信貸虧損，惟倘自初始確認以來信貸風險顯著增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初始確認以來發生違約之可能性或風險是否顯著增加。

(i) *信貸風險顯著增加*

於評估自初始確認以來信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量及定性資料，包括無需付出不必要的成本或努力而可取得之過往經驗及前瞻性資料。

特別是，在評估信貸風險是否已顯著增加時，會考慮以下資料：

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(i) 信貸風險顯著增加(續)

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險外部市場指標的顯著惡化，如信貸利差、債務人的信貸違約掉期價格大幅增加；
- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變動；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人償還債務能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變動。

不論上述評估之結果如何，本集團認為，倘合約付款逾期超過30天，則自初始確認以來信貸風險已顯著增加，除非本集團有合理且可支持之資料證明屬其他情況。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(i) 信貸風險顯著增加(續)

就財務擔保合約而言，本集團成為不可撤銷承擔一方的日期被視為就減值評估進行初步確認之日期，故於估計信貸風險自財務擔保合約初步確認起是否有顯著上升時，本集團考慮指定債務人違約風險的變動。

本集團定期監察用以識別信貸風險曾否大幅上升之標準之成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前識別信貸風險大幅上升。

(ii) 違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，因為過往經驗表明符合任一下列條件的金融資產一般無法收回：

- 債務人違反財務契約；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default (continued)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 180 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event (see (ii) above);
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(ii) 違約的定義(續)

不論上述分析，本集團認為，違約已於當金融資產逾期超過180天時發生，惟本集團有合理且可支持的資料證明更為滯後的違約標準更為適當除外。

(iii) 信貸減值金融資產

當一項或多項對金融資產估計未來現金流量造成不利影響之事件發生時，即代表金融資產已出現信貸減值。金融資產出現信貸減值之證據包括涉及以下事件之可觀察數據：

- 發行人或借款人出現重大財政困難；
- 違反合約，如違約或逾期事件（參見上文(ii)）；
- 向借款人作出貸款之貸款人出於與借款人財政困難有關之經濟或合約考慮，給予借款人在其他情況下不會作出之讓步；
- 借款人有可能破產或進行其他財務重組；或
- 金融資產之活躍市場因財務困難而消失。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 180 days past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(iv) 撇銷政策

當有資料顯示債務人陷入重大財困，且並無實際收回可能(例如債務人已被清盤或進入破產程序，或就應收貿易款而言，款項逾期超過180天，以較早者為準)，本集團會撇銷金融資產。已撇銷之金融資產仍可根據本集團之收回程序進行法律行動，在適當情況下應聽取法律建議。任何收回款項會於損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損大小)及違約風險之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。預期信貸虧損的預估乃無偏概率加權平均金額，以各自發生違約的風險為權重確定。本集團於使用撥備矩陣評估應收貿易款的預期信貸虧損時使用可行權宜方法，考慮歷史信貸虧損經驗並就毋須耗費不必要成本或努力即可獲得的前瞻性資料作出調整。

一般而言，估計預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始確認時釐定之有效利率貼現)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) *Measurement and recognition of ECL (continued)*

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(v) *預期信貸虧損之計量及確認(續)*

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款之情況下付款。因此，預期虧損乃補償持有人就所產生信貸虧損之預期款項之現值減任何本集團預期從該持有人、債務人或任何其他方收取之任何金額。

就財務擔保合約之預期信貸虧損而言，由於實際利率無法釐定，本集團將應用可反映貨幣時間價值及現金流量特有風險之目前市場評估之貼現率，惟僅在透過調整貼現率而非調整貼現現金差額之方式計及風險之情況下，方應用有關貼現率。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL (continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the below basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on the amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with IFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(v) 預期信貸虧損之計量及確認(續)

倘按集體基準計量預期信貸虧損或並無迎合個別工具層面之證據之情況，金融工具按以下項目分組：

- 金融工具性質；
- 逾期狀況；
- 債務人之性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期檢討分組方法，確保各組別之組成項目仍然具有類似之信貸風險特徵。

利息收入按金融資產之總賬面值計算，除非該金融資產已發生信貸減值，則利息收入按金融資產之攤銷成本計算。

就財務擔保合約而言，虧損撥備按根據國際財務報告準則第9號釐定的虧損撥備金額；及初步確認金額減(如適用)於擔保期間確認的累計收入金額兩者間的較高者確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL (continued)

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(v) 預期信貸虧損之計量及確認(續)

除財務擔保合約外，本集團透過調整所有金融工具的賬面值，在損益中確認其減值收益或虧損，惟應收貿易款除外，其相應調整於虧損撥備賬確認。

終止確認金融資產

本集團僅會於資產現金流量之合約權力屆滿或其轉讓金融資產並已向另一實體轉移資產絕大部分擁有權風險及回報時終止確認金融資產。倘本集團並未轉移亦未保留擁有權之絕大部分風險及回報，並繼續控制已轉移資產，則本集團確認從其於該資產之保留權益及與其可能須支付金額有關之負債。倘本集團仍保留已轉移金融資產擁有權之絕大部分風險及回報，本集團將繼續確認該金融資產以及確認已收所得款項之有抵押借款。

終止確認按攤銷成本計量之一項金融資產時，該資產賬面值與已收及應收代價總和之差額於損益中確認。

於終止確認權益工具投資(本集團於初步確認投資當日選擇以公允價值計量且其變動計入其他綜合收益計量)時，先前於以公允價值計量且其變動計入其他綜合收益儲備所累計的累計收益或虧損不會重新分類至損益，惟轉撥至保留盈利。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融負債及權益

分類為債務或權益

由集團實體發行之債務及權益工具根據所訂立合約安排之內容以及金融負債及權益工具之定義分類為金融負債或權益。

權益工具

權益工具指能證明某實體於扣除所有負債後之資產中擁有剩餘權益之任何合約。本公司發行之權益工具乃按已收取所得款項扣除直接發行成本確認。

購回本公司本身之權益工具會直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司本身之權益工具而於損益中確認任何收益或虧損。

金融負債

所有金融負債其後採用實際利率法按攤銷成本計量。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at amortised cost

Financial liabilities including trade and notes payables, accruals and other payables, bank borrowings and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised over the guarantee period.

Convertible loan notes

The component parts of the convertible loan notes are classified separately as financial liability and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融負債及權益(續)

按攤銷成本計量的金融負債

包括應付貿易款及應付票據、應計費用及其他應付款、銀行借款及租賃負債的金融負債其後採用實際利率法按攤銷成本計量。

財務擔保合約

財務擔保合約為一項要求發行人支付指定付款以補償持有人因指定債務人未按照債務工具的條款支付到期款項時所蒙受損失的合約。

財務擔保合約負債初始按其公平值計量。其後按以下較高者來計量：

- 根據國際財務報告準則第9號釐定的虧損撥備金額；及
- 初始確認的金額減去(如適用)擔保期內確認的累計攤銷金額。

可換股貸款票據

可換股貸款票據的負債部分根據合約安排的內容以及金融負債及權益工具的定義獨立分類為金融負債及股本。將以固定金額現金或另一項金融資產換取固定數目的本公司本身權益工具的方式結清之換股權為權益工具。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Convertible loan notes (continued)

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to share premium. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

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

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融負債及權益(續)

可換股貸款票據(續)

於發行日期，負債部分(包括任何嵌入或非權益衍生工具特徵)的公平值透過計量並無相關股本部分之類似負債之公平值進行估計。

分類為權益的換股權按自複合工具的公平總值扣除負債部分金額的方式釐定。其於權益確認並計入權益(經扣除所得稅影響)，且不會於其後重新計量。此外，分類為權益的換股權在獲行使前於權益列賬，於該情況下，於權益確認之結餘將轉撥至股份溢價。倘換股權於可換股票據到期日仍未獲行使，於權益確認之結餘將轉撥至股份溢價。於換股權獲轉換或屆滿時，不會於損益確認收益或虧損。

發行可換股貸款票據的相關交易成本，按所得款項總額的分配比例分配至負債及權益部分。權益部分的相關交易成本直接自權益扣除。負債部分的相關交易成本計入負債部分的賬面值，並以實際利率法於可換股貸款票據期限內攤銷。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Derecognition of financial liabilities

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

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融負債及權益(續)

終止確認金融負債

於本集團之義務獲解除、取消或屆滿後，本集團方會終止確認金融負債。已終止確認金融負債之賬面值與已付及應付代價之間的差額於損益中確認。

當本集團與現有貸款人以一項債務工具交換另一有重大不同條款的債務工具，有關交換以抵銷原有金融負債及確認新金融負債方式入賬。相若地，本集團以抵銷原有金融負債及確認新金融負債方式，將現有負債條款或其中部分之重大修改入賬。當新條款項下現金流量(包括已付的任何費用扣除已收及按原先實際利率已貼現的任何費用)的經貼現現值與原有金融負債剩餘現金流量的經貼現現值有至少百分之十的差距時，即假設條款有重大差異。倘有關修改並不重大，則(1)修改前負債的賬面值；與(2)修改後現金流量現值的差額將於損益中確認為其他收益及虧損項下修改收益或虧損。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortised cost or fair value as appropriate.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Generally, multiple embedded derivatives in a single instrument that are separated from the host contracts are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

3. 綜合財務報表及主要會計政策的編製基準(續)

金融工具(續)

金融負債及權益(續)

衍生金融工具

衍生工具初步按該衍生工具合約簽訂日期的公平值確認，並於其後報告期末重新計量其公平值，所得收益或虧損即時於損益確認。

嵌入式衍生工具

嵌入包含在國際財務報告準則第9號金融工具範圍內金融資產之混合合約之衍生工具不會分開呈列。整份混合合約會適當地分類為攤銷成本或公平值，並其後以整體計量。

當衍生工具符合衍生工具之定義、其風險及特徵與主合約並無密切關係及主合約並無以公允價值計量且其變動計入損益計量時，嵌入並非國際財務報告準則第9號範圍內金融資產之非衍生工具主合約之衍生工具被視為獨立衍生工具。

一般而言，單一工具中與主合約分開的多個嵌入式衍生工具被視為單一複合嵌入式衍生工具，除非該等衍生工具面臨不同風險及未能隨時分開，且彼等各自獨立。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made by the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

3. 綜合財務報表及主要會計政策的編製基準(續)

撥備

當本集團因過去事項須承擔現有責任(法定或推定)，而本集團很可能需履行該責任及能可靠估計責任涉及款項時，則須確認撥備。

確認為撥備的金額為於報告期末就結清現時責任所需代價的最佳估計，當中考慮到與該責任有關的風險及不確定因素。倘撥備以估計結清現時責任的現金流量計量，則其賬面值為該等現金流量的現值(倘資金時間值影響屬重大)。

或然負債

或然負債是指由過去的事項引起的可能需要履行的責任，其存在將由某些本集團所不能完全控制的未來事項是否發生來確定。或然負債也可能是由於過去事項而產生的現時責任，但由於該責任不太可能引起經濟資源的流出或該義務金額不能可靠地計量，因此該責任未被確認為負債。或然負債不予確認，僅在綜合財務報表的附註中披露。若情況有變以致將來可能需要撥出資源以履行責任，才會確認撥備。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

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.

Share capital and shares held for share award scheme

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

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

3. 綜合財務報表及主要會計政策的編製基準(續)

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。

股本及為股份獎勵計劃持有的股份

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Related parties

A related party is a person or entity that is related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (ii) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (iii) The entity is controlled or jointly controlled by a person identified in (a).

3. 綜合財務報表及主要會計政策的編製基準(續)

關連人士

倘屬以下情況，則關連人士為與本集團有關連之個人或實體：

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本公司的母公司之主要管理人員。
- (b) 倘符合下列任何條件，則該實體與本集團有關連：
 - (i) 一實體為第三方的合營公司，而另一實體為該第三方的聯營公司。
 - (ii) 該實體為本集團或與本集團有關連的實體之僱員離職後福利計劃。
 - (iii) 該實體受(a)識別之人士的控制或共同控制。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions applies (continued):
- (iv) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (v) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3. 綜合財務報表及主要會計政策的編製基準(續)

關連人士(續)

- (b) 倘符合下列任何條件，則該實體與本集團有關連(續)：
- (iv) (a)(i) 識別之人士對該實體有重大影響力或該人士為該實體(或該實體的母公司)的主要管理層成員。
 - (v) 該實體或其所屬集團之任何成員向本集團或本集團之母公司提供主要管理層人員服務。

該名人士之家族近親為預期將會影響與實體交易之該名人士或受其影響之家族成員。

如關聯方之間轉移資源或責任，交易會被視為關聯方交易。

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 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

The Group's management determines the residual value, useful lives and related depreciation charges for its property, plant and equipment and investment properties. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment as well as investment properties of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where residual value or useful lives are less than previous estimates, or it will write-off technically obsolete or non-strategic assets that have been abandoned or sold. The current estimated useful lives are stated in Note 3.

4. 關鍵會計估算及判斷

編製財務報表需要使用會計估計，根據定義，它很少會與實際結果相等。管理層在應用本集團會計政策時亦需作出判斷。

估計和判斷不斷在評估。它們基於歷史經驗和其他因素，包括對未來事件的預期，這些事件在該情況下被認為是合理的。

本集團對未來作出估計及假設。顧名思義，會計估計很少等同相關實際情況。下文論述可能會導致於下個財政年度內對資產及負債之賬面值作出重大調整之巨大風險之估計及假設。

(a) 折舊

本集團管理層釐定其物業、廠房及設備以及投資性房地產的剩餘價值、使用年期及相關折舊費用。所作估計以類似性質及功能的物業、廠房及設備以及投資性房地產的實際剩餘價值及使用年期的過往經驗為準。由於技術革新及競爭者就嚴峻的行業週期採取的行動，該估計可能會大幅變動。當剩餘價值或使用年期少於先前估計，管理層將提高折舊費用，或撇銷或撇減技術上過時或已棄用或出售的非戰略性資產。目前估計可使用年期載於附註3。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Where the expectation is different from the original estimate, such differences will impact on the recognition of deferred tax assets and taxation in the periods in which such estimates are changed.

Dividends derived from the Company's subsidiaries in the PRC earned after 1 January 2008 are subject to withholding tax at the rate of 5%-10%. The Group reassessed its needs to make distributions out of its subsidiaries in the PRC. As a result, withholding income tax has been provided for the undistributed profits to the extent they are expected to be distributed in future.

Deferred tax assets relating to certain temporary differences are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4. 關鍵會計估算及判斷(續)

(b) 所得稅

本集團須於多個司法權區繳納所得稅。在釐定所得稅撥備時須作出重大判斷。有多項交易及計算的最終稅款尚未釐定。本集團根據估計會否有額外應付稅項來確認預期稅項審核事項的負債。當這些事項的最終稅務結果有別於初始記入的金額時，差額將影響作出決定期間的即期及遞延稅項資產及負債。

當預期與原來估計不同時，差額將影響對這些估計出現變動期間的遞延稅項資產及稅項的確認。

於二零零八年一月一日後，自本公司中國附屬公司取得的股息須按5%-10%繳納所得稅。本集團重新評估了其自中國附屬公司作出分派的需求。因此，倘預期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 19)

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit (or a group of cash-generating units) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise.

4. 關鍵會計估算及判斷(續)

(c) 減值審閱

(i) 收購附屬公司－天地綠色產生的商譽(附註19)

釐定商譽是否減值須要估計獲分配有關商譽之現金產生單位(或現金產生單位組別)之可收回金額，即使用價值或公允值減出售成本兩者之較高者。計算使用價值須要本集團對預期可自現金產生單位(或一組現金產生單位)獲得之未來現金流量，以及適合計算現值之折現率作出估計。倘未來實際現金流量較預期為少，或事實及情況有變以致未來現金流量向下修訂或貼現率向上修訂，則可能產生重大減值虧損或進一步減值虧損。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review (continued)

(i) Goodwill arising from acquisition of a subsidiary – Tiandi Green (Note 19) (continued)

The table below summarised the key assumptions used in the goodwill impairment review and the impacts on the value-in-use calculations upon unfavourable movements of the key assumptions:

Items	Assumption used	Movement of key assumption	Decrease in value-in-use RMB'000 使用價值 減少	Impairment loss RMB'000 減值損失 人民幣千元
項目	所用假設	主要假設變動	人民幣千元	人民幣千元
Annual revenue growth rate 年收入增長率	3.0%-3.6%	Decreased by 1% 減少1%	71,466	—
Long-term growth rate 長期增長率	3.0%	Decreased by 1% 減少1%	77,586	—
Gross margin 毛利率	41.2%	Decreased by 1% 減少1%	30,310	—
Pre-tax discount rate 稅前貼現率	15.7%	Increased to 16.7% 增加至16.7%	52,865	—

4. 關鍵會計估算及判斷(續)

(c) 減值審閱(續)

(i) 收購附屬公司—天地綠色產生的商譽(附註19)(續)

下表載列商業減值審閱所用的關鍵假設概要及於關鍵假設發生不利變動後對使用價值計算結果的影響：

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review (continued)

(i) Goodwill arising from acquisition of a subsidiary – Tiandi Green (Note 19) (continued)

Based on management's analysis, negative movements of the above key assumptions are unlikely to happen given prudent assumptions had been used in the goodwill impairment analysis. As such, no impairment loss had been recognised for the goodwill arising from acquisition of Tiandi Green for the year ended 31 December 2020.

(ii) Investment in an associate – Highland Natural Water

As at 31 December 2020, in view of the operating performance of the associate – High Natural Water, the Group performed impairment assessment on the associate – High Natural Water. Determining whether impairment loss should be recognised requires an estimation of the recoverable amount of the relevant associate which is the higher of value-in-use and fair value less costs of disposal.

This valuation uses cash flow projections based on financial estimates covering a eight-year period, and a pre-tax discount rate of approximately 12.5% (2019: approximately 12.4%). The cash flows beyond the eight-year period are extrapolated using a steady 3.0% (2019: 2.5%) growth rate. In cases where the actual cash flows are less or more than expected, or change in facts and circumstances which result in revision of future cash flows estimation or discount rate, a material reversal or further recognition of impairment may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

4. 關鍵會計估算及判斷(續)

(c) 減值審閱(續)

(i) 收購附屬公司—天地綠色產生的商譽(附註19)(續)

基於管理層的分析，鑒於商譽減值分析已運用審慎假設，上述主要假設不太可能發生負向變動。因此，截至二零二零年十二月三十一日止年度，概無就收購天地綠色產生的商譽確認減值損失。

(ii) 於聯營公司—高原天然水的投資

於二零二零年十二月三十一日，鑒於聯營公司—高原天然水的經營表現，本集團對聯營公司—高原天然水進行減值評估。釐定減值評估是否應予確認須估計相關聯營公司的可收回金額，可收回金額為使用價值及公平值變動減出售成本的較高者。

當中採用基於八年期間財務估計的現金流量預測、產生自各商標的預期專利權率及稅後貼現率12.5%（二零一九年：約12.4%）作出估值。八年以後的現金流量乃使用增長率3.0%（二零一九年：2.5%）作出推斷。如果實際現金流量小於或大於預期，或者由於事實和情況的變化導致未來現金流量估計的修訂，則可能會發生重大撥回或進一步確認減值，這將在期內損益中確認該撥回或進一步確認的識別。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(c) Impairment review (continued)

(ii) Investment in an associate – Highland Natural Water (continued)

The table below summarised the key assumptions used in the impairment review for investment in Highland Natural Water and the impacts on the value-in-use calculations upon unfavourable movements of the key assumptions:

Items	Assumption used	Movement of key assumption	Decrease in Impairment value-in-use loss	
			RMB'000 使用價值 減少	RMB'000 減值損失 人民幣千元
項目	所用假設	主要假設變動	人民幣千元	人民幣千元
Annual revenue growth rate 年收入增長率	3.0%-42.4%	Decreased by 1% 減少1%	80,708	28,363
Long-term growth rate 長期增長率	3.0%	Decreased by 1% 減少1%	54,872	2,528
Gross margin 毛利率	54.6%-54.9%	Decreased by 1% 減少1%	37,799	—
Pre-tax discount rate 稅前貼現率	12.5%	Increased to 13.5% 增加至13.5%	70,655	18,311

Based on management's analysis, negative movements of the above key assumptions are unlikely to happen given prudent assumptions had been used in the impairment analysis. As such, no impairment loss had been recognised for the investment in Highland Natural Water for the year ended 31 December 2020.

4. 關鍵會計估算及判斷(續)

(c) 減值審閱(續)

(ii) 於聯營公司－高原天然水的投資(續)

下表載列投資於高原天然水減值審閱所用的關鍵假設概要及於關鍵假設發生不利變動後對使用價值計算結果的影響：

基於管理層的分析，鑒於減值分析已運用審慎假設，上述主要假設不太可能發生負向變動。因此，截至二零二零年十二月三十一日止年度，概無就投資於高原天然水產生的確認減值損失。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS*(CONTINUED)***(c) Impairment review** *(continued)***(ii) Investment in an associate – Highland Natural Water** *(continued)*

As at 31 December 2020, the carrying amount of the associate – High Natural Water amounted to approximately RMB441,390,000 (2019: RMB491,603,000), after taking into account the impairment losses of approximately RMB873,151,000 (2019: RMB873,151,000).

(iii) Trade receivables and other financial assets at amortised cost

Allowance for ECL on trade receivables and other financial assets at amortised cost are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Allowance of ECL is sensitive to changes in estimates. Due to greater financial uncertainty triggered by the Covid-19 pandemic, the Group has increased the expected loss rates in the current year as there is higher risk that a prolonged pandemic could led to increased credit default rates. Details of the key assumptions and inputs used are disclosed in the tables in Note 5.1(b).

4. 關鍵會計估算及判斷(續)**(c) 減值審閱(續)****(ii) 於聯營公司－高原天然水的投資(續)**

於二零二零年十二月三十一日，聯營公司－高原天然水的賬面值為數約人民幣441,390,000元(二零一九年：人民幣491,603,000元)，經計提減值虧損約人民幣873,151,000元(二零一九年：人民幣873,151,000元)。

(iii) 應收貿易款及以攤餘成本計量的其他金融資產

應收貿易款及以攤餘成本計量的其他金融資產的預期信貸虧損撥備乃基於違約風險假設及預期損失率。根據本集團的過往歷史、現有市況及於各報告期末的前瞻性估計，本集團於作出該等假設及選擇減值計算的輸入數據時使用判斷。

預期信貸虧損撥備對估計變動尤為敏感。由於Covid-19疫情引發更大的財務不確定性，本集團已提高本年度的預期虧損率，原因是疫情曠日持久可能導致信貸違約率上升的風險增加。所用關鍵假設及輸入值的詳情披露於附註5.1(b)的表格。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(d) Fair value measurement of financial instruments

As at 31 December 2020, certain of the Group's unquoted equity investment and structured financial products amounting to approximately RMB366,810,000 (2019: RMB429,028,000) are measured at fair value with fair value being determined based on unobserved inputs using valuation techniques. Judgment and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. Details of the key assumptions and inputs used are disclosed in the tables in Note 5.3.

(e) Provision for financial guarantee contracts

The Group makes estimate on costs required to fulfil the relevant obligation of guarantee contracts when the guaranteed amount is claimed by the counterparty to the guarantee. Such estimation is based on the available information as at reporting date and is determined by the Group's practical experience, the default history, the collateral held and financial position of relevant customers assessed on an individual basis in the industry and taking into consideration of industry information and market data. Where the actual obligation the Group requires to fulfill is more than expected, a material provision may arise. Amount of corporate guarantee provided by the Group is disclosed in Note 44(b).

4. 關鍵會計估算及判斷(續)

(d) 金融工具的公允價值計量

於二零二零年十二月三十一日，本集團若干非上市股權投資及結構化金融產品為數約人民幣366,810,000元(二零一九年：人民幣429,028,000元)乃按公平值計量，公平值乃採用估值方法根據不可觀察輸入值釐定。在建立相關估值技術及相關輸入數據上需要作出判斷及估計。倘與該等因素有關之假設出現變動，其可影響該等工具之呈報公平值。所用關鍵假設及輸入值的詳情披露於附註5.3的表格。

(e) 財務擔保合約責任撥備

本集團在擔保交易對手索償擔保金額時，對履行擔保合約相關義務所需的成本作出估計。該估計基於報告日期的現有資料，由本集團以本集團之實踐經驗、相關客戶之拖欠記錄、所持抵押品及財務狀況，並參考行業資料及市場數據，以行業內按個別之基準評估後作出。當本集團履行義務所需履行的實際義務超出預期時，可能產生重大撥備。本集團提供的公司擔保金額披露於附註44(b)。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(CONTINUED)

(f) Estimated impairment of property, plant and equipment, right-of-use assets and intangible asset

Property, plant and equipment, right-of-use assets and intangible assets stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU to which the assets belong. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 December 2020, the carrying amounts of property, plant and equipment and right-of-use assets and intangible assets are approximately RMB469,984,000, RMB27,942,000 and RMB44,285,000 respectively.

4. 關鍵會計估算及判斷(續)

(f) 物業、廠房及設備、使用權資產及無形資產減值估計

物業、廠房及設備、使用權資產及無形資產按成本減累計折舊及減值(如有)列賬。於釐定資產有否出現減值時，本集團需要作出判斷及估計，尤其需要評估：(1)有否發生可能影響資產價值的事件或任何跡象；(2)資產的賬面值能否以可收回金額或(倘為使用價值)根據持續使用資產估計得出的未來現金流量的淨現值支持；及(3)估計可收回金額時所應用的適當主要假設，包括現金流量預測及適當貼現率。倘無法估計個別資產(包括使用權資產)的可收回金額，本集團會估計資產所屬現金產生單位的可收回金額。假設及估計之變動(包括現金流量預測中的貼現率或增長率)會對可收回金額造成重大影響。

於二零二零年十二月三十一日，物業、廠房及設備、使用權資產及無形資產的賬面值分別約為人民幣469,984,000元、人民幣27,942,000元及人民幣44,285,000元。

5. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise and monitor potential adverse effects on the Group's financial performance in a timely and effective manner.

5.1 Financial risk factors

(a) Market risk

(i) Currency 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 currency risk arising from its transactions, which are primarily denominated in HKD.

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and may consider hedging significant foreign exchange exposure should the need arises.

As at 31 December 2020, 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 RMB16,369,000 (2019: RMB10,857,000) lower/higher respectively, mainly as a result of foreign exchange translation of the consolidated 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 approximately RMB2,273,000 (2019: RMB2,801,000) lower/higher.

5. 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、利率風險及其他價格風險）、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，並尋求及時有效監控對本集團的財務表現潛在不利影響並將其降至最低。

5.1 財務風險因素

(a) 市場風險

(i) 貨幣風險

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。

本集團目前未制定外匯對沖政策。然而，本集團管理層監察外匯風險及可能考慮在有需要時對沖重大外匯風險。

於二零二零年十二月三十一日，假定人民幣兌港元貶值／升值5%，而所有其他可變因素保持不變，本集團淨資產總額將分別減少／增加約人民幣16,369,000元（二零一九年：人民幣10,857,000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綜合財務報表的外匯折算；年內稅後利潤減少／增加約人民幣2,273,000元（二零一九年：人民幣2,801,000元）。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Interest rate risk

The Group currently does not have interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's borrowings obtained at variable rates expose the Group to cash flow interest rate risk in relation to bank and cash balances and borrowings which is partially offset by cash held at variable rates. During the years ended 31 December 2020 and 2019, the Group's borrowings at variable rates were mainly denominated in RMB. At 31 December 2020, if interest rates on floating-rate borrowings had been 5% higher/lower with all other variables held constant, post-tax profit for the year would have been approximately RMB839,000 (2019: RMB916,000) lower/higher, mainly as a result of higher/lower interest expense on floating-rate borrowings.

At 31 December 2020, the Group has bank borrowings amounting to approximately RMB275,000,000 (2019: RMB276,000,000) and borrowings from third parties amounting to approximately RMB301,825,000 (2019: RMB290,309,000) at fixed interest rates and these expose the Group to fair value interest rate risk. As at 31 December 2020, the carrying amounts of bank borrowings, borrowings from third parties with fixed interest rates approximated their fair value due to their short tenures and the influence of fair value interest rate risk is marginal.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 利率風險

本集團目前未制定利率對沖政策。然而，本集團管理層監察利率風險及可能考慮在有需要時對沖重大利率風險。

本集團有關銀行及現金結餘及借款，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。截至二零二零年及二零一九年十二月三十一日止年度，本集團的浮息借款均以人民幣計值。於二零二零年十二月三十一日，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／增加約人民幣839,000元(二零一九年：人民幣916,000元)，主要是由於浮息借款的利息開支增加／減少。

於二零二零年十二月三十一日，本集團擁有按固定利率計息的銀行借款約人民幣275,000,000元(二零一九年：人民幣276,000,000元)及第三方借款約人民幣301,825,000元(二零一九年：人民幣290,309,000元)，其令本集團面臨公允價值利率風險。於二零二零年十二月三十一日，按固定利率計息的銀行借款及第三方借款的賬面值與其公允價值相若，乃由於其短期性質及公允價值利率風險的影響甚微。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Other price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL and FVTOCI. The Group invested in certain unquoted equity securities for investees operating in beverage and information technology industry sectors for long term strategic purposes which had been designated as FVTOCI. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Details of sensitivity analysis are disclosed in Note 5.3(a).

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash at bank, restricted bank deposits, trade receivables, other financial assets at amortised cost and certain financial assets at FVTPL (i.e. investment in structured financial products). The carrying amounts represent the Group's maximum exposure to credit risk in relation to those financial assets. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 其他價格風險

本集團因投資於以公允價值計量且其變動計入損益及以公允價值計量且其變動計入其他綜合收益的股本證券而面臨股本價格風險。本集團出於長期策略目的投資於飲料及資訊科技行業被投資公司的若干未有報價的股本證券，並指定有關投資為以公允價值計量且其變動計入其他綜合收益。本集團已安排特別團隊監察價格風險，並考慮在有需要時對沖有關風險。

敏感度分析的詳情於附註5.3(a)披露。

(b) 信貸風險

信貸風險按照組合方式管理。信貸風險來自銀行現金、受限制銀行存款、應收貿易款、以攤餘成本計量的其他金融資產及以公允價值計量且其變動計入損益的若干金融資產(即於結構性金融產品的投資)。賬面值為本集團就這些金融資產面對的信貸風險上限。本集團並未持有抵押品或其他增信項目以涵蓋與這些金融資產有關的信貸風險。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) cash at bank and restricted bank deposits and investment in structured financial products

Substantially all of the Group's cash at bank and restricted bank deposits and structured financial products are held in major financial institutions located in the PRC and Hong Kong, which management believes are of high credit quality. There was no recent history of default of cash at bank and restricted bank deposits and structured financial products from such financial institutions/authorities. The management considers the credit risk is insignificant and no loss allowance was recognised.

(ii) Trade receivables

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the management considers that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as nil (2019: 14%) and 17% (2019: 27%) of the total trade receivables was due from the Group's largest customer and the five largest customers, respectively. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 銀行現金、受限制銀行存款及於結構性金融產品的投資

本集團幾乎所有的銀行現金及受限制銀行存款和結構性金融產品存於管理層認為具有高信貸質素的中國及香港大型金融機構。這些金融機構／機關的銀行現金及受限制銀行存款和結構性金融產品近來並無拖欠記錄。管理層認為有關信貸風險並不重大及並無確認減值準備。

(ii) 應收貿易款

在接納新客戶前，本集團使用內部信貸評分系統以評估潛在客戶的信用質素並按客戶界定信貸額度。客戶的額度及評分每年檢討兩次。本集團還設有其他監察程序以確保採取後續跟進行動，收回逾期債務。就此而言，管理層認為本集團的信貸風險已大幅減低。

以佔應收最大客戶及前五大客戶的應收貿易款總額之百分比計，本集團之信貸風險集中度分別為零(二零一九年：14%)及17%(二零一九年：27%)。為盡量減低信貸風險，本集團管理層已授權一個團隊負責釐定信貸額度及信貸批准事宜。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Trade receivables (continued)

The Group has trade receivables arising from sales of water and beer products and trade receivables arising from loans to third parties. For the trade receivables arising from sales of water and beer products, the Group perform impairment assessment under ECL model which uses a lifetime expected loss allowance. And the Group uses two categories which reflect their credit risk, and how the receivables loss allowance is determined for each of those categories. For customers suffered financial difficulties, the Group recognised as Category 1, and for the other customers, the Group recognised as Category 2. For the trade receivables arising from loans to third parties, the Group uses three categories which reflect their credit risk and how the loan loss allowance is determined for each of those categories.

The summary of the assumptions underpinning the Group's ECL model for loans receivables from third parties is the same as the ECL model used for other receivables, which are set out below.

For trade receivables arising from sales of water and beer products, the expected loss rates are based on the payment profiles of sales over the past years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 應收貿易款(續)

本集團擁有水和啤酒產品銷售產生的應收貿易款及向第三方貸款產生的應收貿易款。對於水和啤酒產品銷售產生的應收貿易款，本集團使用存續期內預期損失撥備按預期信貸虧損模式進行減值評估。本集團使用兩個類別反映其信用風險以及如何釐定這兩個類別的應收款項損失撥備。本集團將遭遇財務困難的客戶確認為第一類，而將其他客戶確認為第二類。對於向第三方貸款產生的應收貿易款，本集團使用三個類別反映其信用風險以及如何確定這三個類別的貸款損失準備。

支持本集團應收第三方借款的預期信貸虧損模型的假設概要與其他應收款所用的預期信貸虧損模型相同，載列如下。

就水和啤酒產品銷售產生的應收貿易款而言，預期損失率基於過去幾年的銷售支付概況以及此期間相應的歷史信貸虧損。對歷史損失率進行調整，以反映影響客戶結算應收款項能力的宏觀經濟因素的當前和前瞻性資訊。本集團識別國內生產總值和失業率為最相關因素。因此，本集團根據該等因素的預期變動調整歷史損失率。

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Trade receivables (continued)

On that basis, the loss allowance for trade receivables due from third parties as at 31 December 2020 and 2019 was determined as follows:

		Category 2 第二類					Total 總計
		Category 1 第一類	Current 即期	Within 1 year past due 逾期一年內	1-2 years past due 逾期一至兩年	More than 2 years past due 逾期超過兩年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
31 December 2020	二零二零年十二月三十一日						
Expected loss rate	預期損失率	100%	0.18%	1.15%	6.49%	51.02%	
Gross carrying amount	賬面值總額	19,094	33,377	86,995	144,868	58,175	342,509
Loss allowance	損失撥備	19,094	59	997	9,404	29,681	59,235

		Category 2 第二類					Total 總計
		Category 1 第一類	Current 即期	Within 1 year past due 逾期一年內	1-2 years past due 逾期一至兩年	More than 2 years past due 逾期超過兩年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
31 December 2019	二零一九年十二月三十一日						
Expected loss rate	預期損失率	100%	0.02%	0.08%	4.91%	72.73%	
Gross carrying amount	賬面值總額	76,446	160,299	74,109	137	1,661	312,652
Loss allowance	損失撥備	76,446	26	63	7	1,207	77,749

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Trade receivables (continued)

As at 31 December 2019, loan receivables due from a third party amounting to approximately RMB24,088,000, the expected loss rate was closed to zero and thus the loss allowance was insignificant as the loan was secured by a property with value sufficient to cover the loan balance as at 2019. This balance was fully settled during the year ended 31 December 2020.

The movement of loss allowances for trade receivables is as follows:

		RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日	1,833
Impairment loss recognised during the year	年內確認的減值損失	77,749
Written-off	撤銷	(1,833)
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日的結餘	77,749
Reversal of impairment loss during the year	年內減值虧損的撥回	(18,514)
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	59,235

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 應收貿易款(續)

於二零一九年十二月三十一日，應收第三方借款約為人民幣24,088,000元，由於有關貸款以價值足以支付貸款餘額的一項物業作抵押，預期損失率接近零，因此損失撥備並不重大。該項貸款於截至二零二零年十二月三十一日止年度悉數清償。

應收貿易款的損失撥備變動如下：

當應收貿易款合理預期無法收回時會予以撤銷。合理預期無法收回的指標包括(其中包括)債務人未能履行向本集團的還款計劃，且於逾期超過180日的期間未能作出合約付款。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Other financial assets at amortised cost

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition by considering available reasonable and supportive forward-looking information and the following indicators:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Other financial assets at amortised cost are written off when there is no reasonable expectation of recovery, such as a borrower failing to engage in a repayment plan with the Group. The Group categorises a loan or receivable for write off when a debtor fails to make contractual payments more than 180 days past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以攤餘成本計量的其他金融資產

本集團在對資產進行初始確認時考慮違約可能性，並於各報告期間持續評估信貸風險是否顯著增加。在評估信貸風險是否顯著增加時，本集團將報告日期資產出現違約的風險與初始確認日期出現違約的風險進行比較，並考慮獲得的合理及支持性前瞻性資料及下列各項指標：

- 導致借款人履行責任的能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 借款人經營業績的實際或預期重大變動；及
- 借款人預期表現及行為的重大變動，包括借款人於本集團的付款狀況的變動及借款人的經營業績變動。

當以攤餘成本計量的其他金融資產合理預期無法收回，如借款人未能履行與本集團的還款計劃，則予以撇銷。當債務人未能於逾期超過180日作出合約付款，本集團將貸款或應收款項分類為撇銷。當貸款或應收款項被撇銷，本集團繼續進行強制執行活動，以嘗試收回逾期應收款項。當收回應收款項時，其於損益內確認。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Other financial assets at amortised cost (continued)

The Group uses three categories for those receivables which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's ECL model is as follows:

Category 類別	Company definition of category 類別的本公司界定	Basis for recognition of loss allowance 確認損失撥備的基準
Performing 正常	Receivables whose credit risk is in line with original expectations 信貸風險與原預期一致的應收款項	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its lifetime ECL (stage 1) 12個月預期損失。對於預期存續期在12個月內的資產，預期損失按其全期預期信貸虧損(第1階段)計量。
Underperforming 關注	Receivables for which a significant increase has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due 與原預期相比信貸風險顯著增加的應收款項；倘利息及／或本金還款逾期30日，則推定信貸風險顯著增加	Lifetime ECL (stage 2) 全期預期信貸虧損(第2階段)。
Non-performing (credit impaired) 不良(信貸減值)	Interest and/or principal repayments are 90 days past due or it becomes probable a customer will enter bankruptcy 利息及／或本金還款逾期90日或客戶有可能進入破產程序	Lifetime ECL (stage 3) 全期預期信貸虧損(第3階段)。
Write-off 撤銷	Interest and/or principal repayments are 180 days past due and there is no reasonable expectation of recovery 利息及／或本金還款逾期180日，且合理預期無法收回。	Amount is written off 撤銷資產

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以攤餘成本計量的其他金融資產(續)

本集團就該等應收款項使用三個類別反映其信用風險以及如何確定這三個類別的損失準備。支持本集團預期信貸虧損模型的假設概述如下：

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Other financial assets at amortised cost (continued)

Over the term of the other financial assets at amortised cost, the Group accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group considers historical loss rates for each category of customers. No significant changes to estimation techniques or assumptions were made during the reporting period.

As at 31 December 2020 and 2019, all the other financial assets at amortised cost were within their contractual credit period. The loss allowance for other financial assets at amortised cost as at 31 December 2020 and 2019 was determined as follows:

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以攤餘成本計量的其他金融資產(續)

在以攤餘成本計量的其他金融資產的期限內，本集團透過及時就預期信貸虧損作出適當撥備將其信貸風險入賬。在計算預期信貸虧損率時，本集團會考慮各類別客戶的歷史損失率。於報告期間的估值技術或作出的假設並無重大變動。

於二零二零年及二零一九年十二月三十一日，所有以攤餘成本計量的其他金融資產均處於其合約信貸期內。於二零二零年及二零一九年十二月三十一日，以攤餘成本計量的其他金融資產的損失撥備釐定如下：

31 December 2020	二零二零年十二月三十一日	Performing 正常 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Expected loss rate	預期損失率	0.34%	
Gross carrying amount	賬面值總額	1,371,938	1,371,938
Loss allowance	損失撥備	4,670	4,670

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Other financial assets at amortised cost (continued)

31 December 2019	二零一九年十二月三十一日	Performing 正常 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Expected loss rate	預期損失率	0.26%	
Gross carrying amount	賬面值總額	833,904	833,904
Loss allowance	損失撥備	2,168	2,168

As at 31 December 2020, no other financial assets at amortised cost with a contractual amount (2019: RMB3,247,000) written off during the period. The gross carrying amount of other financial assets at amortised cost, and thus the maximum exposure to loss, is as follows:

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以攤餘成本計量的其他金融資產(續)

於二零二零年十二月三十一日，期內無撇銷以攤餘成本計量的其他金融資產(二零一九年：人民幣3,247,000元)。以攤餘成本計量的其他金融資產的賬面值總額及有關損失的最大風險承擔如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Performing	正常	1,371,938	833,904
Written off	撇銷	—	3,247
Total gross other financial assets at amortised cost	以攤餘成本計量的其他金融資產總額	1,371,938	837,151
Less: Loss allowance	減：損失撥備	(4,670)	(2,168)
Less: Written off	減：撇銷	—	(3,247)
		1,367,268	831,736

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(b) Credit risk (continued)

(iii) Other financial assets at amortised cost (continued)

The movement of loss allowance for other financial assets at amortised cost is as follows:

		RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日的結餘	—
Impairment loss recognised during the year	年內確認的減值損失	2,168
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日的結餘	2,168
Impairment loss recognised during the year	年內確認的減值損失	2,502
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	4,670

There was no other financial asset carrying a significant exposure to 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.

5. 財務風險管理(續)

5.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 以攤餘成本計量的其他金融資產(續)

以攤餘成本計量的其他金融資產的損失撥備變動如下：

其他金融資產並無面臨重大信貸風險承擔。

(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。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

(i) Financing arrangements

The Group has the following undrawn bank borrowing facilities:

5. 財務風險管理(續)

5.1 財務風險因素(續)

(c) 流動性風險(續)

(i) 融資安排

本集團擁有以下尚未提取的銀行借款額額：

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Fixed rate:	固定利率：		
– expiring within one year	– 於一年內屆滿	40,000	40,000

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

(ii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities in relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2020

5. 財務風險管理(續)

5.1 財務風險因素(續)

(c) 流動性風險(續)

(ii) 金融負債到期日

下表分析按報告期末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。

於二零二零年十二月三十一日

		Undiscounted cash flows 未折現現金流					
		Weighted average effective interest rate 加權平均 實際利率 %百分比	Within 1 year 一年以內 RMB'000 人民幣千元	Between 1 and 5 years 一至五年 RMB'000 人民幣千元	Over 5 years 五年以上 RMB'000 人民幣千元	Total Total 總計 RMB'000 人民幣千元	Total carrying amount 賬面值總額 RMB'000 人民幣千元
Non-derivative financial liabilities	非衍生金融負債						
Bank borrowings	銀行借款	3.56	517,791	113,914	—	631,705	610,000
Trade and notes payables	應付貿易款及應付票據	—	324,150	—	—	324,150	324,150
Lease liabilities	租賃負債	3.74	150	—	—	150	147
Other financial liabilities	其他金融負債	—	403,536	—	—	403,536	403,536
			1,245,627	113,914	—	1,359,541	1,337,833

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

(ii) Maturities of financial liabilities (continued)

At 31 December 2019

5. 財務風險管理(續)

5.1 財務風險因素(續)

(c) 流動性風險(續)

(ii) 金融負債到期日(續)

於二零一九年十二月三十一日

		Undiscounted cash flows 未折現現金流					
		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year 一年以內 RMB'000 人民幣千元	Between 1 and 5 years 一至五年 RMB'000 人民幣千元	Over 5 years 五年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Total carrying amount 賬面值總額 RMB'000 人民幣千元
Non-derivative financial liabilities	非衍生金融負債						
Bank borrowings	銀行借款	3.72	551,740	190,920	—	742,660	716,000
Trade and notes payables	應付貿易款及應付票據	—	323,881	—	—	323,881	323,881
Other financial liabilities	其他金融負債	—	392,443	—	16,000	408,443	408,443
			1,268,064	190,920	16,000	1,474,984	1,448,324

The Group provided a financial guarantee amounting to approximately RMB170,000,000 to one of its associate for obtaining bank borrowings as at 31 December 2020. Given the financial position and earning ability of the associate company, management believe that the risk of default for the associate for the loan repayment is very low and thus management believes that there is no material liquidity risk arising from the financial guarantee provided by the Group.

本集團於二零二零年十二月三十一日就一間聯營公司取得銀行借款提供財務擔保約人民幣170,000,000元。鑒於聯營公司的財務狀況及盈利能力，管理層認為聯營公司償還借款的違約風險極小，因此，管理層認為，本集團提供的財務擔保並無產生重大流動性風險。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital is mainly from equity funding and borrowings for the years ended 31 December 2020 and 2019.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as borrowings divided by total capital. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus borrowings.

The gearing ratios as at 31 December 2020 and 2019 are as follows:

5. 財務風險管理(續)

5.2 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。

截至二零二零年及二零一九年十二月三十一日止年度，本集團的資本主要來自股本資金及借款。

與業內其他公司一致，本集團以資產負債比率基準監控資本。該項比率按借款除以資本總額計算。資本總額按綜合財務狀況表所示「權益」加借款計算。

於二零二零年及二零一九年十二月三十一日的資產負債比率如下：

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank borrowings (Note 33)	銀行借款(附註33)	610,000	716,000
Borrowings from third parties (Note 32)	第三方借款(附註32)	301,825	290,309
Total borrowings	借款總額	911,825	1,006,309
Total equity	權益總額	2,722,108	2,702,039
Total capital	資本總額	3,633,933	3,708,348
Gearing ratio	資產負債比率	25.09%	27.14%

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments

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 consolidated 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 2020 and 2019 on a recurring basis:

			Level 3 第3層	
		Note	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Recurring fair value measurements	經常性公允價值計量	附註		
Financial assets	金融資產			
FVTPL	以公允價值計量且其變動計入損益的金融資產			
– Investment in structured financial products	– 投資於結構性理財產品	27	180,811	180,630
– Investment in GT Express (Beijing) Information Technology Co., Ltd. (“GT Express”)	– 投資於貫通雲網(北京)信息技術有限公司(「貫通雲網」)	27	11,517	11,517
– Investment in Shanghai MKT	– 投資於上海麥鎧特	27	—	5,000
			192,328	197,147
FVTOCI	以公允價值計量且其變動計入其他全面收益的金融資產			
– Investment in CRE	– 投資於中鐵快運	22	—	58,000
– Investment in Shannan Yalaxiangbu	– 投資於山南雅拉香布	22	174,482	173,881
			174,482	231,881
Total financial assets	總金融資產		366,810	429,028

5. 財務風險管理(續)

5.3 金融工具的公允價值計量

本節闡述釐定按公允價值於綜合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。

下表呈列本集團於二零二零年及二零一九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：

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments (continued)

(a) Fair value hierarchy (continued)

The table above analyses the Group's financial instruments carried at fair value as at 31 December 2020 and 2019 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

5. 財務風險管理(續)

5.3 金融工具的公允價值計量(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，分析本集團於二零二零年及二零一九年十二月三十一日按公允價值列賬之金融工具。有關輸入數據乃按下文所述而分類歸入公允價值架構內的三個層級：

第1層：於活躍市場買賣的金融工具（如公開買賣之衍生工具及權益證券）的公允價值按報告期末所報市價釐定。本集團所持金融資產所用之市場報價為當時買入價。該等工具會列入第1層。

第2層：並非於活躍市場買賣的金融工具（例如場外衍生工具）的公允價值乃採用儘量利用可觀察市場數據及儘量少依賴實體的特定估計的估值技術釐定。倘計算一項工具的公允價值所需的所有重大輸入數據為可觀察數據，則該工具列入第2層。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments (continued)

(a) Fair value hierarchy (continued)

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.

5. 財務風險管理(續)

5.3 金融工具的公允價值計量(續)

(a) 公允價值層級(續)

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。

Financial assets/financial liabilities 金融資產/金融負債	Fair value as at 於以下日期的公允價值		Fair value hierarchy 公允價值層級	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據
	31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元	31 December 2019 二零一九年十二月三十一日 RMB'000 人民幣千元			
Financial assets at FVTPL 以公允價值計量且其變動計入損益的金融資產					
– Structured financial products – 結構性理財產品	180,811	180,630	Level 3 第3層	Market approach 市場法	Discount rate per annum 年貼現率
– GT Express – 貫通雲網	11,517	11,517	Level 3 第3層	Discounted cash flow method 現金流折現法	Discount rate per annum 年貼現率
– Shanghai MKT – 上海麥鎧特	N/A* 不適用*	5,000	Level 3 第3層	Market approach 市場法	Discount rate per annum 年貼現率

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5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments (continued)

(a) Fair value hierarchy (continued)

5. 財務風險管理(續)

5.3 金融工具的公允價值計量(續)

(a) 公允價值層級(續)

Financial assets/financial liabilities 金融資產/金融負債	Fair value as at 於以下日期的公允價值		Fair value hierarchy 公允價值層級	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據
	31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元	31 December 2019 二零一九年十二月三十一日 RMB'000 人民幣千元			
Financial assets at FVTOCI 以公允價值計量且其變動計入 其他全面收益的金融資產					
– CRE	N/A*	58,000	Level 3 第3層	Discounted cash flow method 現金流折現法	Discount rate per annum 年貼現率
– 中鐵快運	不適用*				
– Shannan Yalaxiangbu – 山南雅拉香布	174,482	173,881	Level 3 第3層	Discounted cash flow method 現金流折現法	Discount rate per annum 年貼現率

* Those financial assets were disposed of during the year ended 31 December 2020.

* 有關金融資產於截至二零二零年十二月三十一日止年度內出售。

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments (continued)

(a) Fair value hierarchy (continued)

There is no transfer between Level 1,2 and 3 during the year.

(b) Reconciliation of Level 3 fair value measurements

5. 財務風險管理(續)

5.3 金融工具的公允價值計量(續)

(a) 公允價值層級(續)

年內第1層、第2層級第3層之間概無任何轉撥。

(b) 第3層公允價值計量之對賬

		Financial assets at FVTOCI 以公允價值計量且其變動計入其他全面收益的金融資產 RMB'000 人民幣千元	Financial assets at FVTPL 以公允價值計量且其變動計入損益的金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	231,881	190,795	422,676
Additions	購置	—	525,000	525,000
Expiration of embedded derivative asset (Note 8)	嵌入式衍生資產到期(附註8)	—	(4,319)	(4,319)
Net gains recognised upon disposal (Note 8)	出售時確認的淨收益(附註8)	—	10,198	10,198
Fair value changes (Note 8)	公允價值變動(附註8)	—	630	630
Disposal	出售	—	(525,157)	(525,157)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	231,881	197,147	429,028
Additions	購置	—	180,000	180,000
Net gains recognised upon disposal (Note 8)	出售時確認的淨收益(附註8)	—	12,482	12,482
Fair value changes (Note 8)	公允價值變動(附註8)	(10,999)	811	(10,188)
Disposal	出售	(46,400)	(198,112)	(244,512)
At 31 December 2020	於二零二零年十二月三十一日	174,482	192,328	366,810

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value measurements of financial instruments (continued)

(c) Group's valuation processes

The Group's finance department performs the valuation of the financial assets during the financial reporting process, including level 3 fair value. Management engages external valuation experts to facilitate the fair value evaluation as and when necessary. During the valuation, management considers the business performance of the investee in comparison with competitors in the same industry, as well as the external valuation report if any. Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk ratings determined by the Group's internal credit risk management group. Discussion of valuation process and results are held between chief financial officer, the finance team and qualified external valuers that are responsible for the valuation.

(d) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management considers that the carrying amounts of financial assets and financial liabilities at amortised cost recognised in the consolidated financial statements approximate their fair values.

5. 財務風險管理(續)

5.3 金融工具的公允價值計量(續)

(c) 本集團之估值程序

本集團財務部門就財務申報程序對金融資產進行估值(包括第3層公允價值)。管理層於有需要時會聘請外部估值專家進行公允價值評估。管理層於估值中考慮到與同行業競爭對手比較之被投資方業務表現以及外部估值報告(如有)。交易對手的特定風險調整(包括有關信用違約率的假設)乃由本集團內部信用風險管理小組釐定的信用風險等級得出。首席財務總監、負責估值的財務團隊及合資格外聘估值師會對估值程序及結果進行討論。

(d) 並非按經常基準以公允價值計量的金融資產及金融負債之公允價值

管理層認為，綜合財務報表內確認的以攤餘成本計量的金融資產及金融負債的賬面值與其公允價值相若。

6. SEGMENT INFORMATION

Management has determined the operating segments based on the reports regularly reviewed by the executive Directors, being the chief operating decision maker (“CODM”), that are used to make strategic decisions.

(a) Description of segments and principal activities

(i) *Water business segment*

The principal activities of the Group are manufacturing and selling a range of water products through wholesales in the PRC, selling raw materials and consumables to associates and third parties, leasing production lines and a plant to associates.

(ii) *Beer business segment*

The Group manufactures and sells a range of beer products mainly in the PRC through wholesales.

(b) Segment information disclosures

Sales between segments are based on the agreed terms between both segments. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated statement of profit or loss.

The amounts provided to the CODM with respect of total assets and total liabilities are measured in a manner consistent with that of the consolidated financial statements.

6. 分部資料

管理層根據執行董事(即主要經營決策者(「主要經營決策者」))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) 水業務分部

本集團的主要業務為於中國製造及銷售包裝飲用水系列產品(透過批發)、向聯營公司及第三方銷售原材料及耗材、向聯營公司出租生產線及一間廠房。

(ii) 啤酒業務分部

本集團主要於中國製造及銷售啤酒系列產品(透過批發)。

(b) 分部資料披露

分部間銷售乃基於兩個分部協定的條款進行。呈報予主要經營決策者的有關外部客戶的收入按與於綜合損益表呈列者一致的方式計量。

主要經營決策者獲提供的有關總資產及總負債的金額按與於綜合財務報表呈列者一致的方式計量。

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6. SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2020 is as follows:

6. 分部資料(續)

(b) 分部資料披露(續)

截至二零二零年十二月三十一日止年度，主要經營決策者獲提供的有關可呈報分部的分部資料如下：

		Water business segment 水分部 RMB'000 人民幣千元	Beer business segment 啤酒分部 RMB'000 人民幣千元	Corporate and others 企業及其他 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	180,065	311,503	1,311	—	492,879
Cost of sales	銷售成本	(94,878)	(182,865)	—	—	(277,743)
Gross profit	毛利	85,187	128,638	1,311	—	215,136
Share of result on investments accounted for using the equity method	應佔使用權益法入賬的投資利潤	(247)	—	(1,850)	—	(2,097)
Reversal of allowance for/ (allowance for) ECL on financial assets	金融資產預期信貸虧損撥備轉回/(撥備)	16,876	(845)	(19)	—	16,012
Adjusted EBITDA*	調整後息稅折舊及攤銷前利潤*	40,115	143,542	(22,037)	—	161,620
Finance income	財務收入	1,261	—	—	—	1,261
Finance costs	財務費用	(12,508)	(10,659)	(22,211)	—	(45,378)
Depreciation and amortisation	折舊及攤銷	(28,206)	(54,300)	(274)	—	(82,780)
Profit/(loss) before tax	除稅前利潤/(虧損)	662	78,583	(44,522)	—	34,723
Income tax (expense)/credit	所得稅(費用)/抵免	(10,975)	(6,894)	64	—	(17,805)
Profit/(loss) for the year	年度利潤/(虧損)	(10,313)	71,689	(44,458)	—	16,918

* Adjusted EBITDA is a key financial measure regularly monitored by CODM in managing the Group's performance. Adjusted EBITDA is calculated by excluding the following effects from the profit/(loss) for the year: (i) impairment losses on investments accounted for using the equity method; (ii) finance (cost)/income, net; (iii) depreciation and amortisation; and (iv) income tax (expense)/credit.

Adjusted EBITDA is not accounting measures under IFRS and should not be considered as an alternative to the profit/(loss) for the year as a measure of operational performance. Adjusted EBITDA does not have a standard calculation method and the Group's definition of adjusted EBITDA may not be comparable to that of other companies.

* 調整後除息稅折舊攤銷前利潤為主要經營決策者管理本集團表現的主要計量指標。調整後除息稅折舊攤銷前利潤乃經扣除以下影響計算年度利潤/(虧損)的開支得出：(i)使用權益法入賬的投資減值損失；(ii)財務(費用)/收入，淨額；(iii)折舊及攤銷；及(iv)所得稅(費用)/抵免。

調整後除息稅折舊攤銷前利潤並非國際財務報告準則項下的會計處理方法，且不應被視作可代替年度利潤/(虧損)計量經營業績。調整後除息稅折舊攤銷前利潤並無標準的計算方式，且本集團對調整後除息稅折舊攤銷前利潤的定義可能無法與其他公司的進行比對。

6. SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2020 is as follows:

6. 分部資料(續)

(b) 分部資料披露(續)

截至二零二零年十二月三十一日止年度，主要經營決策者獲提供的有關可呈報分部的分部資料如下：

		Water Business segment 水分部 RMB'000 人民幣千元	Beer Business 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	3,519,945	2,415,281	5,935,226
– Investments accounted for using the equity method	– 使用權益法入賬的投資	650,697	—	650,697
Unallocated	未分配			
Financial assets at FVTPL	以公允價值計量且其變動計入損益的金融資產			192,328
Financial assets at FVTOCI	以公允價值計量且其變動計入其他全面收益的金融資產			174,482
Deferred tax assets	遞延稅項資產			4,277
Assets of corporate and others	企業及其他資產			16,816
Inter-segment elimination	分部間撇銷			(2,171,618)
Total assets	總資產			4,151,511
Segment total liabilities	分部總負債	1,232,434	495,614	1,728,048
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			7,371
Liabilities of corporate and others	企業及其他負債			329,037
Inter-segment elimination	分部間撇銷			(635,053)
Total liabilities	總負債			1,429,403

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6. SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the CODM for the reportable segments for the year ended 31 December 2019 is as follows:

6. 分部資料(續)

(b) 分部資料披露(續)

截至二零一九年十二月三十一日止年度，主要經營決策者獲提供的有關可呈報分部的分部資料如下：

		Water business segment 水分部 RMB'000 人民幣千元	Beer business segment 啤酒分部 RMB'000 人民幣千元	Corporate and others 企業及其他 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	408,698	311,855	2,255	(1,353)	721,455
Cost of sales	銷售成本	(151,064)	(167,429)	—	1,353	(317,140)
Gross profit	毛利	257,634	144,426	2,255	—	404,315
Share of result on investments accounted for using the equity method	應佔使用權益法入賬的投資利潤	17,284	—	(2,965)	—	14,319
(Allowance for)/reversal of allowance for ECL on financial assets	金融資產預期信貸虧損(撥備)/撥備轉回	(78,718)	(4,446)	—	—	(83,164)
Adjusted EBITDA*	調整後息稅折舊及攤銷前利潤*	86,221	169,099	(26,957)	—	228,363
Impairment losses on investments accounted for using the equity method	使用權益法入賬的投資減值損失	(873,151)	—	—	—	(873,151)
Finance income	財務收入	36,490	27,326	3	—	63,819
Finance costs	財務費用	(17,730)	(9,096)	(27,432)	—	(54,258)
Depreciation and amortisation	折舊及攤銷	(26,244)	(54,202)	(930)	—	(81,376)
(Loss)/profit before tax	除所得稅前(虧損)/利潤	(794,414)	133,127	(55,316)	—	(716,603)
Income tax expense	所得稅費用	(6,749)	(21,572)	(194)	—	(28,515)
(Loss)/profit for the year	年度(虧損)/利潤	(801,163)	111,555	(55,510)	—	(745,118)

* Adjusted EBITDA is a key financial measure regularly monitored by CODM in managing the Group's performance. Adjusted EBITDA is calculated by excluding the following effects from the profit/(loss) for the year: (i) impairment losses on investments accounted for using the equity method; (ii) finance (cost)/income, net; (iii) depreciation and amortisation; and (iv) income tax expenses.

Adjusted EBITDA is not accounting measures under IFRS and should not be considered as an alternative to the profit/(loss) for the year as a measure of operational performance. Adjusted EBITDA does not have a standard calculation method and the Group's definition of adjusted EBITDA may not be comparable to that of other companies.

* 調整後除息稅折舊攤銷前利潤為主要經營決策者管理本集團表現的主要計量指標。調整後除息稅折舊攤銷前利潤乃經扣除以下影響計算年度利潤/(虧損)的開支得出：(i)使用權益法入賬的投資減值損失；(ii)財務(費用)/收入，淨額；(iii)折舊及攤銷；及(iv)所得稅費用。

調整後除息稅折舊攤銷前利潤並非國際財務報告準則項下的會計處理方法，且不應被視作可代替年度利潤/(虧損)計量經營業績。調整後除息稅折舊攤銷前利潤並無標準的計算方式，且本集團對調整後除息稅折舊攤銷前利潤的定義可能無法與其他公司的進行比對。

6. SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

6. 分部資料(續)

(b) 分部資料披露(續)

		Water segment 水分部 RMB'000 人民幣千元	Beer segment 啤酒分部 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment total assets	分部總資產	2,650,909	2,375,042	5,025,951
– Investments accounted for using the equity method	– 使用權益法入賬的投資	698,283	—	698,283
Unallocated	未分配			
Financial assets at FVTPL	以公允價值計量且其變動計入 損益的金融資產			197,147
Financial assets at FVTOCI	以公允價值計量且其變動計入 其他全面收益的金融資產			231,881
Deferred tax assets	遞延稅項資產			9,511
Assets of corporate and others	企業及其他資產			26,359
Inter-segment elimination	分部間撇銷			(1,228,443)
Total assets	總資產			4,262,406
Segment total liabilities	分部總負債	1,525,605	526,668	2,052,273
Unallocated	未分配			
Deferred tax liabilities	遞延稅項負債			9,695
Liabilities of corporate and others	企業及其他負債			315,241
Inter-segment elimination	分部間撇銷			(816,842)
Total liabilities	總負債			1,560,367

6. SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

Entity-Wide information

Breakdown of total revenue by category is shown in Note 7.

Revenue from external customers of the Group were all derived in the PRC for the years ended 31 December 2020 and 2019.

Non-current assets other than financial instruments and deferred tax assets are all located in the PRC as at 31 December 2020 and 2019.

(c) Information about major customers

Revenue from customers over 10% of the Group's total revenue is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶 A	142,276	N/A*
Customer B	客戶 B	83,611	N/A*

During the year ended 31 December 2020, sales of approximately RMB17,819,000 (2019: RMB59,124,000) are derived from associates in the water segment, shown in Note 45(a).

* The corresponding revenue did not contribute over 10% of the revenue of the Group for the respective year.

6. 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7。

截至二零二零年及二零一九年十二月三十一日止年度，本集團外部客戶的收入來自中國。

於二零二零年及二零一九年十二月三十一日，非流動資產(金融工具及遞延稅項資產除外)均位於中國。

(c) 主要客戶的資料

來自佔本集團總收入超過10%的客戶的收入如下：

截至二零二零年十二月三十一日止年度期間，水業務分部銷售約人民幣17,819,000元(二零一九年：人民幣59,124,000元)來自於聯營公司，參見附註45(a)。

* 相應收入未超過本集團當年收入10%。

7. REVENUE

Revenue from external customers are mainly derived from the sales of water products and beer products, interest income from lending services provided and lease of production line and equipment. The Group also sells raw materials and consumables to associates and third parties and leases production lines and a plant to associates. Breakdown of the revenue is as follows:

7. 收入

外部客戶的收入主要來自於銷售包裝飲用水產品及啤酒產品和提供借款服務產生的利息收入。本集團亦銷售予聯營公司及第三方原材料及耗材以及出租予聯營公司生產線及一間廠房。收入明細如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue from contracts with customers:	客戶合同收入：		
<i>Recognised at a point in time</i>	<i>在某個時間點被認可</i>		
Sales of water products	水產品銷售	172,666	353,185
Sales of beer products	啤酒產品銷售	310,206	310,502
Sales of raw materials and consumables	原材料及耗材銷售	1,248	49,293
		484,120	712,980
Revenue from other source:	其他來源的收入：		
Rental income	租金收入	7,448	6,220
Interest income from lending services provided	提供借款服務產生的利息收入	1,311	2,255
		8,759	8,475
Total	總計	492,879	721,455

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8. OTHER GAINS, NET

8. 其他利得，淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Other gains/(losses)	其他利得／(損失)		
Government grants	政府補助		
– Tax refund (note (a))	– 退稅(附註(a))	1,800	24,320
– Amortisation of deferred income	– 遞延收入攤銷	2,374	2,425
– Other government grant (note (e))	– 其他政府補助(附註(e))	4,798	—
Gain on disposal of financial assets at FVTPL (note (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(附註(b))	12,482	10,198
Fair value changes on financial assets at FVTPL (note (b))	以公允價值計量且其變動計入 損益的金融資產的公允價值 變動(附註(b))	811	630
Loss on maturing financial assets at FVTPL (note (c))	以公允價值計量且其變動計入損益 的金融資產到期時的損失 (附註(c))	—	(4,319)
Write-down of inventories (note (d))	存貨撇減(附註(d))	(94)	(17,885)
Others	其他	236	1,442
		22,407	16,811

8. OTHER GAINS, NET (CONTINUED)

notes:

(a) 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. Accordingly, tax refund amounting to RMB1,800,000 was recognised for the year ended 31 December 2020(2019: RMB24,320,000).

(b) The Group purchased financial products issued by a financial institution in the PRC. These financial products will mature within one year with variable return rates indexed to the performance of the underlying assets. During the year, the Group disposed these investments amounting to approximately RMB180,630,000 (2019: RMB510,000,000), which resulted in a gain amounting to approximately RMB11,866,000 (2019: RMB10,198,000).

As at 31 December 2020, the Group held structured financial products amounting to approximately RMB180,000,000 (2019: RMB180,000,000), which was measured at FVTPL. The unrealised fair value gains of approximately RMB811,000 (2019: RMB630,000) were recognised for the year.

(c) As at 31 December 2019, the derivative financial products related to share option measured at as FVTPL was matured and the Group has not exercised the equity option, amounting to approximately RMB4,319,000 which was recorded as loss on financial assets at FVTPL.

(d) This relates to inventory for a specific customer who is in financial difficulties, thus the cost of the inventory is assessed to be impaired during the year ended 31 December 2019.

(e) Other government grant represents various form of subsidies granted to the Group by the local government authorities in the PRC for compensation of expenses incurred by the Group. These grants are generally made for business support and awarded to enterprises on a discretionary basis. There are no unfulfilled conditions or contingencies relating to these grants.

8. 其他利得，淨額(續)

附註：

(a) 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。因此，截至二零二零年十二月三十一日止年度已確認退稅人民幣1,800,000元(二零一九年：人民幣24,320,000元)。

(b) 本集團購入中國境內金融機構發行的金融產品。這些理財產品將於一年內到期，其可變回報率與相關資產的表現掛鉤。年內，本集團處置該等投資約人民幣180,630,000元(二零一九年：人民幣510,000,000元)，獲得約人民幣11,866,000元(二零一九年：人民幣10,198,000元)的收益。

於二零二零年十二月三十一日，本集團持有結構性金融產品約人民幣180,000,000元(二零一九年：人民幣180,000,000元)，以公允價值計量且其變動計入損益的金融資產計量。未變現公平值收益約為人民幣811,000元(二零一九年：人民幣630,000元)於年內獲確認。

(c) 於二零一九年十二月三十一日，與購股權有關記錄為以公允價值計量且其變動計入損益的金融資產的衍生金融產品已到期，本集團未行使的購股權權益約人民幣4,319,000元乃記錄為以公允價值計量且其變動計入損益的即將到期金融資產的損失。

(d) 此為與處於財務困難的特定客戶有關的存貨，因此在截至二零一九年十二月三十一日止年度內，存貨成本被評為已減值。

(e) 其他政府補助是指中國地方政府為給予本集團的費用補償而給予本集團的各種形式的補貼。這些補助通常用於業務支持，並酌情授予企業。沒有與這些補助有關的未滿足條件或有關事項。

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9. FINANCE (COST)/INCOME, NET

9. 財務(費用)/收入, 淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Foreign exchange (loss)/gain, net	匯兌(損失)/收益, 淨額	(256)	86
Interest costs on bank borrowings	銀行借款利息費用	(26,454)	(30,540)
Interest costs on convertible bond (Note 34)	可換股債券利息費用(附註34)	—	(17,846)
Interest costs on borrowings from third parties	第三方借款的利息費用	(21,924)	(9,647)
Interest costs on lease liabilities	租賃負債的利息費用	(8)	—
Other finance costs	其他財務費用	(86)	(381)
		(48,728)	(58,328)
Amount capitalised (note)	資本化金額(附註)	3,350	4,070
Finance cost	財務費用	(45,378)	(54,258)
Finance income – interest income	財務收入 – 利息收入	1,261	63,819
Finance (cost)/income, net	財務(費用)/收入, 淨額	(44,117)	9,561

note: Interest of approximately RMB3,350,000 (2019: RMB4,070,000) has been capitalised in assets under construction for the year ended 31 December 2020. Interest was capitalised at the weighted average rate of its general bank borrowings of 3.63% per annum (2019: 4.19% per annum).

附註: 截至二零二零年十二月三十一日止年度, 利息約人民幣3,350,000元(二零一九年: 人民幣4,070,000元)已資本化至在建工程資產。利息按一般銀行借款加權平均年利率3.63%(二零一九年: 年利率4.19%)資本化。

10. 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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
PRC Enterprise Income Tax:	中國企業所得稅：		
– Current tax	– 即期稅項	10,394	40,748
– Under-provision in prior year	– 過往年度撥備不足	4,501	—
		14,895	40,748
Deferred tax (Note 21)	遞延稅項(附註21)	2,910	(12,233)
Income tax expense	所得稅費用	17,805	28,515

The taxation on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

10. 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/(虧損)計繳的稅項有別於採用法定稅率計算得出的理論數額，詳請如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit/(loss) before income tax	除所得稅前利潤/(虧損)	34,723	(716,603)
Tax calculated at statutory tax rate of 15%	按法定稅率15%計算的稅項	5,208	(107,490)
Preferential tax rates on income of certain group entities (note)	若干集團實體的收入所享受的優惠稅率(附註)	(6,141)	(13,709)
Loss not subject to tax	毋須課稅虧損	5,913	130,017
Tax effect of unused tax losses not recognised	未動用未確認稅項虧損的稅項影響	6,836	1,283
Expenses not deductible for tax purposes	不可扣稅開支	11,305	34,913
Incomes not taxable for tax purposes	不可扣稅收入	(9,817)	(25,578)
Under-provision in respect of prior years	就過往年度撥備不足	4,501	—
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	—	9,079
Income tax expense	所得稅費用	17,805	28,515

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截至二零二零年十二月三十一日止年度

10. INCOME TAX EXPENSE (CONTINUED)

note: 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 2020 (2019: 25%) as determined in accordance with the relevant PRC income tax rules and regulations.

Hong Kong profits tax has been provided for at the rate of 16.5% (2019: 16.5%). On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HKD2 million of profits of the qualifying group entity will be taxed at 8.25% and profits above HKD2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. No provision for Hong Kong profit tax has been made for this year as the Group has no assessable profits in Hong Kong.

The relevant deferred tax balances had been measured based on the expected tax rates applicable in the future.

10. 所得稅費用(續)

附註：本公司於開曼群島註冊成立。根據開曼群島現行法律，本公司概無任何應繳所得稅、遺產稅、公司稅、資本增益稅或其他稅項。根據英屬處女群島的國際商務公司法成立的集團實體獲豁免繳付英屬處女群島的所得稅。

在中國註冊成立的集團實體須繳納中國企業所得稅。本集團的主要營運實體位於西藏並享受所得稅優惠稅率；根據中國中央稅務機關公佈的稅務規例，拉薩的企業所得稅稅率於二零一五年至二零二一年為9%。自二零二二年起，如中國中央稅務機關並無進一步公佈，則西藏的企業所得稅稅率將恢復至15%。其餘於中國註冊成立的實體於截至二零二零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(二零一九年：25%)繳稅。

香港利得稅已按16.5%(二零一九年：16.5%)的稅率計提。於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日獲簽署成為法律，並於翌日刊憲。根據利得稅兩級制，合資格集團主體首2,000,000港元的溢利稅率為8.25%，而超過2,000,000港元的溢利稅率則為16.5%。不符合利得稅兩級制的集團主體的溢利將繼續按16.5%的劃一稅率納稅。由於本集團於香港並無應課稅溢利，故於本年度未計提香港利得稅。

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。

11. PROFIT/(LOSS) FOR THE YEAR

Profit/(loss) for the year has been arrived at after charging/(crediting):

11. 年度利潤／（虧損）

年度利潤／（虧損）已扣除／（計入）下列各項：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Auditor's remuneration	核數師酬金		
– Audit services	– 審計服務	1,779	7,136
– Non-audit services	– 非審計服務	—	—
Raw materials and consumables used	所用原材料及耗材	174,482	221,779
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	22,118	22,118
Depreciation of PP&E (Note 16)	物業、廠房及設備折舊(附註16)	59,560	58,359
Depreciation of investment properties (Note 17)	投資性房地產折舊(附註17)	234	175
Depreciation of right-of-use assets (Note 15)	使用權資產折舊(附註15)	868	724
Short-term lease expenses	短期租賃費用	2,783	1,641
Employee benefit expenses (Note 12)	僱員福利費用(附註12)	62,184	83,059
Advertising and marketing expenditure	廣告及市場推廣費用	20,740	36,017
City construction tax and education surcharge	城市建設費及教育附加費	6,951	11,758
Electricity and other utility expenses	電力及其他能源費用	7,732	12,193
Legal and other consulting services fee	法律和其他諮詢服務費用	7,266	7,239
Exploration rights expenses	探礦權費用	—	500
Transportation costs	運輸成本	61,855	57,048
Gross rental income from investment properties	投資物業租金收入總額	(4,705)	(5,924)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	減：年內產生租金收入的 投資物業產生的直接營 運開支	3,946	5,173
(Reversal of allowance for)/allowance for ECL on financial assets	金融資產預期信貸虧損 (撥備轉回)／撥備		
– Trade receivables (Note 23)	– 應收貿易款(附註23)	(18,514)	77,749
– Other financial assets at amortised cost (Note 25)	– 按攤餘成本計量的 其他金融資產(附註25)	2,502	5,415
Loss on disposal of PPE	物業、廠房及設備的處置損失	89	—

12. EMPLOYEE BENEFIT EXPENSES

12. 僱員福利費用

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	52,705	66,853
Provision for medical and other employee benefits	醫療及其他僱員福利撥備	3,137	5,511
Contributions to defined contribution pension scheme (note (a))	界定供款退休金計劃供款(附註(a))	3,761	6,178
Contributions to the housing scheme (note (b))	住房計劃供款(附註(b))	2,581	4,517
		62,184	83,059

notes:

(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.

附註：

(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費用。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。

12. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

notes: (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2019: four) Directors and chief executive, details of whose emoluments are reflected in the analysis presented in Note 45(c). The emoluments paid and payable to the remaining two (2019: one) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Basic salaries and allowances	基本薪金及津貼	2,257	1,219
Contribution to pension scheme	退休金計劃供款	16	16
Bonuses	花紅	98	97
		2,371	1,332

(d) The number of the highest paid employees who are not the Directors nor chief executive of the Company whose remuneration fell within the following band is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年	2019 二零一九年
HKD1,000,001 to HKD1,500,000	1,000,001 港元至 1,500,000 港元	2	1

12. 僱員福利費用(續)

附註：(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三名(二零一九年：四名)董事及行政人員，彼等的酬金詳情已於附註45(c)所呈列的分析反映。本年度已付及應付予其餘兩名(二零一九年：一名)並非本公司董事亦非行政人員的最高薪酬僱員之酬金如下：

(d) 並非擔任本公司董事亦非行政人員之最高薪酬僱員的人數及其薪酬範圍如下：

13. EARNINGS/(LOSS) PER SHARE**(a) Basic earnings/(loss) per share**

As at 31 December 2020 and 2019, basic earnings/(loss) per share is based on the following data:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔利潤/(虧損)	16,973	(745,118)

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	2,503,267	2,503,267

(b) Diluted earnings/(loss) per share

No diluted earnings/(loss) per share for both 2020 and 2019 were presented as there were no potential ordinary share in issue as at 31 December 2020 and 2019.

14. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company for the year ended 31 December 2020, nor has any dividend been proposed since the end of the reporting period (2019: nil).

13. 每股盈利/(虧損)**(a) 每股基本盈利/(虧損)**

於二零二零年及二零一九年十二月三十一日，每股基本盈利/(虧損)乃基於以下數據計算：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔利潤/(虧損)	16,973	(745,118)

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	2,503,267	2,503,267

(b) 每股攤薄盈利/(虧損)

由於截至二零二零年及二零一九年十二月三十一日並無潛在的已發行普通股，因此並無呈列二零二零年及二零一九年的每股攤薄盈利/(虧損)。

14. 股息

截至二零二零年十二月三十一日止年度並無向本公司普通股股東派付或建議派付股息，報告期末起亦無建議派付任何股息(二零一九年：零)。

15. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

15. 使用權資產／租賃負債

		Land use right 土地使用權 RMB'000 人民幣千元 (note (a)) (附註(a))	Rental Premises 出租樓宇 RMB'000 人民幣千元 (note (b)) (附註(b))	Total 總計 RMB'000 人民幣千元
Cost	成本			
As at 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日， 於二零一九年 十二月三十一日及 二零二零年一月一日	33,435	—	33,435
Additions (note (c))	添置 (附註(c))	—	289	289
As at 31 December 2020	於二零二零年十二月三十一日	33,435	289	33,724
Accumulated depreciation	累計折舊			
As at 1 January 2019	於二零一九年一月一日	4,190	—	4,190
Depreciation for the year	年內折舊	724	—	724
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日	4,914	—	4,914
Depreciation for the year	年內折舊	724	144	868
As at 31 December 2020	於二零二零年十二月三十一日	5,638	144	5,782
Carrying value	賬面值			
As at 31 December 2020	於二零二零年十二月三十一日	27,797	145	27,942
As at 31 December 2019	於二零一九年十二月三十一日	28,521	—	28,521

As at 1 January 2019, land use right are recognised as right-of-use assets upon the application of IFRS 16 "Lease".

於二零一九年一月一日，土地使用權於國際財務報告準則第16號「租賃」應用時確認為使用權資產。

15. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONTINUED)

notes:

- (a) 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 2020, land use rights with carrying value of approximately RMB27,797,000 were secured for bank borrowings with carrying amounts of approximately RMB120,000,000 (Note 33) (As at 31 December 2019, land use rights with carrying value of approximately RMB28,521,000 were secured for bank borrowings with carrying amounts of approximately RMB156,000,000).

- (b) During the year ended 31 December 2020, the Group leases an office for its operations. Lease contract is entered into for fixed term of 2 years. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.
- (c) Amount includes right-of-use assets resulting from new leases entered, excluding those classified as investment properties.

At 31 December 2020 and 2019, the Group had lease liabilities as follows:

15. 使用權資產／租賃負債(續)

附註：

- (a) 本集團所有土地使用權均位於中國，租賃期限均為50年。

於二零二零年十二月三十一日，賬面值為約人民幣27,797,000元的土地使用權已被抵押予賬面值為約人民幣120,000,000元的銀行借款(附註33)(於二零一九年十二月三十一日，賬面值為約人民幣28,521,000元的土地使用權已被抵押予賬面值為約人民幣156,000,000元的銀行借款)。

- (b) 於截至二零二零年十二月三十一日止年度，本集團租賃辦公室用於營運。訂立的租賃合約固定期限為2年。於釐定期期及評估不可撤銷期間之長短時，本集團已應用合約的定義並釐定合約可強制執行的期間。
- (c) 金額包括由於加入新租賃而產生的使用權資產，不包括歸類為投資性房地產的資產。

於二零二零年及二零一九年十二月三十一日，本集團的租賃負債如下所示：

		Present value of the minimum lease payments 最低租賃付款的現值		Total minimum lease 最低租賃付款總額	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	1年內	147	—	150	—
Less: total future interest expenses	減：未來利息費用總額			(3)	—
Present value of lease liabilities	租賃負債的現值			147	—
Analysed by:	分析：				
Building	樓宇			147	—

16. PROPERTY, PLANT AND EQUIPMENT

16. 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
Cost	成本						
As at 1 January 2019	於二零一九年一月一日	190,303	745,452	4,337	25,455	83,217	1,048,764
Additions	添置	—	305	181	505	4,308	5,299
Transfer upon completion	完成時結轉	11,067	34,603	—	—	(45,670)	—
Transfer to investment properties	轉撥至投資性房地產	(6,438)	—	—	—	—	(6,438)
As at 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及二零二零年 一月一日	194,932	780,360	4,518	25,960	41,855	1,047,625
Additions	添置	444	3,059	252	112	4,697	8,564
Disposal	出售	—	(2,969)	—	—	—	(2,969)
Exchange alignment	匯兌調整	—	—	(42)	(189)	—	(231)
As at 31 December 2020	於二零二零年 十二月三十一日	195,376	780,450	4,728	25,883	46,552	1,052,989
Accumulated depreciation and impairment	累計折舊及減值						
As at 1 January 2019	於二零一九年一月一日	54,508	395,049	2,767	17,443	—	469,767
Depreciation for the year	年內折舊	6,200	50,666	370	1,123	—	58,359
Transfer to investment properties	轉撥至投資性房地產	(1,584)	—	—	—	—	(1,584)
As at 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及 二零二零年一月一日	59,124	445,715	3,137	18,566	—	526,542
Depreciation for the year	年內折舊	8,241	50,551	395	373	—	59,560
Disposal	出售	—	(2,880)	—	—	—	(2,880)
Exchange alignment	匯兌調整	—	—	(33)	(184)	—	(217)
As at 31 December 2020	於二零二零年 十二月三十一日	67,365	493,386	3,499	18,755	—	583,005
Carrying value	賬面值						
As at 31 December 2020	於二零二零年 十二月三十一日	128,011	287,064	1,229	7,128	46,552	469,984
As at 31 December 2019	於二零一九年 十二月三十一日	135,808	334,645	1,381	7,394	41,855	521,083

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Certain idle machineries with the cost amounting to approximately RMB2,978,000 (2019: RMB2,978,000) were considered obsolete before 2012, and an impairment provision of approximately RMB2,311,000 (2019: 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:

16. 物業、廠房及設備(續)

於二零一二年前，成本為約人民幣2,978,000元(二零一九年：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約人民幣2,311,000元(二零一九年：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：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cost of sales	銷售成本	55,191	54,272
Selling and distribution costs	銷售及分銷費用	64	62
Administrative expenses	行政費用	4,305	4,025
		59,560	58,359

As at 31 December 2020, the Group was in the process of applying for registration of the ownership certificates for certain of its building with an aggregate carrying value of approximately RMB283,000 (2019: RMB303,000). The executive Directors are of the opinion that the Group is entitled to lawfully and validly occupy or use the property.

As at 31 December 2020, factory plants with carrying value of approximately RMB143,878,000 were secured for bank borrowings with carrying amounts of approximately RMB55,000,000, RMB65,000,000 and RMB50,000,000 (Notes 33(b), 33(d) and 33(f)) (As at 31 December 2019, factory plants with carrying value of approximately RMB95,381,000 were secured for bank borrowings with carrying amounts of approximately RMB66,000,000 and RMB100,000,000).

於二零二零年十二月三十一日，本集團正就總賬面值約人民幣283,000元(二零一九年：人民幣303,000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物業。

於二零二零年十二月三十一日，賬面值為約人民幣143,878,000元的廠房已被抵押予賬面值為約人民幣55,000,000元、人民幣65,000,000元及人民幣50,000,000元的銀行借款(附註33(b), 33(d)及33(f))(於二零一九年十二月三十一日，賬面值為約人民幣95,381,000元的廠房已被抵押予賬面值為人民幣66,000,000元及人民幣100,000,000元的銀行借款)。

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The category of machinery includes production lines leased by the Group to two related parties (2019: two) under operating leases with the following net carrying amounts:

16. 物業、廠房及設備(續)

機器的分類包括本集團根據經營租賃向兩名關聯方(二零一九年：兩名)出租的生產線，賬面淨值如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cost	成本	97,559	97,559
Accumulated depreciation at 1 January	於一月一日累計折舊	(60,639)	(54,336)
Depreciation for the year	年度折舊	(6,303)	(6,303)
Carrying value	賬面值	30,617	36,920

17. INVESTMENT PROPERTIES

17. 投資性房地產

		Building 樓宇
		RMB'000 人民幣千元
Cost	成本	
As at 1 January 2019	於二零一九年一月一日	—
Transfers from property, plant and equipment	從物業、廠房及設備結轉	4,854
At 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年十二月三十一日、二零二零年 一月一日及二零二零年十二月三十一日	4,854
Accumulated depreciation	累計折舊	
As at 1 January 2019	於二零一九年一月一日	—
Depreciation for the year	年內折舊	175
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	175
Depreciation for the year	年內折舊	234
As at 31 December 2020	於二零二零年十二月三十一日	409
Carrying Value	賬面值	
As at 31 December 2020	於二零二零年十二月三十一日	4,445
As at 31 December 2019	於二零一九年十二月三十一日	4,679

17. INVESTMENT PROPERTIES (CONTINUED)

The Group leases out various part of its factory under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 year (2019: 1 year).

The fair value of the Group's investment properties as at 31 December 2020 and 2019 has been arrived at on the basis of a valuation carried out on the respective dates by an independent qualified professional valuers not connected to the Group. The fair value is determined using direct comparison method (2019: direct comparison method) by reference to recent sales price of comparable properties on a price per saleable square foot basis. As at 31 December 2020, the fair value of the Group's investment properties amounted to approximately RMB7,580,000 (2019: RMB7,400,000).

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

17. 投資性房地產(續)

本集團按經營租賃出租其廠房的不同部分，租金按月收取。租約一般初步為期1年(二零一九年：1年)。

本集團於二零二零年及二零一九年十二月三十一日的投資性房地產的公允價值乃基於與本集團並無關連的獨立合資格專業估值師進行的估值達致。公平值乃採用直接比較法(二零一九年：直接比較法)，參考可比較物業的近期銷售價格(以每平方尺價格為基準)釐定。於二零二零年十二月三十一日，本集團投資性房地產的公允價值約為人民幣7,580,000元(二零一九年：人民幣7,400,000)。

報告期末，本集團投資性房地產的詳情及有關公允價值層級的資料列示如下：

		2020 二零二零年		2019 二零一九年	
		Carrying amount	Fair values at Level 3 hierarchy 第3層 賬面值 RMB'000 人民幣千元	Carrying amount	Fair values at Level 3 hierarchy 第3層 賬面值 RMB'000 人民幣千元
Industrial building located in PRC	位於中國的工業樓宇	4,445	7,580	4,679	7,400

18. INTANGIBLE ASSETS

18. 無形資產

		Trade Name	Distribution Network	Information System	Total
		商標	分銷網絡	信息系統	總計
		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
Cost	成本				
As at 1 January 2019,	於二零一九年一月一日、				
31 December 2019,	二零一九年十二月三十一日、				
1 January 2020 and	二零二零年一月一日及				
31 December 2020	二零二零年十二月三十一日	58,200	151,100	173	209,473
Accumulated amortisation	累計攤銷				
As at 1 January 2019	於二零一九年一月一日	17,531	103,389	32	120,952
Charge for the year	年內攤銷	3,198	18,888	32	22,118
As at 31 December 2019	於二零一九年十二月三十一日及	20,729	122,277	64	143,070
and 1 January 2020	二零二零年一月一日				
Charge for the year	年內攤銷	3,198	18,888	32	22,118
As at 31 December 2020	於二零二零年十二月三十一日	23,927	141,165	96	165,188
Carrying amount	賬面值				
As at 31 December 2020	於二零二零年十二月三十一日	34,273	9,935	77	44,285
As at 31 December 2019	於二零一九年十二月三十一日	37,471	28,823	109	66,403

Amortisation of approximately RMB3,230,000 (2019: RMB3,230,000) is included in the "Administrative expenses" and RMB18,888,000 (2019: RMB18,888,000) is included in "Selling and distribution costs" in the consolidated statement of profit or loss.

約人民幣3,230,000元的攤銷(二零一九年：人民幣3,230,000元)計入綜合損益表的「行政費用」，而人民幣18,888,000元的攤銷(二零一八年：人民幣18,888,000元)計入綜合損益表的「銷售及分銷費用」。

19. GOODWILL

19. 商譽

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Tiandi Green	天地綠色	721,139	721,139

The goodwill of approximately RMB721,139,000 was generated from acquisition of a controlling stake in Tiandi Green in 2014. Tiandi Green was viewed as one CGU within the beer segment. The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a four-year period when optimum market share is expected to be reached. Cash flows beyond the four-year period are extrapolated using the estimated growth rates.

The key assumptions used for value-in-use calculations in 2020 and 2019 are as follows:

約人民幣721,139,000元的商譽產生於二零一四年收購了天地綠色的控股權。天地綠色被視為在啤酒分部內的一項現金產生單位。現金產生單位的可收回金額乃基於使用價值的計算釐定。該等計算使用了基於管理層批准的，覆蓋了其時為有望達到最佳市場份額的四年期間的財務預算的稅前現金流量預測。超過四年期間的現金流量乃使用估計增長率推測。

二零二零年及二零一九年使用價值的計算所使用的主要假設如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Annual revenue growth rate	年收入增長率	3.0%-3.6%	-4.8%-11.7%
Long-term growth rate	長期增長率	3.0%	2.5%
Gross margin	毛利率	41.2%	46.6%-46.7%
Pre-tax discount rate	稅前貼現率	15.7%	15.5%

19. GOODWILL (CONTINUED)

Revenue growth rate and gross margin are based on past performance and management's expectations on market development. The long term growth rates used is in line with the long term inflation rate forecast in China. The pre-tax discount rate reflects current market assessments of the time value of money and specific risks relating to the CGU.

The Directors are of the view that there was no impairment of goodwill as at 31 December 2020 and 2019.

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**19. 商譽(續)**

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率與中國長期通脹率預測一致。所用的稅前貼現率，反映對金錢的時間價值的當前市場評估及與現金產生單位有關的特定風險。

董事認為於二零二零年及二零一九年十二月三十一日商譽並無出現減值。

20. 使用權益法入賬的投資

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Balance at 1 January	於一月一日結餘	698,283	1,574,938
Additions (note (a))	添置(附註(a))	—	21,020
Share of result	應佔業績	(2,097)	14,319
Declaration of dividend (note (b))	宣派股息(附註(b))	(45,489)	(38,843)
Impairment loss recognised	確認減值損失	—	(873,151)
Balance at 31 December	於十二月三十一日結餘	650,697	698,283

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

notes:

- (a) In May 2019, Center Faithful Limited, a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish a company named Great Wall 5100 Technology Co., Ltd (“Great Wall 5100”). Great Wall 5100 is a company specialising in the distribution of water products. Based on the articles of association of Great Wall 5100, the Group owns 40% of its equity interests and has right to participate in operational decision-making process of Great Wall 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Great Wall 5100 is approximately RMB20,000,000, including cash payment of approximately RMB4,000,000 and other payables of approximately RMB16,000,000.

On 6 September 2019, Tibet Glacier Mineral Water, a wholly-owned subsidiary of the Company and third parties entered into an agreement to establish a company named Mingzhu 5100. Mingzhu 5100 is a company specialising in the distribution of water products. Based on the articles of association of Mingzhu 5100, the Group owns 34% of its equity interests and has right to participate in operational decision-making process of Mingzhu 5100. As such, the Group treats the investment as an investment accounted for using the equity method. As at 31 December 2019, total equity contribution to Mingzhu 5100 is approximately RMB1,020,000.

- (b) In 2020, Highland Natural Water, an associate, declared cash dividends. The Group recognised approximately RMB45,489,000 (2019: approximately RMB38,843,000) cash dividends according to the percentage of the equity interests held by the Group.

20. 使用權益法入賬的投資(續)

附註：

- (a) 於二零一九年五月，本公司全資附屬公司中誠信企業有限公司與第三方訂立協議成立長城五一零零科技有限公司(「長城五一零零」)。長城五一零零為一家專門分銷水產品的公司。根據長城五一零零的公司章程，本集團擁有長城五一零零40%的權益及有權參與其經營決策過程。因此，本集團視該投資為使用權益法入賬的投資。於二零一九年十二月三十一日，對長城五一零零作出的權益出資總額為約人民幣20,000,000元，包括現金款項約人民幣4,000,000元及其他應付款約人民幣16,000,000元。

於二零一九年九月六日，本公司之全資附屬公司西藏冰川礦泉水與第三方訂立協議，成立一間名為明珠五一零零的公司。明珠五一零零為一間專門從事水產品分銷的公司。根據明珠五一零零的公司章程，本集團擁有明珠五一零零34%權益，並有權參與其經營決策過程。因此，本集團視該投資為使用權益法入賬的投資。於二零一九年十二月三十一日，對明珠五一零零作出的權益出資總額為約人民幣1,020,000元。

- (b) 於二零二零年，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權百分比確認現金股息約人民幣45,489,000元(二零一九年：約人民幣38,843,000元)。

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

Set out below are the associates of the Group as at 31 December 2020 and 2019.

20. 使用權益法入賬的投資(續)

下文載列於二零二零年及二零一九年十二月三十一日本集團之聯營公司。

Name of entity	Place of business/country of incorporation	% of ownership interest and voting rights held by the Group	Principal activities
實體名稱	營業地點／註冊成立國家	本集團所持所有權權益及表決權百分比	主要業務
Tibet Highland Natural Water Limited 西藏高原天然水有限公司	The PRC 中國	43.981	Manufacturing and distribution of water products 製造及分銷水產品
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	Manufacturing and distribution of bottle preforms, caps and other raw materials and consumables 製造及分銷瓶坯瓶蓋等其他原材料及耗材
Great Wall 5100 Technology Co., Ltd. 長城五一零零科技有限公司	The PRC 中國	40	Distribution of water products 分銷水產品
Guangzhou Mingzhu 5100 Drinking Water Co., Ltd. 廣州市明珠五一零零飲用水有限公司	The PRC 中國	34	Distribution of water products 分銷水產品

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a material associate – Highland Natural Water

The tables below provide the summarised financial information of the Highland Natural Water shown in its financial statements prepared in accordance with IFRSs.

Summarised statement of financial position

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current assets	流動資產	367,735	620,175
Non-current assets	非流動資產	590,208	637,971
Current liabilities	流動負債	(544,212)	(727,716)
Non-current liabilities	非流動負債	(20,922)	(23,435)
Equity attributable to owners of the Company	本公司擁有人應佔權益	392,809	506,995

20. 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

下表載列高原天然水之財務資料概要，乃根據該公司按照國際財務報告準則編製的財務報表所列示數據編製。

財務狀況表概要

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

Summarised financial information for a material associate – Highland Natural Water (continued)

Summarised statement of profit or loss

20. 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)

損益表概要

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	300,650	451,554
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	(11,823)	36,052
Income tax credit/(expense)	所得稅抵免/(費用)	1,065	(3,746)
(Loss)/profit for the year	年內(虧損)/利潤	(10,758)	32,305
Total comprehensive (loss)/income	全面(虧損)/收益總額	(10,758)	32,305
Dividend received for the year	年內收取的股息	45,489	38,843

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。

20. 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 recognised in the consolidated financial statements:

20. 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綜合財務報表內確認的本集團於高原天然水權益的賬面值的對賬：

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Opening net assets as at 1 January	於一月一日的年初淨資產	506,995	563,005
(Loss)/profit for the year	年內(虧損)/利潤	(10,758)	32,305
Declared of dividends	宣派股息	(103,428)	(88,315)
Closing net assets	年末淨資產	392,809	506,995
Elimination of unrealised profit from intra-group sales	未實現內部銷售利潤抵銷額	(499)	(562)
Adjusted total net assets	調整後的總淨資產	392,310	506,433
Interest in the associate	於聯營公司的權益	161,134	211,347
Goodwill	商譽	280,256	280,256
Carrying value	賬面值	441,390	491,603

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information for a material associate – Highland Natural Water (continued)

Reconciliation of summarised financial information (continued)

Management performed impairment analysis for the investment in Highland Natural Water. The recoverable amount of the investment is determined based on value-in-use calculations, which is higher than fair value less disposal costs. Management assessed the recoverable amount and recognised no impairment loss during the year ended 31 December 2020 (2019: approximately RMB873,151,000). The main factors that led to the impairment during the year ended 31 December 2019 was due to the continuous weakness of market performance in 2020.

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.

The key assumptions used for value-in-use calculations in 2020 and 2019 are as follows:

		2020 二零二零年	2019 二零一九年
Annual revenue growth rate	年收入增長率	3.0%-42.4%	8.0%-9.1%
Long-term growth rate	長期增長率	3.0%	2.5%
Gross margin	毛利率	54.6%-54.9%	55.7%-55.8%
Pre-tax discount rate	稅前貼現率	12.5%	12.4%

Revenue growth rate and gross margin are based on past performance and management's expectations on market development. The long term growth rates used is in line with the long term inflation rate forecast in China. The discount rate used is pre-tax and reflects specific risks relating to the business.

20. 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(續)

管理層對於高原天然水的投資進行減值分析。投資的可收回金額乃基於使用價值的計算（高於公允價值減處置成本）釐定。管理層評估可回收金額，於截至二零二零年十二月三十一日止年度並無確認減值損失（二零一九年：約人民幣873,151,000元）。導致截至二零一九年十二月三十一日止年度減值的主要因素為二零二零年市場表現持續疲軟。

該等計算使用了基於由管理層批准覆蓋了其時為有望達到最佳市場份額的八年期間的財務預算之稅前現金流量預測。超過八年期間的現金流量乃使用估計增長率推測。

二零二零年及二零一九年使用價值的計算所使用的主要假設如下：

收入增長率及毛利率乃根據過往表現及管理層對市場發展的預期計算。所用的長期增長率與中國的長期通脹率預測一致。所用的貼現率為稅前貼現率，反映與業務有關的特定風險。

20. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(CONTINUED)

Aggregate information of associates that are not individually material

20. 使用權益法入賬的投資(續)

個別不重大聯營公司的綜合資料

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
The Group's share of profit/(loss)	本集團應佔溢利/(損失)	2,627	(1,840)
The Group's share of other comprehensive income	本集團應佔其他全面收益	—	—
The Group's share of total comprehensive income	本集團應佔全面收益總額	2,627	(1,840)
Aggregate carrying amount of the Group's interests in these associates	本集團於該等聯營公司權益的賬面值總額	209,307	206,680

21. DEFERRED TAX ASSETS LIABILITIES

The analysis of deferred tax assets and deferred tax liabilities is as follows:

21. 遞延稅項資產／遞延稅項負債

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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	4,277	9,511
Deferred tax liabilities	遞延稅項負債	(7,371)	(9,695)

21. DEFERRED TAX ASSETS LIABILITIES (CONTINUED)

The balances of deferred tax assets and liabilities as at 31 December 2020 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:

21. 遞延稅項資產／遞延稅項負債(續)

於二零二零年十二月三十一日，遞延稅項資產及負債結餘並未抵銷，乃由於與該等遞延稅項資產及負債有關的所得稅由不同稅務機關徵收。年內遞延稅項資產及負債的變動如下：

		Net impairment losses	Deferred income	Withholding tax	Other temporary differences	Total
		減值損失淨額	遞延收益	預扣稅	暫時性差額	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產					
As at 1 January 2019	於二零一九年一月一日	347	1,776	—	715	2,838
Credited/(charged) to profit or loss (Note 10)	於損益貸記/(計入) (附註 10)	7,006	(46)	—	(287)	6,673
As at 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及 二零二零年一月一日	7,353	1,730	—	428	9,511
Charged to profit or loss (Note 10)	於損益計入(附註 10)	(5,163)	(63)	—	(8)	(5,234)
As at 31 December 2020	於二零二零年 十二月三十一日	2,190	1,667	—	420	4,277
Deferred tax liabilities	遞延稅項負債					
As at 1 January 2019	於二零一九年一月一日	—	—	(2,500)	(12,755)	(15,255)
Credited to profit or loss (Note 10)	於損益貸記(附註 10)	—	—	2,500	3,060	5,560
As at 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及 二零二零年一月一日	—	—	—	(9,695)	(9,695)
Credited to profit or loss (Note 10)	於損益貸記(附註 10)	—	—	—	2,324	2,324
As at 31 December 2020	於二零二零年 十二月三十一日	—	—	—	(7,371)	(7,371)

21. DEFERRED TAX ASSETS LIABILITIES (CONTINUED)

As at 31 December 2020, certain subsidiaries' future taxable income would not be available against which their temporary losses could be utilised and also the losses of those subsidiaries would not be offset by the taxable income of other subsidiaries within the Group, as there is no legally enforceable right to do so. As such, the Group did not recognise deferred tax assets of approximately RMB22,383,000 (2019: RMB10,985,000) in respect of losses amounting to approximately RMB89,531,000 (2019: RMB43,955,000) that can be carried forward against future taxable income. As at 31 December 2020, tax losses of approximately RMB89,531,000 (2019: RMB43,955,000) will expire after five year of assessment on the following dates to offset the future taxable income:

21. 遞延稅項資產／遞延稅項負債(續)

於二零二零年十二月三十一日，若干附屬公司的未來應課稅收入將無法彌補暫時性虧損，而該等附屬公司的虧損不可由本集團其他附屬公司的應課稅收入抵銷，因為並不具備這樣做的合法可強制執行權利。故本集團並無就可抵銷未來應課稅收入的虧損約人民幣89,531,000元(二零一九年：人民幣43,955,000元)確認遞延稅項資產約人民幣22,383,000元(二零一九年：人民幣10,985,000元)。於二零二零年十二月三十一日抵銷未來應課稅收入約人民幣89,531,000元(二零一九年：人民幣43,955,000元)的稅項虧損將於五個評稅年度後的下列日期屆滿：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Expiring in	於以下年度屆滿		
– 2021	– 二零二一年	14,625	14,625
– 2022	– 二零二二年	15,644	15,644
– 2023	– 二零二三年	7,544	7,544
– 2024	– 二零二四年	6,142	6,142
– 2025	– 二零二五年	45,576	—
		89,531	43,955

Deferred tax liabilities of approximately RMB130,395,000 (2019: RMB134,057,000) had not been recognised for the withholding tax that would be payable on the distributable retained profits amounting to approximately RMB1,867,890,000 (2019: RMB1,841,140,000) of the Company's PRC subsidiaries. The Group has no intention to distribute these retained earnings out from the PRC subsidiaries in the foreseeable future.

本公司並無就中國附屬公司的可分派保留溢利約人民幣1,867,890,000元(二零一九年：人民幣1,841,140,000元)應付預扣稅確認遞延稅項負債約人民幣130,395,000元(二零一九年：人民幣134,057,000元)。本集團並不打算在可見將來從中國境內附屬公司向分派該等留存收益。

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

22. 以公允價值計量且其變動計入其他全面收益的金融資產

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Balance at 1 January	於一月一日的結餘	231,881	231,881
Disposal of investment in CRE (note (a))	出售於中鐵快運的投資(附註(a))	(46,400)	—
Net loss recognised upon disposal	出售後確認的淨虧損	(11,600)	—
Fair value changes	公允價值變動	601	—
Balance at 31 December (note (b))	於十二月三十一日的結餘(附註(b))	174,482	231,881

notes:

- (a) During the year ended 31 December 2020, the Group disposed of the investment in CRE, at a consideration of approximately RMB46,400,000, which was also the fair value as at the date of disposal as the investment no longer meets the investment objective of the Group after group restructuring carried out by the investee. A cumulative loss on disposal of approximately RMB11,600,000 has been transferred from other reserves to retained earnings.
- (b) The above unlisted equity investments represent the Group's equity interest in a private entity established in the PRC. The directors have elected to designate these investments in equity instruments as at FVTOCI as they believe that the investment is held for long-term.

附註：

- (a) 於截至二零二零年十二月三十一日止年度期間，本集團以代價為約人民幣46,400,000元(亦為該投資於出售日期的公允價值)出售於中鐵快運的投資，此乃由於被投資企業進行重組，該投資不再滿足本集團持有的目的。該出售的累計損失約人民幣11,600,000元已自其他儲備結轉至留存收益。
- (b) 上述非上市股本投資代表本集團於中國成立的私人實體的股本權益。董事選擇將這些投資介定為以公允價值計量且其變動計入其他綜合收益的股權投資，因為他們認為該投資是長期持有的。

23. TRADE RECEIVABLES

23. 應收貿易款

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade receivables due from third parties	應收第三方貿易款	342,509	312,652
Loan receivables due from a third party (note)	應收第三方借款(附註)	—	24,088
		342,509	336,740
Less: allowance for ECL (Note 5.1(b))	減：預期信貸虧損撥備(附註5.1(b))	(59,235)	(77,749)
		283,274	258,991

As at 1 January 2019, trade receivables from contracts with customers amounted to approximately RMB268,564,000.

於二零一九年一月一日，來自客戶合約的應收貿易款約為人民幣268,564,000元。

note: As at 31 December 2019, the balance included a loan to a third party amounting to approximately HKD26,890,000 (equivalent to RMB24,088,000), which represented lending principal of approximately HKD17,000,000 (equivalent to RMB15,229,000) and accrued interest of approximately HKD9,890,000 (equivalent to RMB8,859,000). The loan was at a fixed interest rate at 15% per annum and secured by the borrower's property located in Beijing. The loan was fully settled during the year ended 31 December 2020.

附註：於二零一九年十二月三十一日，該結餘包括一項授予第三方借款約26,890,000港元(相當於人民幣24,088,000元)，其中借款本金約17,000,000港元(相當於人民幣15,229,000元)及應計利息約9,890,000港元(相當於人民幣8,859,000元)。該借款的固定年利率為15%，並以借款人的北京物業作抵押。該借款已於截至二零二零年十二月三十一日止年度悉數結清。

23. TRADE RECEIVABLES (CONTINUED)

As at 31 December 2020 and 2019, the Group's trade receivables due from third parties were all denominated in RMB and the Group's loan receivables due from a third party were all denominated in HKD. The credit period is generally 90 to 180 days. 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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 6 months	6個月內	55,243	161,775
Over 6 months but within 1 year	超過6個月但不超過1年	65,205	75,426
Over 1 year but within 2 years	超過1年但不超過2年	145,205	67,027
Over 2 years	過2年	76,856	32,512
		342,509	336,740

For the trade receivables arising from sales of water and beer products, the Group applies the IFRS 9 simplified approach to measure the ECL which uses a lifetime expected loss allowance. For the trade receivables arising from loans to third parties, the Group uses three categories which reflect their credit risk and how the loan loss allowance is determined for each of those categories. This resulted in the recognition of loss allowance for trade receivables amounting to approximately RMB59,235,000 (2019: RMB77,749,000) for the year ended 31 December 2020.

Information about the impairment assessment of trade receivables and the Group's exposure to credit risk can be found in Note 5.1(b).

23. 應收貿易款(續)

於二零二零年及二零一九年十二月三十一日，本集團應收第三方貿易款均以人民幣計值而本集團應收第三方借款均以港元計值。信貸期通常為90至180天。根據發票日期劃分之應收貿易款的賬齡分析如下：

本集團應用國際財務報告準則第9號之簡化方法即均使用存續期內預期損失撥備計量水和啤酒產品銷售產生的應收貿易款的預期信貸虧損。對於向第三方貸款產生的應收貿易款，本集團使用三個類別反映其信用風險以及如何確定這三個類別的貸款損失撥備。截至二零二零年十二月三十一日止年度，因其確認的應收貿易款的損失撥備約為人民幣59,235,000元(二零一九年：人民幣77,749,000元)。

有關應收貿易款減值評估及本集團信貸風險承擔的資料載於附註5.1(b)。

24. PREPAYMENTS

24. 預付款項

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Prepayments for purchase of raw materials, services and properties, plant and equipment	購置原材料、服務以及物業、廠房及設備的預付款項	85,745	121,946
Less: Non-current portion - prepayment for purchase of properties, plant and equipment (note)	減：非流動部分－購置物業、廠房及設備的預付款項(附註)	(6,067)	(6,518)
Current portion	流動部分	79,678	115,428

note: These balances represent prepayments made for the purchase of properties, plant and equipment, the ownership of which has not been obtained at year end.

附註：該等結餘指因購置物業、廠房及設備（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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
– RMB	– 人民幣	85,278	119,420
– HKD	– 港元	393	496
– USD	– 美元	74	—
– EUR	– 歐元	—	2,030
		85,745	121,946

25. OTHER FINANCIAL ASSETS AT AMORTISED COST

25. 以攤餘成本計量的其他金融資產

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Amounts due from third parties (note((a))	應收第三方款項(附註(a))	1,266,516	612,710
Amounts due from associates (note((b)) (Note 45(b))	應收聯營公司款項(附註(b)) (附註45(b))	34,445	189,800
Government grant receivable	政府補助應收款	—	24,320
Deposits	押金	246	213
Others (note((c))	其他(附註(c))	70,731	6,861
		1,371,938	833,904
Less: allowance for ECL (Note 5.1(b))	減：預期信貸虧損撥備(附註5.1(b))	(4,670)	(2,168)
		1,367,268	831,736

25. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

notes:

(a) The balances mainly include the following items:

- (i) As at 31 December 2019, the loans to third party companies with outstanding principal amounting to approximately RMB579,286,000 and accrued interest of approximately RMB22,912,000, which bore an annual interest rate of 10%. Based on the contractual terms, the loans will be repaid before 31 December 2020. Amounting to approximately RMB226,631,000 was pledged by Shannan Yalaxiangbu's equity interests and secured by Fudi Packaging's machinery and amounting to approximately RMB375,567,000 was pledged by Shannan Yalaxiangbu's equity interest.
- (ii) As at 31 December 2020, the loans to third party companies with outstanding principal amounting to approximately RMB1,260,616,000, which bore an annual interest rate of 10%. Based on the contractual terms, the loans will be repaid before 31 December 2021. The Group does not hold any collateral over the loans.
- (iii) As at 31 December 2020, Amount due from a third party of approximately RMB5,836,000 (2019: RMB5,836,000) mainly represents the prepayment made for purchase of equipment, which was transferred to other financial assets at amortised cost due to the rescission of contracts.

25. 以攤餘成本計量的其他金融資產
(續)

附註：

(a) 結餘主要包括以下項目：

- (i) 於二零一九年十二月三十一日，提供予第三方公司未償還本金金額約為人民幣579,286,000元之貸款及應計利息約人民幣22,912,000元，年利率為10%。根據合約條款，該貸款將於二零二零年十二月三十一日前償還。金額約人民幣226,631,000元由山南雅拉香布股權質押及由福地包裝之機器作抵押。金額約人民幣375,567,000元由山南雅拉香布股權質押。
- (ii) 於二零二零年十二月三十一日，提供予多間第三方公司未償還本金金額約為人民幣1,260,616,000元(二零一九年：人民幣零元)之貸款，年利率為10%。根據合約條款，該貸款將於二零二一年十二月三十一日前償還。本集團並未就該等貸款持有任何抵押品。
- (iii) 於二零二零年十二月三十一日，應收一間第三方公司的款項約人民幣5,836,000元(二零一九年：人民幣5,836,000元)主要為因購置設備而預付的款項，該款項因合約解除已轉撥至以攤餘成本計量的其他金融資產。

25. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

notes: (continued)

- (b) As at 31 December 2020, included in the balance was a loan to Fudi Packaging, with principal amount of approximately RMB34,445,000, which bore an annual interest rate of 10% and was unsecured. Based on the contractual terms, the loan will be repaid before 31 December 2021.

As at 31 December 2019, the balance represented a loan to Highland Natural Water, with principal amount of approximately RMB189,800,000, which bore an annual interest rate of 10% (2019: 10%) and was unsecured. Based on the contractual terms, the loan will be repaid before 30 June 2020. During the year ended 31 December 2020, the loan was repaid.

- (c) As at 31 December 2020, the balance mainly included the dividend receivables from Highland Natural Water of approximately RMB49,005,000 (2019: RMB3,516,000), other tax recoverable of approximately RMB7,766,000 (2019: RMB46,000) and advance to staffs of approximately RMB1,676,000 (2019: RMB605,000).

Information about the impairment assessment of other financial assets at amortised cost and the Group's exposure to credit risk can be found in Note 5.1(b).

25. 以攤餘成本計量的其他金融資產 (續)

附註：(續)

- (b) 提供予福地包裝本金金額約為人民幣34,445,000元之貸款計入結餘，年利率為10%且為無抵押。根據合約條款，該貸款將於二零二一年十二月三十一日前償還。

於二零一九年十二月三十一日，結餘指提供予高原天然水之貸款，本金金額約為人民幣189,800,000元，年利率為10%（二零一九年：10%），且為無抵押。根據合約條款，該貸款將於二零二零年六月三十日前償還。截至二零二零年十二月三十一日止年度期間，該貸款已償還。

- (c) 於二零二零年十二月三十一日，結餘主要包括約人民幣49,005,000元之應收高原天然水股息（二零一九年：人民幣3,516,000元），約人民幣7,766,000元可收回稅項（二零一九年：人民幣46,000元）及約人民幣1,676,000元之已付員工墊款（二零一九年：人民幣605,000元）。

有關以攤餘成本計量的其他金融資產的減值評估及本集團信貸風險承擔的資料載於附註5.1(b)。

25. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

The carrying amounts of other financial assets at amortised cost are denominated in the following currencies:

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
– RMB	– 人民幣	1,360,860	825,396
– EUR	– 歐元	5,836	5,836
– HKD	– 港元	572	494
– USD	– 美元	—	10
		1,367,268	831,736

26. INVENTORIES

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Raw materials	原材料	42,119	33,445
Finished goods – at cost	產成品 – 按成本	13,988	16,411
Work in progress	在製品	4,159	2,860
		60,266	52,716

The cost of inventories which was recognised as an expense and was included in “cost of sales” amounted to approximately RMB174,482,000 (2019: RMB299,310,000) for the year ended 31 December 2020.

25. 以攤餘成本計量的其他金融資產 (續)

以攤餘成本計量的其他金融資產的賬面值以下列貨幣計值：

26. 存貨

截至二零二零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174,482,000元（二零一九年：人民幣299,310,000元）。

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 以公允價值計量且其變動計入損益的金融資產

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Balance at 1 January	於一月一日的結餘	197,147	190,795
Additions in structured financial products	結構性理財產品添置	180,000	520,000
Expiration of embedded derivative asset (Note 8)	嵌入式衍生資產到期(附註8)	—	(4,319)
(Disposal of)/investment in Shanghai MKT (note)	(處置)/投資上海麥鎧特(附註)	(5,616)	5,000
Net gains recognised upon disposal (Note 8)	出售時確認的收益淨額(附註8)	12,482	10,198
Fair value changes (Note 8)	公允價值變動(附註8)	811	630
Disposal in structured financial products	結構性理財產品出售	(192,496)	(525,157)
Balance at 31 December	於十二月三十一日的結餘	192,328	197,147
Less: non-current portion	減：非流動部分	(11,517)	(16,517)
Current portion	流動部分	180,811	180,630

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

note: In May 2019, Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership), a subsidiary of the Company, acquired 20% of the equity interests of Shanghai MKT. Shanghai MKT is a company specialising in programme development and intelligence property agency. As at 31 December 2019, total investment in Shanghai MKT is approximately RMB5,000,000, which was accounted as FVTPL by the Group. During the year ended 31 December 2020, the Group disposed of the investment in Shanghai MKT at a consideration of approximately RMB5,616,000 and a gain of approximately RMB616,000 was recognised in the consolidated statement of profit or loss.

All financial asset at FVTPL are denominated in RMB as at 31 December 2020 and 31 December 2019.

Information about the methods and assumptions used in determining fair value is provided in Note 5.3.

28. CASH AND CASH EQUIVALENTS

27. 以公允價值計量且其變動計入損益的金融資產(續)

附註：在二零一九年五月，本公司附屬公司珠海光遠匯金股權投資基金(有限合夥)收購上海麥鎧特的20%權益。上海麥鎧特是一家專門從事程式開發及知識產權代理的公司。於二零一九年十二月三十一日，對上海麥鎧特的總投資約為人民幣5,000,000元，本集團將其作為以公允價值計量且其變動計入損益的金融資產入賬。截至二零二零年十二月三十一日止年度期間，本集團以代價約人民幣5,616,000元出售於上海麥鎧特的投資，收益約人民幣616,000元於綜合損益表中確認。

於二零二零年十二月三十一日及二零一九年十二月三十一日，以公允價值計量且其變動計入損益的金融資產全部以人民幣計值。

有關釐定公允價值所用的方法及假設的資料載於附註5.3。

28. 現金及現金等價物

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash on hand	手頭現金	510	596
Cash at bank	銀行存款	13,974	452,675
Restricted bank deposits	受限制銀行存款	50,268	62,239
		64,752	515,510

28. CASH AND CASH EQUIVALENTS (CONTINUED)

28. 現金及現金等價物(續)

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Denominated in:	計值貨幣：		
– RMB	– 人民幣	63,403	513,971
– USD	– 美元	1,018	1,017
– HKD	– 港元	312	450
– Others	– 其他	19	72
		64,752	515,510

As at 31 December 2020, the Group's cash and cash equivalents amounting to approximately RMB63,834,000 (2019: RMB514,208,000) were held in the financial institutions located in the mainland of PRC. The remaining balances of approximately RMB408,000 (2019: RMB706,000) 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.

The Group earns interests on cash at bank at floating bank deposit rates, which range from 0.001% to 1.35% per annum for the year ended 31 December 2020 (2019: range from 0.01% to 1.35% per annum).

As at 31 December 2020, bank deposits of approximately RMB50,268,000 (2019: RMB62,239,000) are restricted mainly as guarantee for payments of bank acceptances and imported equipment.

於二零二零年十二月三十一日，本集團的現金及現金等價物約人民幣63,834,000元(二零一九年：人民幣514,208,000元)由在中國大陸的金融機構持有。結餘約人民幣408,000元(二零一九年：人民幣706,000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，須遵守中國政府頒佈的相關外匯管制規則及規例。

本集團按浮動銀行存款利率從銀行存款賺取利息，截至二零二零年十二月三十一日止年度，有關年利率介乎0.001%至1.35%(二零一九年：年利率介乎0.01%至1.35%)。

於二零二零年十二月三十一日，受限制銀行存款約人民幣50,268,000元(二零一九年：人民幣62,239,000元)主要作為銀行承兌匯票及進口設備的付款擔保。

29. TRADE AND NOTES PAYABLES

29. 應付貿易款及應付票據

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade payables	應付貿易款	82,360	64,202
Notes payables	應付票據	241,790	259,679
		324,150	323,881

As at 31 December 2020 and 2019, the aging analysis of trade payables based on invoice dates is as follows:

於二零二零年及二零一九年十二月三十一日，基於發票日期的應付貿易款的賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 3 months	3個月內	38,808	34,180
Over 3 months but within 6 months	超過3個月但不超過6個月	1,671	13,147
Over 6 months but within 1 year	超過6個月但不超過1年	19,689	9,528
Over 1 year but within 2 years	超過1年但不超過2年	14,885	3,136
Over 2 years	超過2年	7,307	4,211
		82,360	64,202

29. TRADE AND NOTES PAYABLES (CONTINUED)

As at 31 December 2020 and 2019, the Group's trade payables were all denominated in RMB and were not interest bearing.

The credit period on trade payables are generally within 90 days.

As at 31 December 2020, the bank acceptance notes amounting to approximately RMB241,790,000 was guaranteed by bank deposits of approximately RMB48,543,000.

As at 31 December 2019, the bank acceptance notes amounting to 188,663,000 was guaranteed by the Company and a subsidiary of the Company. The bank acceptance notes amounting to approximately RMB71,016,000 was guaranteed by the Company and a third party, and was pledged by 7% of an associate's equity interests.

According to the agreement of bank acceptance notes, maturity dates of notes payables are based on the following schedule: approximately RMB68,790,000, RMB110,500,000 and RMB62,500,000 on 18 January 2021, 1 March 2021 and 16 November 2021 (2019: RMB68,790,000, RMB110,577,000, RMB9,296,000 and RMB71,016,000 on 18 January 2020, 29 February 2020, 10 April 2020 and 25 December 2020), respectively. The amount of approximately RMB179,290,000 (2019: 179,367,000) was repaid subsequent to the end of the reporting period.

All bills issued by the Group are with a maturity period of less than 12 months.

29. 應付貿易款及應付票據(續)

於二零二零年及二零一九年十二月三十一日，本集團的應付貿易款均以人民幣計值且並不計息。

應付貿易款的信貸期通常不超過90天。

於二零二零年十二月三十一日，約人民幣241,790,000元的銀行承兌匯票以銀行存款約人民幣48,543,000元作抵押。

於二零一九年十二月三十一日，人民幣188,663,000元的銀行承兌匯票由本公司及本公司一間附屬公司提供保證。約人民幣71,016,000元的銀行承兌匯票由本公司及第三方提供保證，以聯營公司7%權益作質押。

根據銀行承兌匯票協議，應付票據之到期日基於下列計劃：於二零二一年一月十八日、二零二一年三月一日及二零二一年十一月十六日到期的款項分別約為人民幣68,790,000元、人民幣110,500,000元及人民幣62,500,000元(二零一九年：於二零二零年一月十八日、二零二零年二月二十九日、二零二零年四月十日及二零二零年十二月二十五日分別為人民幣68,790,000元、人民幣110,577,000元、人民幣9,296,000元及人民幣71,016,000元)。為數約人民幣179,290,000元(二零一九年：人民幣179,367,000元)的款項於報告期末後償還。

本集團所發行所有票據的期限不超過12個月。

30. DEFERRED REVENUE

30. 遞延收入

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current	非流動		
Government grant	政府補助	16,142	18,517
Current	流動		
Government grant	政府補助	2,374	2,373

As at 31 December 2020 and 2019, the Group's deferred revenue was all denominated in RMB.

Tibet Glacier Mineral Water and Tiandi Green, the indirectly wholly subsidiaries of the Company were granted and received subsidies from the local government to compensate its efforts to increase its production capacity in the past years.

During the year ended 31 December 2020, amount of approximately RMB2,374,000 was credited to consolidated statement of profit or loss (2019: RMB2,425,000) (Note 8).

於二零二零年及二零一九年十二月三十一日，本集團的遞延收入全部以人民幣計值。

本公司間接全資附屬公司西藏冰川礦泉水及天地綠色均獲准並收到當地政府就彼等於過去數年致力擴大產能而給予的補助。

截至二零二零年十二月三十一日止年度期間，約人民幣2,374,000元(二零一九年：人民幣2,425,000元)於綜合損益表貸記(附註8)。

31. CONTRACT LIABILITIES

31. 合同負債

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Prepaid cards	預付卡	964	861
Advance from customers	預收客戶款項	15,890	28,548
		16,854	29,409

As at 1 January 2019, contract liabilities amounted to approximately RMB21,225,000.

Contract liabilities arise from the prepaid cards and advance payments made by customers while the goods are yet to be provided.

The prepaid cards and advance from customers of the Group are non-refundable.

於二零一九年一月一日，合同負債約為人民幣21,225,000元。

合同負債來自預付卡及於尚未提供貨品時客戶作出的預付款項。

預付卡及本集團預收客戶款項均不可退還。

31. CONTRACT LIABILITIES (CONTINUED)

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

		Prepaid cards 預付卡 RMB'000 人民幣千元	Advance from customers 預收客戶款項 RMB'000 人民幣千元
For the year ended 31 December 2020	截至二零二零年十二月三十一日 止年度		
Revenue recognised that was included in the contract liability balance at the beginning of the year	年初計入合同負債結餘的已確認收入	861	28,548
For the year ended 31 December 2019	截至二零一九年十二月三十一日 止年度		
Revenue recognised that was included in the contract liability balance at the beginning of the year	年初計入合同負債結餘的已確認收入	14,697	6,528

As at 31 December 2020 and 2019, the Group's contract liabilities were all denominated in RMB.

31. 合同負債(續)

下表列示於已確認收入中與結轉的合同負債有關的數額，以及於過往期間已履行的與履約責任有關的數額：

於二零二零年及二零一九年十二月三十一日，本集團的合同負債均以人民幣計值。

32. ACCRUALS AND OTHER PAYABLES

32. 預提費用及其他應付款

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salary and welfare payables	應付酬金及福利	17,878	16,679
Payables for value added tax and other taxes	應繳增值稅及其他稅項	4,241	10,896
Accrued operating expenses	預提經營費用	10,161	9,125
Payables for purchase of equipment	購置設備應付款項	9,105	13,798
Professional service fee payable	應付專業服務費	4,690	10,565
Amounts payable for equity investment in associates	應付聯營公司權益投資之款項	16,000	16,000
Amounts received from a third party	從第三方收到的款項	49,044	49,044
Deposits from customers	客戶存款	392	1,298
Borrowings from third parties (note)	第三方借款(附註)	301,825	290,309
Others	其他	10,441	8,423
		423,777	426,137
Less: Non-current portion – other payables for equity investment in an associate	減：非流動部分－其他應付一間聯營公司權益投資之款項	(16,000)	(16,000)
Current portion	流動部分	407,777	410,137

32. ACCRUALS AND OTHER PAYABLES (CONTINUED)

note: The balances include the following items:

- The loan from a third party company with outstanding principal amounting to approximately RMB1,683,000 (2019: RMB1,792,000) and accrued interest of RMB160,000 (2019:RMB62,000). The loan bore an annual interest at 6% and is repayable on 2 December 2021.
- The loan from a third party company with outstanding principal amounting to approximately RMB170,174,000 (2019: RMB181,134,000) and accrued interest of approximately RMB19,852,000 (2019: RMB6,297,000). The loan, which was mainly used for the repayment of convertible bonds, bore an annual interest at 7% and is repayable 31 December 2020. The lending company is ultimately held by Mr. Wang Peter Jian's spouse, and Mr. Wang Peter Jian is the substantial shareholder of the Company. The loan was fully repaid as at the date of this report.
- The loan from a third party company with outstanding principal amounting to approximately RMB2,104,000 (2019: RMB2,240,000) and accrued interest of approximately RMB182,000 (2019: RMB58,000). The loan bore an annual interest at 6% are repayable on 31 December 2020. The lending company is ultimately held by Mr. Wang Peter Jian's spouse and Mr. Wang Peter Jian is the substantial shareholder of the Company. The loan was fully repaid as at the date of this report.
- The loan from a third party company with outstanding principal amounting to approximately RMB83,992,000 (2019:RMB89,401,000) and accrued interest of approximately RMB8,682,000 (2019: RMB2,966,000). The loan, which was mainly used for the repayment of convertible bonds, bore an annual interest at 7% and is repayable on 31 December 2020. The lending company is ultimately held by Mr. Wang Peter Jian. The loan was fully repaid as at the date of this report.

32. 預提費用及其他應付款(續)

附註：結餘包括以下項目：

- 來自一間第三方公司未償還本金金額為約人民幣1,683,000元（二零一九年：人民幣1,792,000元）之貸款及應計利息人民幣160,000元（二零一九年：人民幣62,000元）。該貸款年利率為6%及須於二零二一年十二月二日償還。
- 自一間第三方公司未償還本金金額約為人民幣170,174,000元（二零一九年：人民幣181,134,000元）之貸款及應計利息約人民幣19,852,000元（二零一九年：人民幣6,297,000元）。該貸款主要用於償還可換股債券，年利率為7%及須於二零二零年十二月三十一日償還。該貸款公司由王堅先生的配偶最終持有，王堅先生是本公司的主要股東。截至本報告日期，借款已全額償還。
- 來自一間第三方公司未償還本金金額約為人民幣2,104,000元（二零一九年：人民幣2,240,000元）之貸款及應計利息約人民幣182,000元（二零一九年：人民幣58,000元）。該貸款年利率為6%及須於二零二零年十二月三十一日償還。該借款公司由王堅先生的配偶最終持有，王堅先生是本公司的主要股東。截至本報告日期，借款已全額償還。
- 自一間第三方公司未償還本金金額約為人民幣83,992,000元（二零一九年：人民幣89,401,000元）之貸款及應計利息約人民幣8,682,000元（二零一九年：人民幣2,966,000元）。該貸款主要用於償還可換股債券，年利率為7%及須於二零二零年十二月三十一日償還。該貸款公司由王堅先生最終持有。截至本報告日期，借款已全額償還。

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

32. ACCRUALS AND OTHER PAYABLES (CONTINUED)

- The loan from a third party company with outstanding principal amounting to approximately RMB1,262,000 (2019:nil) and accrued interest of approximately RMB69,000 (2019:nil). The loan bore an annual interest at 6% and is repayable on 4 February 2021. The lending company is ultimately held by Mr. Wang Peter Jian. The loan was fully repaid as at the date of this report.
- The loans from Mr. Wang Peter Jian with outstanding principal amounting to approximately RMB13,380,000 (2019: RMB6,271,000) and accrued interest of approximately RMB285,000 (2019: RMB88,000). The loans bore an annual interest at 6% and are repayable on 28 February 2021 respectively. The loan was fully repaid as at the date of this report.

The carrying amounts of the accruals and other payables are denominated in the following currencies:

32. 預提費用及其他應付款(續)

- 自一間第三方公司未償還本金金額約為人民幣1,262,000元(二零一九年:無)之貸款及應計利息約人民幣69,000元(二零一九年:無)。該貸款年利率為6%及須於二零二一年二月四日償還。該貸款公司由王堅先生最終持有。截至本報告日期,借款已全額償還。
- 來自王堅先生未償還本金金額約為人民幣13,380,000元(二零一九年:人民幣6,271,000元)之貸款及應計利息約人民幣285,000元(二零一九年:人民幣88,000元)。該貸款年利率為6%及分別須於二零二一年二月二十八日償還。截至本報告日期,借款已全額償還。

預提費用及其他應付款的賬面值以下列貨幣計值:

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
– RMB	– 人民幣	93,924	128,966
– USD	– 美元	817	1,653
– HKD	– 港元	329,036	295,518
		423,777	426,137

33. BANK BORROWINGS

33. 銀行借款

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current	非流動		
Long-term borrowing from a bank-Guaranteed and pledged (note a)	長期銀行借款－有保證及質押 (附註 a)	—	140,000
Long-term borrowing from a bank-pledged (note g)	長期銀行借款－有質押(附註 g)	110,000	—
		110,000	140,000
Current	流動		
Current portion of long-term borrowing from a bank-Guaranteed and pledged (note a)	長期銀行借款的流動部分 －有保證及質押(附註 a)	140,000	100,000
Current portion of long-term borrowing from a bank – Guaranteed and secured (note b)	長期銀行借款的流動部分 －有保證及抵押(附註 b)	55,000	90,000
Current portion of long-term borrowing from a bank – Guaranteed (note c)	長期銀行借款的流動部分 －有保證(附註 c)	—	110,000
Short-term borrowing from a bank – Guaranteed and secured (note d)	短期銀行借款－有保證及抵押 (附註 d)	65,000	66,000
Short-term borrowing from a bank – Guaranteed and pledged (note e)	短期銀行借款－有保證及質押 (附註 e)	160,000	160,000
Short-term borrowings from banks – Guaranteed (note f)	短期銀行借款－有保證(附註 f)	50,000	50,000
Long-term borrowing from a bank-pledged (note g)	長期銀行借款－有質押(附註 g)	30,000	—
		500,000	576,000
Total borrowings	借款總額	610,000	716,000

All bank borrowings were denominated in RMB as at 31 December 2020 and 2019.

於二零二零年及二零一九年十二月三十一日，所有銀行借款均以人民幣計值。

33. BANK BORROWINGS (CONTINUED)

notes:

- (a) The borrowing with principal amount of approximately RMB290,000,000 was guaranteed by the Company and was pledged by 35% of a subsidiary's equity interests. The interest rate was based on the directive interest rate announced by the People's Bank of China Lhasa Central Sub-branch, which was 4.75% per annum for both years as at 31 December 2020 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 approximately RMB50,000,000, RMB100,000,000 and RMB140,000,000 on 7 November 2019, 7 November 2020 and 29 October 2021 respectively. The first payment has been made by the Group based on the contractual terms. According to the loan agreement, unpaid principal of RMB100,000,000 is required to be repaid on 7 November 2020. Accordingly, borrowing amount of approximately RMB100,000,000 was recorded as current liability as at 31 December 2019 and amount of approximately RMB140,000,000 was recorded as non-current liabilities as at 31 December 2019.

During the year ended 31 December 2020, the borrowing with principal amount of approximately RMB100,000,000 was repaid and the remaining balance of approximately RMB140,000,000 was recorded as current liabilities as at 31 December 2020.

33. 銀行借款(續)

附註：

- (a) 本金金額約為人民幣290,000,000元的借款由本公司提供保證，以附屬公司35%股權作質押。利率基於中國人民銀行拉薩中心支行公佈的指示利率，於二零二零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約人民幣50,000,000元、人民幣100,000,000元及人民幣140,000,000元。本集團已根據合同條款償還首筆款項。根據貸款協議，須於二零二零年十一月七日償還的未支付本金金額為人民幣100,000,000元。因此，於二零一九年十二月三十一日的借款約人民幣100,000,000元列為流動負債，而於二零一九年十二月三十一日的借款約人民幣140,000,000元則列為非流動負債。

截至二零二零年十二月三十一日止年度，本金金額為約人民幣100,000,000元的借款已償還，餘下約人民幣140,000,000的結餘於二零二零年十二月三十一日列為流動負債。

33. BANK BORROWINGS (CONTINUED)

notes: (continued)

- (b) The borrowing with principal amount of approximately RMB100,000,000 was guaranteed by a subsidiary of the Group and secured by the Group's factory plant with carrying value of approximately RMB61,715,000 (Note 16) and land use rights with carrying value of RMB26,789,000 (Note 15). 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 for both years as at 31 December 2019 of which 2.00% interest is charged in advance, which will be refunded when the relevant authority in the Chinese Central government refund the interest allowances to the lender. The tenure of the borrowing is from 18 March 2019 to 17 March 2021 and repayment terms are based on the following schedule: repayments of approximately RMB10,000,000, RMB15,000,000, RMB30,000,000 and RMB45,000,000 on 18 September 2019, 18 March 2020, 18 September 2020 and 7 March 2021 respectively. The first payment has been made by the Group based on the contractual terms. Due to certain terms of the borrowing agreement, the bank has the potential right to request for repayment of the loan before the contractual maturity dates. Accordingly, the outstanding borrowing amounting to approximately RMB90,000,000 was recorded as current liabilities as at 31 December 2019.

During the year ended 31 December 2020, the borrowing with principal amount of approximately RMB35,000,000 was repaid and the remaining balance of approximately RMB55,000,000 was recorded as current liabilities as at 31 December 2020.

33. 銀行借款(續)

附註：(續)

- (b) 本金金額約為人民幣100,000,000元的借款由本集團的附屬公司提供保證，並以本集團賬面值約為人民幣61,715,000元的工廠廠房(附註16)及賬面值為人民幣26,789,000元的土地使用權(附註15)作抵押。利率基於中國人民銀行拉薩中心支行公佈的指示利率，於二零一九年十二月三十一日為每年4.75%，其中預先扣除2.00%利息，將於中國中央政府有關部門向貸款人退還利息撥備時退還。借款期為二零一九年三月十八日至二零二一年三月十七日，並按以下計劃償還：分別於二零一九年九月十八日、二零二零年三月十八日、二零二零年九月十八日及二零二一年三月七日償還約人民幣10,000,000元、人民幣15,000,000元、人民幣30,000,000元及人民幣45,000,000元。本集團已根據合同條款償還首筆款項。由於借款協議的某些條款，該銀行擁有合同到期日之前要求償還貸款的潛在權利。因此，於二零一九年十二月三十一日，尚未償還借款約人民幣90,000,000元列為流動負債。

截至二零二零年十二月三十一日止年度期間，本金金額約為人民幣35,000,000元的借款已償還，餘下約人民幣55,000,000元的結餘於二零二零年十二月三十一日列為流動負債。

33. BANK BORROWINGS (CONTINUED)

notes: (continued)

(c) The borrowing with principal amount of approximately RMB120,000,000 was guaranteed by a subsidiary of the Group. The interest rate was based on the general interest rate in Tibet, which was 2.75% per annum as at 31 December 2020. 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 approximately RMB5,000,000, RMB5,000,000 and RMB110,000,000 on 18 October 2018, 18 October 2019 and 28 April 2020 respectively.

(d) The borrowing with principal amount of approximately RMB66,000,000 was guaranteed by the Company and secured by the Group's factory plant with carrying value of approximately RMB27,616,000 (Note 16) and land use rights with carrying value of RMB1,008,000 (Note 15). The borrowing with principal amount of approximately RMB66,000,000 was repaid and RMB65,000,000 was reborrowed during the year ended 31 December 2020. The loan is at fixed interest rate of 4.35% per annum for both years. The tenure of the borrowing is from 30 June 2020 to 29 June 2021.

33. 銀行借款(續)

附註：(續)

(c) 本金金額約為人民幣120,000,000元的借款由本集團的附屬公司提供保證。利率乃基於西藏的一般利率，於二零二零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約人民幣5,000,000元、人民幣5,000,000元及人民幣110,000,000元。

(d) 本金金額約為人民幣66,000,000元的借款由本公司提供保證，並以本集團賬面值約為人民幣27,616,000元的工廠廠房(附註16)及賬面值為人民幣1,008,000元的土地使用權(附註15)作抵押。本金金額約為人民幣66,000,000元之貸款已償還，並於截至二零二零年十二月三十一日止年度期間再借款人民幣65,000,000元。該貸款的固定年利率為4.35%。借款期為二零二零年六月三十日至二零二一年六月二十九日。

33. BANK BORROWINGS (CONTINUED)

notes: (continued)

(e) The balances include the following borrowings from banks:

- (i) The borrowing with principal amount of approximately RMB100,000,000 was guaranteed by a subsidiary of the Group and was pledged by 15% of an associate's equity interests. The borrowing with principal amount of approximately RMB100,000,000 was repaid and reborrowed during the year ended 31 December 2020. The loan is at fixed interest rate of 1.85% per annum (2019: 2.25% per annum). The tenure of the borrowing is from 30 September 2020 to 29 September 2021.
- (ii) The borrowing with principal amount of approximately RMB60,000,000 was guaranteed by a subsidiary of the Group and the Company, and was pledged by 15% of an associate's equity interests. The borrowing with principal amount of approximately RMB60,000,000 was repaid and reborrowed during the year ended 31 December 2020. The loan is at fixed interest rate of 3.85% per annum (2019: 4.15% per annum). The tenure of the borrowing is from 19 November 2020 to 19 May 2021.

33. 銀行借款(續)

附註：(續)

(e) 結餘包括下列銀行借款：

- (i) 本金金額約為人民幣100,000,000元的借款由本集團一間附屬公司提供保證，並由一間聯營公司15%的股權作質押。本金金額約為人民幣100,000,000元之貸款已償還，並於截至二零二零年十二月三十一日止年度期間再借款。該貸款的固定年利率為1.85%（二零一九年：年利率2.25%）。借款期為二零二零年九月三十日至二零二一年九月二十九日。
- (ii) 本金金額約為人民幣60,000,000元的借款由本集團的一間附屬公司及本公司提供保證，並由一間聯營公司15%的股權作質押。本金金額約為人民幣60,000,000元之貸款已償還，並於截至二零二零年十二月三十一日止年度期間再借款。該貸款的固定年利率為3.85%（二零一九年：年利率4.15%）。借款期為二零二零年十一月十九日至二零二一年五月十九日。

33. BANK BORROWINGS (CONTINUED)

notes: (continued)

- (f) The borrowing with principal amount of approximately RMB50,000,000 was guaranteed by the Company and a subsidiary of the Group and pledged by the Group's machinery with carrying value of approximately RMB54,547,000 (Note 16). The borrowing with principal amount of approximately RMB50,000,000 was repaid and reborrowed during the year ended 31 December 2020. The loan is at fixed interest rate of 4.05% per annum. The tenure of the borrowing is from 6 March 2020 to 5 March 2021.
- (g) The borrowing with principal amount of approximately RMB150,000,000 was guaranteed by the Company and was secured by the land use right of a third party. The interest rate will be adjusted according to the Loan Prime Rate ("LPR") for one-year loan every twelve months throughout the repayment period. The tenure of the borrowing is from 5 March 2020 to 4 March 2023 and repayment terms are based on the following schedule: repayments of approximately RMB10,000,000, RMB10,000,000, RMB20,000,000, RMB20,000,000, RMB40,000,000 and RMB50,000,000 on 15 August 2020, 15 March 2021, 15 August 2021, 15 March 2022, 15 August 2022 and 4 March 2023 respectively. The first payment has been made by the Group based on the contractual terms. According to the loan agreement, unpaid principal of RMB10,000,000 and RMB20,000,000 are required to be repaid on 15 March 2021 and 15 August 2021, respectively. Accordingly, borrowing amount of approximately RMB30,000,000 was recorded as current liability as at 31 December 2020 and amount of approximately RMB110,000,000 was recorded as non-current liability as at 31 December 2020.

33. 銀行借款(續)

附註：(續)

- (f) 本金金額約為人民幣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，並由本集團賬面值約為人民幣54,547,000元的機器作質押(附註16)。本金金額約為人民幣50,000,000元之貸款已償還，並於截至二零二零年十二月三十一日止年度期間再借款。該借款的固定年利率為4.05%。借款期為二零二零年三月六日至二零二一年三月五日。
- (g) 本金金額約為人民幣150,000,000元的借款由本公司提供保證，並以第三方的土地使用權作抵押。於還款期間，一年期貸款的利率將根據貸款市場報價利率(「貸款市場報價利率」)每12個月進行調整。借款期為二零二零年三月五日至二零二三年三月四日，並按以下計劃償還：分別於二零二零年八月十五日、二零二一年三月十五日、二零二一年八月十五日、二零二二年三月十五日、二零二二年八月十五日及二零二三年三月四日約為人民幣10,000,000元、人民幣10,000,000元、人民幣20,000,000元、人民幣20,000,000元、人民幣40,000,000元及人民幣50,000,000元。根據借款協議，未償還本金人民幣10,000,000元及人民幣20,000,000元須分別於二零二一年三月十五日及二零二一年八月十五日償還。本集團已根據合同條款償還首筆款項。因此，約人民幣30,000,000元的借款於二零二零年十二月三十一日列為流動資產，約人民幣110,000,000元的款項於二零二零年十二月三十一日列為非流動資產。

33. BANK BORROWINGS (CONTINUED)

As at 31 December 2020 and 31 December 2019, the Group's bank borrowings were repayable as follows:

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	1年內	500,000	576,000
Between 1 year and 2 years	1至2年	60,000	140,000
Between 2 years and 5 years	2至5年	50,000	—
		610,000	716,000

34. CONVERTIBLE BOND - LIABILITY COMPONENT

The movement of convertible bond-liability component is as follows:

		RMB'000 人民幣千元
Liability component at 1 January 2019	於二零一九年一月一日的負債部分	457,673
Interest expense (Note 9)	利息費用(附註9)	17,846
Cash settlement	現金結算	(486,363)
Currency translation differences	外幣折算差額	10,844
Liability component at 31 December 2019	於二零一九年十二月三十一日的負債部分	—

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

33. 銀行借款(續)

於二零二零年十二月三十一日及二零一九年十二月三十一日，本集團銀行借款的還款期如下：

34. 可換股債券－負債部分

可換股債券－負債部分的變動如下：

本集團面值約為525,000,000港元的可換股債券於二零一九年六月二十四日到期。概無債券持有人行使可換股債券的轉換權，因此，本集團須於到期時以現金償還債券持有人。於二零一九年七月十六日(合約還款截止日期)，本集團已悉數償還債券約人民幣486,363,000元(相等於545,599,000港元)，即本金約人民幣468,517,000元(相等於525,000,000港元)及利息約人民幣17,846,000元(相等於20,599,000港元)。

35. SHARE CAPITAL

35. 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
Balance as at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月 三十一日、二零二零年 一月一日及二零二零年 十二月三十一日的結餘	2,568,893	25,689	21,363

36. SHARES HELD FOR SHARE AWARD SCHEME

36. 為股份獎勵計劃持有的股份

		Number of Ordinary shares (thousands)	RMB'000
		普通股數目 (千股)	人民幣千元
Balance as at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日 的結餘	65,626	173,037

On 18 August 2017, the Group adopted a share award scheme for purposes of (i) encouraging or facilitating the holding of Shares by the Selected Participants; (ii) encouraging and retaining certain individuals to work with the Group; and (iii) providing incentive for the Selected Participants to achieve performance goals. Based on the rules of the scheme, the Group may grant shares of the Company to eligible participants in the future.

On 8 September 2017, the Group entered an agreement with Bank of Communications Trustee Ltd. (the "Trustee") to establish a share award scheme trust ("Share Award Trust"), where the Trustee may purchase or subscribe ordinary shares of the Company on behalf of the Group from the open market, based on the instructions of the Group. The Share Award Trust is consolidated in the Group's consolidated financial statements as a special purpose entity.

During the year ended 31 December 2019, the Group purchased 5,000,000 shares of the Company through the Trustee for a total consideration of approximately RMB14,169,000.

As at 31 December 2020 and 31 December 2019, no share has been granted by the Group to any parties under the above mentioned share award scheme.

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。

截至二零一九年十二月三十一日止年度，本集團透過受託人購買5,000,000股本公司股份，總代價約為人民幣14,169,000元。

於二零二零年十二月三十一日及二零一九年十二月三十一日，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。

37. OTHER RESERVES

37. 其他儲備

		Capital reserve	Statutory surplus reserve	Currency translation reserve	Investment revaluation reserve	Convertible bond-equity component	Total
		資本儲備	盈餘公積金	外幣折算儲備	投資重估儲備	可換股債券 — 權益部分	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note (i))	(note (ii))	(note (iii))	(note (v))	(note (iv))	
		(附註(i))	(附註(ii))	(附註(iii))	(附註(v))	(附註(iv))	
Balance at 1 January 2019	於二零一九年一月一日的結餘	32,847	185,498	(58,806)	—	18,385	177,924
Exchange differences on translation from functional currency to presentation currency	從功能貨幣轉換為演示貨幣的匯兌差額	—	—	(12,235)	—	—	(12,235)
Reclassification to share premium	重新分類至股份溢價	—	—	—	—	(18,385)	(18,385)
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日的結餘	32,847	185,498	(71,041)	—	—	147,304
Exchange differences on translation from functional currency to presentation currency	從功能貨幣轉換為演示貨幣的匯兌差額	—	—	14,191	—	—	14,191
Fair value loss on financial assets at FVTOCI	以公允價值計量且其變動計入其他全面收益的金融資產的公允價值虧損	—	—	—	(10,999)	—	(10,999)
Transfer of reserve upon disposal of financial assets at FVTOCI	處置以公允價值計量且其變動計入其他全面收益的金融資產時的儲備轉移	—	—	—	11,600	—	11,600
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	32,847	185,498	(56,850)	601	—	162,096

notes:

(i) Capital reserve

Excess amounts contributed by shareholders on top of the share capital are recorded as capital reserve. In addition, the reserve is used to record the differences arisen as a result of transactions with non-controlling interests that do not result in a loss of control, if any.

附註：

(i) 資本儲備

股東注資超出股本部分記為資本儲備。此外，該儲備用於記錄不會導致損失控制權(如有)的與非控股權益之交易中產生的差額。

37. OTHER RESERVES (CONTINUED)

notes: (continued)

(ii) Statutory surplus reserve

According to the provisions of the articles of association of the Group's subsidiaries located in PRC ("PRC subsidiaries"), the PRC subsidiaries shall first set aside 10% of its profit attributable to owners after tax as indicated in their statutory financial statements for the statutory surplus reserve (except where the reserve has reached 50% of the entity's registered share capital) each year. PRC subsidiaries may also make appropriations from its profit attributable to shareholders to a discretionary surplus reserve, provided it is approved by a resolution passed in a shareholders' general meeting. These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends without the prior approval obtained from the shareholders in a shareholders' general meeting under specific circumstances.

When the statutory surplus reserve is not sufficient to make good for any losses of the PRC subsidiaries from previous years, the current year profit attributable to the owners shall be used to make good the losses before any allocations are set aside for the statutory surplus reserve.

The statutory surplus reserve, the discretionary surplus reserve and the capital reserve of the PRC subsidiaries may be converted into share capital of the PRC subsidiaries provided it is approved by a resolution passed in a shareholders' general meeting and meets other regulatory requirements with the provision that the ending balance of the statutory surplus reserve does not fall below 25% of the registered share capital amount.

As at 31 December 2020 and 2019, the reserve of the PRC subsidiaries has reached 50% of the entity's registered share capital.

(iii) Currency translation reserve

Exchange differences arising from the difference between functional and presentation currency are recognised in other comprehensive income and accumulated in the reserve.

(iv) Convertible bond-equity component

This represents the equity portion of the convertible bonds. The entity shall transfer the part initially included in other reserve to share premium upon expiry.

(v) Investment revaluation reserve

The FVTOCI reserve represents cumulative gains and losses arising on the revaluation of equity instruments at FVTOCI that have been recognised in other comprehensive income, net of amounts reclassified to retained earnings when those equity instruments at FVTOCI are disposed of or are determined to be impaired.

37. 其他儲備(續)

附註：(續)

(ii) 法定盈餘公積金

根據本集團位於中國的附屬公司(「中國附屬公司」)的組織章程細則條文，中國附屬公司須每年將法定財務報表所示其擁有人應佔稅後利潤的10%撥作法定盈餘公積金(惟公積金已達實體註冊股本50%者除外)。中國附屬公司亦可在經股東大會通過的決議案批准後從股東應佔利潤提取任意盈餘公積金。除公積金設立的目的外，該等公積金不得用作其他用途，且除在特定情況下經股東於股東大會上事先批准外，亦不得用作現金股息分配。

當法定盈餘公積金不足以彌補中國附屬公司以前年度虧損時，本年度的擁有人應佔利潤可在提取法定盈餘公積金前用作彌補虧損。

中國附屬公司的法定盈餘公積金、任意盈餘公積金及資本公積金可在經股東大會通過的決議案批准且符合其他監管規定下轉為其股本，但年末的法定盈餘公積金不得少於註冊股本的25%。

於二零二零年及二零一九年十二月三十一日，中國附屬公司公積金已達實體註冊股本的50%。

(iii) 外幣折算差額

功能與列報貨幣差異產生的匯兌差額於其他全面收益確認及於儲備中累計。

(iv) 可換股債券－權益部分

此項指可換股債券的權益部分。實體應將初始計入其他儲備的部分於屆滿時轉撥至股份溢價。

(v) 投資重估儲備

以公允價值計量且其變動計入其他全面收益的儲備指重估其他全面收益中確認的以公允價值計量且其變動計入其他全面收益的權益工具而產生的累計損益，扣除以公允價值計量且其變動計入其他全面收益的權益工具被出售或釐定為減值時重新分類至留存收益的金額。

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

38. SUBSIDIARIES

The following is a list of significant principal subsidiaries of the Group as at 31 December 2020 and 2019:

38. 附屬公司

於二零二零年及二零一九年十二月三十一日，本集團重大主要附屬公司的名單如下：

Company name 公司名稱	Place of incorporation and business/date of incorporation/ type of legal entities 註冊成立及營業地點/ 註冊成立日期/法律實體類型	Issued/paid-in capital 已發行/實繳股本		Effective interest held 實際所持權益		Principal activities 主要活動
		2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	
Indirectly held: 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 and leasing 製造、銷售及出租水產品
Beijing 5100 Management Consulting Co., Ltd. 北京五一零零管理諮詢有限公司	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 relating 營銷、推廣、分銷及 零售水產品
Tibet Tiandi Green Beverage Development Co., Ltd. 西藏天地綠色飲品發展有限公司	PRC/28 April 2009/ Limited liability company 中國/二零零九年 四月二十八日/有限公司	RMB200,000,000 人民幣 200,000,000 元	RMB200,000,000 人民幣 200,000,000 元	100%	100%	Beer manufacturing and sales 啤酒生產及銷售

38. SUBSIDIARIES (CONTINUED)

38. 附屬公司(續)

Company name 公司名稱	Place of incorporation and business/date of incorporation/ type of legal entities 註冊成立及營業地點/ 註冊成立日期/法律實體類型	Issued/paid-in capital 已發行/實繳股本	Effective interest held 實際所持權益	Principal activities 主要活動		
Indirectly held: 間接持有:		2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年	
Wealth Keeper Limited	Hong Kong/30 October 2012/ Limited liability company	HKD1	HKD1	100%	100%	Investment holding
Wealth Keeper Limited	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) Limited	Hong Kong/6 September 2013/ Limited liability company	HKD100	HKD100	100%	100%	Investment holding
西藏5100水資源(香港)有限公司	香港/二零一三年九月六日/ 有限公司	100 港元	100 港元	100%	100%	投資控股
Hong Kong Fairly Well Capital Limited	Hong Kong/23 May 2016/ Limited liability company	HKD1	HKD1	100%	100%	Lending service
香港中實資本有限公司	香港/二零一六年五月二十三日 /有限公司	1 港元	1 港元	100%	100%	放貸服務
Zhuhai Guangyuan Huijin Equity Investment Fund (Limited Partnership)	PRC/12 January 2018/ Limited partnership	RMB182,000,000	RMB182,000,000	98.9%	98.9%	Investment in culture, entertainment, consumer product, retail business and related industries
珠海光遠匯金股權投資基金 (有限合夥)	中國/二零一八年一月十二日/ 有限合夥	人民幣 182,000,000 元	人民幣 182,000,000 元	98.9%	98.9%	文化、娛樂、消費品、 零售業務及相關行業投資
Center Faithful Limited	Hong Kong/2 January 2019/ Limited liability company	HKD1	HKD1	100%	100%	Investment holding
中誠信企業有限公司	香港/二零一九年一月二日/ 有限公司	1 港元	1 港元	100%	100%	投資控股

39. FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

39. 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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		Note 附註	
Financial assets	金融資產		
Financial assets at amortised cost	以攤餘成本計量的金融資產		
– Trade receivables	– 應收貿易款	23	283,274
– Other financial assets at amortised cost	– 以攤餘成本計量的其他金融資產	25	1,367,268
– Cash and cash equivalents	– 現金及現金等價物	28	64,752
Financial assets at FVTOCI	以公允價值計量且其變動計入其他全面收益的金融資產	22	174,482
Financial assets at FVTPL	以公允價值計量且其變動計入損益的金融資產	27	192,328
			2,082,104
Financial liabilities	金融負債		
Financial liabilities at amortised cost	以攤餘成本計量的金融負債		
– Trade and notes payables	– 應付貿易款及應付票據	29	324,150
– Accruals and other payables	– 預提費用及其他應付款	32	403,536
– Bank borrowings	– 銀行借款	33	610,000
– Lease liabilities	– 租賃負債	15	147
			1,448,324

40. SIGNIFICANT NON-CASH TRANSACTION

- (a) During the year ended 31 December 2019, loans from a third party amounting to approximately RMB220,000,000 were offset against amounts due to a third party for the same amount based on the settlement agreements among the Group and the third party.
- (b) During the year ended 31 December 2019, amounts due to related parties of approximately RMB170,473,000 were reclassified to amounts due to a third party for the same amount based on the settlement agreements among the Group, the third party and the related parties.

41. NET DEBT RECONCILIATION

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

40. 重大非現金交易

- (a) 截至二零一九年十二月三十一日止年度，第三方貸款約人民幣220,000,000元已就基於本集團與第三方訂立的結算協議的相同款項與應付第三方款項相抵。
- (b) 截至二零一九年十二月三十一日止年度，應付關聯方款項約人民幣170,473,000元已就基於本集團、第三方及關聯方的結算協議的相同款項重新分類至應付第三方款項。

41. 債務淨額

本節載列債務淨額的分析及各呈列期間債務淨額的變動。

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash and cash equivalents (Note 28)	現金及現金等價物(附註28)	64,752	515,510
Borrowings – repayable within one year (Note 33)	借款－須於一年內償還(附註33)	(500,000)	(576,000)
Borrowings – repayable after one year (Note 33)	借款－須於一年後償還(附註33)	(110,000)	(140,000)
Borrowings from third parties (Note 32)	第三方借款(附註32)	(301,825)	(290,309)
Lease liabilities (Note 15)	租賃負債(附註15)	(147)	–
Net debt	債務淨額	(847,220)	(490,799)
Cash and cash equivalents	現金及現金等價物	64,752	515,510
Gross debt – fixed interest rates	債務總額－固定利率	(576,972)	(566,309)
Gross debt – variable interest rates	債務總額－浮動利率	(335,000)	(440,000)
Net debt	債務淨額	(847,220)	(490,799)

41. NET DEBT RECONCILIATION (CONTINUED)

The table below details changes in the Group's (i) other assets and liabilities and (ii) liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

41. 債務淨額(續)

下表載列本集團(i)其他資產及負債及(ii)融資活動產生的負債(包括現金及非現金變動)的變動詳情。融資活動產生的負債乃指現金流量或未來將於本集團綜合現金流量表中分類為融資活動現金流的現金流量的負債。

		Other Asset 其他資產	Liabilities From Financing Activities 融資活動產生的負債				
		Cash and cash equivalents 現金及現金 等價物	Bank borrowings 銀行借款	Borrowings from third parties 第三方借款	Convertible bond 可換股債券	Lease liabilities 租賃負債	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年 一月一日的結餘	277,152	(701,000)	—	(457,673)	—	(881,521)
Cash flows	現金流量	238,273	15,540	(295,697)	282,789	—	240,905
Foreign exchange adjustments	匯兌調整	85	—	—	(10,844)	—	(10,759)
Other non-cash movements	其他非現金流動	—	(30,540)	5,388	185,728	—	160,576
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及 二零二零年 一月一日的結餘	515,510	(716,000)	(290,309)	—	—	(490,799)
Cash flows	現金流量	(450,781)	106,000	(8,776)	—	150	(353,407)
Foreign exchange adjustments	匯兌調整	23	—	14,374	—	—	14,397
Other non-cash movements	其他非現金流動	—	—	(17,114)	—	(297)	(17,411)
Balance at 31 December 2020	於二零二零年 十二月三十一日 的結餘	64,752	(610,000)	(301,825)	—	(147)	(847,220)

42. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY

(a) Statement of financial position

42. 財務狀況表及儲備

(a) 財務狀況表

		As at 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current asset	非流動資產		
Loan to subsidiaries	附屬公司的貸款	1,194,289	1,256,334
Current assets	流動資產		
Cash and cash equivalents	現金及現金等價物	284	289
Prepayment	預付款項	454	496
Total current assets	流動資產總額	738	785
Current liabilities	流動負債		
Other payables	其他應付款	195,326	191,952
Loans from subsidiaries	來自附屬公司的貸款	49,772	41,433
Total current liabilities	流動負債總額	245,098	233,385
Net current liabilities	流動負債淨額	(244,360)	(232,600)
Total assets less current liabilities	總資產減流動負債	949,929	1,023,734
Capital and reserves	資本及儲備		
Share capital	股本	21,363	21,363
Reserves	儲備	928,566	1,002,371
Total equity	權益總額	949,929	1,023,734

42. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (CONTINUED)

(a) Statement of financial position (continued)

note: Movement in the Company's reserves

42. 財務狀況表及儲備(續)

(a) 財務狀況表(續)

附註：本公司儲備變動

		Share premium 股份溢價 RMB'000 人民幣千元	Shares held for share award scheme 為股份獎勵計劃持有的股份 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日	1,206,829	(173,037)	72,244	(85,489)	1,020,547
Loss for the year	年度虧損	—	—	—	(37,050)	(37,050)
Exchange differences on translation from functional currency to presentation currency	由功能貨幣換算至呈列貨幣的匯兌差額	—	—	18,874	—	18,874
Total comprehensive income/(loss)	全面收益/(虧損)總額	—	—	18,874	(37,050)	(18,176)
Reclassification to share premium	重新分類至股份溢價	18,385	—	(18,385)	—	—
Balance at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日的結餘	1,225,214	(173,037)	72,733	(122,539)	1,002,371
Loss for the year	年度虧損	—	—	—	(24,350)	(24,350)
Exchange differences on translation from functional currency to presentation currency	由功能貨幣換算至呈列貨幣的匯兌差額	—	—	(49,455)	—	(49,455)
Total comprehensive loss	全面虧損總額	—	—	(49,455)	(24,350)	(73,805)
Balance at 31 December 2020	於二零二零年十二月三十一日的結餘	1,225,214	(173,037)	23,278	(146,889)	928,566

43. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of each Director and the chief executive for the year ended 31 December 2020 is set out below:

Name	姓名	Employer's contribution to benefit			Total
		Salary	Discretionary bonuses	Allowance and benefits	
		僱主向福利計劃供款	津貼及福利	總計	
		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
Executive Directors		執行董事			
Mr. Yan Qingjiang (note vii)	閻清江先生 (附註 vii)	669	—	10	679
Mr. Yue Zhiqiang	岳志強先生	1,334	—	—	1,334
Mr. Wang Dong (note v)	王東先生(附註 v)	1,333	—	16	1,498
Mr. Liu Chen (note vi)	劉晨先生(附註 vi)	535	9	7	551
Non-executive Directors		非執行董事			
Ms. Jiang Xiaohong	姜曉虹女士	886	—	—	886
Mr. Kevin Cheng Wei (note iv)	蔚成先生(附註 iv)	1,353	—	—	1,353
Mr. Wei Zheming (note iii)	魏哲明先生(附註 iii)	—	—	—	—
Mr. Xu Liang (note iii)	徐亮先生(附註 iii)	—	—	—	—
Ms. Guo Kun Kun (note iii)	郭昆琨女士(附註 iii)	—	—	—	—
Independent Non-executive Directors		獨立非執行董事			
Mr. Hung Ka Hai Clement	洪嘉禧先生	496	—	—	496
Mr. Tang Zeping (note ix)	唐澤平先生(附註 ix)	428	—	—	428
Mr. Dai Yang (note vii)	戴揚先生(附註 vii)	286	—	—	286
Mr. Jesper Bjoern Madsen (note x)	麥奕鵬先生(附註 x)	690	—	98	788
Mr. Lee Conway Kong Wai (note viii)	李港衛先生 (附註 viii)	83	—	—	83
		8,093	9	33	8,382

43. 董事福利及權益

(a) 董事及主要行政人員酬金

各董事及主要行政人員截至二零二零年十二月三十一日止年度的薪酬載列如下：

43. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' and chief executive's emoluments (continued)

The remuneration of each Director and the chief executive for the year ended 31 December 2019 is set out below:

43. 董事福利及權益(續)

(a) 董事及主要行政人員酬金(續)

各董事及主要行政人員截至二零一九年十二月三十一日止年度的薪酬載列如下：

Name	姓名	Salary 薪金 RMB'000 人民幣千元	Discretionary bonuses 酌情花紅 RMB'000 人民幣千元	Employer's contribution to benefit	Allowance and benefits 津貼及福利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
				僱主向福利 計劃供款 RMB'000 人民幣千元		
Executive Directors		執行董事				
Mr. Wang Dong (note v)	王東先生(附註v)	1,324	—	37	148	1,509
Mr. Yue Zhiqiang	岳志強先生	1,323	—	—	—	1,323
Mr. Liu Chen (note vi)	劉晨先生(附註vi)	1,111	89	16	—	1,216
Mr. Wong Hak Kun (note i)	王克勤先生(附註i)	551	—	7	—	558
Ms. Han Linyou (note ii)	韓林攸女士(附註ii)	821	—	12	—	833
Non-executive Directors		非執行董事				
Ms. Jiang Xiaohong	姜曉虹女士	878	—	—	—	878
Mr. Wei Zheming (note iii)	魏哲明先生(附註iii)	—	—	—	—	—
Mr. Xu Liang (note iii)	徐亮先生(附註iii)	—	—	—	—	—
Ms. Guo Kun Kun (note iii)	郭昆琨女士(附註iii)	—	—	—	—	—
Independent Non-executive Directors		獨立非執行董事				
Mr. Jesper Bjoern Madsen (note x)	麥奕鵬先生(附註x)	1,642	—	—	241	1,883
Mr. Lee Conway Kong Wai (note viii)	李港衛先生 (附註viii)	492	—	—	—	492
Mr. Kevin Cheng Wei (note iv)	蔚成先生(附註iv)	527	—	—	—	527
Mr. Hung Ka Hai Clement	洪嘉禧先生	—	—	—	—	—
		8,669	89	72	389	9,219

43. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

(a) Directors' and chief executive's emoluments (continued)

notes:

- (i) Mr. Wong Hak Kun resigned as executive Director on 24 May 2019.
- (ii) Ms. Han Linyou resigned as executive Director on 11 November 2019.
- (iii) Mr. Wei Zheming, Mr. Xu Liang and Ms. Guo Kun Kun were appointed as non-executive Directors on 31 December 2019 and retired on 30 June 2020.
- (iv) Mr. Kevin Cheng Wei was re-designated from an independent non-executive Director to a non-executive Director on 9 October 2020.
- (v) Mr. Wang Dong retired as executive Director on 30 June 2020. Mr. WANG Dong remains as the chief executive officer of the Company.
- (vi) Mr. Liu Chen resigned as executive Director on 27 May 2020.
- (vii) Mr. Yan Qingjiang and Mr. Dai Yang were appointed as executive Director and independent non-executive Directors respectively on 27 May 2020.
- (viii) Mr. Lee Conway Kong Wai resigned as independent non-executive Directors on 29 February 2020.
- (ix) Mr. Tang Zeping was appointed as independent non-executive Directors on 2 March 2020.
- (x) Mr. Jesper Bjoern Madsen resigned as independent non-executive Directors on 27 May 2020.

43. 董事福利及權益(續)

(a) 董事及主要行政人員酬金(續)

附註：

- (i) 王克勤先生於二零一九年五月二十四日辭任執行董事。
- (ii) 韓林攸女士於二零一九年十一月十一日辭任執行董事。
- (iii) 魏哲明先生、徐亮先生及郭昆琨女士於二零一九年十二月三十一日獲委任為非執行董事，並於二零二零年六月三十日退任。
- (iv) 蔚成先生於二零二零年十月九日由獨立非執行董事調任為非執行董事。
- (v) 王東先生於二零二零年六月三十日退任執行董事。王東先生仍為本公司行政總裁。
- (vi) 劉晨先生於二零二零年五月二十七日辭任執行董事。
- (vii) 閻清江先生及戴揚先生於二零二零年五月二十七日分別獲委任為執行董事及獨立非執行董事。
- (viii) 李港衛先生於二零二零年二月二十九日辭任獨立非執行董事。
- (ix) 唐澤平先生於二零二零年三月二日獲委任為獨立非執行董事。
- (x) 麥奕鵬先生於二零二零年五月二十七日辭任獨立非執行董事。

43. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)**(a) Directors' and chief executive's emoluments (continued)**

During the years ended 31 December 2020 and 2019, no emoluments were paid by the Group to any of the Directors or the chief executive of the Group or the five highest paid employees or senior managements as an inducement to join or upon joining the Group or as compensation for loss of office. None of the non-director, highest paid employees and senior management waived or agreed to waive any emoluments during the years ended 31 December 2020 and 2019. There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2020 and 2019.

During the years ended 31 December 2020 and 2019, no emoluments were paid by the Group to the five highest paid individuals, including Directors, as an inducement to join the Group or as compensation for loss of office other than those disclosed above. In addition, during the years ended 31 December 2020 and 2019, no directors waived any emoluments.

(b) Directors' retirement benefits

During the year ended 31 December 2020, 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 (2019: nil).

43. 董事福利及權益(續)**(a) 董事及主要行政人員酬金(續)**

截至二零二零年及二零一九年十二月三十一日止年度，本集團並無向任何董事或本集團主要行政人員或五名最高薪酬員工或高級管理層支付任何酬金，作為加盟本集團或加盟本集團後的獎金或作為離職補償。截至二零二零年及二零一九年十二月三十一日止年度，概無非董事、最高薪酬員工及高級管理層放棄或同意放棄任何酬金。截至二零二零年及二零一九年十二月三十一日止年度，亦無訂立任何安排，致使董事放棄或同意放棄任何酬金。

截至二零二零年及二零一九年十二月三十一日止年度，除上文所披露者外，本集團並無向五名最高薪酬人士(包括董事)支付任何酬金，作為加盟本集團的獎金或作為離職補償。此外，截至二零二零年及二零一九年十二月三十一日止年度，並無董事放棄任何酬金。

(b) 董事退休福利

截至二零二零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(二零一九年：無)。

43. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)**(c) Directors' termination benefits**

During the year ended 31 December 2020, 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 (2019: nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2020, no consideration was provided to or receivable by third parties for making available director's services (2019: 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 (2019: 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 (2019: nil).

43. 董事福利及權益(續)**(c) 董事離職福利**

截至二零二零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(二零一九年：無)。

(d) 因董事服務向第三方提供的代價

截至二零二零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(二零一九年：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(二零一九年：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(二零一九年：無)。

44. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

As at 31 December 2020 and 2019, capital expenditures contracted for but not yet incurred were as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	37,359	37,359
Equity investment	權益投資	16,000	197,400
		53,359	234,759

(b) Contingent liabilities

The Group provided financial guarantee amounting to approximately RMB170,000,000 to an associate as at 31 December 2020 (2019: RMB200,000,000) (Note 5.1). The guarantee is provided for bank borrowings obtained by the associate with remaining amounts of approximately RMB170,000,000 as at 31 December 2020 (2019: RMB200,000,000), the period of guarantee amounting to approximately RMB120,000,000 is from 3 June 2020 to 2 June 2021, the period of remaining guarantee amounting to approximately RMB50,000,000 is from 26 March 2020 to 25 March 2021, and such RMB50,000,000 was repaid by the associate on 26 March 2021, the due date of the loan.

44. 承諾和或然負債

(a) 資本性承諾

於二零二零年及二零一九年十二月三十一日，已定約但尚未產生之資本開支如下：

(b) 或然負債

於二零二零年十二月三十一日，本集團向一家聯營公司提供的財務擔保約為人民幣170,000,000元(二零一九年：人民幣200,000,000元)(附註5.1)。該擔保向聯營公司於二零二零年十二月三十一日餘額約為人民幣170,000,000元的銀行借款提供擔保(二零一九年：人民幣200,000,000元)，約人民幣120,000,000元的擔保期限為二零二零年六月三日至二零二一年六月二日，其餘約人民幣50,000,000元的擔保期限為二零二零年三月二十六日至二零二一年三月二十五日，該聯營公司已於二零二一年三月二十六日償還了該筆人民幣50,000,000元的借款。

45. RELATED-PARTY TRANSACTIONS

Related parties are those parties that have the ability to control the other party or exercise significant influence in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

(a) Transactions with related parties

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	來自下列各項的收入		
– Rental income from associates	– 來自聯營公司的租金收入	7,264	6,220
– Sales of raw materials and consumables used of water products to associates	– 向聯營公司銷售水產品所用原材料及耗材	800	49,245
– Sales of water products to an associate	– 銷售水產品予一間聯營公司	9,755	3,659
Purchase of goods from associates	向聯營公司購買商品	121,773	101,319
Amount paid to associates	已付聯營公司款項	—	55,623
Loans granted to associates	借予聯營公司款項	34,445	288,200
Repayments received from loans to an associate	已收一間聯營公司還款	189,800	14,363
Financial guarantee for an associate (Note 44(b))	一間聯營公司財務擔保(附註44(b))	170,000	200,000

Above were the transactions between the Group and associates including Highland Natural Water, Fudi Packaging and Great Wall 5100. The transactions were based on agreed terms among the parties involved.

45. 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

以上為本集團與聯營公司(包括高原天然水、福地包裝及長城五一零零)之間的交易。該等交易乃基於有關訂約方協定的條款進行。

45. 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	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Prepayment	預付款項		
– Fudi Packaging	– 福地包裝	—	52,582
Trade payable	應付貿易款		
– Fudi Packaging	– 福地包裝	9,583	2,251
Contract liabilities	合同負債		
– Highland Natural Water	– 高原天然水	—	7,657
– Great Wall 5100	– 長城五一零零	—	1,002
		—	8,659
Other financial assets at amortised cost	以攤餘成本計量的其他金融資產		
Amounts due from associates:	應收聯營公司款項		
– Highland Natural Water (Note 25)	– 高原天然水(附註25)	—	189,800
– Fudi Packaging (Note 25)	– 福地包裝(附註25)	34,445	—
Dividend receivables from an associate:	應收聯營公司股息		
– Highland Natural Water (Note 25)	– 高原天然水(附註25)	49,005	3,516
		83,450	193,316

45. 關聯方交易(續)

(b) 與關聯方的結餘：

與關聯方的結餘如下：

45. RELATED-PARTY TRANSACTIONS (CONTINUED)

(c) Key management compensation

The compensation paid/payable to key management is shown below:

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 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	10,754	11,616

46. EVENTS AFTER THE REPORTING PERIOD

- (i) The issue of 5% convertible bonds in the aggregate principal amount of HKD379,620,000 due 2024 ("Bonds")

Pursuant to the subscription agreements entered into between the Company and certain investors dated 2 February 2021 (as amended by the supplemental agreements dated 23 February 2021), the Bonds were issued by the Company to the investors in March 2021 at a total cash consideration of approximately HKD379,620,000. The initial conversion price of the Bonds is HK\$0.74. For details, please refer to the Company's announcements dated 2 February 2021, 23 February 2021 and 29 March 2021.

45. 關聯方交易(續)

(c) 主要管理人員報酬

已付／應付主要管理人員的報酬呈列如下：

46. 報告期後事項

- (i) 發行本金總額三億七千九百六十二萬港元二零二四年到期5%可換股債券(「債券」)

根據本公司與若干投資者訂立的日期為二零二一年二月二日的認購協議(經日期為二零二一年二月二十三日的補充協議修訂)，本公司於二零二一年三月向投資者發行債券，總現金代價約為三億七千九百六十二萬港元。該債券的初步換股價為0.74港元。有關詳情請參閱本公司日期為二零二一年二月二日、二零二一年二月二十三日及二零二一年三月二十九日的公告。

46. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

(ii) Further acquisition of 31% equity interests in Shannan Yalaxiangbu

At the end of the reporting period, the Group held 9% equity interests in Shannan Yalaxiangbu which were classified as financial assets at FVTOCI. On 30 March 2021, Tibet Glacier Mineral Water, a company established in the PRC and an indirect wholly-owned subsidiary of the Company, and Fudi Packaging, a company established in the PRC and holding 40% equity interests in Shannan Yalaxiangbu, entered into an equity transfer agreement, pursuant to which the Fudi Packaging conditionally agreed to sell to the Purchaser and Tibet Glacier Mineral Water conditionally agreed to acquire from the Fudi Packaging 31% equity interests in Shannan Yalaxiangbu, for a total consideration of approximately RMB465,000,000. For details, please refer to the Company's announcement dated 30 March 2021.

47. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board and authorised for issue on 31 March 2021.

46. 報告期後事項(續)

(ii) 進一步收購西藏山南雅拉香布實業有限公司31%股權

於報告期末，本集團持有山南雅拉香布9%股權，並分類為以公平值計量且其變動計入其他全面收益的金融資產。於二零二一年三月三十日，西藏冰川礦泉水（一家在中國成立的公司，為本公司間接全資附屬公司）與福地包裝（一家在中國成立的公司，持有山南雅拉香布40%股權）訂立股權轉讓協議，據此，福地包裝有條件地同意向買方出售福地包裝31%的股權，而西藏冰川礦泉水有條件地同意收購福地包裝持有的該等股權，總代價約為人民幣465,000,000元。詳情請參閱本公司日期為二零二一年三月三十日的公告。

47. 批准綜合財務報表

綜合財務報表已由董事會於二零二一年三月三十一日批准及授權刊發。

For the year ended 31 December

截至十二月三十一日止年度

		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
PROFITABILITY DATA	盈利數據					
(RMB million)	(人民幣百萬元)					
Revenue	收入	493	721	881	932	868
Gross profit	毛利	215	404	480	551	520
Operating profit	經營利潤	81	133	342	393	393
Profit/(loss) for the year	年度利潤/(虧損)	17	(745)	318	368	359
PROFITABILITY DATA (%)	盈利數據(%)					
Gross profit margin	毛利率	43.6%	56.0%	54.5%	59.2%	59.9%
Operating profit margin	經營利潤率	16.4%	18.4%	38.8%	42.1%	45.2%
Net profit margin	淨利潤率	3.4%	N/A不適用	36.1%	39.5%	41.4%
Return on total shareholders' equity	股東權益總額回報率	0.6%	N/A不適用	9.2%	11.6%	24.8%
ASSETS AND LIABILITIES DATA	資產與負債數據					
(RMB million)	(人民幣百萬元)					
Non-current assets	非流動資產	2,115	2,305	3,278	2,907	2,880
Current assets	流動資產	2,037	1,958	1,635	1,642	1,938
Current liabilities	流動負債	1,280	1,376	1,177	901	631
Non-current liabilities	非流動負債	150	184	276	473	693
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,722	2,702	3,459	3,174	3,123
ASSETS AND WORKING CAPITAL DATA	資產和流動資金數據					
Current assets ratios	流動資產比率	49.1%	45.9%	33.3%	36.1%	40.2%
Gearing ratios	資本負債比率	25.1%	27.1%	25.1%	21.4%	24.0%

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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西藏水資源有限公司
TIBET WATER
RESOURCES LTD.