



2022

Annual Report | 年報

Wai Yuen Tong Medicine Holdings Limited

位元堂藥業控股有限公司

Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司

Stock Code 股份代號: 897



用心造藥
傳承百年

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Corporate Information

公司資料

Board of Directors

Executive Directors

Mr. Tang Ching Ho, *GBS, JP*
Chairman and Managing Director
Ms. Tang Wai Man
Ms. Law Man Yee, Anita

Independent Non-executive Directors

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

Audit Committee

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

Remuneration Committee

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

Nomination Committee

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

Executive Committee

Mr. Tang Ching Ho, *GBS, JP, Chairman*
Ms. Tang Wai Man
Ms. Law Man Yee, Anita

Authorised Representatives

Under Listing Rules

Mr. Tang Ching Ho, *GBS, JP*
Mr. Cheung Chin Wa, Angus

Company Secretary

Mr. Cheung Chin Wa Angus

Legal Advisers

DLA Piper Hong Kong
Gallant

董事會

執行董事

鄧清河先生，*GBS，太平紳士*
主席兼董事總經理
鄧蕙敏女士
羅敏儀女士

獨立非執行董事

梁偉浩先生，*MH*
蕭文豪先生
曹永牟先生
李家暉先生

審核委員會

李家暉先生，*主席*
梁偉浩先生，*MH*
蕭文豪先生
曹永牟先生

薪酬委員會

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

提名委員會

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

常務委員會

鄧清河先生，*GBS，太平紳士，主席*
鄧蕙敏女士
羅敏儀女士

法定代表

根據上市規則

鄧清河先生，*GBS，太平紳士*
張展華先生

公司秘書

張展華先生

法律顧問

歐華律師事務所
何耀棟律師事務所

Auditor

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

Principal Bankers

The Bank of East Asia, Limited
China Everbright Bank Co., Ltd.
DBS Bank (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited
Bank of Communications Co., Ltd., Hong Kong Branch

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business in Hong Kong

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

Principal Share Registrar and Transfer Office in Bermuda

MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

Branch Share Registrar and Transfer Office in Hong Kong

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

Board Lot

5,000 shares

Investor Relations

Email: contact@waiyuentong.com

Homepage

<http://www.wyth.net>

Stock Code

897

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師

主要往來銀行

東亞銀行有限公司
中國光大銀行股份有限公司
星展銀行(香港)有限公司
香港上海滙豐銀行有限公司
中國工商銀行(亞洲)有限公司
交通銀行股份有限公司香港分行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港總辦事處及主要營業地點

香港
九龍
九龍灣
宏光道39號
宏天廣場31樓3101室

百慕達股份過戶及轉讓登記總處

MUFG Fund Services (Bermuda) Limited
4th floor North Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶及轉讓登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

每手股數

5,000股股份

投資者關係

電郵: contact@waiyuentong.com

網址

<http://www.wyth.net>

股份代號

897

Awards 獎項 (2021-2022)



1

HK01

Wai Yuen Tong Series of Pet Supplement "ProVet"
– "Popular Chinese Medicine Healthcare Brand for Pet"

位元堂寵物保健系列「位您寵」
– 「人氣寵物中藥保健品牌」

2

Oriental Media Corporation
東方傳媒機構

Wai Yuen Tong Medicine Holdings Limited
– Elite Listed Enterprise Awards (Healthcare Products)

位元堂藥業控股有限公司
– 「超卓上市企業大獎(保健產品)」



3



The Nielsen Company
尼爾森公司

Wai Yuen Tong Hou Tsao Powder Ranked 1st in Sales Value & Sales Volume for 8 Consecutive Years in Hong Kong

位元堂猴棗除痰散
連續8年銷售額及銷售量全港第一

* Based in part on data reported by Nielsen (June 2013 to May 2020) and IQVIA (June 2020 to May 2021) through its Retail Index Service for the defined Hou Cho Powder segment of Cough Remedy category for the 8-year period ending May 2021, for Key Account Supermarkets, CVS and Drug Stores in Hong Kong (Copyright © 2020, The Nielsen Company; Copyright © 2021, IQVIA)

* 根據Nielsen尼爾森公司(2013年6月至2020年5月)及IQVIA(2020年6月至2021年5月),截至2021年5月止8年期間,全港連鎖超市、便利店及藥房化痰止咳藥(猴棗散類別)零售調查報告(©2020尼爾森公司版權所有;©2021 IQVIA版權所有)

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

Wai Yuen Tong – 10 Year Plus Caring Company

位元堂 – 10年Plus商界展關懷



5

Madame Pearl's Cough Syrup Sales Champion for 12 Consecutive Years

佩夫人止咳露連續12年銷售冠軍

* Based in part on data reported by Nielsen (from Jan 2010 to Dec 2019) and IQVIA (from Jan 2020 to Dec 2021) through its Retail Index Service for the defined Cough Syrup segment of Cough Remedy category for the 12-year period ending December 2021, for Key Account Supermarkets, CVS and Drug Stores in Hong Kong (Copyright © 2020, The Nielsen Company; Copyright © 2021, IQVIA)

* 根據Nielsen尼爾森公司(2010年1月至2019年12月)及IQVIA(2020年1月至2021年12月)·截至2021年12月止12年期間·全港連鎖超級市場、便利店及藥房咳藥水零售調查報告(© 2020尼爾森公司版權所有:© 2021 IQVIA版權所有)

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Luxembourg Medicine
– 15 Year Plus Caring Company

盧森堡大藥廠

– 15年Plus商界展關懷



Chairman's Statement

主席報告

In constant pursuit of excellence over the past 125 years, "Wai Yuen Tong" has withstood a century with established reputation in providing Chinese and Western pharmaceutical products and Chinese medicine out-patient clinic services. I hereby express my heartfelt gratitude to all colleagues for their dedication during the past challenging year in the inheritance of tradition, and contribution to the health of people in the community.

經歷百載、口碑載道。125年來，「位元堂」不斷追尋中、西藥產品及中醫門診服務的精益求精。

在此，我衷心感謝公司上下全人，在過去充滿挑戰的一年裡，繼承傳統、堅定不移，為守護市民健康出一分力。



Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the **"Board"** or the **"Directors"**) of Wai Yuen Tong Medicine Holdings Limited (the **"Company"**, together with its subsidiaries, the **"Group"**), I present to the shareholders the annual report for the year ended 31 March 2022 (the **"Year"** or the **"year under review"**).

Wai Yuen Tong has upheld the philosophy of "Preparing Medicine with Dedication, Growing Strong with Reputation" since its establishment in 1897 with sincerity in promoting the profound healthcare wisdom of traditional Chinese medicine (**"TCM"**). We are committed to providing comprehensive and careful pharmaceutical products and services to every customer. Currently, the Group holds "Wai Yuen Tong", a widely-known Chinese medicine and health food brand, through Wai Yuen Tong Medicine Company Limited (**"Wai Yuen Tong"** or **"WYT Medicine"**, together with its subsidiaries, the **"WYT Medicine Group"**), and holds "Madame Pearl's" and "Pearl's", two world-renowned Western medicine brands, through Luxembourg Medicine Company Limited (**"Luxembourg Medicine"**, together with its subsidiaries, the **"Luxembourg Medicine Group"**), which has created synergy by the two-pronged development of the Group's Chinese and Western medicine and healthcare businesses.

The Group has invested nearly HK\$600 million to construct the TCM and Western medicine Good Manufacturing Practice (**"GMP"**) factory in Yuen Long (the **"Yuen Long Factory"**), in accordance with the standard of "The Pharmaceutical Inspection Co-operation Scheme" (**"PIC/S"**), a stringent manufacturing practice regulation with worldwide recognition. In line with the government's target to achieve carbon neutrality by 2050, the Group will plan to commence the installation of solar panels at the Group's Yuen Long Factory in 2022 in order to reduce carbon emissions of the factory. While consolidating our corporate brand strength with continuous effort in leveraging our advantage of "100% made in Hong Kong", the Group also needs to reduce emission and enhance efficiency to achieve a win-win situation for the environment and the economy.

In addition, the Group holds quality investment properties and property reserves located in Hubei Province, Henan Province, Guangxi Zhuang Autonomous Region, Jiangsu Province and Liaoning Province of China through direct shareholding of a majority stake in China Agri-Products Exchange Limited (**"CAP"**, stock code: 149).

致各位股東：

本人謹代表位元堂藥業控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事會（「董事會」或「董事」）向各股東提呈截至二零二二年三月三十一日止年度（「本年度」或「回顧年度」）之年度報告。

「以誠意用心造藥，憑信譽繼往開來」是位元堂自1897年創立以來的宗旨，誠心宏揚傳統中醫藥博大精深的保健智慧，為每位客戶提供全面及悉心的醫藥產品及服務。目前，本集團分別透過位元堂藥廠有限公司（「位元堂」或「位元堂藥廠」，連同其附屬公司統稱「位元堂藥業集團」）持有家傳戶曉的中藥及保健食品品牌——「位元堂」，以及透過盧森堡大藥廠有限公司（「盧森堡大藥廠」，連同其附屬公司統稱「盧森堡藥業集團」）持有享譽國際的西藥品牌——「珮夫人」及「珮氏」，令本集團旗下中西醫藥及保健業務雙管齊下發展，產生協同效應。

本集團投資近六億港元於元朗興建傳統中藥及西藥良好生產質量管理規範（「GMP」）廠房（「元朗廠房」），依照全球公認嚴格的製藥規範「國際醫藥品稽查協約組織」（「PIC/S」）的標準興建及運作。本集團為積極配合政府力爭2050年前實現碳中和的目標，將計劃於2022年在本集團元朗廠房展開太陽能發電板安裝計劃，以減低廠房碳排放量。本集團繼續以「百分百香港製造」優勢，鞏固企業品牌實力的同時，亦需減排增效，達致環保和經濟效益雙贏局面。

另外，本集團通過直接持有中國農產品交易所有限公司（「中國農產品」，股份代號：149）的多數股權，擁有位於中國湖北省、河南省、廣西壯族自治區、江蘇省及遼寧省的優質投資物業及物業儲備。



Chairman's Statement (Continued)

主席報告(續)

Business Review

After an extremely difficult year in 2020, Hong Kong's economy began to recover in 2021 following a significant rebound in global demand, but the result of overall recovery has not reached a balanced state due to the continued freeze in inbound tourism. In 2021, Hong Kong's total annual economic growth was 6.4%, which was the highest growth rate since 2010. However, after two years of severe recession, the size of the economy was still around 2% below the 2018 level.

Domestic demand was on the road to recovery in 2021, and personal consumption expenditure recorded a remarkable growth of 5.6% in 2021. Benefitted from the receding of the local pandemic and improved labour market conditions, consumption-related activities resumed steadily. The Electronic Consumption Voucher Scheme rolled out by the government in the second half of the Year has provided a further support to the economy. However, outbound travel activities remained severely disrupted due to the fluctuated pandemic around the globe, and there is still ample room for growth in the overall consumer market.

In respect of pandemic prevention and control, Mainland China applies Chinese medicine in an all-round way, and gives full play to traditional Chinese medicine in the role of treating COVID-19 through the distribution of anti-pandemic Chinese medicine sachets, "big pot soup (大鍋湯)", and the appropriate usage of "three medicines and three prescriptions (三藥三方)" to treat mild, moderate and severe illnesses. Professor Zhang Boli, Academician of the Chinese Academy of Engineering said, Chinese medicine is effective in the treatment of Omicron variant of COVID-19. Therefore, in fighting against the fifth wave of COVID-19, Hong Kong government stepped up efforts in promoting the role of Chinese medicine in alleviating the symptoms of COVID-19 and helping to reduce the risk of severe illness and death.

The Group has been working together and actively cooperating with the SAR government's strategies to prevent and combat the pandemic. In particular, in fighting against the fifth wave of COVID-19, Chinese medicine had played a significant role in the overall prevention, treatment and rehabilitation of the pandemic through its extensive and in-depth participation in all aspects. During the pandemic, the Group has provided Chinese medicine remote diagnosis and treatment service, to provide professional Chinese medicine remote diagnosis and Chinese medicine delivery service for patients quarantined at home.

業務回顧

香港經濟在二零二零年經歷極其困難的一年後，隨著環球需求大幅反彈，在二零二一年經濟開始復甦，但受制於訪港旅遊業仍然冰封，整體復甦效果並未達到平衡狀態。二零二一年，香港全年合計經濟增長6.4%，是自二零一零年以來最快的增速，惟在經歷兩年嚴重衰退後，經濟規模仍較二零一八年的水平低約2%。

內部需求在二零二一年處於復甦路上，私人消費開支在二零二一年錄得5.6%的可觀增長。受惠於本地疫情減退和勞工市場情況改善，與消費相關的活動穩步恢復。下半年政府開展的電子消費券計劃進一步為經濟提供支持。然而，環球疫情反覆，外訪旅遊活動依然嚴重受阻，整體消費市場仍然有很大的增長空間。

在疫情防控工作中，中國內地全方位地應用中醫藥，透過派發防疫中藥香囊、「大鍋湯」、適當運用「三藥三方」治療輕、中、重症等充份發揮中醫藥在治療新冠肺炎的重要作用。中國工程院院士張伯禮教授稱，中醫藥對治療Omicron新型冠狀變異病毒有明顯的效果。故此，香港政府在第五波疫情時，加強推動中醫藥對改善新型冠狀病毒肺炎病症的作用，有助降低重症及死亡風險。

本集團一直同心同德，積極配合特區政府各項防疫抗疫策略。特別是在第五波的防疫戰中，中醫藥全方位廣泛深度參與，在疫情的預防、治療以至復康的整體過程中，發揮重大作用。在疫情期間，本集團更提供中醫遙距診療服務，為在家隔離患者提供專業中醫遙距診症及中藥配送服務。



In terms of traditional Chinese pharmaceutical and health foods, "Angong Niu Huang Wan (安宮牛黃丸)" was included in the Diagnosis and Treatment Protocol for Novel Coronavirus Pneumonia (Trial Version) released by the National Health Commission of the PRC for treatment of critically ill patients with the syndrome of "inner blocking causing collapse (內閉外脫症)". While the fifth wave of the pandemic continued to develop with a low vaccination rate of the elderly and patients with chronic diseases, the Group vigorously promoted Angong Niu Huang Wan as an essential emergency medicine at home to effectively treat critical illness. Hou Tsao Powder, one of the Group's flagship products, ranked first in sales value and sales volume for 8 consecutive years in Hong Kong, making it a preferred choice of healthcare product for many consumers.

The Group has established in Hong Kong for years and are well supported by our customers with its large and experienced team of resident registered Chinese medicine practitioner. During the year under review, under the Omicron variant of COVID-19, the demand for Chinese medicine out-patient clinic services in Wai Yuen Tong retail stores continued to record an increase, especially in local districts. In view of this, the Group opened 4 new stores in several local districts this Year, which include Ma On Shan (Chung On Shopping Centre) branch, Shatin (Wo Che Plaza) branch, Mei Foo (Mount Sterling Mall Shopping Arcade) branch and Tai Kok Tsui Road branch. The Group continued to actively recruit experienced registered Chinese medicine practitioners to join the team, to match with our business development. As at 31 March 2022, we have 63 retail stores in Hong Kong that provide one-stop Chinese medicine healthcare services.

In view of the growing demand for Chinese healthcare, the Group cooperated with the Charity Fund of the Hong Kong Registered Chinese Medicine Practitioners Association, and the first "Hong Kong Registered Chinese Medicine Practitioners Association Charitable Foundation Wai Yuen Tong Chinese Medicine Specialist Center" (the "**Specialist Center**") was put into operation during the Year, and two more Specialist Centers are expected to be put into operation by the end of 2022, providing customers with one-stop traditional Chinese medicine healthcare and specialist treatment services.

In October 2020, the National Administration of Traditional Chinese Medicine of the PRC, the Office of the Leading Group for the Development of the Guangdong-Hong Kong-Macao Greater Bay Area and the People's Government of Guangdong Province jointly issued the "Construction Plan for the Chinese Medicine Highlands in the Guangdong-Hong Kong-Macao Greater Bay Area (2020-2025)", which promoted the development of Chinese medicine to become an important part of the National Bay Area Strategy, giving a strong impetus to the innovative development of Chinese medicine in the Bay Area. In addition, the Regulations of the Chinese medicine in Guangdong Province, which came into effect on 1 October 2021, explicitly proposed to promote cooperation in the Chinese Medicine industry in the Guangdong-Hong Kong-Macao Greater Bay Area, and to support the registration of traditional proprietary Chinese medicines for external use listed in Hong Kong and Macao in the province. It also supported provincial science and research institutions to co-develop internationally recognised quality standards for TCM product with Hong Kong and Macao, in order to promote the standardisation and internationalisation of Chinese medicine.

傳統中藥及保健食品方面，安宮牛黃丸被納入中國國家衛生健康委員會發佈多版《新型冠狀病毒肺炎診療方案(試行版)》中，用作治療危重症「內閉外脫症」；當第五波疫情發展持續，針對當時低接種率的長者及長期病患者，本集團大力宣傳安宮牛黃丸為家中必備應急良藥，有效應對危急重症。本集團的皇牌產品之一猴棗除痰散連續八年銷售額及銷售量全港第一，為不少消費者的保健之選。

本集團憑藉規模龐大及富經驗的駐店註冊中醫師團隊，紮根香港多年，得到廣大客戶的支持。回顧年度內，在Omicron新型冠狀變異病毒疫情下，位元堂零售店駐店的中醫師診服務需求繼續錄得上升，民生區升幅尤其顯著。有見及此，本集團於本年度在本地多個民生區增設4間新店，新店包括馬鞍山頌安商場分店、沙田禾輦廣場分店、美孚萬事達廣場分店及大角咀道分店，本集團繼續積極招攬經驗豐富的註冊中醫師加盟團隊，以配合業務發展，截至二零二二年三月三十一日止，香港有63間零售門店提供一站式中醫藥保健服務。

有鑑於中式保健需求日益壯大，本集團與香港註冊中醫學會慈善基金展開合作，首個「香港註冊中醫學會慈善基金位元堂中醫專科治療中心」(「**專科治療中心**」)已在本年度投入營運，並預計2022年底將會有多兩間專科治療中心投入營運，為顧客提供一站式中醫藥保健及專科治療服務。

國家中醫藥管理局、粵港澳大灣區建設領導小組辦公室和廣東省人民政府於2020年10月聯合發佈《粵港澳大灣區中醫藥高地建設方案(2020-2025年)》，將中醫藥發展上升到國家灣區戰略的重要部分，為灣區中醫藥創新發展注入強勁動力，並且於2021年10月1日正式實施的《廣東省中醫藥條例》明確提出推進粵港澳大灣區中醫藥產業合作，支持香港、澳門已上市傳統外用中成藥在省內註冊；支持省內科研機構與香港、澳門共建國際認可的中醫藥產品質量標準，推進中醫藥標準化、國際化等。

Chairman's Statement (Continued)

主席報告(續)

Subsequently, the Medicine Products Administration of Guangdong Province published the simplifying of the approval process for the registration and sale of Hong Kong registered traditional proprietary Chinese medicines for external use in the Guangdong-Hong Kong-Macao Greater Bay Area. The new policy will enable Hong Kong manufacturers of proprietary Chinese medicines to expand into the huge Mainland market and make greater contributions to people's health. As of April 2022, five categories of traditional proprietary Chinese medicines for external use available in Hong Kong and Macao have been launched in the Mainland China through the simplified approval policy. The Group strived to make its products to become a qualified traditional proprietary Chinese medicines for external use so as to tap into the Mainland market through the simplified policy, in which "Wai Yuen Tong Muscular & Joint Pain Relief Oil" (位元堂舒筋活絡油) is expected to be launched in Mainland China late next year. In the future, the Group will seize new opportunities in the development of the Guangdong-Hong Kong-Macao Greater Bay Area to explore the development of its products with a view to successfully promoting "Wai Yuen Tong" brand across the country.

The Group endeavours to develop youthful brands and extend its business to different fields. It has launched "ProVet", the first-ever pet wellness product in Hong Kong developed by professional Chinese medicine veterinarians, to combine Chinese medicine with pet wellness formula as, on one hand, the Group shoulders the responsibility of passing on Chinese medicine wisdom and strives to provide comprehensive quality pharmaceutical products and services; and, on the other hand, there is a huge development potential in the pet market of Hong Kong in recent years. Furthermore, healthcare applies to human as well as pet, which requires daily care to grow healthily. Since its launch, "ProVet" has gained the recognition and trust of many pet owners and has a certain reputation in the market with robust sales response.

During the Year, as the physical retail market continued to be dampened by COVID-19, the Group worked on the development of the arrangement of online sales channel and adjusted "Wai Yuen Tong" retail outlets and offline sales channels in a flexible manner. Our ongoing operating efforts managed to minimise the negative impact of the pandemic. In Hong Kong, the Group continued to improve its self-operated official online shopping platform, www.wyteshop.com (位易購), and operate the Wai Yuen Tong brand flagship store on HKTVmall.com. In Mainland China, the Group established Wai Yuen Tong flagship stores on Tmall.com and JD.com to provide services dedicated for domestic consumers. As a reputable corporate brand with a long history, the Group manages to establish an interconnected operating model with online and offline comprehensive channels in domestic and overseas market. Despite the travel restrictions between Mainland China and Hong Kong and quarantine measures during the pandemic, consumers in domestic and overseas markets remained confident about Wai Yuen Tong's products and brought satisfactory online operating results.

隨後，廣東省藥品監督管理局公佈簡化香港註冊傳統外用中成藥在粵港澳大灣區註冊及銷售的審批流程，新政策為香港中成藥製造商拓展龐大的內地市場，為人民的健康作出更大貢獻。截至2022年4月止，已有五個港澳在售優質傳統外用中成藥品種通過簡化審批政策在中國內地上市。本集團旗下產品積極爭取成為合資格的傳統外用中成藥，以簡化政策進入內地市場，預計於明年下旬於中國內地推出「位元堂舒筋活絡油」。未來，本集團將把握好粵港澳大灣區發展新機遇，拓展產品的發展空間，把「位元堂」品牌成功推廣至全國各地。

本集團致力打造年輕化品牌，開拓不同領域業務，推出全港首個由專業中獸醫研發的寵物保健品——「位您寵」，將中藥加入寵物的保健配方，一方面是因為本集團肩負傳承中醫藥智慧的責任，致力提供全面兼優質的醫藥產品及服務，另一方面是近年香港寵物市場大有發展潛力；而且保健不是人類的專利，寵物同樣需要日常保健，才能健康成長。「位您寵」自推出以來，得到不少寵物主人的認同和信賴，在市場有一定口碑，銷售反應熱烈。

本年度，由於實體零售市場繼續受新型冠狀病毒肺炎的影響，本集團著力發展於線上銷售渠道的佈局，及靈活調整「位元堂」的零售門店及線下銷售渠道，繼續努力經營，把疫情帶來的負面影響減至最低。在香港，本集團持續完善自營官方網上購物平台「位易購」(www.wyteshop.com)，以及經營於香港電視網上購物(HKTVmall.com)開設的「位元堂品牌旗艦店」；在中國內地，本集團設立天貓(Tmall.com)及京東(JD.com)專門服務國內消費者的「位元堂旗艦店」。本集團憑藉多年企業品牌的信譽，做到國內外線上線下全渠道互通營運模式，儘管在疫情期間受制於中港兩地的旅遊限制及隔離措施，但國內外的消費者依然對位元堂產品投下信心一票，達到令人滿意的線上經營業績。

During the Year, in the wake of the severe pandemic outbreak, the public scrambled to purchase medicines to prepare for the fight against the pandemic, self-medicate and protect the health of their family members. During the pandemic, Luxembourg fulfilled its role by ramping up production in a swift and orderly manner to satisfy customers' urgent demand for its products in the pandemic. During the reporting period, the sales performance of Luxembourg still recorded an encouraging increase. Total revenue from Western pharmaceutical and personal care products increased substantially by 61% when compared to the previous year. "Madame Pearl's", the signature brand of the Group, is a famous over-the-counter brand in Hong Kong and has been awarded as the best-selling cough syrup in Hong Kong for 12 consecutive years. During the Year, the Group endeavoured to enhance the distribution channel of Western pharmaceutical and personal care products, especially in Mainland China market. The Group had engaged several local distributors to boost the channel expansion of the "Madame Pearl's" and "Pearl's" brand in Mainland China. In the coming year, to satisfy sales demand, the Group will invest significant resources to improve the production equipment in the Yuen Long Factory. We target to expand the scale of the existing production lines to reach an annual production capacity of 10 million bottles of cough syrup.

"Pearl's", another signature brand of the Group, has successfully established a leading position in the mosquito repellent segment in Hong Kong. Meanwhile, to respond to the demand for disease and infection prevention of the general public, the Group has launched Germsout, a hand sanitizer product under the Pearl's brand. The product series includes two alcohol-based hand sanitizers and sprays with different alcohol-based formulae, which are recommended by the World Health Organization (WHO). Research and testing show that their bactericidal rate reaches 99.9%. In the coming year, the Group plans to launch another disinfectant series based on advanced technology to satisfy various demand in the market.

Meanwhile, property investment is also one of the operating business segments of the Group. As at 31 March 2022, the Group owned 13 properties in Hong Kong which are retail properties or industrial building. A majority of these properties were used as the retail shops. In February 2020, through the acquisition of approximately 53.37% equity interest in CAP, the Group further expanded its business scope to include the management and sale of properties in the agricultural produce exchange markets in Mainland China, which contributed a revenue of approximately HK\$830.5 million for the Group during the Year.

本年度，面對疫情龐大的爆發潮，市民為做好萬全準備，紛紛四出搜羅抗疫藥物自救養病，守護家人的健康。盧森堡在疫情期間緊守崗位，迅速有序加緊安排生產線以配合疫情期間客戶對產品的迫切需求。盧森堡在報告期內的銷售表現仍錄得令人鼓舞的上升。西藥及個人護理產品的總收益較去年顯著增長61%，本集團的主力品牌「珮夫人」是香港著名的非處方品牌，連續12年獲得香港止咳露銷售冠軍。於本年度，本集團致力強化其西藥及個人護理產品分銷渠道，尤其是中國內地市場，本集團已委聘多個當地經銷商，以提升「珮夫人」和「珮氏」品牌在中國內地的渠道拓展。來年，為滿足銷售需求，本集團將投放大量資源用於提升位於元朗廠房的生產設備。我們的目標是拓大現有生產線的規模，從而達至年產1,000萬瓶止咳露的產能。

本集團另一個主力品牌「珮氏」，在香港的驅蚊產品類別中已成功建立了領導地位。此外，為應對公眾對預防疾病感染的需求，本集團以珮氏品牌推出了名為「珮氏搓手酒精」的手部消毒產品。該產品線包含兩種由世界衛生組織(WHO)推薦的不同酒精配方製成的搓手酒精和噴霧，經研究測試，殺菌的有效率為99.9%。來年，本集團將計劃推出另一款通過先進技術的消毒劑系列，以滿足市場不同需求。

此外，物業投資亦為本集團經營業務分部之一。截至二零二二年三月三十一日止，本集團在香港擁有13項物業，為零售物業或工業大廈，該等物業大部分用作零售門店。於二零二零年二月，本集團透過收購中國農產品約53.37%股權，使業務範圍進一步拓展至管理及銷售中國內地農產品交易市場之物業，並於本年度為本集團貢獻收益約830,500,000港元。

Chairman's Statement (Continued)

主席報告 (續)

The Group always provides full support to pandemic prevention efforts and pays close attention to the development of the pandemic. At the crunch of the spread of the fifth wave of the outbreak, the Group swiftly responded to the demand of the public by donating necessities, including a total of 7,000 tablets of Angong Niu Huang Wan and 100,000 bags of flu tea, to patients in need in various parts of the community through different means. With the spirit of "doctoring is parenting", Wai Yuen Tong donated Angong Niu Huang Wan to patients of COVID-19 to fight the pandemic together.

Furthermore, the Group has been actively promoting the use of Chinese medicine in pandemic prevention efforts to relieve the pressure of frontline medical staff. We have introduced online Chinese medicine consultation services to provide people staying at home with access to Chinese medicine consultation services. At the same time, to mitigate the pressure of frontline medical staff from answering enquiries in respect of COVID-19, the Group has set up free Chinese medicine practitioner consultation hotlines and handed out Chinese medicines to make good use of Chinese medicine practitioners and Chinese medical resources to contribute to the pandemic prevention efforts of the Central Government, the HKSAR and the Hong Kong community, and stay united in times of hardship to overcome adversity.

In respect of employee training, to cater for the systematisation and digitalisation of corporate data, we had launched online on-the-job training programmes for our employees before the pandemic. As a result, on-the-job training for our employees was not affected during the pandemic of COVID-19. Looking forward, the Company will continue to optimise relevant systems and programme contents to keep up with the times and address market demands and provide employees with well-rounded training, thereby boosting competitiveness and providing customers with the best services.

Outlook

Despite the challenges brought about by the emergence of a more transmissible variant of COVID-19, interrupted supplies and rising energy and commodity prices, the global economy substantially rebounded in 2021. While the generally loose global monetary environment was conducive to strong economic growth, it was noteworthy that certain central banks began to tighten up by the end of the Year due to escalating inflation. If the pandemic gradually subsides or remains largely stable, the employment rate and income condition are likely to further improve to support consumer sentiment, which will in turn benefit the retail industry.

本集團一直全力支持抗疫工作及密切關注疫情的發展，在第五波疫情持續擴大的關鍵時刻，本集團迅速回應市民的需求，透過不同網絡共捐贈7,000粒安宮牛黃丸及100,000包防感茶等物資給予社區各界有需要的病人。位元堂本著醫者父母心的精神，捐贈安宮牛黃丸給予新冠患者，攜手抗擊疫情。

另外，本集團一直積極推動中醫藥抗疫工作，紓緩前線醫護人員的工作壓力，推出網上中醫診症服務，市民即使安坐家中亦可獲中醫諮詢服務。同時，為減輕前線醫護人員就解答市民有關新型冠狀病毒肺炎疫情問題的壓力，本集團設立免費中醫師諮詢熱線及送贈中藥，善用中醫中藥資源，為協助中央政府、香港特區政府以及全港社區抗疫作出一份綿力，一同共渡時艱，跨過逆境。

在員工培訓方面，為配合公司資料系統化及數據化，早在疫情前已開始推行員工在職培訓線上課程，即使在新型冠狀病毒肺炎疫情期間，員工在職培訓均不會受到任何影響。往後，本公司將繼續優化相關系統及課程內容，與時並進切合市場所需，給予員工全方位的培訓，從而增加競爭力，為客戶提供最優質的服務。

未來展望

儘管更具傳染性新型冠狀變異病毒的出現，供應受到干擾及能源和商品價格飆升所帶來挑戰，但環球經濟在二零二一年仍然顯著反彈。環球貨幣環境大致寬鬆有助經濟強勁增長，但值得注意是一些央行因應通脹升溫，在接近年底時開始收緊政策。倘若疫情能逐步減退，或維持基本穩定，就業率和收入情況可望進一步改善，支持消費意欲，零售行業也同樣會受惠。

It is expected that the Hong Kong economy will continue to expand in 2022, while the pandemic remains a major uncertainty. In general, under the support of various government initiatives, the Hong Kong economy is estimated to record a moderate growth in 2022, following an increase of 6.4% in 2021. The estimation assumes that the local pandemic will be gradually under control; the mobility from and to China will be restored in a gradual and orderly manner later this year; and there would be no sudden and adverse change to the external environment. If the threat of Omicron and other variants causes more severe damage to global growth, and the local pandemic drags on to substantially hamper the economic condition and interrupt the recovery of cross-border travel, the eventual growth may be lower than the estimation. On the other hand, if more extensive vaccination in various parts of the world helps minimise the threat of the variants to boost the global economic recovery, and cross-border travel resumes at an earlier time, a higher growth may be recorded.

After the pandemic, the society will enter the path of recovery gradually. The Group will continue to operate its core businesses, including one-stop Chinese Medicine out-patient clinic, e-commerce and pet market. The Group always adheres to the belief of "change and innovation", taps into the potential of various markets, and researches and develops a myriad of proprietary Chinese and Western medicines, healthcare products and personal care products. At the same time, the Group will make timely and appropriate decision to open more retail outlets in different residential districts in a moderate manner, and strengthen online operating platforms to cover the lack of sales to Mainland visitors in the past, thereby generating reasonable investment return to the shareholders.

Appreciation

Thanks to the sheer dedication, precise policy and relentless effort of every party, the Group managed to achieve stable business development. The trust and support of the shareholders and business partners are integral to the Company's success. In light of the high expectations on us from the shareholders and various sectors of the society, we have shouldered additional responsibilities. Through concerted efforts and unwavering aspiration, the Group provides consumers with outstanding products and services and continues to create value for the shareholders. On behalf of the Group, I would like to take this opportunity to express my sincere gratitude to shareholders, directors, business partners and all colleagues for their support and trust. We will also spare no effort in driving the ongoing development of the Group to continue to generate satisfactory return for the shareholders.

Tang Ching Ho

Chairman and Managing Director

Hong Kong, 28 June 2022

預計香港經濟在二零二二年持續擴張，但疫情仍是一個主要的不確定因素。整體來說，考慮到政府各項措施的支持作用，香港經濟繼二零二一年擴張6.4%後，預計在二零二二年可望稍作增長。這預測是基於本地疫情能逐漸受控，與內地的人流往來能在今年稍後時間逐步有序地恢復，以及外圍環境不會急劇轉差的假設。倘若Omicron和其他新變異病毒的威脅對全球增長構成更嚴重的拖累，而本地疫情持續時間較長，以致經濟氣氛大幅減弱，跨境旅遊的恢復受阻，增長最終可能會較預測為差。另一方面，倘若全球各地更廣泛的疫苗接種有助減低變異病毒的威脅，令環球經濟復甦更為強勁，同時跨境旅遊以更快的速度恢復，可能會錄得更高的增長。

在疫情過後，社會將會逐步踏進復甦的軌道，本集團會繼續經營核心業務，包括中醫藥一站式門診、電子商貿及寵物市場。本集團一直堅信抱著「求變創新」的精神，發展各個市場的潛力，研發各種中西成藥、保健產品及個人護理。同時，本集團審時度勢，適度在各民生區開設更多零售門店，以及深化線上經營平台，以補過往國內旅客銷售額的不足，有效為股東帶來合理的投資回報。

鳴謝

憑藉全體成員盡忠職守、精準施策和不斷努力，本集團的業務可以穩步發展。股東及業務夥伴的信任和支持是本公司成功的基石。廣大股東及社會各界對我們的殷切期望，讓我們承載了更多責任。本集團眾志成城，初心彌堅，為消費者提供卓越的產品和服務，持續為股東創造價值。本人藉此機會代表本集團由衷感謝股東、各位董事、商業夥伴及全體員工對我們的支持及信賴。我們也將竭盡全力，推動本集團的持續發展，務求繼續為股東取得理想回報。

主席兼董事總經理

鄧清河

香港，二零二二年六月二十八日

Management Discussion and Analysis

管理層討論及分析

For over the past century, Wai Yuen Tong has been an internationally renowned brand with roots in Hong Kong. Looking forward, we will continue to develop our core business with flexible operational mechanisms and give full play to the synergy of TCM and western pharmaceutical medicine and health food.

超過一個世紀以來，位元堂紮根香港、蜚聲國際。未來，我們將繼續以靈活的營運機制發展核心業務，充分發揮傳統中藥及西藥和保健食品的協同價值。



Management Discussion and Analysis

管理層討論及分析

Consolidated Results

For the financial year ended 31 March 2022 (the “Year”), total revenue of the Group increased by approximately 25.5% to approximately HK\$1,391.4 million, which was mainly attributable to the increase in sales performance of the Group's business segments in (a) production and sale of Chinese and Western pharmaceutical and health food products; and (b) management and sale of properties in agricultural produce exchange markets.

During the Year, the Group recorded a loss attributable to owners of approximately HK\$108.9 million (2021: approximately HK\$376.0 million). Such reduction in loss is mainly attributable to the effect of the loss on disposal on the Group's investment in Easy One Financial Group Limited, a former associate of the Group, of approximately HK\$237.7 million recorded for the financial year ended 31 March 2021 and the absence of such loss for the financial year ended 31 March 2022.

Dividend

The Board does not recommend the payment of a final dividend in respect of the financial year ended 31 March 2022 (2021: Nil). No interim dividend was declared for the six months ended 30 September 2021 (30 September 2020: Nil).

Business Review

The Hong Kong overall economy for the financial year ended 31 March 2022 remained on the track for recovery although the uptrend was greatly challenged by the so-called “5th wave of COVID-19” that was caused by the virus variant Omicron. The GDP of Hong Kong for 2021 increased by 6.4% over 2020, alongside the slowly improving global economy driven by reopening borders among international cities and stabilising local epidemic situation. Hong Kong had seen its first positive retail growth in early 2021 after 2 years' drop since 2019 and the trend was believed to stay as the market sentiment was stimulated by the growing overall vaccination rate and the gradual relaxation of social distancing policy earlier in the year. Yet the economic recovery remained uneven, with sectors such as import and export sector surpassing previous high records by a considerable margin, while inbound tourism remaining virtually dormant.

Chinese pharmaceutical and health food products

The revenue of Chinese pharmaceutical and health food products increased to approximately HK\$512.6 million, equivalent to approximately 13.1% growth from the previous year.

綜合業績

截至二零二二年三月三十一日止財政年度（「本年度」），本集團總收益增加約25.5%至約1,391,400,000港元，乃主要由於(a)本集團業務分部中生產及銷售中西藥及保健食品產品；及(b)管理及銷售農產品交易市場之物業的銷售表現增長所致。

於本年度，本集團錄得擁有人應佔虧損約108,900,000港元（二零二一年：約376,000,000港元）。虧損減少主要是由於截至二零二一年三月三十一日止財政年度，本集團在出售前聯營公司——易易壹金融集團有限公司的投資錄得約237,700,000港元的虧損，而截至二零二二年三月三十一日止財政年度則並無有關虧損。

股息

董事會不建議就截至二零二二年三月三十一日止財政年度派付末期股息（二零二一年：無）。並無就截至二零二一年九月三十日止六個月宣派中期股息（二零二零年九月三十日：無）。

業務回顧

截至二零二二年三月三十一日止財政年度，香港整體經濟仍處於復甦的軌道，儘管上升趨勢受到由Omicron變異病毒引致所謂的「第五波新冠病毒肺炎疫情」的巨大挑戰。香港於二零二一年的區內生產總值較二零二零年增長6.4%，同時，在國際城市間重新開放邊境和當地疫情穩定的推動下，環球經濟也慢慢復甦。香港零售業自二零一九年起連續兩年下跌後，在二零二一年初首次出現增長，由於整體疫苗接種率上升和年初社交隔離政策逐步放寬，市場氣氛受到刺激，相信這一趨勢會持續下去。然而，經濟復甦仍不同步，如進出口等行業以明顯的幅度，超越以前的最高記錄，而入境旅遊幾乎仍處於靜止狀態。

中藥及保健食品產品

中藥及保健食品產品的收入增至約512,600,000港元，相當於較去年增長約13.1%。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Hong Kong's economy was driven by domestic spending while tourism and business traveling remained at a very low level as the stringent border quarantine control subsists. Relaxation of gathering restriction order coupled with Consumption Voucher Scheme ("CVS") helped growth of certain retail businesses such as food stuff, cleansing and disinfecting products and a series of necessities. The economy appeared to gradually regain traction to bring back the shopping spirit to the city's middle-class. The improving labor market, coupled with the boost from CVS, helped stimulate consumption sentiment and lent support to consumption-related sectors. Omicron ironically heightened city's health awareness and has benefited the pharmaceutical sector in general.

Traditional Chinese drugs and herbs spending among Hong Kong consumers has been found a fair share of the overall consumer market. Thanks to the People's Republic of China (the "PRC") Central Government's promotion of traditional Chinese medical science after clinically proving successes in curing different levels of COVID-19 patients in Mainland hospitals. Wai Yuen Tong's business models to drive sales through Traditional Chinese medicine ("TCM") consultation by our professional practitioners was finally proven effective and has seen success this year. More importantly, a proactive marketing strategy had been adapted to turn the business around. Meanwhile, consumers were believed to coil up for the CVS issuance back in July 2021 amidst months of tight social distancing control and gloomy economy.

Efforts have been made to beef up our TCM consultation service as well. A corporate branding television advertisement was produced to promote our largest TCM practitioner team in Hong Kong to build breadth of our brand's reach. Television program interviews and infotainment have been strategically executed to build depth in the public's understanding of our brand. Results had been seen when Omicron hit hard in February 2022, our TCM practitioner strategy yielded satisfactory return.

Part of our revenue was contributed by self-manufactured products including processed TCM and health supplement products which helped yield healthy gross profit. In terms of sales channels, Hong Kong and Macau business and our digital sales platforms achieved favourable growth for the year.

Western pharmaceutical and health food products

Hong Kong's economy has been struck hard by consecutive outbreak of the COVID-19 pandemic. In spite of this headwind, sales performance of the "Luxembourg" branded-products during the year witnessed an encouraging uplift. The total revenue of the Western pharmaceutical and personal care products delivered a notable growth of approximately 60.8% over last year, attributable to the solid and sound foundation of the business and the persistent efforts of the team in fending off challenges.

香港經濟受本地消費所帶動，然而，因邊境嚴格的隔離管制持續，旅遊和商務旅行仍處於低位。限聚令的放寬加上推出消費券計劃（「消費券計劃」），有助部分零售業務，如食品、清潔和消毒產品以及一系列必需品等的增長。經濟似乎正在逐步重拾動力，使本地中產階級恢復購物意欲。勞動力市場的改善，加上消費券計劃的推動，有助刺激消費意欲，為消費相關行業提供支援。說來雖然諷刺，但Omicron變異病毒卻提高港人健康意識，從而使醫藥行業普遍受惠。

我們發現，香港消費者對傳統中草藥的消費在整體消費市場中佔有一定份額。受惠於中華人民共和國（「中國」）中央政府推廣傳統中醫藥，在內地醫院臨床證明成功治癒不同症狀輕重的新型冠狀病毒肺炎患者。位元堂以專業醫師的中醫藥（「中醫藥」）診治來推動銷售的業務模式終被證明有效，並在於本年度取得成功。更重要的是，我們對積極的營銷策略進行調整，將業務扭虧為盈。同時，普遍認為，歷經數月嚴格的社交距離管制加上經濟不景氣，二零二一年七月消費券計劃推出令消費者累積起來。

我們致力加強我們的傳統中醫藥診症服務。為了使品牌觸及每個角落，我們製作了一個公司品牌電視廣告，宣傳我們在香港最龐大的中醫師團隊；而為使公眾更加深入了解我們的品牌，我們有策略地進行電視節目專訪及亮相資訊娛樂節目。二零二二年二月Omicron變異病毒肆虐期間已見成果，中醫師策略已見令人滿意的回報。

部分收益由自家製造的產品所貢獻，包括加工傳統中醫藥及保健品，這有助產生穩健毛利。在銷售渠道方面，港澳兩地業務及我們的電子銷售平台於本年度均實現可觀增長。

西藥及保健食品產品

香港經濟因接連爆發新型冠狀病毒肺炎疫情而遭受嚴重打擊。儘管有這一不利因素，「盧森堡大藥廠」品牌產品於本年度的銷售表現仍有所提升，令人鼓舞。西藥及個人護理產品的總收益較去年顯著增長約60.8%，這歸功於堅實健全的業務基礎和團隊抵禦挑戰的不懈努力。

Our key brand, “Madame Pearl’s”, the recognised Over-The-Counter brand in Hong Kong, achieved the Hong Kong cough syrup sales champion for 12 consecutive years, underpinned by our continuous efforts in brand building, marketing and promotion drives across trade, pharmacy and chain store channels. In addition, during the year, the Group dedicated in revamping its Western pharmaceuticals and personal care product distribution channels including the PRC and overseas market. To comply with Mainland China’s relevant regulations, the Group has engaged various local distributors to boost up the channel penetration of the “Madame Pearl’s” and “Pearl’s” brand into Mainland China. In coming year, with strive to fulfill the sales demand, the Group invested substantial resources to enhance the production capacity of Western pharmaceutical in Group’s PIC/S GMP accredited manufacturing factory in Yuen Long. Our target is to uplift the current production lines to achieve annual production capacity of 10 million bottles of cough syrup.

The Group’s another key brand, “Pearl’s”, has established leadership in the mosquito repellent product category in Hong Kong. Besides this, in response to the public’s pressing demand for protection against infection, the Group launched a range of hand disinfectant products, Germsout, under the brand “Pearl’s”. This product line consists of two antiseptic products with different alcohol-based formulations recommended by the World Health Organisation. Efficacy has been research-tested and is 99.9% effective in killing bacteria. The products are manufactured under the Group’s PIC/S GMP accredited manufacturing factory. In coming year, the Group will plan to launch another advanced disinfectant range to further meet the market need.

Even though the challenges continued in 2022, we have seen inspiring improvement in the last quarter of 2021. We have confidence to be positive that we have emerged on a gradual recovery track in the wake of the pandemic.

Property Investment

As at 31 March 2022, the Group owned 13 properties in Hong Kong which are all retail properties or industrial building. A majority of these properties were used as the retail shops under self-operating and franchise modes. The Group also owned agricultural produce exchange markets in the PRC since its acquisition of China Agri-Products Exchange Limited (“CAP”) in February 2020. The net fair value losses on owned investment properties for the Year amounted to approximately HK\$83.3 million (2021: net fair value losses of approximately HK\$32.1 million) as a result of the further deterioration of property market condition.

During the Year, the Group completed the disposal of a retail shop at Shop No. D on Ground Floor of Block D, Wing Lung Building, Nos. 220–240 & 240A Castle Peak Road for a consideration of HK\$28.4 million on 2 November 2021. Please refer to the announcement dated 1 July 2021 of the Company for details of the property disposal.

我們的主要品牌「珮夫人」是香港的認可非處方藥物品牌，連續12年在香港獲得止咳露銷售冠軍，這歸功於我們在貿易、藥房及連鎖店渠道中不斷努力建設品牌、營銷及推廣。此外，於本年度，本集團致力革新其西藥及個人護理產品分銷渠道，當中包括中國及海外市場。為符合中國內地的相關規定，本集團已聘用多名本地分銷商提升「珮夫人」及「珮氏」品牌在中國內地的管道滲透。來年，為盡力滿足銷售需求，本集團投入大量資源，在本集團旗下已取得PIC/S GMP（國際醫藥品稽查協約組織藥品優良製造規範）認證的元朗生產廠房提升西藥的產能。我們的目標是升級現有的生產線，以實現年產10,000,000瓶止咳露。

本集團的另一個主要品牌「珮氏」已在香港的驅蚊產品領域中確立領先地位。此外，為滿足公眾對預防感染的迫切需求，本集團旗下「珮氏」品牌推出一系列消毒搓手液產品——「珮氏搓手酒精」。該產品系列由世界衛生組織推薦的兩種不同醇基配方的殺菌產品組成。功效已通過研究測試，有效殺滅99.9%的細菌。該等產品是在本集團旗下已取得PIC/S GMP認證的生產廠房內生產。來年，本集團將計劃推出另一個先進消毒劑系列，以進一步滿足市場需求。

儘管二零二二年眾多挑戰猶在，二零二一年最後一季卻有改善，著實令人振奮。我們相信，我們已走上疫後逐步復甦的軌道。

物業投資

於二零二二年三月三十一日，本集團於香港擁有13項物業，全部均為零售物業或工業大廈。該等物業大部分用作自營及特許經營零售店。本集團自二零二零年二月收購中國農產品交易有限公司（「中國農產品」）後，亦於中國擁有農產品交易市場。本年度所擁有投資物業的公平值虧損淨額為約83,300,000港元（二零二一年：公平值虧損淨額約32,100,000港元），乃由於物業市場狀況進一步轉差所致。

於本年度，本集團於二零二一年十一月二日完成出售位於青山公路220-240及240A號永隆大廈D座地下D舖之商舖，代價為28,400,000港元。有關物業出售之詳情，請參閱本公司日期為二零二一年七月一日之公佈。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Management and Sale of Properties in Agricultural Produce Exchange Markets

CAP is principally engaged in the management and sale of properties in agricultural produce exchange markets in the PRC.

The CAP Group managed 11 agricultural produce exchange markets in the PRC, across five provinces. During the Year, CAP recorded revenue of approximately HK\$830.5 million (2021: approximately HK\$620.8 million) which included (i) approximately HK\$411.9 million (2021: approximately HK\$387.6 million) generated from operating of agricultural produce exchange markets, and (ii) approximately HK\$418.6 million (2021: approximately HK\$233.2 million) generated from sale of properties.

Hubei Province

Wuhan Baisazhou Market

Wuhan Baisazhou Agricultural and By-Product Exchange Market (“**Wuhan Baisazhou Market**”) is one of the largest agricultural produce exchange operators in the PRC. Wuhan Baisazhou Market is situated in the Hongshan District of Wuhan City, the PRC with a site area of approximately 310,000 square metres and one of the most notable agricultural produce exchange markets in Hubei Province. In 2021, Wuhan Baisazhou Market was awarded top 10 of agricultural produce exchange market by China Agricultural Wholesale Market Association. The award was a sign to the market contribution being made by the CAP Group’s effort and expertise as an agricultural produce exchange market operator in the PRC.

The outbreak of COVID-19 epidemic in various parts of the PRC during the Year did not cause significant effect on this market, and it was able to remain in normal operations. Rental income from properties letting is the major income generated from Wuhan Baisazhou Market.

Huangshi Market

Huangshi Hongjin Agricultural and By-Product Exchange Market (“**Huangshi Market**”) is a joint venture project of the CAP Group founded in January 2015 with an operating area of approximately 23,000 square metres. Huangshi city is a county level city in Hubei and around 100 kilometres away from Wuhan Baisazhou Market. Huangshi Market, as a second-tier agricultural produce exchange market, created synergy effect with Wuhan Baisazhou Market, facilitating vegetables and by-products trading.

Suizhou Market

Suizhou Baisazhou Agricultural and By-Product Exchange Market (“**Suizhou Market**”) is another joint venture project of the CAP Group founded in March 2018. It occupied approximately 240,000 square metres. The CAP Group pursued asset-light operation business model by taking up the contract management rights to operate this market.

Henan Province

Luoyang Market

Luoyang Hongjin Agricultural and By-Product Exchange Market (“**Luoyang Market**”) is the flagship project of the CAP Group in Henan Province, the PRC, with a site area and a gross floor area of approximately 255,000 square metres and approximately 223,000 square metres, respectively. The business performance of Luoyang Market was satisfactory. The revenue of Luoyang Market increased due to the increase of properties sale recognition during the Year as compared to that of previous year. Sale of properties is the major income generated from Luoyang Market.

管理及銷售農產品交易市場之物業

中國農產品主要在中國從事農產品交易市場之物業管理及銷售。

中國農產品集團於中國五個省份管理11個農產品交易市場。於本年度，中國農產品錄得收益約830,500,000港元(二零二一年：約620,800,000港元)，其中包括(i)經營農產品交易市場產生之約411,900,000港元(二零二一年：約387,600,000港元)，及(ii)銷售物業產生之約418,600,000港元(二零二一年：約233,200,000港元)。

湖北省

武漢白沙洲市場

武漢白沙洲農副產品交易市場(「**武漢白沙洲市場**」)乃全中國最大的農產品交易市場營運商之一。武漢白沙洲市場位於中國武漢市洪山區，佔地面積約310,000平方米，並為河北省最為知名的農產品交易市場之一。於二零二一年，武漢白沙洲市場榮獲全國城市農貿中心聯合會評為「中國農產品十佳市場」。該獎項表彰中國農產品集團作為中國農產品交易市場營運商以其努力及專業知識對市場所作出的貢獻。

於本年度，新型冠狀病毒肺炎疫情在中國多處爆發，惟對該市場並無引致重大影響，且能維持日常營運。物業出租的租金收入為武漢白沙洲市場產生的主要收入。

黃石市場

黃石宏進農副產品交易市場(「**黃石市場**」)為中國農產品集團於二零一五年一月成立的合營項目，經營面積約23,000平方米。黃石市是湖北省的縣級市，距離武漢白沙洲市場約100公里。作為次級農產品交易市場，黃石市場能夠與武漢白沙洲市場產生協同作用，促進蔬菜及副產品交易。

隨州市場

隨州白沙洲農副產品交易市場(「**隨州市場**」)為中國農產品集團於二零一八年三月成立的另一個合營項目，佔地約240,000平方米。中國農產品集團採用輕資產營運業務模式，透過取得合約管理權以經營該市場。

河南省

洛陽市場

洛陽宏進農副產品交易市場(「**洛陽市場**」)為中國農產品集團於中國河南省之旗艦項目，佔地面積及總建築面積分別為約255,000平方米及約223,000平方米。洛陽市場的業務表現令人滿意。於本年度，由於物業銷售確認增加，洛陽市場的收益較去年上升。物業銷售為洛陽市場產生的主要收入。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Puyang Market

Puyang Hongjin Agricultural and By-Product Exchange Market (“**Puyang Market**”) is one of the CAP Group’s joint venture projects in cooperation with a local partner in Henan Province, the PRC. During the Year, Puyang Market faced a keen competition from a new market. The revenue decreased as compared to that of previous year.

Kaifeng Market

Kaifeng Hongjin Agricultural and By-Product Exchange Market (“**Kaifeng Market**”), with a gross floor construction area of approximately 140,000 square metres, is the CAP Group’s third market operation point for the facilitation of the building of an agricultural produce market network in Henan Province, the PRC. The revenue of Kaifeng Market increased due to increase of properties sale recognition during the Year as compared to that of previous year.

Guangxi Zhuang Autonomous Region

Yulin Market

Yulin Hongjin Agricultural and By-Product Exchange Market (“**Yulin Market**”) is one of the largest agricultural produce exchange markets in Guangxi Zhuang Autonomous Region, the PRC (“**Guangxi Region**”) with a site area of approximately 415,000 square metres. The revenue of Yulin Market decreased due to the decrease of properties sale recognition during the Year as compared to that of previous year. Sale of properties is the major income generated from Yulin Market.

Qinzhou Market

Qinzhou Hongjin Agricultural and By-Product Exchange Market (“**Qinzhou Market**”), with a gross floor construction area of approximately 180,000 square metres, is the CAP Group’s second market operation point for the facilitation of the building of an agricultural produce market network in the Guangxi Region. The revenue of Qinzhou Market decreased slightly due to the decrease of properties sale recognition during the Year as compared to that of previous year.

Jiangsu Province

Xuzhou Market

Xuzhou Agricultural and By-Product Exchange Market (“**Xuzhou Market**”) occupies approximately 200,000 square metres and is located in the northern part of Jiangsu Province, the PRC. The revenue of Xuzhou Market increased slightly during the Year as compared to that of previous year.

Huai’an Market

Huai’an Hongjin Agricultural and By-Product Exchange Market (“**Huai’an Market**”) occupies approximately 100,000 square metres and is located at Huai’an City of Jiangsu Province, the PRC. Phase one of Huai’an Market had been in operation since October 2015 and it is expected that the performance of Huai’an Market will gradually improve after the market becomes more mature.

Liaoning Province

Panjin Market

Panjin Hongjin Agricultural and By-Product Exchange Market (“**Panjin Market**”), with a construction area of around 50,000 square metres, is the CAP Group’s first attempt in investment in Liaoning Province, the PRC. Panjin Market focused on the trading of river crabs and held regular market fairs.

濮陽市場

濮陽宏進農副產品交易市場(「**濮陽市場**」)是中國農產品集團與中國河南省當地夥伴合作的合營項目之一。於本年度，濮陽市場面臨新興市場的激烈競爭。收益較去年下跌。

開封市場

開封宏進農副產品交易市場(「**開封市場**」)之總建築面積約140,000平方米，為中國農產品集團位於河南省的第三個市場營運據點，其有助中國農產品集團於中國河南省建立農產品市場網絡。於本年度，由於物業銷售確認增加，開封市場的收益較去年增加。

廣西壯族自治區

玉林市場

玉林宏進農副產品交易市場(「**玉林市場**」)是中國廣西壯族自治區(「**廣西地區**」)最大的農產品交易市場之一，佔地面積約415,000平方米。於本年度，由於物業銷售確認減少，玉林市場的收益較去年下跌。物業銷售為玉林市場產生的主要收入。

欽州市場

欽州宏進農副產品交易市場(「**欽州市場**」)之總建築面積約180,000平方米，為中國農產品集團的第二個市場營運據點，其有助中國農產品集團於廣西地區建立農產品市場網絡。於本年度，欽州市場的收益較去年微跌，主要由於物業銷售確認下跌所致。

江蘇省

徐州市場

徐州農副產品交易市場(「**徐州市場**」)佔地約200,000平方米，位於中國江蘇省北部。於本年度，徐州市場的收益較去年微升。

淮安市場

淮安宏進農副產品交易市場(「**淮安市場**」)位於中國江蘇省淮安市，佔地約100,000平方米。淮安市場一期於二零一五年十月投入營運，預期淮安市場的表現將於市場越趨成熟後逐步改善。

遼寧省

盤錦市場

盤錦宏進農副產品交易市場(「**盤錦市場**」)之建築面積約50,000平方米，為中國農產品集團首個嘗試在中國遼寧省投資之項目。盤錦市場集中於河蟹買賣並定期舉行交易會。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Convertible Notes

On 19 October 2016, CAP issued the 7.5% denominated convertible notes with the aggregate principal amount of HK\$500.0 million which was mature on 18 October 2021 (the “**Convertible Notes**”), which entitled the holders to convert into the ordinary shares of CAP (the “**Shares**”) at a conversion price of HK\$0.4 per share of CAP. During the Year, no Convertible Notes were converted into shares of CAP by the holders of the Convertible Notes. On 9 December 2020, the CAP partially redeemed the Convertible Notes in the principal amount of HK\$130.0 million. On 18 October 2021, CAP fully redeemed the remaining principal amount of HK\$134.8 million. As at 31 March 2022, there were no outstanding Convertible Notes.

Unsecured Notes Due in 2024 (“Unsecured Notes”)

In May 2014, CAP established a HK\$1,000.0 million medium term note program. The Unsecured Notes issued under the program are listed on the Stock Exchange by way of debt issue to professional investors only (Stock Code: 5755). As at 31 March 2022, the Unsecured Notes had an outstanding principal amount of HK\$290.0 million.

Financial Review

Liquidity and Gearing and Financial Resources

As at 31 March 2022, the Group had total assets of approximately HK\$7,597.7 million (2021: approximately HK\$7,964.5 million) which were financed by current liabilities of approximately HK\$1,881.3 million (2021: approximately HK\$2,371.4 million), non-current liabilities of approximately HK\$1,755.8 million (2021: approximately HK\$1,642.8 million) and shareholders' equity of approximately HK\$3,960.6 million (2021: approximately HK\$3,950.3 million).

As at 31 March 2022, the Group's cash and cash equivalents were approximately HK\$510.1 million (2021: approximately HK\$507.2 million).

可換股票據

於二零一六年十月十九日，中國農產品發行本金總額500,000,000港元及於二零二一年十月十八日到期的7.5%可換股票據（「可換股票據」），賦予持有人權利按轉換價每股中國農產品股份0.4港元轉換成中國農產品普通股（「股份」）。於本年度，可換股票據持有人並無將可換股票據轉換成中國農產品股份。於二零二零年十二月九日，中國農產品已部分贖回本金額為130,000,000港元之可換股票據。於二零二一年十月十八日，中國農產品已悉數贖回餘下本金額134,800,000港元。於二零二二年三月三十一日，概無尚未償還之可換股票據。

於二零二四年到期之無抵押票據（「無抵押票據」）

於二零一四年五月，中國農產品設立1,000,000,000港元的中期票據計劃。根據該計劃發行之無抵押票據以僅向專業投資者發行債務之方式於聯交所上市（股份代號：5755）。於二零二二年三月三十一日，無抵押票據之尚未償還本金額為290,000,000港元。

財務回顧

流動資金、負債比率及財務資源

於二零二二年三月三十一日，本集團總資產約為7,597,700,000港元（二零二一年：約7,964,500,000港元），融資來源為流動負債約1,881,300,000港元（二零二一年：約2,371,400,000港元）、非流動負債約1,755,800,000港元（二零二一年：約1,642,800,000港元）及股東權益約3,960,600,000港元（二零二一年：約3,950,300,000港元）。

於二零二二年三月三十一日，本集團現金及現金等同項目約為510,100,000港元（二零二一年：約507,200,000港元）。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

As at 31 March 2022, the Group's total interest-bearing debts amounted to approximately HK\$1,681.2 million (2021: approximately HK\$1,661.1 million), all of which bore interest at fixed and floating interest rates and were denominated in Hong Kong dollars and Renminbi ("RMB").

於二零二二年三月三十一日，本集團計息債務總額約為1,681,200,000港元(二零二一年：約1,661,100,000港元)，全部均按固定及浮動利率計息並以港元及人民幣(「人民幣」)列值。

		At 31 March 2022 於二零二二年三月三十一日		At 31 March 2021 於二零二一年三月三十一日	
		Approximate effective		Approximate effective	
		HK\$ million 百萬港元	interest rate 概約實際利率	HK\$ million 百萬港元	interest rate 概約實際利率
Unsecured Notes	無抵押票據	219	12%	199	12%
Convertible Notes	可換股票據	—	—	132	12%
Financial institution borrowings	金融機構借貸	1,392	4%	1,255	4%
A subsidiary of Wang On Group Limited ("Wang On")	宏安集團有限公司(「宏安」) 一間附屬公司	70	10%	75	10%
Total	總計	1,681		1,661	

As at 31 March 2022, the Unsecured Notes issued by CAP will mature in September 2024; the Convertible Notes of CAP reached maturity and were fully repaid in October 2021; the financial institution borrowings of the Group will mature during the period from June 2022 to May 2029; and the loan from a subsidiary of Wang On will mature in September 2022, in which on 3 May 2022, a subsidiary of Wang On entered into a revolving loan facility agreement to extend the outstanding principal amount of HK\$70.0 million to 2 May 2027. The revolving loan facility constituted a connected transaction of the Company and was approved by the shareholders of the Company on 22 June 2022.

於二零二二年三月三十一日，中國農產品發行之無抵押票據將於二零二四年九月到期；中國農產品之可換股票據已於二零二一年十月到期並悉數償還；本集團之金融機構借貸將於二零二二年六月至二零二九年五月期間到期；來自宏安一間附屬公司的借貸將於二零二二年九月到期，其中於二零二二年五月三日，宏安一間附屬公司訂立循環貸款融資協議，將未償還本金額70,000,000港元延長至二零二七年五月二日。循環貸款融資構成本公司的關連交易，並於二零二二年六月二十二日獲得本公司股東批准。

The current ratio, being a ratio of total current assets to total current liabilities, was approximately 1.5 (2021: approximately 1.4). The gearing ratio, being the ratio of total interest-bearing debts net of cash and cash equivalents and pledged deposits to equity attributable to owners of the parent, was approximately 45.3% (2021: approximately 45.0%). The Group always adopts a conservative approach in its financial management.

流動比率(即總流動資產對總流動負債之比率)約為1.5(二零二一年：約1.4)。負債比率(即計息債務總額扣除現金及現金等同項目及已抵押存款對母公司擁有人應佔權益之比率)約為45.3%(二零二一年：約45.0%)。本集團一向奉行謹慎的財務管理。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Significant Investments Held

As at 31 March 2022, the Group had financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss of approximately HK\$167.0 million and approximately HK\$109.7 million respectively, details of which were set out as follows:

所持重大投資

於二零二二年三月三十一日，本集團按公平值經其他全面收益入賬之財務資產及按公平值經損益入賬之財務資產分別為約167,000,000港元及約109,700,000港元，有關詳情載列如下：

Name of Investments		As at 31 March 2022		For the financial year ended			Fair value/carrying amount														
		於二零二二年三月三十一日		31 March 2022			31 March 2022														
		截至二零二二年三月三十一日止財政年度		公平值／賬面值			As at														
		Percentage		As at			As at														
Amount held		to Group's net assets		Fair value gain/(loss)			Interest income			Dividends received			31 March 2022			31 March 2021			Investment costs		
所持金額		佔本集團資產淨值百分比		公平值收益／(虧損)			利息收入			已收股息			於二零二二年三月三十一日			於二零二一年三月三十一日			投資成本		
HK\$'000		%		HK\$'000			HK\$'000			HK\$'000			HK\$'000			HK\$'000			HK\$'000		
千港元				千港元			千港元			千港元			千港元			千港元			千港元		
Financial assets at fair value through other comprehensive income:		按公平值經其他全面收益入賬之財務資產：																			
A. Equity investments		A. 股權投資																			
Wang On		宏安																			
Others		其他																			
B. Debt investments		B. 債務投資																			
Sub-total		小計																			
Financial assets at fair value through profit or loss:		按公平值經損益入賬之財務資產：																			
A. Unlisted funds		A. 非上市基金																			
Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC ("BREIT")		Blackstone Real Estate Income Trust iCapital Offshore Access Fund SPC ("BREIT")																			
Other unlisted funds		其他非上市基金																			
B. Others		B. 其他																			
Sub-total		小計																			
Total		總計																			

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

The principal activities of the securities are as follows:

(a) Wang On

Wang On is principally engaged in (i) management and sublicensing of fresh markets and treasury management in Hong Kong and the PRC; (ii) property investment and property development in Hong Kong through Wang On Properties Limited (Stock Code: 1243), its 75%-owned listed subsidiary; (iii) manufacturing and/or retailing of pharmaceutical and health food products through the Company, its 65.79%-owned listed subsidiary; and (iv) management and sale of properties in agricultural produce exchange markets in the PRC through CAP, a 53.37%-owned listed subsidiary of the Company. As at 31 March 2022, the Group is interested in 1,716,749,000 shares in Wang On, representing approximately 10.74% of all its issued shares.

(b) BREIT

BREIT is an exempted company registered as a segregated portfolio company incorporated under the laws of the Cayman Islands with limited liability. The underlying investment, namely Blackstone Real Estate Income Trust (in which the Group invested through subscription of interests in access funds related to BREIT), is a non-listed, perpetual-life real estate investment trust that was established in 2017. It invests primarily in stabilised, income-generating U.S. commercial real estate.

(c) Save as disclosed above, the Group also invested in other equity securities and bonds, the fair value of each of which represented less than 1.00% of the net assets of the Group as at 31 March 2022.

(d) Save as disclosed above, the Group also invested in other unlisted funds and derivative financial instruments, the fair value of each of which represented less than 1.00% of the net assets of the Group as at 31 March 2022.

證券之主要業務如下：

(a) 宏安

宏安主要從事(i)於香港及中國進行街市管理及分租以及財資管理；(ii)透過宏安地產有限公司(股份代號：1243，由宏安擁有75%權益之上市附屬公司)於香港進行物業投資及物業發展；(iii)透過本公司(由宏安擁有65.79%權益之上市附屬公司)生產及／或零售藥品及保健食品產品；及(iv)透過中國農產品(由本公司擁有53.37%權益之上市附屬公司)管理及銷售中國農產品交易市場之物業。於二零二二年三月三十一日，本集團在宏安股份中擁有1,716,749,000股的權益，佔其全部已發行股份約10.74%。

(b) BREIT

BREIT為根據開曼群島法律註冊成立的獲豁免有限責任獨立投資組合公司。相關投資指Blackstone Real Estate Income Trust(本集團透過認購有關BREIT存取基金的權益)，為於二零一七年成立的非上市、無限期房地產投資信託基金。該基金主要投資穩定的、產生收入的美國商業房地產。

(c) 除上文披露者外，本集團亦投資於其他股本證券及債券。於二零二二年三月三十一日，其各自的公平值佔本集團淨資產少於1.00%。

(d) 除上文披露者外，本集團亦投資於其他非上市基金及衍生金融工具，於二零二二年三月三十一日，其各自的公平值佔本集團淨資產少於1.00%。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Financial Review and Prospects of Significant Investments Held

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

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

As at 31 March 2022, the fair value of the Group's investment in bonds and equity securities amounted to approximately HK\$19.8 million (2021: approximately HK\$136.0 million) and approximately HK\$147.1 million (2021: approximately HK\$146.9 million), respectively.

The Group recorded a net loss on change in fair value of financial assets at fair value through other comprehensive income of approximately HK\$55.8 million in the other comprehensive income for the Year (2021: net gain of approximately HK\$42.3 million).

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

As at 31 March 2022, the Group maintained an investment portfolio of unlisted funds and derivative financial instruments. The Group has always adopted a prudent investment strategy and would closely monitor the market changes and adjust its investment portfolio as and when necessary.

The Group had recorded a net loss on change in fair value of financial assets at fair value through profit or loss of approximately HK\$31.7 million for the Year (2021: net gain of approximately HK\$6.6 million).

Foreign Exchange

The Board is of the opinion that the Group has material foreign exchange exposure in RMB. A majority of bank borrowings are denominated in Hong Kong dollars and RMB. The revenue of the Group, mostly denominated in Hong Kong dollars and RMB, matches the currency requirements of the Group's operating expenses. Currently, the Group does not have a foreign currency hedging policy.

The activities of the Group are exposed to foreign currency risks mainly arising from its operations in Mainland China. The RMB exposure of the Group is mainly derived from currency translation risk arising from the net assets of our Mainland subsidiaries. The re-translation of these net assets denominated in RMB into Hong Kong dollars using the exchange rate as of the reporting date resulted in a re-translation gain of approximately HK\$132.6 million (2021: gain of approximately HK\$286.5 million). The re-translation gain was recognised in other comprehensive income/exchange reserve.

所持重大投資之財務回顧及前景

(a) 按公平值經其他全面收益入賬之財務資產

按公平值經其他全面收益入賬之財務資產包括上市股本證券及上市／非上市債務投資。本集團一向採取審慎投資策略，並會密切監察市場變動，於必要時調整其投資組合。本集團擬持有該等投資作長線用途，旨在產生穩定收入。

於二零二二年三月三十一日，本集團於債券及股本證券之投資之公平值分別為約19,800,000港元(二零二一年：約136,000,000港元)及約147,100,000港元(二零二一年：約146,900,000港元)。

年內，本集團就按公平值經其他全面收益入賬之財務資產之公平值變動，於其他全面收益錄得虧損淨額約55,800,000港元(二零二一年：收益淨額約42,300,000港元)。

(b) 按公平值經損益入賬之財務資產

於二零二二年三月三十一日，本集團持有非上市基金及衍生金融工具的投資組合。本集團一向採取審慎投資策略，並會密切關注市場變動，於必要時調整其投資組合。

年內，本集團就按公平值經損益入賬之財務資產之公平值變動錄得虧損淨額約31,700,000港元(二零二一年：收益淨額約6,600,000港元)。

外匯

董事會認為本集團有重大人民幣外匯風險。大部分銀行借貸均以港元及人民幣列值。本集團收益(大部分以港元及人民幣列值)與本集團經營開支貨幣需求相稱。現時，本集團並無外幣對沖政策。

本集團的業務面臨外匯風險，主要因其中國內地業務所致。本集團的人民幣風險主要由內地附屬公司的淨資產所產生的貨幣換算風險所致。採用截至報告日期的匯率將以人民幣列值的淨資產重新換算為港元產生重新換算收益約132,600,000港元(二零二一年：收益約286,500,000港元)。重新換算收益於其他全面收益／匯兌儲備中確認。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Treasury Policy

With an aim to ensuring adequate financial resources are available for business growth whilst maintaining a prudent capital structure, the Group manages its financial risks including currency risk, interest rate risk and price risk. The Group invests its surplus funds in debt investments and unlisted funds to maximise assets efficiency.

Capital Commitment

As at 31 March 2022, the Group had capital commitment of approximately HK\$272.9 million (2021: approximately HK\$242.6 million) in respect of the acquisition of property, plant and equipment and construction contracts, which were contracted for but not provided for in the consolidated financial statements.

Pledge of Assets

As at 31 March 2022, certain bank loans of the Group were secured by the Group's property, plant and equipment, owned investment properties and certain rental income generated therefrom, properties held for sale, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, pledged deposits, with a total carrying value of approximately HK\$2,926.4 million (2021: approximately HK\$2,435.3 million).

Financial Guarantee

As at 31 March 2022, the Group provided guarantees of approximately HK\$45.5 million to customers in favour of certain banks for the loans provided by the banks to the customers of the properties sold (2021: approximately HK\$56.8 million). Pursuant to the terms of the guarantees, in the event of default on mortgage payments by these purchasers before the expiry of the guarantees, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks, net of any sales proceeds.

Disposal of partial equity interest of a subsidiary

On 18 June 2021, Century Choice Limited ("Century Choice"), an indirect wholly-owned subsidiary of CAP and a substantial shareholder (the "PRC Shareholder") of Yulin Hongjin Agricultural By-products Wholesale Marketplace Limited ("Yulin Hongjin") entered into an agreement in relation to the reduction of registered capital contribution of Century Choice in Yulin Hongjin. Pursuant to the agreement, the PRC Shareholder waived its entitlement to 35% of the dividend declared by Yulin Hongjin for the financial year ended 31 December 2020, being approximately RMB40.95 million and directed the same to be paid to Century Choice, and the amount of registered capital contribution by Century Choice in Yulin Hongjin was reduced by an amount equal to approximately RMB41.9 million. As a result of such reduction of registered capital contribution, the CAP Group's equity interest in Yulin Hongjin decreased from 65% to 51%. The Group's effective equity interest in Yulin Hongjin decreased from approximately 34.69% to approximately 27.22%. Details of the capital reduction were disclosed in the joint announcement of Wang On, CAP and the Company dated 18 June 2021.

庫務政策

本集團管理其財務風險，包括匯率風險、利率風險及價格風險，以確保有充足財務資源可供業務增長使用，同時維持審慎的資本架構。本集團將其盈餘資金投資於債務投資及非上市基金，以將資產效益最大化。

資本承擔

於二零二二年三月三十一日，本集團就收購物業、廠房及設備以及建築合約之已訂約但未於綜合財務報表內撥備之資本承擔約為272,900,000港元(二零二一年：約242,600,000港元)。

資產抵押

於二零二二年三月三十一日，本集團若干銀行貸款由本集團總賬面值約為2,926,400,000港元(二零二一年：約2,435,300,000港元)之物業、廠房及設備、所擁有投資物業及該等物業所得若干租金收入、持作出售物業、按公平值經其他全面收益入賬之財務資產、按公平值經損益入賬之財務資產、已抵押存款作抵押。

財務擔保

於二零二二年三月三十一日，本集團就若干銀行向所出售物業之客戶提供之貸款以該等銀行為受益人向客戶提供擔保約45,500,000港元(二零二一年：約56,800,000港元)。根據有關擔保的條款，倘有關買家於擔保到期前拖欠按揭付款，則本集團須負責償還違約買家所欠銀行的未償還按揭本金連同累計利息及罰款，扣除任何銷售所得款項。

附屬公司部分股權之出售事項

於二零二一年六月十八日，龍群有限公司(「龍群」，為中國農產品的間接全資附屬公司)與玉林宏進農副產品批發市場有限公司(「玉林宏進」)之一名主要股東(「中國股東」)訂立協議，內容有關龍群減持其於玉林宏進之註冊資本注資。根據有關協議，中國股東放棄享有玉林宏進就截至二零二零年十二月三十一日止財政年度所宣派股息之35%，為數約人民幣40,950,000元之權利，並指示將有關金額支付予龍群，而龍群於玉林宏進的註冊資本注資減少相當於約人民幣41,900,000元之金額。由於以上註冊資本注資減少，中國農產品集團於玉林宏進之股權已由65%減少至51%。本集團於玉林宏進之有效股權由約34.69%減至約27.22%。有關減少股本之詳情已於宏安、中國農產品及本公司日期為二零二一年六月十八日之聯合公佈中披露。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Litigation

In 2007, the CAP Group acquired Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited (“**Baisazhou Agricultural**”) from independent third parties, Ms. Wang Xiu Qun (“**Ms. Wang**”) and Wuhan Tian Jiu Industrial and Commercial Development Co., Limited (“**Tian Jiu**”) for their respective 70% and 20% interests in Baisazhou Agricultural (the “**Baisazhou Acquisition**”).

Since 2011, the CAP Group has been involved in a number of civil proceedings in Mainland China and Hong Kong. The key civil proceedings in Mainland China and Hong Kong in respect of the Baisazhou Acquisition are set out below:

In Mainland China, proceedings concerning Ms. Wang, Tian Jiu and the CAP Group:

In May 2015, Ms. Wang and Tian Jiu commenced proceedings against the PRC Ministry of Commerce (“**MOFCOM**”) in the Beijing Second Intermediate People’s Court, seeking, inter alia, a direction that MOFCOM revoke its approval in respect of the Baisazhou Acquisition.

It is alleged by Ms. Wang and Tian Jiu that:

- (a) Baisazhou Agricultural forged share transfer agreements (the “**Contended Agreements**”) in relation to the Baisazhou Acquisition wherein the related consideration was understated and the manner of settlement of the consideration was inaccurately described;
- (b) Baisazhou Agricultural forged the related documentation for filing with MOFCOM and the Hubei Administration For Industry and Commerce (the “**Hubei AIC**”), and that such documentation and the Contended Agreement involved forged signatures; and
- (c) MOFCOM and the Hubei AIC approved the Baisazhou Acquisition and processed the related filings on the basis of the above documents that are allegedly forged.

訴訟

於二零零七年，中國農產品集團向獨立第三方王秀群女士（「**王女士**」）及武漢天九工貿發展有限公司（「**天九**」）收購彼等分別於武漢白沙洲農副產品大市場有限公司（「**白沙洲農副產品**」）之70%及20%權益（「**白沙洲收購事項**」）。

自二零一一年起，中國農產品集團於中國內地及香港涉及多項民事訴訟。於中國內地及香港有關白沙洲收購事項之主要民事訴訟載列如下：

於中國內地，有關王女士、天九及中國農產品集團之訴訟：

於二零一五年五月，王女士及天九於北京市第二中級人民法院對中國商務部（「**商務部**」）提出訴訟，尋求法院（其中包括）指示商務部撤銷其就白沙洲收購事項之批准。

王女士及天九聲稱：

- (a) 白沙洲農副產品偽造有關白沙洲收購事項之股份轉讓協議（「**爭議協議**」），此協議內相關代價被低報，且對代價支付方式之描述亦不準確；
- (b) 白沙洲農副產品偽造於商務部及湖北工商行政管理局（「**湖北工商局**」）存檔之相關文件，並指控有關文件及爭議協議涉及偽造簽名；及
- (c) 商務部與湖北工商局根據上述被指控偽造的文件批准白沙洲收購事項及處理相關文檔。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

In December 2015, the Beijing Second Intermediate People's Court directed MOFCOM to reconsider its approval decision. In May 2016, MOFCOM decided that its approval issued in relation to the Contended Agreements shall not be revoked and shall remain to be in force (the **"Reconsidered Decision"**).

In August 2016, Ms. Wang and Tian Jiu commenced administrative proceedings against MOFCOM in the Beijing Second Intermediate People's Court seeking to set aside the Reconsidered Decision. In March 2017, the Beijing Second Intermediate People's Court dismissed the application of Ms. Wang and Tian Jiu (the **"31 March Judgement"**). On 20 December 2018, the Beijing Higher People's Court upheld the 31 March Judgement (the **"20 December Judgement"**). Ms. Wang and Tian Jiu applied to the Supreme People's Court for a retrial and for dismissal of (i) the 31 March Judgement, and (ii) the 20 December Judgement, but this application was dismissed by the Supreme People's Court on 29 December 2020.

As advised by the CAP Group's PRC legal advisor, the approval issued by MOFCOM in 2007 in relation to the Contended Agreements shall not be revoked and remain to be in force, and the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural.

In May 2015, the CAP Group commenced legal proceedings against Ms. Wang and Tian Jiu in the Higher People's Court of Hubei Province (**"Hubei Court"**) seeking, inter alia, declarations and orders that the sales and purchase agreements for the Baisazhou Acquisition (the **"SPA"**) have been legally made, and that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM (which were subsequently withdrawn in April 2019 in light of the decisions in respect of the MOFCOM approvals). Ms. Wang and Tian Jiu filed their counterclaim for, inter alia, the return of the CAP Group's 90% interest in Baisazhou Agricultural, which was dismissed by the Hubei Court in December 2019 (the **"23 December Judgement"**).

In January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgement. On 29 March 2021, the CAP Group received the judgement of the Supreme Court dated 29 December 2020 (the **"29 December Judgement"**) which upheld the 23 December Judgement and dismissed the appeal of Ms. Wang and Tian Jiu. As advised by the PRC legal advisors of the CAP Group, according to the 23 December Judgement and the 29 December Judgement, the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural.

於二零一五年十二月，北京市第二中級人民法院指示商務部重新考慮其批准決定。於二零一六年五月，商務部決定其就爭議協議發出的批准將不予撤銷並繼續有效（**「經重新考慮決定」**）。

於二零一六年八月，王女士及天九於北京市第二中級人民法院對商務部提出行政訴訟，尋求法院撤銷經重新考慮決定。於二零一七年三月，北京市第二中級人民法院駁回王女士及天九之申請（**「三月三十一日判決」**）。於二零一八年十二月二十日，北京市高級人民法院就三月三十一日判決維持原判（**「十二月二十日判決」**）。王女士及天九向最高人民法院申請重審及駁回(i)三月三十一日判決，及(ii)十二月二十日判決，惟有關申請於二零二零年十二月二十九日被最高人民法院駁回。

據中國農產品集團的中國法律顧問所告知，商務部於二零零七年就有關爭議協議發出之批准將不予撤銷並繼續有效，且中國農產品集團仍為白沙洲農副產品之合法實益擁有人。

於二零一五年五月，中國農產品集團於湖北省高級人民法院（**「湖北法院」**）對王女士及天九提出法律訴訟，尋求法院（其中包括）宣佈及頒令白沙洲收購事項之買賣協議（**「買賣協議」**）為合法訂立，且王女士及天九須協助白沙洲農副產品履行買賣協議之下其須向商務部報送的合約義務（隨後已鑑於有關商務部批准之決定而於二零一九年四月撤回）。王女士及天九提出反申索，尋求（其中包括）取回中國農產品集團於白沙洲農副產品之90%權益，惟於二零一九年十二月被湖北法院駁回（**「十二月二十三日判決」**）。

於二零二零年一月，王女士及天九就十二月二十三日判決提出上訴。於二零二一年三月二十九日，中國農產品集團收到最高法院日期為二零二零年十二月二十九日的判決（**「十二月二十九日判決」**），就十二月二十三日判決維持原判，並駁回王女士及天九之上訴。據中國農產品集團的中國法律顧問所告知，根據十二月二十三日判決及十二月二十九日判決，中國農產品集團繼續為白沙洲農副產品之法定及實益擁有人。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

In Hong Kong, CAP as plaintiff against Ms. Wang and Tian Jiu as defendants:

In 2011, CAP issued a Writ of Summons in the Court of First Instance in the High Court of Hong Kong (the “**CFI**”) against Ms. Wang and Tian Jiu. CAP (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA. Ms. Wang and Tian Jiu counterclaimed for, amongst others, an order that CAP shall cause and/or procure the shares in Baisazhou Agricultural to be transferred back to Ms. Wang and Tian Jiu.

In 2012, CAP obtained a court order from the CFI to the effect that undertakings (the “**Undertakings**”) were given by Ms. Wang and Tian Jiu not to (i) indorse, assign, transfer or negotiate the two instruments (purportedly described as promissory notes in the SPA) (the “**Instruments**”); and (ii) enforce payment in relation to the SPA by presentation of the Instruments until the final determination of these proceedings or further court order. Pursuant to the Undertakings, the Instruments will no longer fall due for payment by CAP on 5 December 2012.

The CFI handed down its judgement on 18 January 2021 awarding damages in favour of CAP for sums exceeding the sum owed under the Instruments. The CFI also ordered that the damages awarded to CAP be set-off by the sum owed under the Instruments, and that Ms. Wang and Tian Jiu not be allowed to enforce the Instruments against CAP. In effect, CAP is not required to make any payment under the Instruments to Ms. Wang or Tian Jiu. CAP is seeking legal advice for the recovery of the balance of the damages awarded to it. Further, as the counterclaim of Ms. Wang and Tian Jiu was dismissed, CAP continues to be the legal and beneficial owner of Baisazhou Agricultural.

Prosecution commenced in the PRC by Wuhan Jiangnan District People’s Procuratorate against the former director of Baisazhou Agricultural, Mr. Zhou Jiu Ming

According to the judgement of Hubei Wuhan Jiangnan District People’s Court (“**Jiangnan Court**”) dated 19 November 2021 (the “**19 November Judgement**”), the former director of Baisazhou Agricultural, Mr. Zhou Jiu Ming (“**Mr. Zhou**”), during the period of 2009 under the employment of Baisazhou Agricultural, instructed other associated personnel of Baisazhou Agricultural to unlawfully misappropriate funds of Baisazhou Agricultural in the sum of RMB40.0 million for his personal use. Wuhan Jiangnan District People’s Procuratorate commenced prosecution against Mr. Zhou for a penalty. Jiangnan Court ordered in the 19 November Judgement that: (1) Mr. Zhou was guilty of misappropriation of funds and was sentenced to five years of imprisonment; (2) Mr. Zhou shall return the misappropriated funds of RMB40.0 million to Baisazhou Agricultural in accordance with the law.

香港，中國農產品(作為原告)針對王女士及天九(作為被告)提出之訴訟

於二零一一年，中國農產品於香港高等法院原訟法庭(「**原訟法庭**」)向王女士及天九發出傳票令狀。由於王女士及天九(作為賣方)違反買賣協議多項條文，中國農產品(作為買方)向彼等尋求損害賠償。王女士及天九提出反申索，尋求法院(其中包括)頒令中國農產品導致及／或促成白沙洲農副產品之股份轉回王女士及天九。

於二零一二年，中國農產品接獲原訟法庭之法院命令，致使王女士及天九作出承諾(「**承諾**」)，指彼等將不會(i)對兩份文據(據稱是買賣協議之承兌票據)(「**文據**」)背書、分配、轉讓或磋商；及(ii)就買賣協議出具文據以強制付款，直至有關訴訟得到最終裁決或進一步發出法院命令為止。根據承諾，中國農產品無需因文據到期而需於二零一二年十二月五日付款。

原訟法庭於二零二一年一月十八日作出判決，中國農產品獲判超出文據項下所欠款項之金額之損害賠償。原訟法庭亦頒令中國農產品獲判之損害賠償須由文據項下所欠之款項抵銷，而王女士及天九不得對中國農產品強制執行文據。故此，中國農產品無需根據文據向王女士或天九作出任何付款。中國農產品正就取回其獲判之損害賠償之餘額尋求法律意見。此外，由於王女士及天九之反申索已被駁回，故中國農產品繼續為白沙洲農副產品的合法實益擁有人。

武漢市江漢區人民檢察院在中國對白沙洲農副產品前任董事周九明先生提出檢控

根據湖北省武漢市江漢區人民法院(「**江漢法院**」)日期為二零二一年十一月十九日的判決(「**十一月十九日判決**」)，白沙洲農副產品前任董事周九明先生(「**周先生**」)於二零零九年受僱於白沙洲農副產品期間，指示白沙洲農副產品的其他相關人員非法挪用白沙洲農副產品資金，總額為人民幣40,000,000元，供其個人使用。武漢市江漢區人民檢察院對周先生提出檢控，施以處罰。江漢法院於十一月十九日判決內下令：(1)周先生犯下挪用資金罪，判處監禁五年；(2)周先生應根據法律將挪用的資金人民幣40,000,000元歸還白沙洲農副產品。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

According to the judgement of Hubei Wuhan Intermediate People's Court ("Wuhan Court") dated 11 January 2022 (the "11 January Judgement"), Wuhan Court ordered that the appeal by Mr. Zhou against the 19 November Judgement be dismissed. The 11 January Judgement is final.

The case has now come to an end.

On 1 March 2022, Baisazhou Agricultural received the sum of RMB40.0 million returned by Mr. Zhou. Compensation from litigation judgement of approximately HK\$48.6 million was recognised and included in "Other income and gains, net" in the consolidated statement of profit or loss and other comprehensive income.

Further details regarding the civil proceedings of the CAP Group can be found in the interim/annual reports and announcements issued by CAP.

Relationship With Employees, Suppliers And Customers

The Group recognises our employees as the key element that contributes to the Group's success. As at 31 March 2022, the Group had 1,872 (2021: 1,822) employees, of whom approximately 34.4% (2021: approximately 31.8%) were located in Hong Kong and Macau and the rest were located in Mainland China. The Group remunerated its employees based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may also be granted to selected staff by reference to the Group's performance, where appropriate, as well as the individual's performance. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for our eligible employees in Hong Kong and pays retirement contributions in accordance with the statutory requirements for our PRC staff. Other benefits such as medical and retirement benefits and structured training programs were also provided. Meanwhile, the Group endeavours to provide a safe workplace to our employees. The Board believes that the Group maintains admirable relations with the employees.

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

根據湖北省武漢市中級人民法院(「武漢法院」)日期為二零二二年一月十一日的判決(「一月十一日判決」)，武漢法院下令駁回周先生對十一月十九日判決的上訴。一月十一日判決屬最終判決。

該案現審理完結。

於二零二二年三月一日，白沙洲農副產品收到周先生退還的人民幣40,000,000元。來自訴訟判決的賠償約48,600,000港元已經確認，並於綜合損益及其他全面收益表的「其他收入及收益淨額」中入賬。

有關中國農產品集團所涉及民事訴訟之進一步詳情可於中國農產品發佈之中期／年度報告及公佈查閱。

與僱員、供應商及客戶之關係

本集團認為僱員為本集團成功之關鍵所在。於二零二二年三月三十一日，本集團僱用1,872名(二零二一年：1,822名)僱員，其中約34.4%(二零二一年：約31.8%)位於香港及澳門，餘下位於中國內地。本集團按行業慣例以及個人表現及經驗給予僱員報酬。除定期報酬外，經參考本集團表現(如適用)及個人表現後，選定之僱員會獲得酌情花紅及購股權。本集團亦根據香港法例第485章《強制性公積金計劃條例》規定就香港合資格僱員向強制性公積金作出定額供款及就中國僱員按法定要求支付退休金。本集團亦向僱員提供醫療及退休福利以及有系統之培訓課程等其他福利。此外，本集團竭力為僱員提供安全之工作環境。董事會認為本集團與僱員關係良好。

另一方面，本集團意識到與業務夥伴、供應商、客戶、股東、投資者及銀行等持份者維持良好關係，對促進本集團業務長遠增長及發展至關重要。本集團致力為客戶提供質量可靠及種類豐富之產品組合，藉此提升本集團品牌競爭力，並與供應商建立長遠可靠之合作關係。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Principal Risks And Uncertainties

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

- (i) industrial policy risk: (a) with the deepening of medical system reform and the issuance of a number of industrial policies and laws in respect of medical charge control and control of medicines and certification for traditional Chinese medicine significant effect may be brought to the future development of the pharmaceutical industry; and (b) obtaining all necessary licenses and permits for the development, construction, operations and acquisition of agricultural produce exchange markets;
- (ii) low growth of customer base: due to the decrease in the number of Mainland tourists and Hong Kong economy recession this year, the potential of our retail sales growth may face challenges;
- (iii) environmental protection policies: environmental impact caused by waste and wastewater generated during the pharmaceutical manufacturing process and the construction and operations of agricultural produce exchange markets, efficiency and security of key infrastructure;
- (iv) cost control: the Group may not always be able to implement cost control measures to effectively counter the effect of rising product cost and/or decrease in income;
- (v) allowance for obsolete inventories: allowance for obsolete inventories due to weather, expiry date of unsold products and other damages;
- (vi) supply chain disruption: raw material shortage or price inflation due to industrial issues, risks of supplier control and flexibilities, to deal with competitive pricings;
- (vii) inability to penetrate emerging markets: the Group may not be able to effectively penetrate traditional industries and traditional products into emerging markets;

主要風險及不確定因素

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

- (i) 行業政策風險：(a) 隨著醫療系統深化改革及多項涉及醫療費用控制、醫藥控制及傳統中醫藥認證等方面之行業政策及法律之出台，可能會對醫藥行業未來發展產生深遠影響；及(b)就農產品交易市場的發展、建設、經營及收購，取得所有必要牌照及准許；
- (ii) 客戶基礎增長緩慢：由於年內內地遊客人數減少及香港經濟不景氣，我們零售銷售之增長潛力可能面臨挑戰；
- (iii) 環保政策：於藥品生產過程及建設和經營農產品交易市場產生的廢物和廢水對環境的影響、主要基礎設施的效率和安全性；
- (iv) 成本控制：本集團未必總是能夠實施成本控制措施以有效抵銷產品成本上升及／或收入下降之影響；
- (v) 陳舊存貨撥備：因天氣、未售出產品之到期日及其他損毀等造成之陳舊存貨撥備；
- (vi) 供應鏈中斷：由於行業事件、供應商控制及靈活性之風險，以及具競爭力價格交易引致的原材料短缺或價格上漲；
- (vii) 無法搶佔新興市場：本集團未必能夠以傳統行業及傳統產品快速搶佔新興市場；

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

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| <p>(viii) respond to customer behaviour: the Group may not be able to respond effectively to economy recession, consumers reduced consumption, reduction in consumer spending and change of impulsive shopping behavior;</p> <p>(ix) sourcing: less globalised sourcing, lower cost competitiveness;</p> <p>(x) volatility in retail rental: continuously increasing in retail rent may reduce our profitability if we are unable to pass on the effect of such increases to our customers; and</p> <p>(xi) foreign exchange: unfavourable fluctuations in the exchange rate may adversely affect the Group's cash flow and profits.</p> | <p>(viii) 對客戶行為作出反應: 本集團未必能夠有效應對經濟低迷、消費者縮減消費、消費開支減縮及衝動性購物行為變化;</p> <p>(ix) 採購: 全球採購減少、成本競爭優勢減少;</p> <p>(x) 零售租金波動: 如果我們無法將零售店租金持續上漲之影響轉嫁至客戶, 則有關上漲可能會降低我們的盈利能力; 及</p> <p>(xi) 匯率: 匯率的不利波動可能會對本集團之現金流量及盈利狀況造成不利影響。</p> |
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In response to the above mentioned possible risks, the Group has been closely monitoring the changes in the policies in Hong Kong and Mainland China, and would strengthen our interpretation and analysis of policies and adjust strategies in advance to cope with the ever-changing operating environment. In particular, the Group will strengthen the marketing management to cope with changes in consumer behaviour and needs, closely control inventories, establish our own sales policies and product development, safety management and environmental protection level, and push forward the construction of lean management and risk control system. For possible risks, the Company would actively propose solutions to lower their impacts on the business of the Company.

針對上述潛在風險, 本集團一直密切關注香港及中國內地的政策走向, 加強政策分析研判, 預先調整業務策略, 以應付不斷變化之營商環境。特別是, 本集團將加強營銷管理以應對消費者行為及需求變化, 嚴格控制庫存水平, 制定自身之銷售政策及產品開發、安全管理及環保水平, 並推進精簡管理及風險控制系統建設。對於潛在之風險, 本公司積極制定解決方案, 降低有關風險對本公司業務之影響。

Prospects

Chinese and Western Pharmaceutical and Health Food Products

Looking ahead, the Group will accelerate the development of its Chinese medical consultation linking to TCM products in Mainland China and Macau which can diversify the risk of market uncertainty and explore markets beyond the elder age group in Hong Kong. The national policy for Guangdong-Hong Kong-Macau Greater Bay Area, as a key development area, provides a bright prospect for TCM development. The Chief Executive's 2021 Policy Address granted higher authority to integrate hi-tech medical analytic services in their diagnosis process. Hong Kong's TCM practice will evolve seeing the first Chinese Medicine Hospital commence service as of 2025.

The CVS is expected to continue to render support to consumption-related activities in the near term. Yet, the global pandemic development remains a key source of uncertainty over the economic and labor market outlook.

The market still longs for full reopening of HK-PRC border which would potentially bring a leapfrog to the city's economy to revitalise tourism and create more jobs. The steady growth of the retail sectors is bolstered by the gradual resumption of economic activities in recent months as a result of the effective control of COVID-19 and its variant from spreading in the community.

前景

中西藥及保健食品產品

展望未來, 本集團將加速在中國內地及澳門發展中醫診症服務, 與傳統中醫藥品聯動, 分散市場不確定性構成的風險, 開拓香港高齡族群以外的市場。粵港澳大灣區作為國家政策中重點發展地區, 為中醫藥發展提供了廣闊的前景。行政長官在二零二一年施政報告中, 給予更大自主性以將高科技醫療診斷服務納入診症過程。首間中醫醫院將於二零二五年投入服務, 傳統中醫藥在香港的運用取得長遠進展。

預期消費券計劃將在短期內繼續支撐消費相關活動。然而, 經濟及勞工市場前景仍然因全球疫情發展而充滿變數。

市場仍然渴望中港兩地全面通關, 以振興本地經濟, 重振旅遊業及帶來更多就業機會。近數月, 因有效的防控措施, 新型冠狀病毒肺炎及其變異株的社區傳播受到遏止, 經濟活動逐漸恢復, 刺激零售業界穩步增長。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Guangdong — Hong Kong — Macau and the Greater Bay Business Development

The Group will take advantage of the Guangdong-Hong Kong-Macau Greater Bay Area policy in order to broaden the distribution network and help strengthen the Group's sales and brand recognition. The Government of Macau SAR has granted Wai Yuen Tong (Macao) Limited ("WYT Macao") the import/export and wholesales license of medicine in Macau. That allowed WYT Macao to directly sell its products to pharmacies/supermarkets/chain stores on a wholesale basis so as to expand our market share in Macau.

New Product Development

Subsequent to the outbreak of COVID-19, we believe that TCM plays an increasingly significant role in the fight against this global pandemic. Prevention comes before cure and consumer health awareness is expected to increase.

We continue to ride on the development trend of the comprehensive new healthcare products to satisfy the increasing market demands.

To focus on our TCM core businesses and enrich product mix on health supplement aspects, we will ride on the development trend and leverage the advantage to TCM product to various aspects. We have successfully launched our new product range — PROVET as we believe "Tonic and health preservation are not exclusive to mankind". Wai Yuen Tong's pet supplement product range "PROVET" is Hong Kong's first-ever pet wellness product developed by a team of professional Chinese medicine veterinarians and validated Wai Yuen Tong's Chinese medicine practitioners. The development of PROVET line is greatly welcomed by the market as our supplements are made with Chinese herbs for dogs and cats and tailored to their health needs and ages. The Chinese medicine diagnoses through symptoms, and then addresses the underlying causes of the issues. It not only treats symptoms but also improves the overall health of pets so that future issues can be prevented, providing long-term health benefits to the pets.

Continuous investment has been made in the diversification of sales channels. A newly development of online shopping platforms as JD.Com/TMall provide customers with seamless online and offline shopping experience. We devote more focus on health products through online platforms in order to tackle the weakened retail market which might continue for the rest of the year.

粵港澳大灣區業務發展

本集團將借助粵港澳大灣區政策，擴大分銷網絡並增加本集團的銷售及品牌知名度。澳門特別行政區政府授予位元堂(澳門)有限公司(「澳門位元堂」)在澳門進行藥品進出口及批發的許可證，澳門位元堂獲准直接將產品批發給藥房／超市／連鎖店，拓闊了我們在澳門的市場份額。

新產品開發

在新型冠狀病毒肺炎疫情爆發後，我們相信傳統中醫藥在對抗此全球疫情方面擔當日益重要的角色。所謂防範於未然，預期消費者的健康意識將提高。

我們持續順應全面的新保健產品的發展趨勢，以滿足不斷提高的市場需求。

為專注於我們的傳統中醫藥核心業務及增加保健補充品方面的產品組合，我們將順應市場發展趨勢，在各方面利用傳統中醫藥產品的優勢。我們成功推出新產品系列——位您寵，因為我們相信「調補養生，不止是人的專利」。位元堂的「位您寵」產品系列為全港首個由專業中獸醫研發並由位元堂中醫認證的寵物保健產品。位您寵產品系列的開發廣受市場歡迎，原因為該產品乃針對貓狗不同年齡及健康需要，以中草藥度身訂造調配。中醫通過症狀作出診斷，然後對症下藥，不僅能治療症狀，亦能改善寵物的整體健康狀況，從而防患於未然，為寵物提供長遠的健康保障。

我們持續投資多元化的銷售渠道。如京東(JD.Com)／天貓(TMall)等新發展的線上購物平台為客戶提供無縫的線上及線下購物體驗。我們通過線上平台將更多精力投放在保健產品上，以應對可能在今年下半年持續的疲弱零售市場。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

Management and Sale of Properties in Agricultural Produce Exchange Markets

During the Year, due to the resurgence of COVID-19 in various parts of the PRC, the local authorities have tightened the public hygiene controls. Notwithstanding these, the operations of the CAP Group during the Year had not been materially disrupted. The CAP Group has maintained high caution for all of its agricultural produce exchange markets, enabling its markets to meet up with the new hygienic requirements. This maintains its competitiveness against many local and less-sophisticated competitors.

Once again, agricultural development is the PRC central government's first priority policy for the next consecutive years. In 2022, the Central Committee of Communist Party of China and the State Council of China released the "No. 1 Central Document of 2022". The document promises to promote investments in agricultural produce markets, expand agricultural produce network, build logistic infrastructure and storage facilities of agricultural products and improve regional cold storage infrastructure.

In June 2021, Opinions of 17 Departments including Ministry of Commerce on Strengthening of the Construction of the County-level Commercial System to Promote Rural Consumption (No. 99 (2021) of the Ministry of Commerce) (the "Opinion") was issued. The Opinion states that comprehensive business service centers and logistics distribution center in county seats shall be transformed and upgraded whereas large urban distribution enterprises shall be encouraged to expand the rural market, build and share warehousing and other equipment and facilities.

In December 2021, Notice by State Council Issuing the 14th Five Year Development Plan for the Digital Economy (No. 29 (2021) of the State Council) was published, which states that the transformation of industrial digitalisation was promoted steadily and agricultural digitalisation was built in a comprehensive manner.

In order to capture new business opportunities, the CAP Group has taken further steps to expand its operations in the PRC by cooperating with different partners with "asset-light" strategy.

Taking the advantage of its leading position in the industry, the CAP Group is confident that it could make use of the support from the PRC government and "asset-light" strategy and business model, to deliver long-term benefits to CAP and its shareholders as a whole.

管理及銷售農產品交易市場之物業

於本年度，由於新型冠狀病毒肺炎疫情在中國多處再次出現，地方機關收緊公共衛生的控制。雖然如此，中國農產品集團在本年度的營運並無受到重大干擾。中國農產品集團對旗下農產品交易市場保持高度警覺，使其市場達到新衛生的要求。此舉令其較一眾不夠成熟的本地對手而言相對保持了競爭優勢。

農業發展仍然是中國中央政府未來連續幾年的首要政策。於二零二二年，中國共產黨中央委員會及中國國務院發佈了「二零二二年中央一號文件」。文件中承諾推動農產品市場投資，擴展農產品網絡，建設物流基礎設施及農產品儲存設施，並完善區域性冷藏基礎設施。

於二零二一年六月，當局頒佈《商務部等17部門關於加強縣域商業體系建設促進農村消費的意見》(商流通發(2021)99號)(「意見」)。意見定明改造提升縣城綜合商貿服務中心和物流配送中心，同時鼓勵城市大型流通企業拓展農村市場，共建共享倉儲等設備設施。

於二零二一年十二月，《國務院關於印發「十四五」數字經濟發展規劃的通知》(國發(2021)29號)已頒佈，當中指出工業數字化轉型加速，而農業數字化全面推進。

為求把握新商機，中國農產品集團已採取進一步措施，與不同夥伴合作，以「輕資產」策略擴充中國業務。

憑藉在業界的領先地位優勢，中國農產品集團有信心能充分利用中國政府給予的支持、「輕資產」策略及業務模式，為中國農產品及其股東帶來整體的長遠利益。

Board Of Directors And Senior Management

董事會及高級管理層

Board of Directors

Executive Directors

Mr. Tang Ching Ho, *GBS, JP*, aged 60, was appointed as the Chairman of the Company in August 2001 and also assumed the role of Managing Director with effect from 1 April 2018. He is also an authorised representative and a member of the remuneration committee and the nomination committee and the chairman of the executive committee of the Company. He is responsible for the strategic planning, policy making and business development of the Group. He has extensive experience in corporate management. He is also the chairman, an executive director and an authorised representative of Wang On Group Limited, and the non-executive chairman and an authorised representative of China Agri-Products Exchange Limited (a subsidiary of the Company) both of which are companies listed on the main board of the Stock Exchange. Mr. Tang is a committee member of the 12th and 13th National Committee of the Chinese People's Political Consultative Conference ("CPPCC") and is also appointed as a standing committee member and convener of the 10th to the 12th plenary sessions of the CPPCC Guangxi Zhuang Autonomous Region Committee. Mr. Tang is also appointed as the first executive chairman of the Federation of Hong Kong Guangdong Community Organisations and the chairman of Federation of Hong Kong Shenzhen Association. He is the father of Ms. Tang Wai Man, an executive Director and is also a controlling shareholder of Wang On Group Limited which is a controlling shareholder of the Company.

Ms. Tang Wai Man, aged 31, joined the Group in January 2016 and was appointed as an executive Director on 1 April 2018. She is an authorized representative of the Company under Part 16 of the Companies Ordinance and also a member of the executive committee, the nomination committee and the remuneration committee of the Company. Ms. Tang is responsible for sales and marketing, channel sales and retail operation in Hong Kong and Macau of the Group. She graduated from University of Edinburgh, UK with a Master of Arts with Honors in Business Studies. Prior to joining the Group, she had worked for Wang On Group Limited since July 2014 as an assistant to chairman and other experience in financial analysis, sales and marketing and business development in a number of corporate bodies in Hong Kong and the United Kingdom. She is the daughter of Mr. Tang Ching Ho, the Chairman and Managing Director and the controlling shareholder of the Company.

Ms. Law Man Yee, Anita, aged 59, joined the Group in 2004 and is the Assistant General Manager — Purchasing Processing of the Group. She was appointed as an executive Director and a member of the executive committee of the Company on 8 February 2021. Ms. Law is responsible for overall strategic planning, sales and marketing, raw material sourcing and retail operation in Hong Kong, Macau and the Mainland China of the Group. She has extensive experience in pharmaceutical industry covering strategic planning, sales and marketing, new products development and production management.

董事會

執行董事

鄧清河先生，*GBS*，*太平紳士*，六十歲，於二零零一年八月獲委任為本公司主席，並於二零一八年四月一日兼任為董事總經理。彼亦為本公司授權代表以及薪酬委員會及提名委員會成員及常務委員會主席。彼專責本集團策略規劃、制訂政策及業務發展。彼在企業管理方面具有豐富經驗，亦為宏安集團有限公司之主席、執行董事兼授權代表及本公司附屬公司中國農產品交易有限公司之非執行主席兼授權代表，上述公司均於聯交所主板上市。鄧先生為中國人民政治協商會議（「政協」）第十二屆及第十三屆全國委員會委員，亦獲委任為政協第十屆至第十二屆廣西壯族自治區政協常務委員會委員兼召集人。鄧先生同時獲委任為香港廣東社團總會首任執行主席及香港深圳社團總會會長。彼為執行董事鄧蕙敏女士之父親，亦為本公司控股股東宏安集團有限公司之控股股東。

鄧蕙敏女士，三十一歲，於二零一六年一月加入本集團，並於二零一八年四月一日獲委任為執行董事。彼為公司條例第16部項下授權代表，亦為本公司常務委員會、提名委員會及薪酬委員會成員。鄧女士負責本集團於香港及澳門的銷售與市場推廣、渠道銷售及零售營運。彼畢業於英國愛丁堡大學，持有商業研究（榮譽）文學碩士學位。加入本集團前，彼自二零一四年七月起效力於宏安集團有限公司擔任主席助理，並於若干香港及英國法團擁有財務分析、銷售及市場推廣，以及業務發展的其他經驗。彼為本公司主席兼董事總經理及控股股東鄧清河先生之女兒。

羅敏儀女士，五十九歲，於二零零四年加入本集團，為本集團採購加工部助理總經理。彼於二零二一年二月八日獲委任為本公司執行董事及常務委員會成員。羅女士負責本集團於香港、澳門及中國內地的整體策略規劃、銷售及市場營銷、原材料採購及零售業務。彼於製藥行業擁有豐富經驗，涉獵策略規劃、銷售及市場營銷、新產品開發及生產管理。

Board Of Directors And Senior Management (Continued)

董事會及高級管理層(續)

Independent Non-Executive Directors

Mr. Leung Wai Ho, MH, aged 72, was re-designated as an Independent Non-executive Director in April 2006 from a non-executive Director and he joined the Group in 1994. Mr. Leung is a member of the audit committee, the remuneration committee and the nomination committee of the Company. He has more than 56 years and 25 years of experiences in the watch industry and financial industry respectively. He is a member of the 11th and 12th plenary session of the National Committee of the CPPCC, the chairman of Greater Bay Area Committee (also being a Standing Committee Member) of The Chinese General Chamber of Commerce, a Committee Member of The Chinese Manufacturers' Association of Hong Kong, the Honorary President of the Hong Kong Chamber of Commerce in China — Guangdong and the Chartered President of the Dongguan City Association of Enterprises with Foreign Investment. Mr. Leung has been appointed as a candidate of 2021 Election Committee of HKSAR Chief Executive, Subsector — Commercial (Second). Mr. Leung has also been appointed as the member of the Election Committee of HKSAR 2022 Chief Executive Election.

Mr. Siu Man Ho, Simon, aged 48, joined the Company as an Independent Non-executive Director in August 2001. He is a member of the audit committee and the nomination committee of the Company and the chairman of the remuneration committee of the Company. Mr. Siu is a practising solicitor of the High Court of Hong Kong. He obtained a Bachelor of Laws degree from the University of Hong Kong in 1996 and is a partner of a law firm, namely Sit, Fung, Kwong & Shum, and a China-Appointed Attesting Officer. His areas of practice include corporate finance, capital markets, securities, mergers and acquisitions, joint ventures and general commercial matters. Mr. Siu is also an independent non-executive director of each of Litu Holdings Limited (formerly know as Brilliant Circle Holdings International Limited, stock code: 1008), Shuang Yun Holdings Limited (stock code: 1706) and HKE Holdings Limited (stock code: 1726), all of which are listed on the Main Board of the Stock Exchange.

Mr. Cho Wing Mou, aged 81, joined the Company as an Independent Non-executive Director in September 2001. He is a member of the audit committee and the remuneration committee of the Company and the chairman of the nomination committee of the Company. Mr. Cho was formerly a director and deputy general manager of Hua Chiao Commercial Bank Limited and a deputy general manager of The China State Bank Limited. He was a committee member of the 8th Political Consultative Conference Guangxi and is also a committee member of the 4th plenary session of the Guangxi Yulin Committee of the CPPCC, Life Chairman of Hong Kong Guangxi Yulin Friendship Association, the Life Chairman and the advisor of Hong Kong Guangxi Yulin City CPPCC and Life Chairman of Gee Tuck General Association Hong Kong Limited.

獨立非執行董事

梁偉浩先生, MH, 七十二歲, 於二零零六年四月由非執行董事調任為獨立非執行董事。梁先生於一九九四年加入本集團, 現為本公司審核委員會、薪酬委員會及提名委員會成員。彼於鐘錶業及金融業分別累積逾56年及25年豐富經驗。彼現時為政協第十一屆及第十二屆全國委員會委員、香港中華總商會粵港澳大灣區委員會主席(亦為常務會董)、香港中華廠商聯合會會董、中國香港(地區)商會 — 廣東區榮譽會長及東莞市外商投資企業協會榮譽會長。梁先生獲委任為二零二一年香港特別行政區行政長官選舉委員會(商界(第二)界別分組)的候選人。梁先生亦獲委任為二零二二年香港特別行政區行政長官選舉的選舉委員會成員。

蕭文豪先生, 四十八歲, 於二零零一年八月加入本公司, 出任獨立非執行董事, 為本公司審核委員會及提名委員會成員, 兼任本公司薪酬委員會主席。蕭先生為香港高等法院執業律師, 於一九九六年取得香港大學法律學士學位, 現為薛馮鄭岑律師行合夥人及中國委託公證人, 其專業包括企業融資、資本市場、證券、合併及收購、合營及一般商業事宜。蕭先生亦為力圖控股有限公司(前稱貴聯控股國際有限公司)(股份代號: 1008)、雙運控股有限公司(股份代號: 1706)及HKE Holdings Limited(股份代號: 1726)(均為聯交所主板上市公司)之獨立非執行董事。

曹永牟先生, 八十一歲, 於二零零一年九月加入本公司, 出任獨立非執行董事, 為本公司審核委員會及薪酬委員會成員兼本公司提名委員會主席。曹先生曾任職華僑商業銀行有限公司董事及副總經理, 以及國華銀行有限公司副總經理。彼曾為政治協商會議第八屆廣西委員會委員, 現為政協第四屆廣西玉林市委員會委員, 香港廣西玉林市同鄉聯誼會永遠會長、香港廣西玉林市政協同鄉聯誼會永遠會長兼顧問以及香港至德總會永遠會長。

Board Of Directors And Senior Management (Continued)

董事會及高級管理層 (續)

Mr. Li Ka Fai, David, aged 67, joined the Company as an Independent Non-executive Director on 17 March 2015. He is the chairman of the audit committee of the Company. Mr. Li is currently the senior advisor of SHINEWING (HK) CPA Limited. He is a fellow member of The Association of Chartered Certified Accountants, U.K. Mr. Li is an independent non-executive director and the chairman of the audit committee of Shanghai Industrial Urban Development Group Limited (stock code: 563). Mr. Li is also an independent non-executive director, the chairman of the audit committee, member of the nomination committee and member of the remuneration committee of China-Hongkong Photo Products Holdings Limited (stock code: 1123), Cosmopolitan International Holdings Limited (stock code: 120) and Goldlion Holdings Limited (stock code: 533), an independent non-executive director, member of the audit committee, member of the nomination committee and the chairman of the remuneration committee of China Merchants Port Holdings Company Limited (stock code: 144), an independent non-executive director, member of the audit committee and member of the remuneration committee of Continental Aerospace Technologies Holding Limited (formerly known as AVIC International Holding (HK) Limited, stock code: 232), all of such companies are being listed in Hong Kong. Mr. Li has retired as an independent non-executive director and ceased to be the chairman of the audit committee and the remuneration committee, and a member of the nomination committee of CR Construction Group Holdings Limited (stock code: 1582), a company listed in Hong Kong, on 25 June 2021.

李家暉先生，六十七歲，於二零一五年三月十七日加入本公司，出任獨立非執行董事，為本公司審核委員會主席。李先生為信永中和(香港)會計師事務所有限公司之資深顧問及英國特許公認會計師公會資深會員。彼為上海實業城市開發集團有限公司(股份代號：563)之獨立非執行董事兼審核委員會主席。李先生亦為中港照相器材集團有限公司(股份代號：1123)、四海國際集團有限公司(股份代號：120)及金利來集團有限公司(股份代號：533)之獨立非執行董事、審核委員會主席、提名委員會成員兼薪酬委員會成員，招商局港口控股有限公司(股份代號：144)之獨立非執行董事、審核委員會成員、提名委員會成員兼薪酬委員會主席，大陸航空科技控股有限公司(前稱中國航空工業國際控股(香港)有限公司)(股份代號：232)之獨立非執行董事、審核委員會成員兼薪酬委員會成員，上述公司均為香港上市公司。李先生於二零二一年六月二十五日退任香港上市公司華營建築集團控股有限公司(股份代號：1582)之獨立非執行董事，並不再擔任審核委員會及薪酬委員會主席兼提名委員會成員。

Senior Management

Dr. Tsang Yuen Wo joined the Group in September 2018 and he is currently the Director (Technical) of both the Wai Yuen Tong Medicine Group and the Luxembourg Medicine Group, principal subsidiaries of the Group. He is responsible for technical operations of the Group including quality assurance, quality control, production, research and development, engineering and logistic issues. Dr. Tsang received his BSc(Pharm)(Hons) degree at the Aston University and the PhD degree at the University of Sydney. He is a registered pharmacist and a registered Authorized Person of the Pharmacy and Poisons Board of Hong Kong. He has more than 20 years of experience in the pharmaceutical industry. Academically, Dr. Tsang is currently the Honorary Associate Professor of the Department of Pharmacology and Pharmacy, Li Ka Shing Faculty of Medicine, the University of Hong Kong and the Adjunct Associate Professor, College of Life Sciences and Technology, the School of Professional and Continuing Education, the University of Hong Kong. He is also the Managing Editor of the Hong Kong Pharmaceutical Journal.

Mr. Wong Seung Ming joined the Company in February 2022 as the Financial Controller and he is responsible for overseeing the accounting and financial operations of the Group. Mr. Wong obtained a Bachelor Degree of Arts (Honors) in Accountancy in City University of Hong Kong and is a fellow member of The Association of Chartered Certified Accountants and an associate member of The Hong Kong Institute of Certified Public Accountants. Mr. Wong has around 27 years of experience in finance and accounting.

高級管理層人員

曾遠和博士於二零一八年九月加入本集團，現為本集團主要附屬公司位元堂藥業集團及盧森堡藥業集團的技術總監。彼負責本集團的技術運作，包括質量保證、質量控制、生產、研發、工程及物流事宜。曾博士獲阿斯頓大學頒發藥劑學士(榮譽)學位及悉尼大學博士學位。彼為香港藥劑業及毒藥管理局的註冊藥劑師及註冊認可人士。彼從事製藥業擁有逾20年經驗。學術方面，曾博士目前為香港大學李嘉誠醫學院藥理及藥劑學系的名譽副教授及香港大學專業進修學院健康及應用科學部客席副教授。彼亦為香港藥學雜誌行政編輯。

黃尚銘先生於二零二二年二月加入本公司，出任財務總監，負責監督本集團的會計及財務營運。黃先生於香港城市大學取得會計學文學士(榮譽)學位，並為特許公認會計師公會資深會員及香港會計師公會會員。黃先生擁有約27年財務及會計經驗。

Board Of Directors And Senior Management (Continued)

董事會及高級管理層(續)

Mr. Chan Siu Fai, Daniel joined the Group in September 2021 as the Head of Factory Operations and he is responsible for monitoring factory routine operations, implementing, reviewing and improving factory workflow to achieve efficient management in Hong Kong. Mr. Chan obtained a Master Degree of Business Administration in University of South Australia and a Bachelor Degree of Engineering (Honors) in Manufacturing Engineering in Hong Kong Polytechnic University. Mr. Chan has more than 30 years of experience in engineering.

Mr. Mak Kam Wing joined the Group in January 2022 as the General Manager of Luxembourg Medicine Group, a principal subsidiary of the Group. He is responsible for managing the Western medicine business unit, overseeing and supervising sales and marketing team and in charge of new product planning. Prior to joining the Group, he has over 25 years of experience in well-known companies, in which he took various senior positions in sales, marketing management, business development with proven track records, especially in pharmaceutical and healthcare product industries. Mr. Mak obtained a Master Degree of Business Administration in Strategic Marketing in The University of Hull. He is a Chartered Marketer of The Chartered Institute of Marketing and a registered Diagnostic Radiographer.

Mr. Cheung Chin Wa Angus joined the Company in February 2021 as the Company Secretary and is a fellow member of The Chartered Governance Institute. He holds a Master Degree of Professional Accounting, a Master Degree of Corporate Governance, a Bachelor Degree of Laws and a Bachelor Degree of Arts in Translation. Prior to joining the Group, Mr. Cheung held company secretary positions in several Hong Kong listed companies, including China Agri-Products Exchange Limited (stock code: 149), an indirect non-wholly owned subsidiary of the Company.

陳少輝先生於二零二一年九月加入本集團，擔任工廠營運主管，彼在香港負責監控工廠的日常營運，實施、審查及改進工廠工作流程，以實現高效管理。陳先生獲得南澳大利亞大學工商管理碩士學位，以及香港理工大學製造工程學(榮譽)工學士學位。陳先生在工程方面有超過30年的經驗。

麥錦榮先生於二零二二年一月加入本集團，擔任本集團主要附屬公司盧森堡藥業集團的總經理。彼負責管理西藥業務部門，監督及指導銷售及營銷團隊，並負責新產品規劃。於加入本集團前，彼在知名企業擁有超過25年的工作經驗，在銷售、市場管理、業務發展方面擔任各種高級職務，尤其是在醫藥及保健品行業擁有良好往績。麥先生獲得赫爾大學戰略營銷工商管理碩士學位。彼為英國特許市務學會特許市務師，亦為註冊放射技師。

張展華先生於二零二一年二月加入本公司，出任公司秘書，並為特許公司治理公會的資深會員。彼持有專業會計學碩士學位、企業管治碩士學位、法律學士學位及翻譯文學士學位。加入本集團前，張先生曾於多間香港上市公司(包括本公司間接非全資附屬公司中國農產品交易有限公司(股份代號：149))擔任公司秘書職位。

Corporate Governance Report

企業管治報告

Corporate Governance Practices

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

The Company continued to adopt the principles and comply with the code provision of the Corporate Governance Code (the **"CG Code"**) set out in Appendix 14 to the Listing Rules during the year under review. The Board has periodically reviewed the compliance of the CG Code and is of the view that throughout the year ended 31 March 2022, the Company had complied with the applicable code provisions of the CG Code, except for the following deviation:

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year under review, Mr. Tang Ching Ho, the chairman of the Board, also assumed the role of managing Director. Currently, the Company does not propose to comply with code provision C.2.1 of the CG Code for the time being but will continue to review such deviation to enhance the best interest of the Group as a whole. Details of such deviation are set out below in the section headed "Chairman and Managing Director".

Code for Securities transactions by Directors and Relevant Employees

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

The Company also adopted a code of conduct regarding securities transactions on no less exacting terms than the Model Code by the relevant employees of the Group who are considered likely to be in possession of inside information in relation to the Company or its securities. To the best knowledge and belief of the Directors, all relevant employees complied with the required standard of such code throughout the year under review.

Dividend Policy

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

企業管治常規

董事會深明良好的企業管治常規能對本公司之增長作有效之風險管理，可提高及增加本公司股東（「股東」）之利益。本公司致力於維持高水準企業管治，高度重視透明度、問責性、誠信及獨立。

於回顧年度內，本公司繼續採納上市規則附錄十四內企業管治守則（「企業管治守則」）之原則及遵守所載之守則條文。董事會定期檢討企業管治守則之遵守情況，並認為本公司截至二零二二年三月三十一日止整個年度已遵守企業管治守則之適用守則條文，惟下列偏離情況除外：

企業管治守則之守則條文C.2.1規定主席與行政總裁的角色應有區分及不應由一人同時兼任。於回顧年度內，董事會主席鄧清河先生亦兼任董事總經理。目前，本公司暫時無意遵守企業管治守則之守則條文C.2.1，惟將繼續檢討該偏離情況，以提升本集團的整體最佳利益。有關偏離情況的詳情載於下文「主席及董事總經理」一節。

董事及相關僱員進行證券交易之守則

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

本公司亦為其認為可能擁有關於本公司或其證券之內幕消息之本集團有關僱員，採納一套有關證券交易之操守守則，其條款不遜於標準守則。據董事所深知及確信，所有有關僱員已於整個回顧年度遵守該守則之規定標準。

股息政策

本公司於二零一八年十一月採納一套以審慎及可持續為本之股息政策，並將不時予以評估。概不保證將於任何特定期間支付任何特定金額股息。在遵守適用規則及規例的前提下，董事會可視乎（其中包括）本公司的營運及財務表現、流動資金狀況、資本需求、未來資金需要、合約限制、可用儲備及當前經濟環境，酌情決定於任何財政年度向其股東宣派及派付股息的金額及次數。

Business Model and Strategy

The Group is principally engaged in (i) the manufacturing and sale of traditional Chinese medicine; (ii) the manufacturing and sale of Western pharmaceutical, health food and personal care products; (iii) property investment; and (iv) the management and sale of properties in agricultural produce exchange markets in the PRC. The Group continues its proactive expansion strategy for generating and preserving shareholder value over the longer term.

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

With respect to the property investment business, apart from the acquisition of CAP which was successfully completed in mid-February 2020, the Group continues to look for and acquire sizeable and potential retail premises for mitigating the effect of rising rental costs.

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

The Board

Composition

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

Executive Directors

Mr. Tang Ching Ho, GBS, JP
(Chairman and Managing Director)

Ms. Tang Wai Man

Ms. Law Man Yee, Anita

Independent non-executive Directors

Mr. Leung Wai Ho, MH

Mr. Siu Man Ho, Simon

Mr. Cho Wing Mou

Mr. Li Ka Fai, David

Ms. Tang Wai Man is the daughter of Mr. Tang Ching Ho. The biographical details of the Directors are set out on pages 34 to 36 of this annual report.

業務模式及策略

本集團主要從事(i)生產及銷售傳統中藥；(ii)生產及銷售西藥、保健食品及個人護理產品；(iii)物業投資；及(iv)中國農產品交易市場物業管理及銷售。本集團繼續採取積極拓展的策略，以長期創造及維持股東價值。

就中西藥及保健食品產品的核心業務而言，本集團將進一步利用其縱向整合的優勢。為達致此目標，本集團致力加強新產品的研發及註冊，尤其專注於具獨特療效的中西藥產品。本集團亦積極拓展零售和醫療服務網絡，從而增加市場佔有率。

就物業投資業務而言，除於二零二零年二月中成功完成收購中國農產品外，本集團繼續物色併購規模、潛力兼備之零售物業，以減低租金成本不斷上漲所帶來之影響。

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

董事會

組成

董事會現時包括三名執行董事及四名獨立非執行董事（「獨立非執行董事」）。於年內及直至本年報日期，董事為：

執行董事

鄧清河先生，GBS，太平紳士
(主席兼董事總經理)

鄧蕙敏女士

羅敏儀女士

獨立非執行董事

梁偉浩先生，MH

蕭文豪先生

曹永牟先生

李家暉先生

鄧蕙敏女士為鄧清河先生之女兒。董事履歷詳情載於本年報第34至36頁。

Corporate Governance Report (Continued)

企業管治報告(續)

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

In compliance with code provision B.1.2 of the CG Code, an updated list of the Directors identifying their roles and functions are available on the websites of the Company (www.wyth.net) and HKEXnews (www.hkexnews.hk). The nomination committee of the Company (the **"Nomination Committee"**) and the Board will review the composition of the Board from time to time to ensure that the Board possesses the appropriate and necessary expertise, skills and experience to meet the needs of the Group's business and to enhance the Shareholders' value.

Appointment and Re-election of the Directors

All INEDs are appointed with specific term set out in respective letters of appointment and all of them are subject to retirement by rotation and, being eligible, offer themselves for re-election at annual general meetings in accordance with the bye-laws of the Company (the **"Bye-law(s)"**). All INEDs' terms of office will be renewed automatically after the re-election, unless prematurely terminated in accordance with the terms and conditions specified in the letter of appointment, the Bye-Laws, the Bermuda Companies Act 1981 (the **"Companies Act"**) and the Listing Rules, each as amended from time to time. Pursuant to code provision B.2.2 of the CG Code and the Bye-law 87, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) are required to retire from office by rotation, provided that every Director, including those appointed for a specific term, is subject to retirement by rotation at least once every three years, and shall be eligible for re-election at each annual general meeting. In addition, any Director who is appointed by the Board to fill a casual vacancy or as an addition to the existing Board are subject to re-election at the first general meeting of the Company after his/her appointment.

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

為遵守企業管治守則之守則條文B.1.2，載有董事角色及職務之更新名單可於本公司網站(www.wyth.net)及披露易網站(www.hkexnews.hk)上查閱。本公司提名委員會(「**提名委員會**」)及董事會將不時檢討董事會之組成，以確保董事會擁有適當之所需專業知識、技能及經驗，以符合本集團之業務所需及提升股東價值。

董事委任及重選

所有獨立非執行董事以固定任期獲委任，有關任期載於各自之委任書，並須根據本公司之公司細則(「**公司細則**」)於股東週年大會上輪值退任，且符合資格並願意膺選連任。全體獨立董事的任期將於重選後自動更新，除非根據委任函、公司細則、1981年百慕達公司法(「**公司法**」)及上市規則(各自經不時修訂)中規定的條款及條件提前終止則當別論。根據企業管治守則之守則條文B.2.2及公司細則第87條，於每屆股東週年大會上，當時在任之三分之一董事(或倘若董事人數並非三之倍數，則以最接近但不少於三分之一之人數為準)須輪值退任，惟每名董事(包括以固定任期獲委任之董事)須至少每三年輪值退任一次，且符合資格重選連任。此外，任何董事作為由董事會任命以填補臨時空缺，或出任現行董事會新增職位的董事，均須於其獲委任後之首屆本公司股東大會上重選連任。

Independence of INEDs

The INEDs are required to confirm their independence upon their appointment and on an annual basis. All INEDs are free from any business or other relationship with the Company. The Company has received from each INED an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules for the financial year ended 31 March 2022. The INEDs would not participate in the Group's daily operation and they would abstain from voting on any resolution(s) in which he had any interest and, therefore, the Company continues to consider the four INEDs to be independent for the financial year ended 31 March 2022 and up to the date of this annual report.

Roles and Responsibilities of the Board and the Senior Management

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

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

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

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

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

獨立非執行董事之獨立性

獨立非執行董事須於彼等獲委任後及每年確認其獨立性。所有獨立非執行董事與本公司概無任何業務或其他關係。本公司於截至二零二二年三月三十一日止財政年度已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出之年度確認書。獨立非執行董事不會參與本集團日常營運，且彼等會就彼等擁有任何利益之任何決議案放棄投票，因此，截至二零二二年三月三十一日止財政年度及直至本年報日期，本公司繼續認為四名獨立非執行董事均屬獨立。

董事會及高級管理層之角色及職責

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

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

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

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

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

Corporate Governance Report (Continued)

企業管治報告(續)

Chairman and Managing Director

During the year under review, Mr. Tang Ching Ho, the chairman of the Board, has also assumed the role of the managing Director. Mr. Tang has extensive management experience in corporate management in the industries of the Group and is responsible for overall corporate planning, strategic policy making of the Group which is of great value in enhancing the efficiency to cope with the recent fierce competitive and ever-changing retailing market environment and the communication between the Board and management, so as to ensure the effective execution of the Board's strategies. Furthermore, the Board considers that Mr. Tang is an executive of high caliber with a wide range of skills and diversified business expertise and there are various committees and experienced individuals dealing with specific assignments and business unit(s) and managing the daily business operations. Moreover, the Board comprises three executive Directors and four INEDs with balance of skills and experience appropriate for the Group's further development. The Company had no intention to make any change to comply with code provision C.2.1 of the CG Code (i.e. the roles of chairman and chief executive should be separate and should not be performed by the same individual) at the moment but will continue to review and propose, as and when appropriate, by taking into consideration of such deviation and any other relevant factors, to ensure the maximisation of the benefit of the stakeholders of the Company.

Corporate Governance

The Board has undertaken 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 under review, the Board reviewed the policies and practices on the Group's corporate governance, reviewed the code of conduct applicable to the Directors and employees, monitored the policies and measures on the Company's legal and regulatory compliance, training and continuing professional development of Directors and reviewed the Company's compliance with the CG Code and the disclosure in this annual report.

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

Board Diversity

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

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

主席及董事總經理

於回顧年度內，董事會主席鄧清河先生亦兼任董事總經理。鄧先生在本集團所在行業的企業管理方面擁有豐富的管理經驗，負責本集團的整體企業策劃及策略政策制定，對提升本集團應對近來競爭激烈及不斷變化的零售市場環境的效率具有極大價值，並負責董事會與管理層之間溝通，以確保董事會的策略的有效實施。此外，董事會認為，鄧先生乃資深管理人員，具備多項技能及多元化業務專長，且有多個委員會及有經驗人士處理特定工作及業務單位以及管理日常業務營運。再者，董事會包括三名執行董事及四名獨立非執行董事，其均擁有本集團進一步發展所需之均衡技能及經驗。本公司現時無意作出任何變動以遵守企業管治守則之守則條文C.2.1(即主席與行政總裁的角色應有區分，不應由同一人兼任)，但經考慮該偏離情況及任何其他相關因素後繼續於適當時檢討及提出建議，以確保盡量為本公司持份者爭取最大利益。

企業管治

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規定，持續檢討、監察及改善本集團內的企業管治常規。

於回顧年度內，董事會已檢討本集團的企業管治政策及慣例、審閱董事及僱員適用的操守守則、監察本公司的法律和監管合規政策及措施、董事的培訓及持續專業發展情況，並審閱本公司遵守企業管治守則的情況及本年報內的披露情況。

為履行企業管治職能，董事會已審閱本企業管治報告。

董事會之多元化

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

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

The Board recognises the importance and benefits of gender diversity at the Board level and shall continue to take initiatives to identify female candidate(s) to enhance the gender diversity among the Board members. As at 31 March 2022, the Board comprised seven Directors, of whom five were male and two were female.

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

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

Continuous Professional Development

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

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

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

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

Liability Insurance for the Directors

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

董事會意識到在董事會層面性別多元化的重要性及裨益，並應繼續採取措施物色女性候選人以加強董事會成員的性別多元化。於二零二二年三月三十一日，董事會包括七名董事，其中五名為男性及兩名為女性。

於回顧年度內，董事會由七名董事組成，包括三名執行董事及四名獨立非執行董事，有助嚴格檢討及監控管理程序。不論在專業經驗、技術及知識方面，董事會均極具多元性。

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

持續專業發展

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

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

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

於回顧年度內，所有董事均向本公司提供其培訓記錄，該等記錄由本公司之公司秘書保存以確保記錄準確全面。

董事之責任保險

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

Board Committees

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

Executive Committee

The Executive Committee has been established since 2005 with specific written terms of reference setting out authorities delegated by the Board. Its primary function is to undertake general management and supervise the day-to-day management, performance and operations in accordance with the business strategy of the Group. It exercises leadership, develops and keeps under review strategy and business development initiatives of the Group and monitors their implementation. Currently, the Executive Committee comprises three members, namely, Mr. Tang Ching Ho, Ms. Tang Wai Man and Ms. Law Man Yee, Anita. Mr. Tang Ching Ho takes the chair of the Executive Committee.

Audit Committee

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

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

The Audit Committee is provided with sufficient resources to discharge its duties and may access to independent professional advice according to the Company's policy, if considered necessary. During the year under review, the Audit Committee held two regular meetings with the Group's senior management and the external auditor.

董事委員會

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

常務委員會

常務委員會自二零零五年起成立，訂有明確書面職權範圍，載列由董事會授予之職權。其主要職能為進行整體管理及根據本集團業務策略監督日常管理、表現及營運。其負責領導、制定並不斷檢討本集團的策略及業務發展計劃，並監督其實施情況。目前，常務委員會由三名成員組成，即鄧清河先生、鄧蕙敏女士及羅敏儀女士。鄧清河先生為常務委員會主席。

審核委員會

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

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

審核委員會獲提供充分資源以履行其職責，並可根據本公司之政策在有需要情況下尋求獨立專業意見。於回顧年度內，審核委員會與本集團高級管理層及外聘核數師舉行兩次定期會議。

Corporate Governance Report (Continued)

企業管治報告(續)

During the year under review, the Audit Committee met to discuss and review, among other things, the following matters:

- (a) the annual results for the year ended 31 March 2021 and the interim results for the six months ended 30 September 2021 to ensure the full, complete and accurate disclosure in the aforesaid financial statements pursuant to the accounting standards and other legal requirement for presenting the same to the Board for approval;
- (b) the terms and remuneration for the appointments of Ernst & Young as external auditor to audit and report on the consolidated financial statements of the Group for the financial year ended 31 March 2021 and to perform the agreed upon procedures on the interim results for the six months ended 30 September 2021;
- (c) the terms and remuneration for the appointments of external auditor to perform non-audit services, other special corporate projects and review the overall significant control system;
- (d) the independence of the external auditor especially for those non-audit services;
- (e) the continuing connected transactions of the Group;
- (f) the overall effectiveness of internal control and risk management systems; and
- (g) the adequacy of resources, qualifications and experience of staff and the accounting, internal audit and financial reporting matters and their training programmes and budget.

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

Remuneration Committee

The Board has established the Remuneration Committee since September 2005 with specific written terms of reference, as revised from time to time, stipulating its authorities and duties, which are available on the websites of the Company (www.wyth.net) and the HKEXnews (www.hkexnews.hk).

The Remuneration Committee consists of five members, including Mr. Siu Man Ho, Simon, Mr. Cho Wing Mou, Mr. Leung Wai Ho, Mr. Tang Ching Ho and Ms. Tang Wai Man, a majority of whom are INEDs during the year under review and up to the date of this annual report. Mr. Siu Man Ho, Simon is elected as the chairman of the Remuneration Committee.

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

於回顧年度內，審核委員會舉行會議以討論及審閱(其中包括)以下事宜：

- (a) 截至二零二一年三月三十一日止年度之全年業績及截至二零二一年九月三十日止六個月之中期業績，以確保上述根據會計準則及其他法律規定編製並提交予董事會以供批准之財務報表作出全面、完整及準確披露；
- (b) 委任安永會計師事務所為外聘核數師以審核及呈報本集團截至二零二一年三月三十一日止財政年度之綜合財務報表及對截至二零二一年九月三十日止六個月之中期業績進行協定程序的條款及薪酬；
- (c) 為進行非審核服務、其他特別公司項目及審閱整體重大監控系統而委任之外聘核數師之條款及薪酬；
- (d) 外聘核數師(尤其就有關非審核服務而言)的獨立性；
- (e) 本集團之持續關連交易；
- (f) 內部監控及風險管理制度的整體成效；及
- (g) 員工才智、資格及經驗及會計、內部審核及財務申報事宜以及彼等之培訓計劃及預算。

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

薪酬委員會

董事會自二零零五年九月起成立薪酬委員會，有關訂明其權限及職責之明確書面職權範圍(經不時修訂)可於本公司網站(www.wyth.net)及披露易網站(www.hkexnews.hk)查閱。

於回顧年度及直至本年報日期，薪酬委員會由五名成員組成，包括蕭文豪先生、曹永牟先生、梁偉浩先生、鄧清河先生及鄧蕙敏女士，其中大部份成員為獨立非執行董事。蕭文豪先生獲選為薪酬委員會主席。

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

Corporate Governance Report (Continued)

企業管治報告(續)

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

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

During the year under review, the Remuneration Committee held one meeting, in which it reviewed the existing remuneration policies by reference with the market research and current market circumstance, communicated with the chairman and managing Director, recommended amendments to the existing remuneration policies and performance-based bonus, if appropriate, and approved the remuneration package and performance-based bonus paid to the other Directors and senior management of the Company (i.e. the model described in the CG code is adopted). No Director took part in any discussion about his/her own remuneration.

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

薪酬委員會的角色和職能如下：

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

於回顧年度內，薪酬委員會召開一次會議，會上參照市場研究及當前市場狀況下審閱現有的薪酬政策，與主席及董事總經理交流，就現有薪酬政策及按表現釐定之花紅(如適用)提出修改建議，以及批准向本公司其他董事及高級管理層支付之薪酬待遇及按表現釐定之花紅(即採用企業管治守則所述的模式)。各董事概不得參與有關其本身薪酬之任何討論。

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

Details of the Directors' remuneration are set out in note 9 to the financial statements. The annual remuneration of other members of the senior management by bands for the financial year ended 31 March 2022 is set out below:

董事薪酬詳情載列於財務報表附註9。截至二零二二年三月三十一日止財政年度，其他高級管理層人員之年度酬金等級載列如下：

Remuneration to the senior management by bands	高級管理層之酬金等級	Number of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1

Nomination Committee

The Nomination Committee has been established since September 2005 with specific written terms of reference, as revised from time to time, stipulating its authorities and duties, which are available on the websites of the Company (www.wyth.net) and the HKEXnews (www.hkexnews.hk). It currently consists of five members, including Mr. Cho Wing Mou, Mr. Siu Man Ho, Simon, Mr. Leung Wai Ho, Mr. Tang Ching Ho and Ms. Tang Wai Man, a majority of whom are INEDs during the year under review and up to the date of this annual report pursuant to Rule 3.27A of the Listing Rules. Mr. Cho Wing Mou is elected as the chairman of the Nomination Committee.

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

1. Selection Criteria

- in assessing the suitability of a proposed candidate, the Nomination Committee will consider the factors (as reference), including reputation, integrity, accomplishment and relevant experience in relation to the principal businesses of the Company from time to time, commitment in respect of available time and relevant interest, diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate;
- retiring Directors are eligible for nomination by the Board to stand for re-election at a general meeting. For those who have served as INEDs for a period of nine consecutive years standing for re-election, the Nomination Committee will consider the independence of such Director for nomination by the Board to stand for election at a general meeting and state the reason in the circular to the Shareholders for the re-election;

提名委員會

提名委員會自二零零五年九月起成立，有關訂明其權限及職責之明確書面職權範圍(經不時修訂)可於本公司網站(www.wyth.net)及披露易網站(www.hkexnews.hk)查閱。根據上市規則第3.27A條，於回顧年度及直至本年報日期，提名委員會現時由五名成員組成，包括曹永牟先生、蕭文豪先生、梁偉浩先生、鄧清河先生及鄧蕙敏女士，其中大部份成員為獨立非執行董事。曹永牟先生獲選為提名委員會主席。

提名委員會負責識別及評估委任或重新委任為董事及高級管理層的候選人。董事會已於二零一八年十月將其現有常規採納為正式提名政策。提名政策規定識別及向董事會適當提名合資格候選人以供委任的主要甄選標準及程序。提名政策訂明的甄選標準及程序包括：

1. 甄選標準

- 在評估建議候選人是否合適時，提名委員會將考慮的因素(作為參考)包括聲譽、誠信、成就及與本公司不時之主要業務有關的經驗、可利用時間及相關利益之承諾、各方面的多樣性，包括但不限於性別、年齡(年滿18歲或以上)、文化和教育背景、種族、專業經驗、技能、知識和服務任期。該等因素僅供參考，並非詳盡無遺及具有決定性。提名委員會可酌情提名其認為適當的任何人士；
- 退任董事有資格獲董事會提名於股東大會上膺選連任。就已擔任獨立非執行董事連續九年且將膺選連任的人士而言，提名委員會將考慮該董事的獨立性，以供董事會提名於股東大會選舉，並於致股東之通函中就重選陳述理由；

- candidate(s) will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as Director(s) and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as Director(s); and
- the Nomination Committee may request candidate(s) to provide additional information and documents, if considered necessary.

2. Nomination Procedures

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

— 候選人須按指定方式提交必要的個人資料，連同同意獲委任為董事以及就或有其選舉為董事的個人資料於任何文件或相關網站公開披露的書面同意書；及

- 倘認為必要，提名委員會可要求候選人提供額外資料及文件。

2. 提名程序

- 提名委員會秘書應召開提名委員會會議，並邀請董事會成員（如有）於會議前提名候選人，以供提名委員會考慮。提名委員會亦可提出未獲董事會成員提名的候選人；
- 就填補臨時空缺而言，提名委員會應提出建議供董事會考慮和批准。就提名候選人於股東大會選舉而言，提名委員會須向董事會提名供其考慮和推薦；
- 直至刊發將寄發予股東的通函為止，獲提名人士不得假設已獲董事會建議於股東大會上參選；
- 股東將獲發一份通函，以提供獲董事會提名於股東大會上選舉的人選的資料，同時邀請股東提名人選。該通函將載列股東提名人選的遞交期限。向股東刊發的通函將載列適用法律、規則及規例所規定的獲提名人士姓名、簡歷（包括資格及相關經驗）、獨立性、建議薪酬及任何其他資料；
- 如股東有意提交決議案以選舉某人士為董事，則毋須董事會建議或提名委員會提名（惟於寄發予股東的通函所載的候選人除外），即可在遞交決議案期間向公司秘書送達通知。提名候選人的詳情將以補充通函的方式送交所有股東參閱；
- 候選人可於股東大會之前的任何時候通過書面通知公司秘書撤回其候選人資格；
- 董事會須就有關推薦候選人於任何股東大會上選舉之所有事宜作出最終決定；及

- as there may be more candidate(s) than the vacancies available, and the “gross-vote” method will be used to determine who shall be elected as Director, the resolutions proposed for the candidate(s) by the Shareholders shall therefore take the same form as the resolutions proposed for the candidate(s) recommended by the Board.

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

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

- (a) to review and evaluate the structure, size and composition (including diversity, skills, knowledge and experience) of the Board at least annually and make recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (c) to assess the independence of INEDs;
- (d) to monitor the continuous professional development of the Directors;
- (e) to make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular the chairman and the chief executive;
- (f) where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - the process used for identifying the individual why the board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - if the proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;

- 由於候選人的數目可能較空缺數目為多，故將採用「總票數」方式釐定獲選為董事的候選人，因此股東提出建議候選人的決議案與董事會推薦候選人的決議案須採用相同的格式。

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

提名委員會的角色和職能如下：

- (a) 至少每年檢討及評估董事會的架構、人數及組成(包括多元化、技能、知識和經驗)並就任何擬對董事會作出的變動向董事會提出建議以配合本公司的公司策略；
- (b) 物色具備合適資格人士加入董事會，並挑選提名有關人士出任董事或就此向董事會提供建議；
- (c) 評估獨立非執行董事的獨立性；
- (d) 監察董事之持續專業發展；
- (e) 就董事委任或重新委任，以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；
- (f) 若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，其應於隨附股東大會通告致股東的通函及／或說明函件中列明：
 - 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的理由；
 - 倘候任獨立非執行董事將出任第七家(或以上)上市公司的董事，則須列明董事會認為該名人士仍可投入足夠時間履行董事責任的理由；

Corporate Governance Report (Continued)

企業管治報告 (續)

- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

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

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

During the year under review, the Nomination Committee held one meeting to review the Board Diversity Policy, evaluate the Board performance and succession planning and discuss the criteria and procedures for retirement by rotation. The Nomination Committee would recommend to the Board for re-appointment of Mr. Tang Ching Ho, Mr. Leung Wai Ho and Mr. Li Ka Fai, David at the forthcoming annual general meeting.

- 該名人士可為董事會帶來的觀點與角度、技能及經驗；及

- 該名人士如何促進董事會成員多元化。

- (g) 提名委員會主席或其他成員須出席本公司股東週年大會，並作好準備回答股東就有關委員會之活動及職責而提出的問題。

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

於回顧年度內，提名委員會舉行一次會議，審查董事會的多元化政策，評估董事會的表現及繼任計劃，並討論輪席告退的標準及程序。提名委員會將於應屆股東週年大會上向董事會建議重選鄧清河先生、梁偉浩先生及李家暉先生。

Attendance of Directors at Various Meetings

Details of the attendance of individual Directors at Board meetings, committee meetings and shareholder meetings held during the financial year ended 31 March 2022 are as follows:

Name of Directors	董事姓名	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
Tang Ching Ho	鄧清河	4/4	N/A不適用	1/1	1/1	1/1
Tang Wai Man	鄧蕙敏	4/4	N/A不適用	1/1	1/1	1/1
Law Man Yee, Anita	羅敏儀	4/4	N/A不適用	N/A不適用	N/A不適用	1/1
Leung Wai Ho	梁偉浩	4/4	2/2	1/1	1/1	1/1
Siu Man Ho, Simon	蕭文豪	4/4	2/2	1/1	1/1	1/1
Cho Wing Mou	曹永牟	4/4	2/2	1/1	1/1	1/1
Li Ka Fai, David	李家暉	4/4	2/2	N/A不適用	N/A不適用	1/1

董事於各會議之出席率

截至二零二二年三月三十一日止財政年度，個別董事於董事會會議、委員會會議及股東大會之出席詳情如下：

Risk Management and Internal Control

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

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

風險管理及內部監控

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

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

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

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

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

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

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

Review of Risk Management and Internal Control

During the year under review, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control systems of the Group. All findings and recommendations on internal control deficiencies were communicated with the Audit Committee and the Board.

Management confirmed that no significant deficiency and weakness on the internal control system was identified by the external advisory firm for the financial year ended 31 March 2022. The Board conducted an annual review on the risk management and internal control systems and procedures of the Group, covering all material controls including financial, operational and compliance and it was considered that the internal controls and risk management functions were reasonably effective and adequate for the financial year ended 31 March 2022.

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

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

管理層透過考慮政治、經濟、科技、環境、社會、管治及員工等內在及外在因素和事件來識別與本集團業務相關的風險。各項風險已按相關影響及發生可能性作出評估及訂立優先次序。相關風險管理策略會根據評估結果應用至各類風險。各類風險管理策略載列如下：

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

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

審閱風險管理及內部監控

於回顧年度內，本集團已委聘外部顧問公司承擔內部審計職能，以確保本集團風險管理及內部監控系統之效能及效率。有關內部監控缺陷的所有結論及推薦意見已與審核委員會及董事會溝通。

管理層確認，於截至二零二二年三月三十一日止財政年度，外部顧問公司概無識別內部監控系統存在任何重大缺陷及缺失。截至二零二二年三月三十一日止財政年度，董事會已就本集團之風險管理及內部監控系統及程序(涵蓋財務、營運及合規等所有重大監控措施)進行年度審閱並認為，內部監控及風險管理職能合理有效並充足。

Corporate Governance Report (Continued)

企業管治報告(續)

Inside Information Policy

The Group always emphasises the importance of transparency of communication between the stakeholders and the Group and has established policies and procedures for timely disclosure of inside information to the public when available. The senior management of the Group will take all reasonable measures from time to time to ensure that the disclosure of inside information is in compliance with the requirements of all applicable laws and regulations.

內幕消息政策

本集團一直注重持份者與本集團之間的溝通透明性，並已制定政策及程序，以及時向公眾人士披露內幕消息。本集團高級管理層將不時採取一切合理措施，確保內幕消息的披露符合所有適用法律及法規的要求。

External Auditors' Remuneration

The remuneration paid/payable to the Company's external auditor, Ernst & Young, for the financial year ended 31 March 2022 which has been reviewed and approved by the Audit Committee, are set out as follows:

外聘核數師之薪酬

截至二零二二年三月三十一日止財政年度已付／應付本公司外聘核數師安永會計師事務所之薪酬已獲審核委員會審閱及批准，載列如下：

		Fees paid/payable 已付／應付 HK\$'000 千港元
Services rendered for the Group	向本集團所提供服務	
Audit services: — annual financial statements	審核服務： — 年度財務報表	5,580
Non-audit services: — agreed-upon procedures — taxation and professional services — other professional services	非審核服務： — 議定程序 — 稅務及專業服務 — 其他專業服務	663 654 28
Total	總計	6,925

Accountability and Audit

The Directors acknowledge their responsibility for preparation and publication of the timely financial statements and ensure that they are prepared in accordance with the statutory requirements and applicable accounting standards. In preparing the accounts for the financial year ended 31 March 2022, the Directors have adopted suitable accounting policies which are pertinent to the Group's operations and relevant to the financial statements and have presented an understandable assessment of the Group's position and prospects.

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

A statement by the auditor about their reporting responsibilities on the financial statements is set out on pages 76 to 83 of this annual report.

問責及審核

董事知悉其須適時編製及刊發財務報表之責任，並確保按法定規定及適用會計準則編製。於編製截至二零二二年三月三十一日止財政年度之賬目時，董事已採用適用於本集團業務及與財務報表有關之合適會計政策，並已呈列易於理解之本集團狀況及前景評估。

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

核數師就其申報責任而作出之聲明載於本年報第76至83頁。

Compliance with Laws and Regulations

The Group continues to commit to comply with the relevant laws and regulations, such as the Companies Act, the Companies Ordinance, the SFO, the Listing Rules and other rules and regulations implemented in relevant jurisdictions. As far as the Board is concerned and save as disclosed herein, the Group has complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the financial year ended 31 March 2022.

Environmental Policies and Performance

The Group is committed to enhancing and strengthening efforts on environmental protection, so as to facilitate industrial upgrading. The Group proactively implement environmental protection policies, gradually adjust its portfolio, conduct energy-saving, using recycled paper, emission reduction and pollution prevention and so forth. The Group not only improved the quality management system but also strengthened the quality of the audit to ensure the quality and safety of Chinese and western pharmaceutical project control. Being an environmental friendly corporation, the Company will not print hard copy of the Environmental, Social and Governance Report. The environmental policies and performance of the Group are disclosed in a separate Environmental, Social and Governance Report to be published on the websites of the Company (www.wyth.net) and the HKEXnews (www.hkexnews.hk).

Investor Relations and Communications with Shareholders

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

Disclosures in Corporate Website

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

遵守法律及規例

本集團繼續致力遵守相關法律及規例，如公司法、公司條例、證券及期貨條例、上市規則及相關司法權區實施之其他規則及規例。就董事會而言，除本報告所披露者外，於截至二零二二年三月三十一日止財政年度，本集團已於重大方面遵守對本集團之業務及營運造成重大影響之相關法律及規例。

環境政策及表現

本集團加大環保力度，促進行業轉型升級。本集團積極落實環保政策，同時逐步調整產品結構，實施節能、使用再造紙、減排、污染防治策略等工作。本集團一方面完善質量管理制度，同時加強審計質量，確保中西藥質量安全之項目監控。本公司為一家環保企業，因此將不會印刷環境、社會及管治報告之實體版本。本集團環境政策及表現於環境、社會及管治報告獨立作出披露，該報告將於本公司網站(www.wyth.net)及披露易網站(www.hkexnews.hk)刊登。

投資者關係及與股東之溝通

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

於公司網站披露

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

Corporate Governance Report (Continued)

企業管治報告(續)

General Meeting with Shareholders

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

In order to let the Shareholders to make an informed decision at the general meetings, sufficient notices with not less than 14 days for every general meeting and 21 days for every annual general meeting were given to the Shareholders pursuant to the Listing Rules, the Bye-laws and any other applicable laws. The chairman will explain the detailed procedures for conducting a poll during the proceedings of meetings and answered all questions raised by the Shareholders on voting by poll. All resolutions put to vote at general meetings are taken by poll and the poll results are published on the websites of the Company (www.wyth.net) and the HKEXnews (www.hkexnews.hk) immediately following the holding of the general meetings.

Investor Relations

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

Shareholder's Rights

Convening a Special General Meeting

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

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

與股東舉行股東大會

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

為令股東於股東大會上作出知情決定，根據上市規則、公司細則及任何其他適用法例，本公司每次舉行股東大會及股東週年大會均會向股東發出分別不少於14日及21日之充分通告。主席在會議進行時將解釋進行投票之程序詳情，並解答股東在投票表決時提出的所有疑問。於股東大會上提呈之決議案均以投票方式表決，而投票結果會於緊隨股東大會舉行後於本公司網站(www.wyth.net)及披露易網站(www.hkexnews.hk)公佈。

投資者關係

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

股東權利

召開股東特別大會

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

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

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

Putting Forward Proposals at General Meetings

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

Proposing a Person for Election as a Director

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

Enquiries to the Board

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

In respect of corporate affairs:

Company Secretary
Wai Yuen Tong Medicine Holdings Limited
Suite 3101, 31/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

In respect of other shareholding/entitlement affairs:

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

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

於股東大會上提出議案

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

提名選舉個別人士為董事

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

向董事會查詢

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

有關公司事宜：

公司秘書
位元堂藥業控股有限公司
香港
九龍
九龍灣
宏光道39號
宏天廣場31樓3101室

有關其他股權／權利相關事宜：

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

Corporate Governance Report (Continued)

企業管治報告(續)

Whistleblowing Policy

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

Company Secretary

Mr. Cheung Chin Wa, Angus, who was appointed as company secretary of the Group, reports directly to the Board and is responsible for, inter alia, providing updated and timely information to all Directors from time to time.

During the financial year ended 31 March 2022, Mr. Cheung complied with Rule 3.29 of the Listing Rules and took no less than 15 hours of relevant professional training.

Corporate Social Responsibility

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

Constitutional Document

During the financial year ended 31 March 2022, there was no change in the constitutional document. The memorandum of association and the amended and restated bye-laws of the Company are available on the websites of the Stock Exchange and the Company at (www.hkex.com.hk) and (www.wyth.net), respectively.

Conclusion

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

舉報政策

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

公司秘書

張展華先生獲委任為本集團之公司秘書，直接向董事會報告及負責(其中包括)不時向所有董事提供最新及適時之資料。

截至二零二二年三月三十一日止財政年度，張先生遵守上市規則第3.29條，參加不少於15小時之專業培訓。

企業社會責任

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

章程文件

截至二零二二年三月三十一日止財政年度，章程文件並無任何變動。本公司組織章程大綱及經修訂及重列之公司細則分別於聯交所網站(www.hkex.com.hk)及本公司網站(www.wyth.net)登載。

結論

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

Report of the Directors

董事會報告

The Directors present their report and the audited consolidated financial statements of the Company and the Group for the financial year ended 31 March 2022.

Principal Activities

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

Structured Contracts

Pursuant to the Catalogue of Industries for Guiding Foreign Investment (2015 version), value-added telecommunications services are subject to foreign investment restriction in which a foreign investor shall hold no more than 50% equity interest in a value-added telecommunications services provider (excluding e-commerce) in the PRC.

The Internet Content Provider (“ICP”) services belong to a sub-category of value-added telecommunications services. According to the Administrative Rules for Foreign Investment in Telecommunications Enterprises, foreign investors shall contribute to no more than 50% of the registered capital of a value-added telecommunications services provider (excluding e-commerce) and any such foreign investor shall maintain a good track record and possess relevant operational experience in the value-added telecommunications services industry (the “**Foreign Shareholding Restrictions**”).

Shenzhen Gudeng Technology Limited (“**Shenzhen Gudeng**”), the then direct wholly-owned PRC subsidiary of Shenzhen Zhibo Tianyu Trading Development Limited (“**Shenzhen Zhibo**”), an indirect wholly-owned PRC subsidiary of CAP, was incorporated in September 2015 and received the ICP license on 7 September 2016. It holds one website and two mobile applications for the CAP Group and is principally engaged in online provision of agricultural products in the PRC.

On 19 June 2015, the Circular on Removing the Restrictions on Shareholding Ratio Held by Foreign Investors in Online Data Processing and Transaction Processing (Operating E-commerce) Business (the “**E-commerce Circular**”) was issued, which allows the foreign ownership in online data processing and transaction processing (operating e-commerce) business up to 100%. However, since the E-commerce Circular does not provide any clear legal definition of “e-commerce”, it is unclear as to whether the business to be conducted by Shenzhen Gudeng would fall within the scope of the E-commerce Circular to benefit from the loosened restrictions on the Foreign Shareholding Restrictions.

董事會謹此提呈本公司及本集團於截至二零二二年三月三十一日止財政年度之報告書及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務包括生產及銷售傳統中西藥產品、保健食品、個人護理產品、物業投資、農產品交易市場物業管理及銷售。本公司主要附屬公司的詳情載於財務報表附註1。於回顧年度內，本集團主要業務之性質並無重大變動。

結構性合約

根據外商投資產業指導目錄(二零一五年版本)，增值電信服務乃受約予外商投資限制，即外國投資者不可於中國增值電信服務提供者(不包括電子商務)中擁有逾50%之股權。

互聯網內容供應商(「**互聯網內容供應商**」)服務屬增值電信服務之子類別。根據外商投資電信企業管理規定，外國投資者不可投資多於增值電信服務提供者(不包括電子商務)已註冊股本之50%，而任何該等外國投資者須維持良好往績記錄及於增值電信服務業持有相關營運經驗(「**外商持股限制**」)。

深圳谷登科技有限公司(「**深圳谷登**」)為中國農產品之間接全資中國附屬公司深圳智博天宇商貿發展有限公司(「**深圳智博**」)當時之直接全資中國附屬公司，乃於二零一五年九月註冊成立，並於二零一六年九月七日獲發互聯網內容供應商牌照。其為中國農產品集團持有一個網站及兩個手機應用程式，並主要從事於中國線上提供農業產品。

《關於放開在線數據處理與交易處理業務(經營類電子商務)外資股比限制的通告》(「**電子商務通告**」)於二零一五年六月十九日頒佈，容許在線數據處理與交易處理業務(經營類電子商務)的外資擁有權達到100%。然而，由於電子商務通告並未就「電子商務」作出任何明確的法律定義，故深圳谷登將經營之業務是否屬於電子商務通告範圍內而受惠於外資持股限制之放寬限制，並不清晰。

Report of the Directors (Continued)

董事會報告 (續)

As such, Shenzhen Zhibo (i) entered into a disposal agreement on 11 July 2016 with Yu Hui Jun (the “**Nominee Shareholder**”) and (ii) further entered into the exclusive business cooperation agreement, the exclusive call option agreement, the equity pledge agreement, the power of attorney and the ancillary documents (collectively the “**Structured Contracts**”) with the Nominee Shareholder and Shenzhen Gudeng on 9 October 2016 (other than the exclusive business cooperation agreement which was entered into by and between Shenzhen Zhibo and Shenzhen Gudeng only and the power of attorney which was executed by the Nominee Shareholder in favour of Shenzhen Zhibo) such that the CAP Group is entitled to acquire the rights and ability to control the business of Shenzhen Gudeng and to obtain the economic benefit (the “**Contractual Arrangements**”).

The exclusive business cooperation agreement and the exclusive call option agreement had an initial term of 3 years commencing from the date of the relevant agreements which were renewed for another 3 years on 8 October 2019. As security for the payment of service fees under the exclusive business cooperation agreement and the performance of the exclusive call option agreement and the power of attorney, the equity pledge agreement executed in favour of Shenzhen Zhibo will only be terminated when all the said obligations of the Nominee Shareholder contemplated under the Contractual Arrangements are fulfilled. Similarly, for protection of the CAP Group, the power of attorney executed in favour of Shenzhen Zhibo will be valid so long as the Contractual Arrangements are in place. CAP will keep exploring various opportunities in building up its ICP services operations for the purposes of being qualified as early as possible, to acquire the entire equity interest of Shenzhen Gudeng if and when the Foreign Shareholding Restrictions are lifted. For details of the Structured Contracts, please refer to the announcements of CAP dated 11 July 2016 and 11 October 2016, respectively.

Save for the exclusive business cooperation agreement which involves the payment of a service fee by Shenzhen Gudeng to Shenzhen Zhibo on a monthly basis, and the nominal consideration paid by Shenzhen Zhibo to the Nominee Shareholder under the exclusive call option agreement, each of the Structured Contracts does not involve payment of any consideration.

The Structured Contracts, taken as a whole, permit the results and financial operations of Shenzhen Gudeng to be consolidated in CAP, as if it was CAP's subsidiary resulting in all economic benefits of its business flowing to CAP. Through the appointment by Shenzhen Zhibo of all directors and senior management of Shenzhen Gudeng, the directors of CAP believe that Shenzhen Zhibo is able to effectively supervise, manage and operate the business operations, expansion plans, financial policies and assets of Shenzhen Gudeng, and at the same time, ensure due implementation of the Structured Contracts. According to Hong Kong Financial Reporting Standards, a subsidiary is an entity that is controlled by another entity (known as the parent). An investor controls an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

因此，深圳智博(i)於二零一六年七月十一日與于惠軍(「代名人股東」)訂立出售協議；及(ii)於二零一六年十月九日與代名人股東及深圳谷登進一步訂立獨家業務合作協議、獨家認購權協議、股權質押協議、授權書及配套文件(統稱「**結構性合約**」)(惟獨家業務合作協議僅由深圳智博與深圳谷登訂立及授權書由代名人股東以深圳智博為受益人簽署)，以讓中國農產品集團獲得控制深圳谷登業務的權利及能力及取得經濟利益(「**合約安排**」)。

獨家業務合作協議及獨家認購權協議之初始年期自相關合約日期起計為期三年，並已於二零一六年十月八日再續期三年。作為根據獨家業務合作協議支付服務費及履行獨家認購權協議與授權書的擔保，以深圳智博為受益人簽立的股權質押協議將僅會於前述合約安排項下代名人股東所有責任達成後終止。同樣地，為保障中國農產品集團，以深圳智博為受益人簽立之授權書僅會於合約安排實行期間有效。中國農產品將繼續探索不同機會拓展互聯網內容供應商服務營運，力求盡快取得資格，於外資持股限制解除後收購深圳谷登全部股權。有關結構性合約之詳情，請參閱中國農產品日期分別為二零一六年七月十一日及二零一六年十月十一日之公告。

除獨家業務合作協議涉及深圳谷登每月向深圳智博支付服務費，以及深圳智博根據獨家認購權協議支付予代名人股東的名義代價外，各結構性合約不涉及支付任何代價。

整體而言，結構性合約讓深圳谷登之業績及財務營運綜合計入中國農產品，猶如其為中國農產品之附屬公司，以致其業務所得所有經濟利益流入中國農產品。中國農產品董事認為，透過深圳智博指派深圳谷登之所有董事及高級管理層，深圳智博有能力有效監控、管理及經營深圳谷登之業務營運、擴充計劃、財務政策及資產，此舉同時亦確保結構性合約獲得妥善落實。根據香港財務報告準則，附屬公司指由另一間實體(稱為母公司)控制的實體。當投資者因參與被投資者業務而承擔風險或有權享有可變回報，並有能力透過其對被投資者施加權力去影響該等回報時，則擁有對該被投資者的控制權。

Although CAP does not directly or indirectly own Shenzhen Gudeng, the Structured Contracts enable CAP to exercise control over and receive economic benefits generated from the business operation of Shenzhen Gudeng and the validity and legality of the Structured Contracts have been confirmed by CAP's PRC legal adviser. The CAP Group derives economic benefits from the ICP services provided by Shenzhen Gudeng. Under such circumstances, the directors of CAP are of the view that it is fair and reasonable for Shenzhen Zhibo to be entitled to all the economic benefits generated from Shenzhen Gudeng. The Structured Contracts also permit Shenzhen Zhibo to exclusively acquire all or part of the equity interest in Shenzhen Gudeng, if and when permitted by PRC laws and regulations. Notwithstanding the CAP Group's lack of equity ownership in Shenzhen Gudeng, the CAP Group is able to control the business and financial position of Shenzhen Gudeng in substance through the Structured Contracts. As a result of the Structured Contracts, Shenzhen Gudeng is accounted for as CAP's subsidiary, and its financial position and operating results are consolidated in CAP's consolidated financial statements.

The amount of financial assistance made by the CAP Group to Shenzhen Gudeng was approximately RMB600,000 for the year ended 31 March 2022.

Unwinding of the Contractual Arrangements

Considering the scale of operations of the CAP Group's e-commerce platform, its contribution to the CAP Group's revenue/profits, as well as its development prospects, the respective board of directors of the Company, CAP and Wang On considered that the CAP Group's resources could be better deployed towards supporting the continuous development of its internal information technology infrastructure. Therefore, in the interest of each of the Company, CAP and Wang On and their respective shareholders as a whole for the Contractual Arrangements were unwound and terminated.

Pursuant to the Exclusive Call Option Agreement entered into among Shenzhen Zhibo, Shenzhen Gudeng and the Nominee Shareholder (who was a director of certain subsidiaries of CAP), Shenzhen Zhibo is granted an exclusive right (the **"Call Option"**) which was exercisable at any time at its sole discretion, to acquire the entire equity interest in Shenzhen Gudeng from the Nominee Shareholder at a nominal consideration of RMB100 or the minimum amount permitted under the applicable PRC laws (whichever is higher).

On 20 December 2021, Shenzhen Zhibo exercised the Call Option and entered into an equity transfer agreement with the Nominee Shareholder to acquire the entire equity interest in Shenzhen Gudeng at the consideration of RMB100. The Contractual Arrangements were unwound and the operation of the CAP Group's e-commerce platform in online agricultural products trading as supported by the Contractual Arrangements ceased accordingly upon the completion of the transfer of the entire equity interest in Shenzhen Gudeng. For details of the unwinding of the Contractual Arrangements, please refer to the joint announcement of the Company, Wang On and CAP dated 20 December 2021.

儘管中國農產品並非直接或間接擁有深圳谷登，惟結構性合約讓中國農產品可對深圳谷登行使控制權並收取其業務營運所得經濟利益，而結構性合約亦已經中國農產品中國法律顧問確認為有效及合法。中國農產品集團自深圳谷登提供的互聯網內容供應商服務獲取經濟利益。在此等情況下，中國農產品董事認為，讓深圳智博享有深圳谷登產生的所有經濟利益實屬公平合理。在中國法律及法規允許的情況下，結構性合約亦讓深圳智博可獨家收購深圳谷登全部或部分股權。雖然中國農產品集團未持有深圳谷登之股本權益，惟中國農產品集團可透過結構性合約享有對深圳谷登業務及財務狀況的實際控制權。由於結構性合約，深圳谷登作為中國農產品附屬公司列賬，其財務狀況及經營業績綜合計入中國農產品綜合財務報表。

截至二零二二年三月三十一日止年度，中國農產品集團向深圳谷登提供的財務資助約為人民幣600,000元。

合約安排解除

考慮到中國農產品集團的電子商務平台的運營規模、對中國農產品集團收益／溢利的貢獻以及其發展前景，本公司、中國農產品及宏安各自的董事會認為，可更妥善調度中國農產品集團的資源，以支援其內部資訊科技基建持續發展。因此，解除及終止合約安排符合本公司、中國農產品及宏安及彼等各自股東的整體利益。

根據深圳智博、深圳谷登及代名人股東（為中國農產品若干附屬公司的董事）訂立的獨家認購權協議，深圳智博獲授予獨家權利（「**認購權**」），可全權酌情在任何時間行使，以名義代價人民幣100元或按適用中國法律允許的最低金額（以較高者為準），向代名人股東收購深圳谷登的全部股權。

於二零二一年十二月二十日，深圳智博行使認購權，與代名人股東訂立股權轉讓協議，以代價人民幣100元收購深圳谷登的全部股權。合約安排已解除，且以合約安排為依據的中國農產品集團的線上農產品交易電子商務平台也將於深圳谷登的全部股權轉讓完成時相應停止運作。有關解除合約安排的詳情，請參閱本公司、宏安及中國農產品日期為二零二一年十二月二十日的聯合公佈。

Report of the Directors (Continued)

董事會報告 (續)

Results and Dividends

The results of the Group for the financial year ended 31 March 2022 and the Group's financial position at that date are set out in the consolidated financial statements on pages 84 to 88 of this annual report.

For the financial year ended 31 March 2022, the Group recorded a revenue and loss attributable to owners of the parent amounted to approximately HK\$1,391.4 million (2021: approximately HK\$1,108.6 million) and approximately HK\$108.9 million (2021: loss of approximately HK\$376.0 million).

The Board does not recommend the payment of any final dividend for the financial year ended 31 March 2022 (2021: Nil). No interim dividend was declared for the six months ended 30 September 2021 (for the six months ended 30 September 2020: Nil).

Business Review and Analysis of Key Financial Performance Indicators

The business review and the key financial performance indicators to the businesses of the Group, including, among other things, the information set out below, are disclosed in the "Management Discussion and Analysis" on pages 14 to 33 of this annual report:

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

The corporate social responsibility, environmental policies and performance of the Group are disclosed in the "Management Discussion and Analysis" and "Corporate Governance Report" in this annual report. More details will be disclosed in the Environmental, Social and Governance Report to be published on the websites of the Stock Exchange and the Company in due course. These discussions form part of this report of the Directors.

As far as the Board is concerned, the Group has complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the financial year ended 31 March 2022.

Share Capital and Share Option Scheme

Details of movements in share capital and share option scheme of the Company during the year under review, together with the reasons therefor, are set out in notes 33 to 34 to the financial statements, respectively.

Equity-Linked Agreements

During the year under review, other than the Share Option Scheme as set out in the section headed "Share Option Schemes" and note 34 to the financial statements, the Company has not entered into any equity-linked agreements.

業績及股息

本集團截至二零二二年三月三十一日止財政年度之業績及本集團於該日之財務狀況載於本年報第84至88頁的綜合財務報表。

截至二零二二年三月三十一日止財政年度，本集團錄得收益及母公司擁有人應佔虧損約1,391,400,000港元(二零二一年：約1,108,600,000港元)及約108,900,000港元(二零二一年：虧損約376,000,000港元)。

董事會不建議派付截至二零二二年三月三十一日止財政年度之任何末期股息(二零二一年：無)。概無宣派截至二零二一年九月三十日止六個月之中期股息(截至二零二一年九月三十日止六個月：無)。

業務回顧及主要財務表現指標分析

本集團業務之業務回顧及主要財務表現指標包括(其中包括)以下資料，披露於本年報第14至33頁「管理層討論及分析」：

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

本集團的企業社會責任、環境政策及表現於本年報「管理層討論及分析」及「企業管治報告」披露。更多詳情將於環境、社會及管治報告披露，該報告將於適當時候在聯交所及本公司網站刊登。該等討論構成本董事會報告的一部分。

就董事會而言，於截至二零二二年三月三十一日止財政年度，本集團已於重大方面遵守對本集團業務及營運造成重大影響之相關法律及規例。

股本及購股權計劃

本公司於回顧年度內的股本及購股權計劃的變動詳情連同相關理由分別載於財務報表附註33至34。

股權掛鈎協議

於回顧年度內，除載於財務報表「購股權計劃」一節及附註34的購股權計劃外，本公司並無訂立任何股權掛鈎協議。

Five-Year Financial Summary

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 228 of this annual report. This summary does not form part of the audited financial statements.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the financial year ended 31 March 2022.

Permitted Indemnity Provision

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

Distributable Reserves

As at 31 March 2022, the Company's reserves available for distribution to equity holders of the parent, as calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$26.3 million (2021: approximately HK\$2.6 million).

Directors

The Directors during the year under review and up to the date of this annual report were:

Executive Directors:

Mr. Tang Ching Ho, *GBS, JP*
Chairman and Managing Director
Ms. Tang Wai Man
Ms. Law Man Yee, Anita

Independent non-executive Directors:

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

In accordance with bye-law 87(1) of the bye-laws of the Company, Mr. Tang Ching Ho, Mr. Leung Wai Ho and Mr. Li Ka Fai, David will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

五年財務概要

摘錄自經審核財務報表之本集團過去五個財政年度已刊發之業績及資產、負債與非控股權益概要載於本年報第228頁。有關概要不構成經審核財務報表的一部分。

購買、出售或贖回本公司上市證券

於截至二零二二年三月三十一日止財政年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

獲准許彌償保證條文

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

可供分派儲備

於二零二二年三月三十一日，按百慕達一九八一年公司法(經修訂)計算，本公司可供分派予母公司權益持有人之儲備約26,300,000港元(二零二一年：約2,600,000港元)。

董事

於回顧年度及直至本年報日期之董事如下：

執行董事：

鄧清河先生，*GBS*，*太平紳士*，
主席兼董事總經理
鄧蕙敏女士
羅敏儀女士

獨立非執行董事：

梁偉浩先生，*MH*
蕭文豪先生
曹永牟先生
李家暉先生

根據本公司的公司細則第87(1)條，鄧清河先生、梁偉浩先生及李家暉先生將於本公司應屆股東週年大會上輪席退任，並符合資格且願意膺選連任。

Report of the Directors (Continued)

董事會報告 (續)

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

Directors' and Senior Management's Biographies

Biographical details of the Directors and the senior management of the Group are set out on pages 34 to 37 of this annual report.

Update on Director's Information:

Details of the change in remuneration of Directors, if any, were disclosed in note 9 to the consolidated financial statements.

During the year under review, save as disclosed above, there is no other change in information of the Directors since the publication of the 2021 interim report which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Directors' Service Contracts

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

Directors' Interests in Transactions, Arrangements or Contracts

Save as disclosed in notes 9 and 40 to the financial statements and the section "Directors and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations", no Directors or a connected entity of a Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, the holding company of the Company or any of its subsidiaries or fellow subsidiaries was a party during the year under review.

Director's Interest in Competing Business

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

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

As at 31 March 2022, the interests and short positions of the Directors and the chief executive of the Company and/or any of their respective associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code under the Listing Rules, were as follows:

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

董事及高級管理層履歷

本集團董事及高級管理層履歷詳情載於本年報第34至37頁。

有關董事資料的更新

董事薪酬變動(如有)的詳情於綜合財務報表附註9披露。

於回顧年度，除上文所披露者外，自二零二一年中期報告刊發以來，概無其他董事資料變動須根據上市規則第13.51B(1)條披露。

董事之服務合約

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

董事於交易、安排或合約之權益

除財務報表附註9及40以及「董事及主要行政人員於本公司及其相聯法團股份、相關股份或債權證中之權益及淡倉」一節披露者外，於回顧年度內概無董事或董事之關連實體直接或間接於對本集團業務屬重大且本公司、本公司控股公司或其任何附屬公司或同系附屬公司為訂約方之任何交易、安排或合約中擁有重大權益。

董事於競爭業務之權益

於回顧年度內，根據上市規則第8.10條，董事及彼等各之聯繫人士概無於與本集團業務構成或可能構成直接或間接競爭之業務(本集團業務除外)擁有權益。

董事及主要行政人員於本公司及其相聯法團股份、相關股份或債權證中之權益及淡倉

於二零二二年三月三十一日，董事及本公司主要行政人員及／或彼等各之任何聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有載入本公司根據證券及期貨條例第352條須存置之登記冊，或根據證券及期貨條例第XV部或上市規則之標準守則已另行知會本公司及聯交所之權益及淡倉如下：

Report of the Directors (Continued)

董事會報告 (續)

Long positions in the ordinary shares of the Company and its associated corporations, Wang On, CAP and Wang On Properties Limited ("WOP"):

於本公司及其相聯法團宏安、中國農產品及宏安地產有限公司(「宏安地產」)普通股之好倉：

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

(a) 於本公司普通股之好倉：

Name of Director 董事姓名	Number of shares 股份數目	Approximate percentage of the Company's total issued share capital (Note 1)
		佔本公司已發行股本 總額概約百分比(附註1) %
Mr. Tang Ching Ho 鄧清河先生	810,322,940 (Note 2) (附註2)	65.79

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

(b) 於本公司相聯法團宏安的普通股(「宏安股份」)之好倉：

Name of Director 董事姓名	Name of corporation 公司名稱	Number of shares 股份數目	Approximate percentage of Wang On's total issued share capital (Note 1)
			佔宏安已發行股本 總額概約百分比(附註1) %
Mr. Tang Ching Ho 鄧清河先生	Wang On 宏安	7,780,645,772 (Note 3) (附註3)	48.69

(c) Long positions in the ordinary shares of CAP (the "CAP Shares"), an associated corporation of the Company:

(c) 於本公司相聯法團中國農產品的普通股(「中國農產品股份」)之好倉：

Name of Director 董事姓名	Name of corporation 公司名稱	Number of shares 股份數目	Approximate percentage of CAP's total issued share capital (Note 1)
			佔中國農產品已發行股本總額 概約百分比(附註1) %
Mr. Tang Ching Ho 鄧清河先生	CAP 中國農產品	7,320,095,747 (Note 4) (附註4)	73.54

(d) Long positions in the ordinary shares of WOP, an associated corporation of the Company:

(d) 於本公司相聯法團宏安地產的普通股之好倉：

Name of Director 董事姓名	Name of corporation 公司名稱	Number of shares 股份數目	Approximate percentage of WOP total issued share capital (Note 1)
			佔宏安地產已發行股本 總額概約百分比(附註1) %
Mr. Tang Ching Ho 鄧清河先生	WOP 宏安地產	11,400,000,000 (Note 5) (附註5)	75.00

Report of the Directors (Continued)

董事會報告 (續)

Notes:

1. The percentages were disclosed pursuant to the relevant disclosure forms filed under the SFO.
2. Under the SFO, Mr. Tang Ching Ho ("**Mr. Tang**") was interested in 810,322,940 shares of the Company held by Rich Time Strategy Limited ("**Rich Time**"), a wholly-owned subsidiary of Wang On Enterprises (BVI) Limited ("**WOE**") which is a wholly-owned subsidiary of Wang On in which Mr. Tang together with his associates were taken to have approximately 48.69% interest.
3. Pursuant to the disclosure of interests form published on the website of the Stock Exchange, amongst the 7,780,645,772 Wang On Shares, 28,026,339 shares were beneficially held by Mr. Tang, 4,989,928,827 shares were taken to be interested by Mr. Tang by virtue of being the founder of a discretionary trust, namely Tang's Family Trust, 28,026,300 shares were taken to be interested by Mr. Tang in which his spouse, Ms. Yau Yuk Yin, was interested, and 486,915,306 shares were held by Caister Limited (a company wholly owned by Mr. Tang), 531,000,000 shares were held by Billion Trader Limited (a direct wholly-owned subsidiary of Loyal Fame International Limited ("**Loyal Fame**"), a direct wholly-owned subsidiary of Easy One Financial Group Limited, which is in turn wholly-owned by Mr. Tang), and 432,475,200 and 1,284,273,800 shares were held by Suntech Investments Limited and Hearty Limited respectively (both direct wholly-owned subsidiaries of Total Smart Investments Limited ("**Total Smart**"), which is directly wholly owned by the Company, which is owned as to approximately 65.79% by Rich Time.)
4. Pursuant to the disclosure of interests form published on the website of the Stock Exchange, amongst the 7,320,095,747 CAP Shares, 2,007,700,062 shares of which were held by Onger Investments Limited ("**Onger Investments**") and 5,312,395,685 shares of which were held by Goal Success Investments Limited ("**Goal Success**"). Onger Investments was directly wholly owned by Loyal Fame. Goal Success was directly wholly owned by Biomore Investments Limited (a direct wholly-owned subsidiary of Total Smart). The Company is owned as to approximately 65.79% by Wang On which was owned as to approximately 48.69% by Mr. Tang, together with his associates. By virtue of the SFO, Mr. Tang is deemed to be interested in the 2,007,700,062 shares which were held by Onger Investments and the 5,312,395,685 shares which were held by Goal Success.

附註：

1. 該百分比根據按證券及期貨條例遞交之相關披露表格披露。
2. 根據證券及期貨條例，鄧清河先生(「**鄧先生**」)於Rich Time Strategy Limited (「**Rich Time**」)(為宏安之全資附屬公司Wang On Enterprises (BVI) Limited (「**WOE**」)之全資附屬公司)持有的810,322,940股本公司股份中擁有權益，當中鄧先生連同其聯繫人被視為擁有約48.69%之權益。
3. 根據刊登於聯交所網站之權益披露表格，於7,780,645,772股宏安股份中，28,026,339股由鄧先生實益持有，4,989,928,827股因作為一項全權信託(即鄧氏家族信託)之創立人而被當作於該等股份中擁有權益，28,026,300股股份被視為由鄧先生於其配偶游育燕女士於當中擁有權益的股份中擁有權益，而486,915,306股股份由Caister Limited(一間由鄧先生全資擁有之公司)持有，及531,000,000股股份由Billion Trader Limited(為由鄧先生全資擁有之易易壹金融集團有限公司之直接全資附屬公司Loyal Fame International Limited (「**Loyal Fame**」)之直接全資附屬公司)持有，及432,475,200股股份及1,284,273,800股股份則分別由Suntech Investments Limited及Hearty Limited持有(兩間公司均為Total Smart Investments Limited (「**Total Smart**」)之直接全資附屬公司，而Total Smart由本公司直接全資擁有，而本公司由Rich Time擁有約65.79%)。
4. 根據刊登於聯交所網站之權益披露表格，於7,320,095,747股中國農產品股份中，2,007,700,062股股份由Onger Investments Limited (「**Onger Investments**」)持有，而5,312,395,685股股份由Goal Success Investments Limited (「**Goal Success**」)持有。Onger Investments由Loyal Fame直接全資擁有。Goal Success由Biomore Investments Limited(為Total Smart之直接全資附屬公司)直接全資擁有。宏安擁有本公司約65.79%之股權，而鄧先生及其聯繫人擁有宏安約48.69%之股權。根據證券及期貨條例，鄧先生被視作於由Onger Investments及Goal Success分別持有之2,007,700,062股股份及5,312,395,685股股份中擁有權益。

5. With reference to note 2 above, 11,400,000,000 shares of WOP were held by Earnest Spot Limited (a direct wholly owned subsidiary of WOE).

5. 參考上文附註2，宏安地產11,400,000,000股份乃由Earnest Spot Limited(為WOE之直接全資附屬公司)持有。

Save as disclosed above, as at 31 March 2022, none of the Directors and the chief executive of the Company and/or any of their respective associates had any other interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

除上文披露者外，於二零二二年三月三十一日，概無董事及本公司主要行政人員及／或彼等各自之任何聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有載入本公司根據證券及期貨條例第352條須存置之登記冊，或根據證券及期貨條例第XV部或標準守則已另行知會本公司及聯交所之任何其他權益或淡倉。

Share Option Schemes

The Share Option Scheme(s) of the Company

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

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

Under the 2013 Scheme, the Board may grant share options to the Participants to subscribe for shares of the Company for a consideration of HK\$1.00 for each lot of share options granted which must be accepted within 30 days from the offer date. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings. There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised for a period of more than 10 years from the date of grant.

購股權計劃

本公司購股權計劃

於二零一三年八月二十二日舉行之股東週年大會上，本公司股東批准終止本公司股東先前於二零零三年九月十八日舉行的股東特別大會採納的購股權計劃(「**二零零三年計劃**」)並採納新購股權計劃(「**二零一三年計劃**」)，主要作為對本集團之成功經營所作出之貢獻之合資格參與人士之激勵及獎賞。根據二零零三年計劃之條款，二零零三年計劃終止後，不再根據該計劃授出購股權，但終止前已授出並存續之購股權於指定之行使期間內繼續有效並可予以行使。二零一三年計劃於二零一三年八月二十二日生效，除非由股東於股東大會上另行提前終止，否則會由該日期起十年內有效。二零一三年計劃的餘下年期約為一年。

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

根據二零一三年計劃，董事會可向參與者授出購股權認購本公司之股份，以就每次獲授之購股權於要約日期起30日內按代價1.00港元接納該購股權。購股權並無賦予持有人權利獲派股息或於股東大會上投票。概無明文規定購股權須持有任何最短期限方可行使，惟董事會有權酌情於授出任何個別購股權時施加任何最短期限。購股權之可予行使期間將由董事會全權釐定，惟概無購股權可於授出日期起計10年期間後獲行使。

Report of the Directors (Continued)

董事會報告 (續)

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

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

During the year under review, no share option was granted, exercised, lapsed or cancelled under the 2013 Scheme.

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

Other particulars of the 2013 Scheme are set out in note 34 to the financial statements.

根據二零一三年計劃，二零一三年計劃及本公司任何其他購股權計劃項下可能授出之最高購股權數目，於獲行使時所涉及股份數目合共不得超過本公司不時已發行股本30%，惟不包括購股權獲行使時發行之任何股份。因行使根據二零一三年計劃及任何其他計劃授予的所有購股權而可能發行的股份總數，不得超過二零一三年計劃限額批准日期或不時更新的已發行股份數目的10%。

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

於回顧年度內，概無購股權根據二零一三年計劃獲授出、行使、失效或註銷。

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

二零一三年計劃之其他詳情載於財務報表附註34。

The Share Option Scheme(s) of CAP

On 3 May 2012, CAP adopted a new share option scheme (the “**CAP 2012 Scheme**”) for the primary purpose of providing incentive to selected eligible persons (the “**CAP Participants**”) to take up options for their contribution to the Group. Under the CAP 2012 Scheme, the board of directors of CAP (the “**CAP Board**”) may grant share options to the CAP Participants to subscribe for CAP Shares for a consideration of HK\$1 for each lot of share options granted. The exercise price is to be determined by the CAP Board and shall not be less than the highest of (i) the closing price of the CAP Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average of the official closing price of the CAP Shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a CAP Share.

The number of CAP Shares in respect of which options may be granted to any CAP Participant in any 12-month period up to and including the date of grant shall not exceed 1% of the CAP Shares in issue at any point in time, without prior approval from the shareholders of CAP. Options granted to substantial shareholders of CAP or independent non-executive directors of CAP, or any of their respective associates, in excess of 0.1% of the CAP Shares in issue and with an aggregate value in excess of HK\$5,000,000 must be approved in advance by the shareholders of CAP.

The CAP 2012 Scheme became effective on 3 May 2012 and will remain in force for a period of 10 years which expired on 2 May 2022. CAP will seek its shareholders' approval on the adoption of a new share option scheme. There is no specific requirement that an option must be held for any minimum period before it can be exercised but the CAP Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by CAP Board at its absolute discretion, save that no option may be exercised for a period of more than 10 years from the date of grant.

Subject to the approval of the shareholders of CAP at general meeting, the board of CAP may refresh the limit at any time to 10% of the total number of CAP Shares in issue as at the date of approval by the shareholders of CAP at its general meeting. Notwithstanding the foregoing, the CAP Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the CAP 2012 Scheme and any other share option schemes of CAP at any time shall not exceed 30% of the CAP Shares in issue from time to time.

中國農產品購股權計劃

於二零一二年五月三日，中國農產品採納一項新購股權計劃（「**中國農產品二零一二年計劃**」），主要目的是讓選定合資格人士（「**中國農產品參與者**」）取得購股權，以獎勵彼等對本集團之貢獻。根據中國農產品二零一二年計劃，中國農產品董事會（「**中國農產品董事會**」）可向中國農產品參與者授出購股權以認購中國農產品股份，而每批購股權收取1港元作為代價。行使價將由中國農產品董事會決定，及不得低於以下各項之最高者：(i)中國農產品股份於授出日期（須為營業日）在聯交所每日報價表所列之收市價；(ii)中國農產品股份於緊接授出日期前五個營業日在聯交所每日報價表所列之正式收市價平均數；及(iii)中國農產品股份面值。

直至任何授出日期（包括該日）前十二個月期間內，倘未獲中國農產品股東事先批准，則向任何中國農產品參與者授出之購股權涉及之中國農產品股份數目於任何時候不得超過已發行中國農產品股份之1%。倘授予中國農產品主要股東或中國農產品獨立非執行董事或任何彼等各自之聯繫人超過已發行中國農產品股份之0.1%及價值合計超過5,000,000港元之購股權，則須經中國農產品股東事先批准。

中國農產品二零一二年計劃於二零一二年五月三日生效，生效期十年，於二零二二年五月二日到期。中國農產品將尋求股東批准採納新購股權計劃。概無明文規定購股權須持有任何最短期限方可行使，惟中國農產品董事會有權酌情於授出任何個別購股權時施加任何最短期限。中國農產品董事會可全權酌情釐定可行使購股權之期間，惟購股權概不可於授出日期起計十年以上期間行使。

待中國農產品股東於股東大會上批准後，中國農產品董事會可隨時更新上限至中國農產品股東於其股東大會批准當日已發行中國農產品股份總數之10%。儘管有上文之規定，惟任何時候因行使所有已根據中國農產品二零一二年計劃及中國農產品之任何其他購股權計劃授出但尚未行使之購股權而可能發行之中國農產品股份，均不得超過不時已發行中國農產品股份之30%。

Report of the Directors (Continued)

董事會報告 (續)

Details of the movements of the share options under the CAP 2012 Scheme during the financial year ended 31 March 2022 were as follows:

截至二零二二年三月三十一日止財政年度，中國農產品二零一二年計劃下的購股權變動詳情如下：

Name or category of Participant	Number of share options 購股權數目						Date of grant	Exercise price per share HK\$	Exercisable period (Note)	Closing price immediately before date of grant during the year 年內緊接授出日期前的收市價
	Outstanding as at 1 April 2021 於二零二一年四月一日	Granted during the year 年內已授出	Exercised during the year 年內已行使	Cancelled during the year 年內已註銷	Lapsed during the year 年內已失效	Outstanding as at 31 March 2022 於二零二二年三月三十一日				
參與者 姓名或類別	尚未行使					尚未行使	授出日期	每股行使價 港元	行使期(附註)	
CAP Director 中國農產品董事										
Leung Sui Wah, Raymond 梁瑞華	—	50,000,000	—	—	—	50,000,000	31.1.2022	0.118	31.2022 – 21.2032	0.117
Other employees 其他僱員	—	176,000,000	—	—	—	176,000,000	31.1.2022	0.118	31.2022 – 21.2032	0.117
Total 合共	—	226,000,000	—	—	—	226,000,000				

Note:

The share options granted under the CAP 2012 Scheme were vested as follows:

On the 3rd anniversary of the date of grant:
於授出日期第3週年：
On the 4th anniversary of the date of grant:
於授出日期第4週年：
On the 5th anniversary of the date of grant:
於授出日期第5週年：
On the 6th anniversary of the date of grant:
於授出日期第6週年：
On the 7th anniversary of the date of grant:
於授出日期第7週年：

During the year under review, 226,000,000 share options were granted and no share options were exercised, cancelled and lapsed. As at the date of this annual report, the total number of CAP Shares available for issue under the CAP 2012 Scheme is 226,000,000, representing approximately 2.27% of the existing issued share capital of CAP. As the CAP 2012 Scheme expired on 2 May 2022, no more share options under the CAP 2012 Scheme could be granted.

Other particulars of the CAP 2012 Scheme are set out in note 34 to the financial statements.

附註：

根據中國農產品二零一二年計劃授出的購股權的歸屬情況如下：

20% vested
20%歸屬
Further 20% vested
另外20%歸屬
Further 20% vested
另外20%歸屬
Further 20% vested
另外20%歸屬
Remaining 20% vested
剩餘20%歸屬

於回顧年度內，共授予226,000,000份購股權，概無購股權獲行使、註銷及失效。於本年報日期，根據中國農產品二零一二年計劃可發行的中國農產品股份總數為226,000,000股，佔中國農產品現有已發行股本約2.27%。由於中國農產品二零一二年計劃已於二零二二年五月二日到期，因此不能再根據中國農產品二零一二年計劃授出購股權。

中國農產品二零一二年計劃之其他詳情載於財務報表附註34。

Directors' Rights to Acquire Shares or Debentures

Save as disclosed under the headings "Directors' and chief executive's interests and short positions in shares, underlying shares or debentures of the Company and its associated corporations" and "Share option schemes" above and in the share option scheme disclosures in note 34 to the financial statements, at no time during the year under review were rights to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of, the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

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

As at 31 March 2022, to the best knowledge of the Directors, the following persons had, or were deemed or taken to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the ordinary shares of the Company:

董事購買股份或債權證之權利

除上文「董事及主要行政人員於本公司及其相聯法團股份、相關股份或債權證中之權益及淡倉」及「購股權計劃」各節披露者及財務報表附註34所披露之購股權計劃外，於回顧年度內任何時間，各董事或彼等各自之配偶或未成年子女並無獲授或行使可藉收購本公司股份或相關股份或債權證而獲利之權利，且本公司或其任何附屬公司亦無訂立任何安排而使董事可收購任何其他法人團體之有關權利。

主要股東於股份及相關股份中之權益及淡倉

於二零二二年三月三十一日，據董事所深知，以下人士於本公司股份或相關股份中擁有，或視作或當作擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或登記於根據證券及期貨條例第336條本公司須存置之登記冊之權益或淡倉：

於本公司普通股的好倉：

Name of shareholders	股東姓名／名稱	Number of shares 股份數目	Approximate percentage of the Company's total issued share capital (Note 3)
			佔本公司已發行 股本總額概約百分比 (附註3)
Rich Time (Note 1)	Rich Time (附註1)	810,322,940	65.79
WOE (Note 1)	WOE (附註1)	810,322,940	65.79
Wang On (Note 1)	宏安(附註1)	810,322,940	65.79
Ms. Yau Yuk Yin (Note 2)	游育燕女士(附註2)	810,322,940	65.79

Notes:

- Under the SFO, Mr. Tang was interested in 810,322,940 shares of the Company held by Rich Time, a wholly-owned subsidiary of WOE which is a wholly-owned subsidiary of Wang On in which Mr. Tang together with his associates held approximately 48.69% interest.
- Ms. Yau Yuk Yin is taken to be interested in the shares in which her spouse, Mr. Tang is interested.
- The percentages were disclosed pursuant to the relevant disclosure forms filed under the SFO.

附註：

- 根據證券及期貨條例，鄧先生於Rich Time(為宏安之全資附屬公司WOE之全資附屬公司)持有的810,322,940股本公司股份中擁有權益，當中鄧先生連同其聯繫人持有約48.69%之權益。
- 游育燕女士被視作於彼之配偶鄧先生擁有權益之股份中擁有權益。
- 該百分比按證券及期貨條例遞交之相關披露表格披露。

Report of the Directors (Continued)

董事會報告 (續)

Save as disclosed above, as at 31 March 2022, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Continuing Connected Transactions

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

- (a) On 19 September 2016, Daywin Limited, an indirect wholly-owned subsidiary of the Company, entered into the following office sub-licensing agreements for a term commencing from 18 September 2016 and expiring on 17 July 2019 which were renewed for further three years commencing from 18 July 2019 and expiring on 17 July 2022:

(i) Wang On Office Sub-licensing Agreement:

an office sub-licensing agreement with Wang On Management Services Limited ("**WOMS**"), an indirect wholly-owned subsidiary of Wang On, to sub-lease Units 02, 03, 05, 06 and 15, 32/F, Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong at a monthly fee of HK\$188,940 (up to 17 July 2019) which was increased to HK\$193,375 (from 18 July 2019 onwards until the end of the tenancy agreement), together with other monthly expenses (including management fee and air-conditioning charge, rates and Government rent, subject to annual increment); and

(ii) WOP Office Sub-licensing Agreement:

an office sub-licensing agreement with Wang On Properties Services Limited ("**WOPS**"), an indirect wholly-owned subsidiary of WOP, to sub-lease Units 01 and 07 to 12, 32/F, Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong at a monthly fee of HK\$414,672 (up to 17 July 2019) which was increased to HK\$425,745 (from 18 July 2019 onwards until the end of the tenancy agreement), together with other monthly expenses (including management fee and air-conditioning charge, rates and Government rent, subject to annual increment).

For the year ended 31 March 2022, the aggregate office sub-licensing fee received by the Group from WOMS and WOPS amounted to HK\$10,353,684, which were within the prescribed caps, as disclosed in the Company's announcements dated 19 September 2016 and 17 July 2019, respectively; and

除上文所披露者外，於二零二二年三月三十一日，概無任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或登記於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

持續關連交易

於回顧年度內，以下交易繼續為本公司根據上市規則第14A.55及14A.56條之持續關連交易：

- (a) 於二零一六年九月十九日，本公司間接全資附屬公司明豪有限公司訂立以下辦公室分租協議，租期自二零一六年九月十八日起至二零一九年七月十七日止，並已重續另外三年，自二零一九年七月十八日起至二零二二年七月十七日止：

(i) 宏安辦公室分租協議：

與宏安間接全資附屬公司宏安管理服務有限公司(「宏安管理服務」)訂立辦公室分租協議，以分租位於香港九龍九龍灣宏光道39號宏天廣場32樓02、03、05、06及15室，月費為188,940港元(直至二零一九年七月十七日)，並上調至193,375港元(由二零一九年七月十八日起直至租賃協議結束)，連同其他每月開支(包括管理費及空調費用、差餉以及政府地租，可按年增加)；及

(ii) 宏安地產辦公室分租協議：

與宏安地產間接全資附屬公司宏安地產服務有限公司(「宏安地產服務」)訂立辦公室分租協議，以分租位於香港九龍九龍灣宏光道39號宏天廣場32樓01及07至12室，月費為414,672港元(直至二零一九年七月十七日)，並上調至425,745港元(由二零一九年七月十八日起直至租賃協議結束)，連同其他每月開支(包括管理費及空調費用、差餉以及政府地租，可按年增加)。

截至二零二二年三月三十一日止年度，本集團自宏安管理服務及宏安地產服務收取之辦公室分租總費用為10,353,684港元，在規定之上限內(如本公司日期分別為二零一六年九月十九日及二零一九年七月十七日之公佈所披露)；及

(b) on 2 September 2021, Wai Yuen Tong Medicine Company Limited, an indirect subsidiary of the Company, as supplier, and Wang On Management Limited ("**WOM**"), an indirect wholly-owned subsidiary of Wang On, as purchaser, entered into a new master sales agreement for supplying Chinese and Western pharmaceutical products, health food and personal care products by the Group to WOM (for itself and on behalf of other members of Wang On) for the three financial years ending 31 March 2024 at annual caps of HK\$9.9 million, HK\$9.9 million and HK\$9.9 million, respectively. During the year under review, total sales proceeds received by the Group from WOM was HK\$8,245,158 which were within the prescribed annual cap of HK\$9.9 million.

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

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

Further details of other related party transactions and/or continuing connected transactions undertaken by the Group in the ordinary course of business during the year under review, which fell under Rule 14A.73 of the Listing Rules, are set out in note 40 to the financial statements.

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

(b) 於二零二一年九月二日，本公司之間接附屬公司位元堂藥廠有限公司(作為供應商)與宏安之間接全資附屬公司宏安管理有限公司(「宏安管理」)(作為買方)訂立新主銷售協議，內容有關本集團於截至二零二四年三月三十一日止三個財政年度向宏安管理(為其本身及代表宏安之其他成員公司)供應中西藥產品、保健食品及個人護理產品，年度上限分別為9,900,000港元、9,900,000港元及9,900,000港元。於回顧年度內，本集團自宏安管理收取之銷售所得總額為8,245,158港元，在規定之年度上限9,900,000港元之內。

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

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

於回顧年度內，本集團於一般業務過程中進行之其他關聯方交易及／或持續關連交易(屬上市規則第14A.73條範圍內)進一步詳情載於財務報表附註40。

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

Report of the Directors (Continued)

董事會報告 (續)

Connected Transactions

- (a) On 2 June 2021, Wai Yuen Tong (Retail) Limited, an indirect subsidiary of the Company, entered into a tenancy agreement with Success Vision Limited, an indirect subsidiary of WOP, to lease a retail shop located at Portion A of Shop No. N77 on the Ground Floor of Nos. 1–11, 15–17 Mount Sterling Mall, Nos. 10–16 Lai Wan Road, Mei Foo Sun Chuen, Kowloon for a term of three years commencing from 3 June 2021 and expiring on 2 June 2024 for a monthly rental of HK\$115,000 (exclusive of government rates, rent, management fees, air-conditioning charge and all other outgoings of a non-capital and recurring nature) (the “**Tenancy Agreement**”). The Tenancy Agreement constituted a connected transaction for the Company under the Listing Rules, details of which were set out in the announcement published by the Company dated 2 June 2021.
- (b) On 18 June 2021, Century Choice Limited (“**Century Choice**”), a wholly-owned subsidiary of CAP, and Yulin Market Development Service Centre* (玉林市市場開發服務中心) (the “**PRC Shareholder**”), a substantial shareholder of Yulin Hongjin Agricultural By-products Wholesale Marketplace Limited* (玉林宏進農副產品批發市場有限公司) (“**Yulin Hongjin**”), a non-wholly owned subsidiary of CAP, entered into a capital reorganisation agreement in respect of Yulin Hongjin, pursuant to which (among other things) (i) the PRC Shareholder waived its entitlement to 35% of the dividend declared by Yulin Hongjin for the financial year ended 31 December 2020 in the amount of approximately RMB117 million and directed the same to be paid to Century Choice, and (ii) the amount of registered capital contribution by Century Choice in Yulin Hongjin reduced by an amount equal to approximately RMB41.9 million, which amount was paid by Yulin Hongjin to Century Choice in cash (the “**Capital Reorganisation Agreement**”). As a result of such reduction of registered capital contribution, Century Choice’s equity interest in Yulin Hongjin decreased to 51%. Such decrease in equity interest constitutes a disposal by CAP of its equity interest in Yulin Hongjin under Chapter 14 of the Listing Rules. The Capital Reorganisation Agreement also constituted a connected transaction for the Company under the Listing Rules, details of which were set out in the joint announcement of the Company, WOG and CAP dated 18 June 2021.

Further details of other related party transactions undertaken by the Group in the ordinary course of business, which fell under Rule 14A.73 of the Listing Rules, during the year under review are set out in note 40 to the financial statements. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules and save as disclosed above, there were no other transactions which need to be disclosed as connected transaction in accordance with the requirements of the Listing Rules.

關連交易

- (a) 於二零二一年六月二日，本公司之間接附屬公司位元堂(零售)有限公司與宏安地產之間接附屬公司誠衛有限公司訂立租賃協議，以租用位於九龍美孚新邨荔灣道10-16號萬事達廣場1-11號、15-17號地下N77號舖A部分的一間零售店舖，租期自二零二一年六月三日起至二零二四年六月二日止，為期三年，月租115,000港元(不包括差餉、地租、管理費、空調費以及所有其他非資本性及經常性支出)(「**租賃協議**」)。根據上市規則，租賃協議構成本公司的關連交易，其詳情載於本公司日期為二零二一年六月二日的公佈。
- (b) 於二零二一年六月十八日，龍群有限公司(「**龍群**」，為中國農產品的全資附屬公司)與中國農產品的非全資附屬公司玉林宏進農副產品批發市場有限公司(「**玉林宏進**」)之主要股東玉林市市場開發服務中心(「**中國股東**」)就玉林宏進訂立資本重組協議，據此，(其中包括)(i)中國股東放棄享有玉林宏進截至二零二零年十二月三十一日止財政年度宣派之股息約人民幣117,000,000元之35%之權利，並指示將有關金額支付予龍群；及(ii)龍群於玉林宏進的註冊資本注資減少相當於約人民幣41,900,000元之金額，由玉林宏進向龍群以現金支付(「**資本重組協議**」)。由於以上註冊資本注資減少，龍群於玉林宏進的股權減少至51%。根據上市規則第14章，該股權的減少構成中國農產品出售其在玉林宏進的股權。根據上市規則，資本重組協議亦構成本公司的一項關連交易，詳情載於本公司、宏安及中國農產品日期為二零二一年六月十八日的聯合公佈。

於回顧年度內，本集團於一般業務過程中進行之其他關聯方交易(屬上市規則第14A.73條範圍內)進一步詳情載於財務報表附註40。本公司已遵守上市規則第14A章之披露規定，且除上文披露者外，概無其他交易須根據上市規則規定披露為關連交易。

* for identification purpose only

* 僅供識別

Emolument Policy

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

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

The Company has adopted the 2013 Share Option Scheme at the annual general meeting held on 22 August 2013, as incentives to Directors and eligible employees. CAP has adopted the CAP 2012 Scheme in May 2012 which was expired in May 2022. Details of the 2013 Scheme and the CAP 2012 Scheme are set out in note 34 to the financial statements.

Major Customers and Suppliers

During the year ended 31 March 2022, the sales to the Group's five largest customers accounted for less than approximately 4.6% (2021: approximately 8.9%) of the Group's total sales and the sales to the Group's largest customer included therein accounted for approximately 1.3% (2021: approximately 3.5%).

During the year ended 31 March 2022, the largest supplier accounted for approximately 8.8% (2021: approximately 19.8%) of the Group's purchases and the five largest suppliers of the Group accounted for approximately 30.1% (2021: approximately 54.8%) of the Group's purchases.

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

Donations

During the year under review, the Group made charitable and other donations totaling approximately HK\$7.8 million (2021: approximately HK\$2.7 million).

Pre-Emptive Rights

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

Contracts of Significance

Save as disclosed in the transactions as disclosed in note 40 to the financial statements, no controlling shareholder or any of its subsidiaries has any contract of significance of the Company or its subsidiaries during the year under review.

薪酬政策

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

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

本公司已於二零一三年八月二十二日舉行之股東週年大會上採納二零一三年購股權計劃，獎勵董事及合資格僱員。中國農產品已於二零一二年五月採納中國農產品二零一二年計劃，惟於二零二二年五月到期。二零一三年計劃及中國農產品二零一二年計劃詳情載於財務報表附註34。

主要客戶及供應商

截至二零二二年三月三十一日止年度內，本集團五大客戶之銷售額佔本集團之總銷售少於約4.6% (二零二一年：約8.9%)，當中包括向本集團最大客戶之銷售佔約1.3% (二零二一年：約3.5%)。

截至二零二二年三月三十一日止年度，最大供應商佔本集團採購額約8.8% (二零二一年：約19.8%)，而本集團五大供應商則佔本集團採購額約30.1% (二零二一年：約54.8%)。

於回顧年度任何時間，董事或彼等之任何聯繫人士或本公司股東(據董事所深知擁有本公司已發行股份總數5%以上者)概無於本集團五大客戶或供應商擁有任何實益權益。

捐款

於回顧年度內，本集團之慈善及其他捐款合共約7,800,000港元(二零二一年：約2,700,000港元)。

優先購買權

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

重大合約

除財務報表附註40所披露的交易外，控股股東或其任何附屬公司於回顧年度內並無與本公司或其附屬公司訂立任何重大合約。

Report of the Directors (Continued)

董事會報告 (續)

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year under review.

Corporate Governance

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

In the opinion of the Directors, the Company complied with the code provisions under the CG Code contained in Appendix 14 to the Listing Rules throughout the year under review, except for the deviation of the code provision C.2.1 of the CG Code. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 38 to 56 of this annual report.

Sufficiency of Public Float

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

Audit Committee

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

During the year under review, the Audit Committee met twice with management and the external auditor to review and consider, among other things, the accounting principles and practices adopted by the Group, the financial reporting matters (including the review of audited consolidated financial statements for the year ended 31 March 2021 and the condensed interim results for the six-month ended 30 September 2021), the statutory compliance, internal controls and risk management, continuing connected transactions and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programs and budget. The Audit Committee has also reviewed the consolidated financial statements for the year ended 31 March 2022 with the external auditor and management of the Company.

管理合約

於回顧年度內，並無訂立或存在有關管理及經營本公司全部或任何重大部分業務的合約。

企業管治

本公司致力維持高水平之企業管治常規，以符合本公司及其股東之整體利益。

董事認為，本公司於整個回顧年度內已遵守上市規則附錄十四所載之企業管治守則之守則條文，惟已偏離企業管治守則之守則條文C.2.1。本公司所採納企業管治常規之詳情載於本年報第38至56頁之企業管治報告。

足夠之公眾持股量

根據本公司公開可得資料及據董事所知，本公司於整個回顧年度及直至本年報日期已維持上市規則規定的足夠公眾持股量。

審核委員會

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

於回顧年度內，審核委員會與管理層及外部核數師舉行兩次會議，以審閱及考慮(其中包括)本集團採納之會計原則及常規、財務報告事宜(包括審閱截至二零二一年三月三十一日止年度之經審核綜合財務報表及截至二零二一年九月三十日止六個月之簡明中期業績)、合規情況、內部監控及風險管理、持續關連交易及本公司會計及財務申報職能員工是否具有充足的才智、資格及經驗以及其培訓計劃及預算。審核委員會亦已與本公司外部核數師及管理層審閱截至二零二二年三月三十一日止年度之綜合財務報表。

Events After The Reporting Period

Details of significant events after the reporting period of the Group are set out in note 46 to the financial statements.

Auditor

The financial statements for the year ended 31 March 2022 have been audited by Ernst & Young, who will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as the auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Tang Ching Ho

Chairman and Managing Director

Hong Kong, 28 June 2022

報告期後事項

本集團報告期後重大事項之詳情載於財務報表附註46。

核數師

截至二零二二年三月三十一日止年度之財務報表已由安永會計師事務所審核。安永會計師事務所將退任，並符合資格且願意重選連任。本公司將於應屆股東週年大會上提呈決議案，重新委聘安永會計師事務所為本公司核數師。

代表董事會

鄧清河

主席兼董事總經理

香港，二零二二年六月二十八日

Independent Auditor's Report

獨立核數師報告



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

Opinion

We have audited the consolidated financial statements of Wai Yuen Tong Medicine Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 84 to 226, which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

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

Key audit matters

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

致位元堂藥業控股有限公司股東
(於百慕達註冊成立的有限公司)

意見

我們已審計列載於第84至226頁的位元堂藥業控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於二零二二年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零二二年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」一節作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

Key audit matters (continued)

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

關鍵審計事項(續)

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」一節闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Valuation of investment properties</i> 投資物業之估值</p> <p>The Group holds various investment properties in Hong Kong and Mainland China for rental earning purposes. Such investment properties are measured at fair value at the end of each reporting period and the aggregate carrying amount of these investment properties was HK\$3,562,503,000 as at 31 March 2022, which represented approximately 47% of the total assets of the Group.</p> <p>貴集團於香港及中國內地持有多項投資物業以賺取租金。有關投資物業於各報告期末按公平值計量，而該等投資物業於二零二二年三月三十一日之總賬面值為3,562,503,000港元，佔貴集團總資產約47%。</p> <p>Management of the Company engaged external valuers to perform the valuation of these investment properties as at 31 March 2022 and in the absence of current prices in an active market for similar properties, the external valuers considered information from a variety of sources such as current prices of properties with similar locations and conditions. This has been identified as a key audit matter because significant estimation is required to determine the fair values of the investment properties, which reflect market conditions at the end of the reporting period.</p> <p>貴公司管理層於二零二二年三月三十一日委聘外部估值師對該等投資物業進行估值。於缺乏類似物業在活躍市場中之現行價格資料下，外部估值師已考慮來自多種來源之資料，如在類似地點及狀況之物業的現行價格。此項被列為一項關鍵審計事項乃因釐定投資物業之公平值須作出重大估計，其可反映報告期末之市場狀況。</p> <p>The accounting policies and disclosures in relation to the valuation of investment properties are included in notes 2.4, 3 and 15 to the consolidated financial statements.</p> <p>有關投資物業估值之會計政策及披露載於綜合財務報表附註2.4、3及15。</p>	<p>Our audit procedures to assess the valuation of investment properties included the following: 我們評估投資物業估值之審計程序包括以下各項：</p> <ul style="list-style-type: none"> obtaining and reviewing the valuation reports prepared by the external valuers engaged by the Group; 獲得及審閱由貴集團委聘之外部估值師所編製之估值報告； assessing the external valuers' qualification, experience and expertise and considering their competence, objectivity and independence; and 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及 involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key parameters adopted in the valuations. 邀請我們的內部估值專家協助我們評估估值中應用之估值方法以及採用之關鍵參數。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Key audit matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Net realisable value of properties under development and properties held for sale</i> 發展中物業及持作出售物業之可變現淨值</p> <p>The Group holds properties under development and properties held for sale in Mainland China, which are stated at the lower of cost and net realisable value. As at 31 March 2022, the aggregate carrying amount of these properties was HK\$1,680,791,000, which represented approximately 22% of the total assets of the Group.</p> <p>貴集團持有中國內地之發展中物業及持作出售物業按成本與可變現淨值兩者中較低者列賬。於二零二二年三月三十一日，此等物業之總賬面值為1,680,791,000港元，佔貴集團總資產約22%。</p> <p>During the year, no further write-down or reversal was recognised in profit or loss against these properties.</p> <p>年內，概無就該等物業在損益確認進一步撇減或撥回。</p> <p>The Group engaged an external valuer to perform the valuations of the properties under development and properties held for sale as at 31 March 2022. This has been identified as a key audit matter because significant estimation is required to determine the net realisable value of the properties under development and properties held for sale, which reflects market conditions at the end of the reporting period.</p> <p>貴集團於二零二二年三月三十一日委聘外部估值師對發展中物業及持作出售物業進行估值。由於釐定發展中物業及持作出售物業的可變現淨值須作出重大估計，其可反映報告期末之市場狀況，因此將其識別為關鍵審計事項。</p> <p>The accounting policies and disclosures in relation to the properties under development and properties held for sale are included in notes 2.4, 3, 19 and 20 to the consolidated financial statements.</p> <p>有關發展中物業及持作出售物業之會計政策及披露載於綜合財務報表附註2.4、3、19及20。</p>	<p>Our audit procedures to assess the net realisable value of properties under development and properties held for sale included the following: 我們評估發展中物業及持作出售物業可變現淨值之審計程序包括以下各項：</p> <ul style="list-style-type: none">• obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Group; • 獲得及審閱由貴集團委聘之外部估值師所編製之估值報告；• assessing the external valuer's qualification, experience and expertise and considering its competence, objectivity and independence; and • 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及• involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key parameters adopted in the valuations, on a sampling basis. • 邀請我們的內部估值專家協助我們抽樣評估估值中應用之估值方法以及採用之關鍵參數。

Key audit matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment assessment of property, plant and equipment</i> 物業、廠房及設備之減值評估</p> <p>As at 31 March 2022, the Group had property, plant and equipment (including right-of-use assets), before current year impairment, of HK\$865,174,000, which relate to the cash-generating units ("CGUs") of Chinese pharmaceutical and health food products and Western pharmaceutical and health food products. Given that there are internal and external sources of information that indicate impairment or reversal of impairment may exist, management of the Company performed an impairment assessment of the related property, plant and equipment to determine their recoverable amounts based on either their value in use or fair values less costs of disposal.</p> <p>於二零二二年三月三十一日，貴集團持有與中藥及保健食品產品和西藥及保健食品產品之現金產生單位(「現金產生單位」)相關的物業、廠房及設備(包括使用權資產)865,174,000港元(扣除本年度減值前)。由於有內部及外部資料來源顯示可能存在減值或減值撥回，貴公司管理層對相關物業、廠房及設備進行減值評估，根據使用價值或公平值減出售成本釐定可收回金額。</p> <p>During the year, net reversal of impairment losses of HK\$6,395,000 was recognised against these property, plant and equipment.</p> <p>於年內，已就該等物業、廠房及設備確認減值虧損撥回淨額6,395,000港元。</p> <p>The impairment assessment has been identified as a key audit matter due to the materiality of the carrying values of the property, plant and equipment, and the significant judgements and estimations involved in the assessment of their recoverable amounts.</p> <p>物業、廠房及設備賬面值之重要性以及評估其可收回金額時涉及重大判斷及估計，因此減值評估被列為一項關鍵審計事項。</p> <p>The accounting policies and disclosures in relation to the impairment of property, plant and equipment are included in notes 2.4, 3 and 14 to the consolidated financial statements.</p> <p>有關物業、廠房及設備減值之會計政策及披露載於綜合財務報表附註2.4、3及14。</p>	<p>For impairment assessments using the value in use calculations, our audit procedures included the following: 就以計算使用價值進行減值評估而言，我們的審計程序包括以下各項：</p> <ul style="list-style-type: none"> • enquiring of management in relation to the key assumptions applied in the cash flow projections, such as the revenue growth rates and gross margins, and comparing them to historical information and our understanding of the latest market information and conditions; and • 向管理層查詢現金流預測中使用之關鍵假設(如收入增長率及毛利率)並將所採用的關鍵假設與歷史數據及我們對最近期市場資訊及狀況的理解進行比較；及 • involving our internal valuation specialists to assist us with the assessment of the methodologies and the discount rates used to determine the recoverable amounts on a sampling basis. • 邀請我們的內部估值專家協助我們抽樣評估釐定可收回金額中採用之方法及折現率。 <p>For impairment assessments using the fair values less costs of disposal of the relevant property, plant and equipment, our audit procedures included the following: 就以公平值減出售相關物業、廠房及設備的成本進行減值評估而言，我們的審計程序包括以下各項：</p> <ul style="list-style-type: none"> • obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Group; • 獲得及審閱由貴集團委聘之外部估值師所編製之估值報告； • assessing the external valuer's qualification, experience and expertise and considering its competence, objectivity and independence; and • 評估外部估值師之資格、經驗及專業知識並考慮其能力、客觀性及獨立性；及 • involving our internal valuation specialists to assist us in the assessment of the valuation methodologies applied and the key parameters adopted in the valuations. • 邀請我們的內部估值專家協助我們評估估值中應用之估值方法以及採用之關鍵參數。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Other information included in the Annual Report

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

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

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

Responsibilities of the directors for the consolidated financial statements

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

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

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

刊載於年報之其他資料

貴公司董事需對其他資料負責。其他資料包括刊載於年報內的所有資料，但不包括綜合財務報表及我們的核數師報告。

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

就我們對綜合財務報表的審計而言，我們的責任是閱讀其他資料，在此過程中，考慮其他資料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，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審計綜合財務報表承擔的責任

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

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 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。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. CHUNG, Ho Ling.

Ernst & Young
Certified Public Accountants
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

28 June 2022

核數師就審計綜合財務報表承擔的責任(續)

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

出具本獨立核數師報告的審計項目合夥人是鍾浩齡先生。

安永會計師事務所
執業會計師
香港鰂魚涌
英皇道979號
太古坊一座27樓

二零二二年六月二十八日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
REVENUE	收益	5	1,391,411	1,108,565
Cost of sales	銷售成本		(821,021)	(663,283)
Gross profit	毛利		570,390	445,282
Other income and gains, net	其他收入及收益，淨額	5	144,869	120,629
Selling and distribution expenses	銷售及分銷開支		(246,127)	(167,442)
Administrative expenses	行政開支		(253,068)	(261,822)
Impairment losses on financial assets, net	財務資產減值虧損，淨額	7	(12,875)	(40,627)
Other expenses	其他開支	6	(41,424)	(264,300)
Write-down of properties held for sale	持作出售物業撇減	20	-	(6,326)
Finance costs	融資成本	8	(95,695)	(107,724)
Fair value gains/(losses) on financial assets and liabilities at fair value through profit or loss, net	按公平值經損益入賬之財務資產及負債之公平值收益／(虧損)，淨額		(31,693)	6,601
Fair value losses on owned investment properties, net	所擁有投資物業之公平值虧損，淨額	15	(83,253)	(32,056)
Share of profits and losses of associates	分佔聯營公司溢利及虧損		1,572	4,654
LOSS BEFORE TAX	除稅前虧損	7	(47,304)	(303,131)
Income tax expense	所得稅開支	11	(40,519)	(148,132)
LOSS FOR THE YEAR	本年度虧損		(87,823)	(451,263)

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

綜合損益及其他全面收益表(續)

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

	Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
OTHER COMPREHENSIVE INCOME/(LOSS) 其他全面收益／(虧損)			
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>	<i>可能於往後期間重新分類至損益之其他全面收益／(虧損)：</i>		
Debt investments at fair value through other comprehensive income:	按公平值經其他全面收益入賬之債務投資：		
Changes in fair value	公平值變動	(57,083)	11,981
Reclassification adjustments for losses included in profit or loss:	計入損益之虧損之重新分類調整：		
– Impairment losses, net	– 減值虧損，淨額	7 4,913	382
– Loss on disposal/redemption, net	– 出售／贖回之虧損，淨額	6 40,865	476
		(11,305)	12,839
Share of other comprehensive income of associates	分佔聯營公司之其他全面收益	–	9,978
Translation reserve:	匯兌儲備：		
Translation of foreign operations	換算海外業務	132,557	286,512
Release of translation reserve upon disposal of investment in an associate	出售於一間聯營公司之投資時解除匯兌儲備	–	29,850
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	可能於往後期間重新分類至損益之其他全面收益淨額	121,252	339,179
<i>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</i>	<i>將不會於往後期間重新分類至損益之其他全面收益／(虧損)：</i>		
Fair value adjustment upon transfer from owner-occupied property to investment property, net of tax	將業主自用物業轉為投資物業時之公平值調整，扣除稅項	–	76,103
Share of other comprehensive loss of an associate	分佔一間聯營公司之其他全面虧損	–	(869)
Equity investments at fair value through other comprehensive income:	按公平值經其他全面收益入賬之股權投資：		
Changes in fair value	公平值變動	1,322	30,305
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	將不會於往後期間重新分類至損益之其他全面收益淨額	1,322	105,539
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	本年度其他全面收益，扣除稅項	122,574	444,718
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	本年度全面收益／(虧損)總額	34,751	(6,545)

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

綜合損益及其他全面收益表(續)

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

			2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Note 附註			
Profit/(loss) attributable to:		以下人士應佔溢利／		
		(虧損)：		
Owners of the parent		母公司擁有人	(108,912)	(375,995)
Non-controlling interests		非控股權益	21,089	(75,268)
			(87,823)	(451,263)
Total comprehensive income/(loss)		以下人士應佔全面收益／		
attributable to:		(虧損)總額：		
Owners of the parent		母公司擁有人	(34,610)	(77,461)
Non-controlling interests		非控股權益	69,361	70,916
			34,751	(6,545)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT		母公司普通權益 持有人應佔 每股虧損		
Basic and diluted	13	基本及攤薄	HK (8.84) cents 港仙	HK (30.53) cents 港仙

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2022 二零二二年三月三十一日

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	956,400	961,775
Investment properties	投資物業	15	3,562,503	3,507,623
Net investments in subleases	分租投資淨額	16	9,093	4,496
Investments in associates	於聯營公司之投資	17	3,804	2,832
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	18	147,126	234,871
Loans and interest receivables	應收貸款及利息	23	13,340	–
Financial assets at fair value through profit or loss	按公平值經損益入賬之財務資產	25	135	–
Prepayments and deposits	預付款項及按金	24	16,558	19,134
Deferred tax assets	遞延稅項資產	32	48	48
Total non-current assets	總非流動資產		4,709,007	4,730,779
CURRENT ASSETS	流動資產			
Properties under development	發展中物業	19	189,944	68,528
Properties held for sale	持作出售物業	20	1,490,847	1,886,497
Inventories	存貨	21	188,179	162,670
Trade receivables	貿易應收款項	22	63,346	53,300
Loans and interest receivables	應收貸款及利息	23	17,528	30,301
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	24	244,004	308,632
Net investments in subleases	分租投資淨額	16	5,592	8,852
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	18	19,839	47,944
Financial assets at fair value through profit or loss	按公平值經損益入賬之財務資產	25	109,605	102,603
Tax recoverable	可收回稅項		11,115	34,884
Pledged deposits	已抵押存款	26	31,250	–
Restricted bank balances	受限制銀行結餘	26	7,311	22,302
Cash and cash equivalents	現金及現金等同項目	26	510,146	507,234
Total current assets	總流動資產		2,888,706	3,233,747
CURRENT LIABILITIES	流動負債			
Trade payables	貿易應付款項	27	86,357	72,204
Other payables and accruals	其他應付款項及應計費用	28	769,384	809,710
Contract liabilities	合約負債	28	242,967	596,568
Financial liabilities at fair value through profit or loss	按公平值經損益入賬之財務負債	25	–	37
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	640,262	628,736
Convertible notes	可換股票據	31	–	131,901
Tax payable	應付稅項		142,344	132,239
Total current liabilities	總流動負債		1,881,314	2,371,395
NET CURRENT ASSETS	流動資產淨值		1,007,392	862,352
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,716,399	5,593,131

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表(續)

31 March 2022 二零二二年三月三十一日

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,716,399	5,593,131
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	28	72,589	56,089
Financial liabilities at fair value through profit or loss	按公平值經損益入賬之財 務負債	25	—	810
Unsecured notes	無抵押票據	29	219,497	199,348
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	821,403	701,092
Deferred tax liabilities	遞延稅項負債	32	642,299	685,443
Total non-current liabilities	總非流動負債		1,755,788	1,642,782
Net assets	資產淨值		3,960,611	3,950,349
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	33	12,316	12,316
Reserves	儲備	35	2,503,482	2,553,009
			2,515,798	2,565,325
Non-controlling interests	非控股權益		1,444,813	1,385,024
Total equity	總權益		3,960,611	3,950,349

Tang Ching Ho
鄧清河
Director
董事

Tang Wai Man
鄧蕙敏
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔															
		Issued capital	Share premium	Special reserve	Contributed surplus	Share option reserve	Translation reserve	Reserve funds	Other reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Asset revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity	
		已發行股本	股份溢價	特別儲備	實繳盈餘	購股權儲備	匯兌儲備	儲備基金	其他儲備	(可劃轉)	(不可劃轉)	資產重估	儲備	保留溢利	總計	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 33)		(note 35(i))	(note 35(ii))	(note 35(iii))		(note 35(iv))	(note 35(v))								
		(附註33)		(附註35(i))	(附註35(ii))	(附註35(iii))		(附註35(iv))	(附註35(v))								
At 1 April 2020	於二零二零年四月一日	12,316	2,106,799	(27,150)	275,693	83	(123,694)	359	2,019	(10,812)	(30,987)	28,014	410,146	2,642,786	1,350,601	3,993,387	
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	-	-	(375,995)	(375,995)	(75,268)	(451,263)	
Other comprehensive income/(loss) for the year:	本年度其他全面收益/(虧損)：																
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產：																
Changes in fair value	公平值變動	-	-	-	-	-	-	-	-	11,981	30,305	-	-	42,286	-	42,286	
Reclassification adjustment for losses included in profit or loss	計入損益之虧損之重新分類調整	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- Impairment losses, net	- 減值虧損，淨額	-	-	-	-	-	-	-	-	382	-	-	-	382	-	382	
- Loss on disposal/redemption, net	- 出售／贖回之虧損，淨額	-	-	-	-	-	-	-	-	476	-	-	-	476	-	476	
Fair value adjustment upon transfer from owner-occupied property to investment property, net of tax	將業主自用物業轉為投資物業時的公平值調整，已扣除稅項	-	-	-	-	-	-	-	-	-	-	76,103	-	76,103	-	76,103	
Share of other comprehensive income/(loss) of associates	分佔聯營公司之其他全面收益／(虧損)	-	-	-	-	-	9,978	-	-	-	(869)	-	-	9,109	-	9,109	
Translation reserve:	匯兌儲備：																
Exchange differences on translation of foreign operation	換算海外業務所產生之匯兌差額	-	-	-	-	-	140,328	-	-	-	-	-	-	140,328	146,184	286,512	
Release of translation reserve upon disposal of investment in an associate	出售於一間聯營公司投資時解除匯兌儲備	-	-	-	-	-	29,850	-	-	-	-	-	-	29,850	-	29,850	
Total comprehensive income/(loss) for the year	本年度全面收益／(虧損)總額	-	-	-	-	-	180,156	-	-	12,839	29,436	76,103	(375,995)	(77,461)	70,916	(6,545)	
Dividend declared to non-controlling interests	已向非控股權益宣派股息	-	-	-	-	-	-	-	-	-	-	-	-	-	(36,493)	(36,493)	
Expiry of share options	購股權屆滿	-	-	-	-	(83)	-	-	-	-	-	-	83	-	-	-	
Release of reserves upon disposal of investment in an associate	出售於一間聯營公司投資時解除儲備	-	-	-	-	-	-	-	(2,019)	-	10,300	-	(8,281)	-	-	-	
Transfer to reserve funds	轉撥至儲備基金	-	-	-	-	-	-	832	-	-	-	-	(832)	-	-	-	
At 31 March 2021	於二零二一年三月三十一日	12,316	2,106,799*	(27,150)*	275,693*	-*	56,462*	1,191*	-*	2,027*	8,749*	104,117*	25,121*	2,565,325	1,385,024	3,950,349	

Consolidated Statement of Changes in Equity (Continued)

綜合權益變動表(續)

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔														
									Fair value reserve		Retained profits/					
		Issued capital	Share premium	Special reserve	Contributed surplus	Translation reserve	Reserve funds	Capital reserve	Fair value reserve	Asset						
									(recycling)	revaluation	(accumulated					
								(non-	recycling)	reserve	losses)	Total	Non-	Total		
		已發行股本	股份溢價	特別儲備	實繳盈餘	匯兌儲備	儲備基金	資本儲備	(可劃轉)	(不可劃轉)	資產重估儲備	(累計虧損)	總計	非控股權益	總權益	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(note 33)		(note 35(i))	(note 35(ii))		(note 35(v))	(note 35(vi))								
		(附註33)		(附註35(i))	(附註35(ii))		(附註35(v))	(附註35(vi))								
At 1 April 2021	於二零二一年四月一日	12,316	2,106,799	(27,150)	275,693	56,462	1,191	-	2,027	8,749	104,117	25,121	2,565,325	1,385,024	3,950,349	
Profit/(loss) for the year	本年度溢利/(虧損)	-	-	-	-	-	-	-	-	-	-	(108,912)	(108,912)	21,089	(87,823)	
Other comprehensive income/(loss) for the year:	本年度其他全面收益/(虧損)：															
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產：															
Changes in fair value	公平值變動	-	-	-	-	-	-	-	(43,956)	1,322	-	-	(42,634)	(13,127)	(55,761)	
Reclassification adjustment for losses included in profit or loss	計入損益之虧損之重新分類調整															
- Impairment losses, net	- 減值虧損，淨額	-	-	-	-	-	-	-	4,913	-	-	-	4,913	-	4,913	
- Loss on disposal/redemption, net	- 出售／贖回之虧損，淨額	-	-	-	-	-	-	-	27,738	-	-	-	27,738	13,127	40,865	
Translation reserve:	匯兌儲備：															
Exchange differences on translation of foreign operation	換算海外業務所產生之匯兌差額	-	-	-	-	84,285	-	-	-	-	-	-	84,285	48,272	132,557	
Total comprehensive income/(loss) for the year	本年度全面收益/(虧損)總額	-	-	-	-	84,285	-	-	(11,305)	1,322	-	(108,912)	(34,610)	69,361	34,751	
Dividend paid to non-controlling interests	已向非控股權益宣派股息	-	-	-	-	-	-	-	-	-	-	-	-	(25,628)	(25,628)	
Reclassification adjustment for a gain on disposal of equity investments at fair value through other comprehensive income	出售按公平值經其他全面收益入賬之股權投資的收益之重新分類調整	-	-	-	-	-	-	-	-	(53)	-	53	-	-	-	
Disposal of partial interest in a subsidiary	出售於附屬公司的部分權益	-	-	-	-	(3,898)	-	(11,019)	-	-	-	-	(14,917)	14,917	-	
Recognition of a share-based payment of a subsidiary (note 34)	確認一間附屬公司之以股份為基礎之付款(附註34)	-	-	-	-	-	-	-	-	-	-	-	-	1,139	1,139	
Transfer to reserve funds	轉撥至儲備基金	-	-	-	-	-	901	-	-	-	-	(901)	-	-	-	
At 31 March 2022	於二零二二年三月三十一日	12,316	2,106,799*	(27,150)*	275,693*	136,849*	2,092*	(11,019)*	(9,278)*	10,018*	104,117*	(84,639)*	2,515,798	1,444,813	3,960,611	

* These reserve accounts comprise the consolidated reserves of HK\$2,503,482,000 (2021: HK\$2,553,009,000) in the consolidated statement of financial position.

* 該等儲備賬目包括綜合財務狀況表中的綜合儲備2,503,482,000港元(二零二一年: 2,553,009,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

	Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Loss before tax	除稅前虧損	(47,304)	(303,131)
Adjustments for:	已調整以下各項：		
Finance costs	融資成本	8	107,724
Interest income on loans receivables	應收貸款之利息收入	5	(3,798)
Interest income on financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income	按公平值經損益入賬之財務資產及按公平值經其他全面收益入賬之財務資產之利息收入	5	(16,284)
Interest income on bank deposits	銀行存款之利息收入	5	(4,489)
Finance income on net investments in subleases	分租投資淨額之財務收入	5, 16	(705)
Dividends from financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income	來自按公平值經損益入賬之財務資產及按公平值經其他全面收益入賬之財務資產之股息	5	(4,383)
Gain on modification/termination of lease contracts	修改／終止租賃合約之收益	5	(13,737)
Gain on disposal of investment properties, net	出售投資物業之收益，淨額	5	-
Fair value losses/(gains) on financial assets and liabilities at fair value through profit or loss, net	按公平值經損益入賬之財務資產及負債之公平值虧損／(收益)，淨額		(6,601)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	6	237
Loss on redemption of convertible notes	贖回可換股票據之虧損	6	3,933
Loss on disposal/redemption of debt investments at fair value through other comprehensive income, net	出售／贖回按公平值經其他全面收益入賬之債務投資之虧損，淨額	6	476
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值經損益入賬之財務資產之虧損	6	-
Loss on disposal of investment in an associate	出售於一間聯營公司之投資之虧損	6	237,740
Impairment losses/(reversal of impairment losses) on property, plant and equipment, net	物業、廠房及設備之減值虧損／(減值虧損撥回)，淨額	6, 14	21,914
Impairment losses on financial assets, net	財務資產減值虧損，淨額	7	40,627
Depreciation of owned assets	所擁有資產折舊	14	58,999
Depreciation of right-of-use assets	使用權資產折舊	14	33,624
Accrued rent-free rental income	應計免租租金收入	15	(32)
Fair value losses on owned investment properties, net	所擁有投資物業之公平值虧損，淨額	15	32,056
Fair value losses on sub-leased investment properties, net	分租投資物業之公平值虧損，淨額	15	2,976
Allowance for obsolete inventories	陳舊存貨撥備		4,747
Write-down of properties held for sale	持作出售物業撇減		6,326
Share of profits and losses of associates	分佔聯營公司溢利及虧損		(4,654)
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	16	(6,888)
		294,877	186,677
Increase in inventories	存貨增加	(30,208)	(12,245)
Increase in properties under development	發展中物業增加	(17,596)	(82,238)
Decrease in properties held for sale	持作出售物業減少	350,828	220,557
Decrease/(increase) in trade receivables	貿易應收款項減少／(增加)	(14,426)	16,493
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少／(增加)	77,423	(38,529)
Increase in trade payables	貿易應付款項增加	12,209	1,682
Increase/(decrease) in contract liabilities	合約負債增加／(減少)	(372,943)	2,515
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加／(減少)	(80,667)	191,462
Cash from operations	經營所得現金	219,497	486,374
Proceeds from subleases	分租所得款項	16(ii)	11,560
Interest received on bank deposits	銀行存款之已收利息	4,048	4,489
Tax paid	已付稅項	(81,873)	(89,872)
Net cash flows from operating activities	經營業務所得之現金流量淨額	152,271	412,551

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表(續)

Year ended 31 March 2022 截至二零二二年三月三十一日止年度

	Note 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Net cash flows from operating activities	經營業務所得之現金流量淨額	152,271	412,551
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(26,036)	(56,462)
Deposits paid for acquisition of items of property, plant and equipment	收購物業、廠房及設備項目之已付按金	-	(3,040)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	883	4,248
Proceeds from disposal of investment properties	出售投資物業所得款項	43,971	-
Additions to investment properties	添置投資物業	(51,558)	(30,725)
Proceeds from disposal of investment in an associate	出售於一間聯營公司投資所得款項	-	48,514
Purchase of financial assets at fair value through profit or loss	購買按公平值經損益入賬之財務資產	(58,357)	(38,796)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值經損益入賬之財務資產所得款項	18,081	-
Purchase of financial assets at fair value through other comprehensive income	購買按公平值經其他全面收益入賬之財務資產	(39,252)	(64,716)
Proceeds from disposal/redemption of debt investments at fair value through other comprehensive income	出售/贖回按公平值經其他全面收益入賬之債務投資所得款項	99,757	63,139
Increase in loans and interest receivables	應收貸款及應收利息增加	(3,398)	(3,947)
Decrease/(increase) in restricted bank balances	受限制銀行結餘減少/(增加)	15,696	(13,036)
Dividends received from associates	已收聯營公司股息	600	3,873
Interest received from loans receivables and debt investments	來自應收貸款及債務投資之已收利息	12,360	22,077
Dividends received from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss	來自按公平值經其他全面收益入賬之財務資產及按公平值經損益入賬之財務資產之已收股息	9,414	4,383
Net cash flows from/(used in) investing activities	投資活動所得/(所用)現金流量淨額	22,161	(64,488)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
New bank borrowings	新增銀行借貸	589,868	426,364
Repayments of bank and other borrowings	償還銀行及其他借貸	(480,364)	(500,478)
Dividends paid to non-controlling interests	向非控股權益支付股息	(25,628)	-
Redemption of convertible notes	贖回可換股票據	(134,800)	(130,000)
Principal portion of lease payments	租賃付款之本金部分	(64,342)	(62,368)
Interest paid	已付利息	(58,464)	(84,394)
Increase in pledged deposits	已抵押存款增加	(30,683)	-
Net cash flows used in financing activities	融資活動所用現金流量淨額	(204,413)	(350,876)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等同項目減少淨額	(29,981)	(2,813)
Cash and cash equivalents at beginning of year	年初之現金及現金等同項目	507,234	475,702
Effect of foreign exchange rate changes, net	匯率變動之影響，淨額	32,893	34,345
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末之現金及現金等同項目	510,146	507,234
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等同項目之結餘分析		
Cash and bank balances	現金及銀行結餘	474,889	432,061
Non-pledged time deposits with original maturity of less than three months when acquired	於購買時原到期日少於三個月之無抵押定期存款	35,257	75,173
Cash and cash equivalents	現金及現金等同項目	510,146	507,234

Notes to Financial Statements

財務報表附註

1. Corporate and Group Information

Wai Yuen Tong Medicine Holdings Limited (the “**Company**”) is incorporated in Bermuda as an exempted company with limited liability and its head office and principal place of business are both located at Suite 3101, 31/F., Skyline Tower, 39 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “**Group**”) were involved in the following principal activities:

- production and sale of Chinese pharmaceutical and health food products
- production and sale of Western pharmaceutical and health food products
- property investment
- management and sale of properties in agricultural produce exchange markets

In the opinion of the directors of the Company, the immediate holding company of the Company is Rich Time Strategy Limited, which is incorporated in the British Virgin Islands, and the ultimate holding company of the Company is Wang On Group Limited (“**Wang On**”), which is incorporated in Bermuda and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

1. 公司及集團資料

位元堂藥業控股有限公司(「**本公司**」)為一間於百慕達註冊成立之獲豁免有限公司，其總辦事處及主要營業地點均位於為香港九龍九龍灣宏光道39號宏天廣場31樓3101室。

於年內，本公司及其附屬公司(統稱「**本集團**」)主要涉及下列業務：

- 生產及銷售中藥及保健食品產品
- 生產及銷售西藥及保健食品產品
- 物業投資
- 管理及銷售農產品交易市場之物業

本公司董事認為，本公司之直接控股公司為 Rich Time Strategy Limited，其於英屬處女群島註冊成立。本公司之最終控股公司為宏安集團有限公司(「**宏安**」)，其於百慕達註冊成立，並於香港聯合交易所有限公司(「**聯交所**」)主板上市。

Notes to Financial Statements (Continued)

財務報表附註(續)

1. Corporate and Group Information (continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料(續)

附屬公司之資料

本公司主要附屬公司之詳情如下：

			Percentage of equity attributable to the Company 本公司應佔股權百分比				
	Place of incorporation and business	Issued ordinary/ registered share capital	Direct 直接		Indirect 間接		
Name 名稱	註冊成立及營業地點	已發行普通／註冊股本	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	Principal activities 主要業務
Asia Brighter Investment Limited 益輝投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property investment 物業投資
Billion Good Investment Limited 維富投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	—	—	99.79%	99.79%	Property investment 物業投資
China Agri-Products Exchange Limited*/^ ("CAP") 中國農產品交易有限公司*/^ (「中國農產品」)	Bermuda 百慕達	Ordinary HK\$99,530,678 普通股99,530,678港元	—	—	53.37%	53.37%	Investment holding 投資控股
Cloud Hero Limited	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Provision of financial service 提供金融服務
Full Gainer Investment Limited 卓怡投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Good Excellent Limited 港威龍有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Grand Quality Development Limited 廣均發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	—	—	100%	100%	Property holding 物業持有
Info World Investment Limited 裕訊投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property investment 物業投資
Luxembourg Medicine Company Limited 盧森堡大藥廠有限公司	Hong Kong 香港	Ordinary HK\$933,313 普通股933,313港元	—	—	99.79%	99.79%	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及 保健食品產品
Oriental Sino Investments Limited 東華投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	—	—	100%	100%	Property holding 物業持有
Sino Fame Investments Limited 信洋投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property investment 物業投資
Star Sense Limited 昇迅有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Sunbo Investment Limited 森寶投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property investment 物業投資
Sunny Victor Limited 亮陞有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	—	—	100%	100%	Property holding 物業持有

Notes to Financial Statements (Continued)

財務報表附註(續)

1. Corporate and Group Information (continued)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

附屬公司之資料(續)

			Percentage of equity attributable to the Company 本公司應佔股權百分比				
	Place of incorporation and business	Issued ordinary/ registered share capital	Direct		Indirect		
Name			直接		間接		Principal activities
名稱	註冊成立及營業地點	已發行普通／註冊股本	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	主要業務
Topmate Investment Limited 德美投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Total Smart Investments Limited	British Virgin Islands 英屬處女群島	Ordinary US\$1 普通股1美元	100%	100%	—	—	Investment holding 投資控股
Wai Yuen Tong Company Limited 位元堂有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Wai Yuen Tong (Regional) Limited 位元堂(地區)有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	—	—	100%	100%	Property holding 物業持有
Wai Yuen Tong (Macao) Limited	Macau	Ordinary Macau Pataca 25,000	—	—	99.79%	99.79%	Retail sale and wholesale of Chinese pharmaceutical and health food products
位元堂(澳門)有限公司	澳門	普通股25,000澳門元					零售及批發中藥及保健 食品產品
Wai Yuen Tong (Retail) Limited	Hong Kong	Ordinary HK\$300,000	—	—	99.79%	99.79%	Retail sale of Chinese pharmaceutical and health food products
位元堂(零售)有限公司	香港	普通股300,000港元					零售中藥及保健食品 產品
Wai Yuen Tong Medicine Company Limited ("WYT Medicine Company")	Hong Kong	Ordinary HK\$13,417,374 Non-voting deferred shares** HK\$17,373,750	—	—	99.79%	99.79%	Production and sale of Chinese pharmaceutical and health food products
位元堂藥廠有限公司 (「位元堂藥廠」)	香港	普通股13,417,374港元 無投票權遞延股份 **17,373,750港元					生產及銷售中藥及保健 食品產品
深圳市延養堂醫藥有限公司*	People's Republic of China (the "PRC")/Mainland China	Registered capital Renminbi ("RMB") 102,000,000	—	—	99.79%	99.79%	Retail sale and wholesale of Chinese pharmaceutical and health food products
	中華人民共和國(「中 國」)/中國內地	註冊資本人民幣(「人民幣」) 102,000,000元					零售及批發中藥及保健 食品產品
冠尊(深圳)商貿發展有限公司*	The PRC/Mainland China	Registered capital HK\$100,000,000	—	—	100%	100%	Property holding
	中國/中國內地	註冊資本100,000,000港元					物業持有

Notes to Financial Statements (Continued)

財務報表附註(續)

1. Corporate and Group Information (continued)

Information about subsidiaries (continued)

			Percentage of equity attributable to the Company 本公司應佔股權百分比				
	Place of incorporation and business	Issued ordinary/ registered share capital	Direct		Indirect		
Name			直接		間接		Principal activities
名稱	註冊成立及營業地點	已發行普通／註冊股本	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	主要業務
徐州源洋商貿發展有限公司 ^{##}	The PRC/Mainland China	Registered capital RMB61,220,000	—	—	27.22% ⁺	27.22% ⁺	Agricultural produce exchange market operation
	中國／中國內地	註冊資本人民幣 61,220,000元					經營農產品交易市場
武漢白沙洲農副產品大市場 有限公司 ^{##}	The PRC/Mainland China	Registered capital RMB180,610,000 (2021: RMB88,500,000)	—	—	53.37%	53.37%	Agricultural produce exchange market operation
	中國／中國內地	註冊資本人民幣 180,610,000元 (二零二一年：人民幣 88,500,000元)					經營農產品交易市場
玉林宏進農副產品批發市場 有限公司 ("Yulin Hongjin") ^{##}	The PRC/Mainland China	Registered capital RMB34,285,700 (2021: RMB76,230,000)	—	—	27.22% ⁺ (note)	34.69% ⁺	Agricultural produce exchange market operation and property sales
玉林宏進農副產品批發市場有限 公司(「玉林宏進」) ^{##}	中國／中國內地	註冊資本人民幣 34,285,700元 (二零二一年：人民幣 76,230,000元)			(附註)		經營農產品交易市場及 物業銷售
玉林宏進物流發展有限公司 [†]	The PRC/Mainland China	Registered capital RMB320,000,000	—	—	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本人民幣 320,000,000元					經營農產品交易市場及 物業銷售
欽州宏進農副產品批發市場 有限公司 [†]	The PRC/Mainland China	Registered capital RMB450,000,000	—	—	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本人民幣 450,000,000元					經營農產品交易市場及 物業銷售
開封宏進農副產品批發市場 有限公司 [†]	The PRC/Mainland China	Registered capital US\$23,230,000	—	—	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本23,230,000美元					經營農產品交易市場及 物業銷售
洛陽宏進農副產品批發市場 有限公司 [†]	The PRC/Mainland China	Registered capital RMB443,000,000	—	—	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本人民幣 443,000,000元					經營農產品交易市場及 物業銷售

1. 公司及集團資料(續)

附屬公司之資料(續)

1. Corporate and Group Information (continued)

Information about subsidiaries (continued)

Percentage of equity attributable to the Company 本公司應佔股權百分比							
Name 名稱	Place of incorporation and business 註冊成立及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Direct 直接		Indirect 間接		Principal activities 主要業務
			2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	
漢陽宏進農副產品批發市場有限公司 [†]	The PRC/Mainland China	Registered capital RMB140,000,000	-	-	40.03% ⁺	40.03% ⁺	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本人民幣140,000,000元					經營農產品交易市場及物業銷售
盤錦宏進農副產品批發市場有限公司 [†]	The PRC/Mainland China	Registered capital RMB200,000,000	-	-	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本人民幣200,000,000元					經營農產品交易市場及物業銷售
淮安宏進農副產品物流有限公司 [†]	The PRC/Mainland China	Registered capital US\$35,000,000	-	-	53.37%	53.37%	Agricultural produce exchange market operation and property sales
	中國／中國內地	註冊資本35,000,000美元					經營農產品交易市場及物業銷售
黃石宏進農副產品批發市場有限公司 [†]	The PRC/Mainland China	Registered capital RMB2,000,000	-	-	42.70% ⁺	42.70% ⁺	Agricultural produce exchange market operation
	中國／中國內地	註冊資本人民幣2,000,000元					經營農產品交易市場

Note: On 18 June 2021, Century Choice Limited ("Century Choice"), an indirect wholly-owned subsidiary of CAP, and a substantial shareholder of Yulin Hongjin (the "PRC Shareholder") entered into an agreement in relation to the reduction of registered capital contribution of Century Choice in Yulin Hongjin. Pursuant to the agreement, the PRC Shareholder waived its entitlement to the dividend declared by Yulin Hongjin in the amount of RMB40,950,000 (equivalent to HK\$49,214,000) and directed the same amount to Century Choice, and the amount of registered capital contribution by Century Choice in Yulin Hongjin was reduced by an amount of RMB41,944,000 (equivalent to HK\$42,328,000). As a result of such reduction of registered capital contribution, Century Choice's equity interest in Yulin Hongjin was decreased from 65% to 51%. Accordingly, the Group's effective equity interest in Yulin Hongjin was decreased from 34.69% to 27.22%.

附註：於二零二一年六月十八日，龍群有限公司（「龍群」，為中國農產品之間接全資附屬公司）與玉林宏進之主要股東（「中國股東」）訂立協議，內容有關龍群減持其於玉林宏進之註冊資本注資的協議。根據有關協議，中國股東放棄享有玉林宏進宣派之股息人民幣40,950,000元（相當於49,214,000港元）之權利，並指示將有關金額支付予龍群，而龍群於玉林宏進的註冊資本注資減少人民幣41,944,000元（相當於42,328,000港元）之金額。由於以上註冊資本注資的減少，龍群於玉林宏進之股權已由65%減少至51%。因此，本集團於玉林宏進的有效股權由34.69%降至27.22%。

Notes to Financial Statements (Continued)

財務報表附註(續)

1. Corporate and Group Information (continued)

Information about subsidiaries (continued)

- * CAP is a company incorporated in Bermuda and its shares are listed on the Main Board of the Stock Exchange. It is an investment holding company and the principal activities of its subsidiaries are the management and sale of properties in agricultural produce exchange markets.
- ** The non-voting deferred shares carry no voting rights nor rights to dividends. On the winding up of WYT Medicine Company, holders of the non-voting deferred shares have a right to repayment in proportion to the amounts paid up on all ordinary and deferred shares after the first HK\$1,000,000,000,000 thereof has been distributed among the holders of the ordinary shares.
- # Wholly-foreign-owned enterprises under PRC law.
- ## Sino-foreign equity joint ventures under PRC law.
- ^ Listed on the Main Board of the Stock Exchange.
- + A subsidiary of a non-wholly-owned subsidiary of the Company and, accordingly accounted for as a subsidiary by virtue of the Company's control over it.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

1. 公司及集團資料(續)

附屬公司之資料(續)

- * 中國農產品乃於百慕達註冊成立之公司，其股份於聯交所主板上市。其為投資控股公司，其附屬公司之主要業務為管理及銷售農產品交易市場之物業。
- ** 無投票權遞延股份無權投票或收取股息。於位元堂藥廠清盤時，向普通股持有人分派有關之首筆1,000,000,000,000港元後，無投票權遞延股份持有人有權按所有普通股及遞延股份之實繳股款比例獲得退還款項。
- # 中國法律下的外商獨資企業。
- ## 中國法律下的中外合資合營企業。
- ^ 於聯交所主板上市。
- + 為本公司非全資附屬公司之附屬公司，鑒於本公司對其擁有控制權，因此，按附屬公司入賬處理。

上表載列本公司董事認為主要影響本集團之年度業績或佔資產淨值重大部分之本公司附屬公司。本公司董事認為列出其他附屬公司之詳情會令篇幅過於冗長。

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.1 編製基準

該等財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。有關財務報表乃按歷史成本基準編製，惟投資物業、按公平值經損益入賬之財務資產及負債以及按公平值經其他全面收益入賬之財務資產按公平值計量。該等財務報表以港元(「港元」)呈列，除另有註明者外，所有數值均約整計至最接近千位。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零二二年三月三十一日止年度之財務報表。附屬公司指受本公司直接或間接控制的實體(包括結構性實體)。倘本集團透過參與被投資方業務而承擔或享有可變回報的風險或權利，並有能力透過其於有關被投資方的權力(即目前賦予本集團指示被投資方相關活動的現有權利)影響有關回報，即表示本集團擁有控制權。

倘本公司直接或間接擁有被投資方的投票權或類似權利不足半數，本集團於評估其對被投資方是否擁有權力時會考慮所有相關事實及情況，當中包括：

- (a) 與被投資方其他投票權持有人的合約安排；
- (b) 因其他合約安排而產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司就編製財務報表的報告期與本公司相同，並使用一致會計政策。附屬公司之業績於本集團取得控制權當日開始綜合入賬，且將繼續綜合入賬，直至失去有關控制權當日為止。

Notes to Financial Statements (Continued)

財務報表附註(續)

2.1 Basis of Preparation (continued)

Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

損益及其他全面收益之各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此將導致非控股權益錄得虧損結餘。有關本集團成員公司間交易之所有集團內資產及負債、權益、收入、開支及現金流量在綜合入賬時全數對銷。

倘有事實及情況顯示上述三項控制元素中有一項或多項因素出現變動，本集團會重新評估是否仍然對被投資方擁有控制權。附屬公司中不導致喪失控制權的擁有權權益變動作為股本交易入賬。

倘本集團失去對附屬公司之控制權，則終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)計入權益之累計換算差額；並確認(i)已收代價之公平值；(ii)所保留任何投資之公平值；及(iii)損益中任何因此產生之盈餘或虧損。本集團先前確認分佔其他全面收益的組成部分適當地重新分類計入損益或保留溢利，基準猶如本集團直接出售有關資產或負債所規定者相同。

2.2 Changes in Accounting Policies and Disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i>
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Amendment to HKFRS 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021</i>
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2.2 會計政策之變動及披露資料

本集團已於本年度財務報表首次採納下列經修訂香港財務報告準則。

香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本	<i>利率基準改革 – 第二階段</i>
香港財務報告準則第16號之修訂本	<i>二零二一年六月三十日後的新冠狀病毒肺炎相關租金減免</i>

2.2 Changes in Accounting Policies and Disclosures (continued)

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

The Group had certain interest-bearing bank borrowings denominated in Hong Kong dollars and RMB based on the Hong Kong Interbank Offered Rate ("HIBOR") and the RMB base lending rate, respectively, as at 31 March 2022. The Group also had interest rate swaps whereby the Group pays interest at fixed rates and receives interest at variable rates based on HIBOR on the notional amounts. The Group expects that HIBOR will continue to exist and the interest rate benchmark reform has not had an impact on the Group's HIBOR-based borrowings and interest rate swaps.

2.2 會計政策之變動及披露資料 (續)

經修訂香港財務報告準則的性質及影響列示如下：

- (a) 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本於現有利率基準被可替代無風險利率(「無風險利率」)替換時解決先前修訂中未處理但影響財務報告之問題。該修訂提供一項實際權宜辦法，允許對釐定財務資產及負債之合約現金流量之基準變動進行會計處理時更新實際利率而無需調整財務資產及負債賬面值，前提是有關變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂本允許就對沖指定項目及對沖文件作出利率基準改革所要求的變動，而不會終止對沖關係。過渡期間可能產生的任何收益或虧損均通過香港財務報告準則第9號的正常規定進行處理，以衡量及確認對沖無效性。該等修訂本亦為實體提供暫時寬免，於無風險利率被指定為風險成份時毋須滿足可單獨識別之規定。該寬免允許實體於指定對沖後假定已滿足可單獨識別之規定，惟實體須合理預期無風險利率風險成份於未來24個月內將可單獨識別。此外，該等修訂本要求實體須披露額外資料，以使財務報表的使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。

於二零二二年三月三十一日，本集團持有以港元及人民幣計值並分別按香港銀行同業拆息利率(「香港銀行同業拆息利率」)及人民幣基準借貸利率計息的若干銀行借款。本集團亦有利率交換安排，據此本集團以固定利率付息，並按香港銀行同業拆息利率的浮動利率以名義金額收取利息。本集團預期香港銀行同業拆息利率將繼續存在，利率基準改革並無對本集團基於香港銀行同業拆息利率的信貸和利率交換安排造成影響。

2.2 Changes in Accounting Policies and Disclosures (continued)

- (b) Amendment to HKFRS 16 issued in April 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period.

The Group has adopted the amendment on 1 April 2021 and applied the practical expedient during the year ended 31 March 2022 to all rent concessions granted by the lessors that affected only payments originally due on or before 30 June 2022 as a direct consequence of the COVID-19 pandemic. A reduction in the lease payments arising from the rent concessions of HK\$3,860,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 March 2022. There was no impact on the opening balance of equity as at 1 April 2021.

2.2 會計政策之變動及披露資料 (續)

- (b) 於二零二一年四月頒佈的香港財務報告準則第16號之修訂本將承租人選擇不對因新型冠狀病毒肺炎疫情直接導致的租金寬免適用租賃修改會計處理的實際權宜辦法延長12個月。因此，該實際權宜辦法適用於租賃付款的任何減少僅影響原定於二零二二年六月三十日或之前到期的付款，但必須滿足適用該實際權宜辦法的其他條件。該修訂本對於二零二一年四月一日或之後開始的年度期間追溯生效，最初應用該修訂本的任何累積影響被確認為對於會計期初的保留溢利的調整，並允許提前應用。

本集團已於二零二一年四月一日採納該修訂，並已於截至二零二二年三月三十一日止年度應用實際權宜辦法，以處理出租人所授予、因新型冠狀病毒肺炎疫情直接引起、且僅影響原定於二零二二年六月三十日或之前到期的付款之租賃減免。租賃減免導致租賃付款減少3,860,000港元，本公司已終止確認部分租賃負債，並將此金額計入截至二零二二年三月三十一日止年度的損益，藉此將款項入賬為可變租賃付款。二零二一年四月一日的年初權益結餘並無受到影響。

2.3 Issued But Not Yet Effective HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework¹</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
HKFRS 17	<i>Insurance Contracts²</i>
Amendments to HKFRS 17	<i>Insurance Contracts^{2,5}</i>
Amendment to HKFRS 17	<i>Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information²</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current^{2,4}</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies²</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates²</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction²</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use¹</i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract¹</i>
Annual Improvements to HKFRSs 2018–2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ¹

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於該等財務報表內應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂本	概念框架之提述 ¹
香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港財務報告準則第17號	保險合約 ²
香港財務報告準則第17號之修訂本	保險合約 ^{2,5}
香港財務報告準則第17號之修訂本	首次應用香港財務報告準則第17號及香港財務報告準則第9號 – 比較資料 ²
香港會計準則第1號之修訂本	分類為流動或非流動負債 ^{2,4}
香港會計準則第1號及香港財務報告準則實務報告第2號之修訂本	會計政策披露 ²
香港會計準則第8號之修訂本	會計估計之定義 ²
香港會計準則第12號之修訂本	單項交易產生的資產及負債相關遞延稅項 ²
香港會計準則第16號之修訂本	物業、廠房及設備：擬定用途前所得款項 ¹
香港會計準則第37號之修訂本	虧損合約 – 履行合約之成本 ¹
香港財務報告準則二零一八年至二零二零年週期之年度改進	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號所附說明示例及香港會計準則第41號之修訂本 ¹

Notes to Financial Statements (Continued)

財務報表附註(續)

2.3 Issued But Not Yet Effective HKFRSs (continued)

- ¹ Effective for annual periods beginning on or after 1 January 2022
- ² Effective for annual periods beginning on or after 1 January 2023
- ³ No mandatory effective date yet determined but available for adoption
- ⁴ As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
- ⁵ As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

- ¹ 二零二二年一月一日或之後開始的年度期間生效
- ² 二零二三年一月一日或之後開始的年度期間生效
- ³ 尚未釐定強制生效日期，惟可供採納
- ⁴ 由於香港會計準則第1號之修訂本，香港詮釋第5號財務報告的呈列 – 借款人對包含按要求償還條文的定期貸款之分類於二零二零年十月獲修訂，以使相應措詞保持一致而結論不變
- ⁵ 由於二零二零年十月獲發佈的香港財務報告準則第17號之修訂本，香港財務報告準則第4號已經修訂，以擴大臨時豁免範圍，允許保險公司於二零二三年一月一日前開始的年度期間採用香港會計準則第39號而非香港財務報告準則第9號

有關預期適用於本集團之該等香港財務報告準則之進一步資料載述如下。

香港財務報告準則第3號之修訂本旨在以於二零一八年六月頒佈的財務報告概念框架的提述代替先前財務報表編製和列報框架的提述，而不予大幅改變其規定。該等修訂本亦為香港財務報告準則第3號就確認原則增加一項例外情況，以供實體參照概念框架確定資產或負債的組成元素。該例外情況指明，就屬於香港會計準則第37號或香港(國際財務報告詮釋委員會) – 詮釋第21號範圍內的負債及或然負債而言，倘為個別產生而非在業務合併中承擔，則採用香港財務報告準則第3號的實體應分別參考香港會計準則第37號或香港(國際財務報告詮釋委員會) – 詮釋第21號，而非概念框架。此外，該等修訂本闡明或然資產不合資格在收購日期確認。本集團預期自二零二二年一月一日起前瞻採納該等修訂本。由於該等修訂本前瞻應用於收購日期為首次應用日期或之後的業務合併，故本集團於過渡日期將不會受該等修訂本影響。

2.3 Issued But Not Yet Effective HKFRSs (continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂處理香港財務報告準則第10號與香港會計準則第28號(二零一一年)就處理投資者及其聯營公司或合營企業之間的資產出售或注資的規定的不一致性。該等修訂本規定於投資者及其聯營公司或合營企業之間的資產出售或注資構成一項業務時，因下游交易而悉數確認收益或虧損。就不構成業務的資產交易而言，交易所產生的收益或虧損僅以無關連的投資者於該聯營公司或合營企業的權益為限，於投資者的損益中確認。該等修訂本將獲前瞻應用。於二零一六年一月，香港會計師公會剔除香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂的先前強制生效日期，而新強制生效日期將於就聯營公司及合營企業的會計處理完成更廣泛的審閱後釐定。然而，該等修訂本現時可供採納。

香港會計準則第1號之修訂本負債分類為流動或非流動澄清將負債分類為流動或非流動的規定。該等修訂本指明，倘實體延遲償還負債的權利受限於該實體須符合特定條件，則倘該實體符合當日之有關條件，該實體有權於報告期末延遲償還負債。負債的分類不受該實體行使權利延遲償還負債的可能性所影響。該等修訂本亦澄清被視為償還負債的情況。該等修訂本於二零二三年一月一日或之後開始之年度期間生效並須追溯應用，允許提早應用。該等修訂本預期不會對本集團的財務報表造成任何重大影響。

Notes to Financial Statements (Continued)

財務報表附註(續)

2.3 Issued But Not Yet Effective HKFRSs (continued)

Amendments to HKAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to HKAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to HKFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 12 narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset and a deferred tax liability for temporary differences arising from these transactions. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to transactions related to leases and decommissioning obligations at the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to the opening balance of retained profits or other component of equity as appropriate at that date. In addition, the amendments shall be applied prospectively to transactions other than leases and decommissioning obligations. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第1號之修訂本會計政策披露規定實體披露其重大會計政策資料，而非其主要會計政策。倘會計政策資料與載於實體財務報表的其他資料一併考慮時，可合理預期會影響一般用途財務報表之主要使用者就該等財務報表作出的決定，則有關會計政策資料即屬重大。香港財務報告準則實務聲明第2號(修訂本)就如何於會計政策披露應用重大性的概念提供非強制性指引。香港會計準則第1號(修訂本)於二零二三年一月一日或之後開始之年度期間生效，並允許提早應用。由於香港財務報告準則實務聲明第2號(修訂本)所提供的指引屬非強制性，故毋須列明該等修訂本的生效日期。本集團目前正在評估有關修訂本對本集團會計政策披露的影響。

香港會計準則第8號之修訂本澄清會計估計變動與會計政策變動的區分。會計估計乃界定為財務報表內受計量不確定性所限的金額。該等修訂本亦澄清實體使用計量方法及輸入數據作出會計估計的方法。該等修訂本於二零二三年一月一日或之後開始之年度報告期間生效，並應用於該期間開始之時或之後出現的會計政策變動及會計估計變動，允許提早應用。該等修訂本預期不會對本集團的財務報表造成任何重大影響。

香港會計準則第12號之修訂本縮減初始確認例外情況的範圍，故其不再適用於會引致相等應課稅及可扣減暫時性差額的交易(如租賃及退役責任)。因此，實體須就有關交易引致的暫時性差額確認一項遞延稅項資產及一項遞延稅項負債。該等修訂本於二零二三年一月一日或之後開始之年度報告期間生效，並須在所呈列的最早比較期間開始時應用於有關租賃及退役責任的交易，並於該日期將任何累計影響確認為累計虧損或權益的其他組成部分(如適用)的期初結餘之調整。此外，該等修訂本須按未來基準應用於租賃及退役責任以外的交易，允許提早應用。該等修訂本預期不會對本集團的財務報表造成任何重大影響。

2.3 Issued But Not Yet Effective HKFRSs (continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第16號之修訂本禁止實體自物業、廠房及設備項目的成本扣除將資產達致管理層擬定營運狀態所需位置及狀況的過程中所產生項目出售的任何所得款項。相反，實體須於損益確認出售任何有關項目之所得款項及該等項目之成本。該等修訂於二零二二年一月一日或之後開始的年度期間生效，並僅追溯應用於實體首次應用該等修訂本的財務報表所呈列的最早期間開始時或之後可供使用的物業、廠房及設備項目，並允許提早應用。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

香港會計準則第37號之修訂本澄清，就根據香港會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其他成本分配(例如就履行合約所用物業、廠房及設備項目折舊費用以及合約管理及監管成本的分配)。一般及行政成本與合約並無直接關係，且不包括在內，惟倘有關成本乃合約明文規定須向對手方收取則作別論。該等修訂本於二零二二年一月一日或之後開始的年度期間生效，並須應用於實體首次應用該等修訂本的年度報告期間開始尚未履行所有責任的合約，並允許提早應用。初始應用該等修訂本的任何累計影響須確認為對首次應用日期之期初權益的調整，而毋須重列比較資料。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

Notes to Financial Statements (Continued)

財務報表附註(續)

2.3 Issued But Not Yet Effective HKFRSs (continued)

Annual Improvements to HKFRSs 2018–2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

2.4 Summary of Significant Accounting Policies

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則二零一八年至二零二零年週期之年度改進載列香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號所附說明示例及香港會計準則第41號之修訂本。預期將適用於本集團之修訂本詳情如下：

- 香港財務報告準則第9號金融工具：就實體於評估一項新訂或經修訂財務負債之條款是否與原財務負債之條款有重大差異時所計入的費用作出澄清。該等費用僅包括借款人與貸款人之間已付或已收的費用，包括借款人或貸款人代表另一方支付或收取的費用。實體對其首次應用修訂本的年度報告期間開始時或之後修訂或交換的財務負債應用該修訂本。該修訂本於二零二二年一月一日或之後開始的年度期間生效，並允許提早應用。該修訂本預期不會對本集團的財務報表產生重大影響。
- 香港財務報告準則第16號租賃：於香港財務報告準則第16號所附第13項說明示例中移除出租人就租賃物業裝修作出付款的說明。此舉消除應用香港財務報告準則第16號時對租賃優惠進行處理的潛在混淆。

2.4 主要會計政策概要

於聯營公司之投資

聯營公司指本集團擁有一般不少於20%股本投票權的長期權益，並可對其行使重大影響力的實體。重大影響力指參與被投資方財政及經營政策決策的權力，但非控制或共同控制該等政策。

本集團於聯營公司之投資乃以權益會計法按本集團分佔資產淨值減任何減值虧損在綜合財務狀況表列賬。

若存有任何不相近之會計政策，本公司將作相應調整。

2.4 Summary of Significant Accounting Policies (continued)

Investments in associates (continued)

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated profit or loss and other comprehensive income of the Group, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 主要會計政策概要(續)

於聯營公司之投資(續)

本集團應佔聯營公司收購後業績及其他全面收益分別於本集團綜合損益及其他全面收益內列賬。此外，倘直接於聯營公司的權益確認一項變動，則本集團會在適用情況下於綜合權益變動表確認其應佔之任何變動。本集團與其聯營公司進行交易所產生的未變現收益及虧損均予以對銷，並以本集團於聯營公司之投資為限，惟倘有證據顯示未變現虧損乃由於所轉讓資產出現減值所致除外。收購聯營公司產生之商譽計入本集團於聯營公司之投資的一部分。

倘於一間聯營公司之投資成為於一間合營公司之投資，或於一間合營公司之投資成為於一間聯營公司之投資，則不會重新計量留存權益，而是繼續按權益法將投資列賬。在所有其他情況下，若本集團失去對聯營公司的重大影響力，則本集團按公平值計量及確認任何留存投資。失去重大影響力時，有關聯營公司的賬面值與留存投資公平值及出售所得款項之間的任何差額於損益確認。

倘於一間聯營公司之投資被歸類為持作出售，則根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。

業務合併及商譽

業務合併採用收購法入賬。所轉讓代價按收購日期的公平值計量，即本集團向被收購方原擁有人所轉讓資產、自其所承擔負債以及本集團為換取被收購方控制權所發行股權於收購日期之公平值總和。就各項業務合併而言，本集團選擇按公平值或被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益，即於被收購方中賦予持有人在清盤時按比例分佔資產淨值的現有所有權權益。非控股權益的所有其他組成部分乃按公平值計量。收購相關成本於產生時支銷。

2.4 Summary of Significant Accounting Policies (continued)

Business combinations and goodwill (continued)

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘本集團所收購的一組業務及資產包括一項投入及一項實質過程，而兩者對產出具有重大貢獻，則確定其已收購一項業務。

本集團收購業務時根據按合約條款、收購日期的經濟狀況及相關條件作出適當分類及指定，以評估所收購及承擔的財務資產及負債，其中包括拆分被收購方主合約中的嵌入式衍生工具。

若業務合併分階段進行，則先前所持權益按收購日期公平值重新計量，而產生的任何收益或虧損於損益確認。

收購方所轉讓的任何或然代價於收購日期按公平值確認。歸類為資產或負債的或然代價按公平值計量，而公平值的變動於損益確認。歸類為權益之或然代價毋須重新計量，其後結算在權益中入賬。

商譽初始按成本計量，即所轉讓代價、已確認非控股權益數額以及本集團先前所持被收購方權益的任何公平值總額超出所收購可識別資產及所承擔負債之差額。倘該代價及其他項目的總和低於所收購資產淨值的公平值，則差額經重新評估後於損益確認為議價購買收益。

於初始確認後，商譽乃按成本減任何累計減值虧損計量。商譽每年作減值測試，或如出現事件或情況轉變顯示賬面值可能出現減值，則會更頻繁地進行測試。本集團於每年三月三十一日對商譽進行減值測試。就減值測試而言，業務合併所得的商譽自收購當日起分配至本集團預期受益於合併協同效應的各個現金產生單位或各組現金產生單位，而不論本集團其他資產或負債有否指定撥往該等單位或單位組別。

減值乃按評估商譽有關之現金產生單位(一組現金產生單位)可收回金額而釐定。倘現金產生單位(一組現金產生單位)之可收回金額低於賬面值，則確認減值虧損。已確認之商譽減值虧損並不會於後續期間撥回。

2.4 Summary of Significant Accounting Policies (continued)

Business combinations and goodwill (continued)

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its investment properties, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial liabilities at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	–	based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	–	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
Level 3	–	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘商譽被分配至現金產生單位(或一組現金產生單位)及該單位內之部分業務被出售，則於釐定出售之收益或虧損時，將出售業務有關之商譽計入業務賬面值。在此情況下出售之商譽，乃按出售業務與所保留現金產生單位部分之相對價值計量。

公平值計量

本集團於各報告期末按公平值計量投資物業、按公平值經損益入賬之財務資產、按公平值經其他全面收益入賬之財務資產及按公平值經損益入賬之財務負債。公平值指於計量日期市場參與者之間的有序交易中，就出售資產將收取之價格或轉讓負債將支付之價格。計量公平值時假設出售資產或轉讓負債之交易於資產或負債的主要市場或(在未有主要市場的情況下)最有利市場進行。主要或最有利市場須為本集團能參與的市場。假設市場參與者基於最佳經濟利益行事，資產或負債的公平值使用市場參與者為資產或負債定價時所用假設計量。

非財務資產之公平值計量計及市場參與者將資產用於最高增值及最佳用途或售予會將資產用於最高增值及最佳用途之另一名市場參與者而創造經濟利益的能力。

本集團針對不同情況使用不同估值方法，確保有足夠數據計量公平值，並盡可能利用相關可觀察輸入數據，而減少使用不可觀察輸入數據。

公平值於財務報表計量或披露之所有資產及負債，均基於對計量公平值整體而言屬重大之最低層輸入數據按下述公平值層級分類：

第一級	–	按相同資產或負債於活躍市場之報價(未經調整)
第二級	–	按公平值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法
第三級	–	按公平值計量而言屬重大的不可觀察最低層輸入數據的估值方法

2.4 Summary of Significant Accounting Policies (continued)

Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, properties under development, properties held for sale, investment properties and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 主要會計政策概要(續)

公平值計量(續)

就經常於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(根據對計量公平值整體而言屬重大的最低層輸入數據)，釐定公平值層級之間是否出現轉移。

非財務資產減值

倘出現減值跡象或有需要就資產(存貨、財務資產、發展中物業、持作出售物業、投資物業及遞延稅項資產除外)進行年度減值測試，則會估計資產之可收回金額。資產之可收回金額為資產或現金產生單位的使用價值與公平值減出售成本兩者中之較高者，並按個別資產釐定，除非該項資產所產生現金流入很大程度上未能獨立於其他資產或資產組合的現金流入，於此情況下，可收回金額則按資產所屬現金產生單位釐定。在測試現金產生單位減值時，若公司資產的賬面金額的一部分可以在合理且一致的基礎上進行分配，則分配給單個現金產生單位，否則將分配到最小的現金產生單位組。

減值虧損僅於資產賬面值超出其可收回金額時確認。於評估使用價值時，會使用可反映目前市場對貨幣時間價值及資產特定風險的評估之稅前折現率，將估計未來現金流量折現至現值。減值虧損於產生期間在與該減值資產一致的開支類別自損益扣除。

本集團於各報告期末評估有否跡象顯示以往確認減值虧損可能不再存在或可能已減少。倘出現有關跡象，則會估計可收回金額。當用以釐定資產可收回金額的估計出現變動，方會撥回先前確認的資產(商譽除外)減值虧損，惟撥回後的金額不得超過假設過往年度並無就該項資產確認減值虧損而將已釐定的賬面值(扣除任何折舊／攤銷後)。撥回的減值虧損乃於產生期間計入損益。

2.4 Summary of Significant Accounting Policies (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 主要會計政策概要(續)

關連方

在下列情況下，有關人士將被視為與本集團有關連：

- (a) 有關人士為一名人士或該人士之家庭近親，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團具有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員成員；

或

- (b) 有關人士為適用任何以下條件的實體：
 - (i) 該實體與本集團屬同一集團成員公司；
 - (ii) 該實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方的合營企業；
 - (iv) 一實體為一第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關連的實體的僱員離職後福利計劃；
 - (vi) 該實體受(a)項所識別人士控制或共同控制；
 - (vii) 於(a)(i)項所識別人士對該實體有重大影響或屬該實體(或該實體母公司)主要管理人員成員；及
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

2.4 Summary of Significant Accounting Policies (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, including owned assets and right-of-use assets classified as property, plant and equipment, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Owned assets

Buildings	2–3½% or over the terms of the relevant leases, whichever is shorter
Leasehold improvements	20–33½% or over the terms of the relevant leases, whichever is shorter
Plant and machinery	10–20%
Furniture and equipment	20–33½%
Motor vehicles	10–20%
Computer equipment	20–33½%

Right-of-use assets

Leasehold land	2% or over the terms of the relevant leases ranging from 27 to 68 years, whichever is shorter
Buildings	Over the lease terms of 2 to 6 years

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備(包括分類為物業、廠房及設備之所擁有資產及使用權資產)乃按成本減去累計折舊及任何減值虧損後列賬。倘物業、廠房及設備項目被分類為持作出售或屬分類為持作出售的出售組別其中一部分，則不予折舊，並按香港財務報告準則第5號入賬。物業、廠房及設備項目成本包括其購買價格及任何使資產達至營運狀況及地點作擬定用途的直接應佔成本。

物業、廠房及設備項目開始運作後產生之支出(如維修及保養費用)一般於產生期間計入損益。倘符合確認標準，主要檢查之支出於資產賬面值中資本化為重置成本。倘物業、廠房及設備的重大部分須分段置換，則本集團確認該等部分為具有特定可使用年期的個別資產，並將相應計提折舊。

折舊乃按各物業、廠房及設備項目之估計可使用年期，採用直線法撇銷成本至其剩餘價值計算。就此所使用之主要折舊年率如下：

所擁有資產

樓宇	2–3½%或按有關租賃年期(以較短者為準)
租賃裝修	20–33½%或按有關租賃年期(以較短者為準)
廠房及機器	10–20%
傢俬及設備	20–33½%
汽車	10–20%
電腦設備	20–33½%

使用權資產

租賃土地	2%或按介乎27至68年不等之有關租賃年期(以較短者為準)
樓宇	按租賃年期2至6年

2.4 Summary of Significant Accounting Policies (continued)

Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets (other than those meet the definition of an investment property) are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis.

If ownership of the leased assets is transferred to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

倘一項物業、廠房及設備項目各部分有不同可使用年期，該項目的成本將按合理基礎在各部分之間分配，每部分將分別計提折舊。剩餘價值、可使用年期及折舊方法至少於每個財政年末進行檢討及調整(倘適用)。

物業、廠房及設備項目(包括初始確認時之任何重大部份)於出售或預期使用或出售有關項目不會產生未來經濟利益時終止確認。於終止確認資產之年度內，於損益確認的出售或報廢之任何收益或虧損為有關資產銷售所得款項淨額與賬面值兩者間之差額。

使用權資產於租賃開始日期(即相關資產可供使用當日)確認。使用權資產(符合投資物業定義者除外)按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債款額、已產生初步直接成本及於開始日期或之前作出的租賃付款減任何已收取租賃獎勵。在適用情況下，使用權資產成本亦包括為拆卸並移除相關資產或復原相關資產或其所在場地而產生的估計成本。使用權資產按直線法進行折舊。

倘租賃資產的擁有權於租期結束前轉讓予本集團或成本反映行使購買選擇權，則折舊按資產估計可使用年期計算。

2.4 Summary of Significant Accounting Policies (continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation. Changes in the values are dealt with as movements in the asset revaluation reserve. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

2.4 主要會計政策概要(續)

投資物業

投資物業乃指土地及樓宇之權益(包括以原應符合投資物業定義之持作使用權資產的租賃物業)，有關土地及樓宇乃持有用作賺取租金收入及／或資本升值，而非用於貨物或服務之生產或供應或行政用途；或用於日常業務營運銷售。該等物業初始按成本(包括交易成本)計量。初始確認後，投資物業以反映於報告期末之市場狀況之公平值列賬。

投資物業公平值變動產生之收益或虧損於其產生年度之損益中入賬。

投資物業報廢或出售產生之任何收益或虧損於報廢或出售年度之損益中確認。

倘投資物業轉撥為自用物業或存貨，進行後續會計處理之物業推定成本為其改變用途當日之公平值。倘一項本集團佔有作為自用物業的物業成為投資物業，則本集團就所擁有物業根據「物業、廠房及設備以及折舊」項下所述政策將有關物業入賬及／或就直至改變用途當日就持作使用權資產的物業根據「使用權資產」項下所述政策將有關物業入賬，而物業的賬面值與公平值之間的任何差額入賬列作重新估值。價值變動作為資產重新估值儲備的變動處理。出售重新估值資產時，就先前估值變現的資產重新估值儲備之相關部分轉撥至保留溢利列作儲備變動。

2.4 Summary of Significant Accounting Policies (continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

Leases

The Group assesses at contract inception whether a contract is, or contains, 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.

2.4 主要會計政策概要(續)

無形資產(商譽除外)

單獨收購之無形資產於初始確認時按成本計量。於業務合併時取得的無形資產成本為收購日期的公平值。無形資產之可使用年期分為有限或無限。可使用年期有限的無形資產其後在經濟可用年限內攤銷並對有跡象顯示可能減值之無形資產進行減值評估。可使用年期有限之無形資產的攤銷期及攤銷方法至少於每個財政年末進行檢討。

研究及開發成本

所有研究成本於產生時自損益表中扣除。

當進行開發新產品的項目時，只有當本集團能展現完成無形資產的技術屬可行使其可供使用或出售、具有完成產品的意圖和有使用或出售資產的能力、資產將會帶來未來經濟利益的方法、完成項目的可動用資源，以及於開發期間內能可靠地計量有關開支的能力，所產生的開支方會撥充資本及遞延入賬。不符合以上條件之產品開發開支於產生時支銷。

遞延開發成本按成本減任何減值虧損列賬並以直線法按相關產品自其投產日期起計的不超過五至七年的商業年期攤銷。

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。

2.4 Summary of Significant Accounting Policies (continued)

Leases (continued)

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The right-of-use assets which meet the definition of investment property are initially measured at cost and subsequently measured at fair value in accordance with the Group's policy for "Investment properties". Other right-of-use assets are included in property, plant and equipment, the accounting policy of which are included in the policy for "Property, plant and equipment and depreciation" above.

(a) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. 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, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other payables and accruals.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人

本集團對所有租賃(短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃付款，而使用權資產指使用相關資產的權利。根據本集團有關「投資物業」之政策，符合投資物業定義之使用權資產初始按成本計量，其後按公平值計量。其他使用權資產則計入物業、廠房及設備，其會計政策載於上文有關「物業、廠房及設備以及折舊」之政策。

(a) 租賃負債

租賃負債於租賃開始日期以租期內作出的租賃付款現值確認。租賃付款包括定額付款(含實質定額款項)減任何應收租賃優惠款項、取決於指數或利率的可變租賃付款以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及倘租期反映本集團正行使終止選擇權時，有關終止租賃支付的罰款。不取決於指數或利率的可變租賃付款於出現觸發付款的事件或條件的期間內確認為支出。

計算租賃付款現值時，因租賃隱含的利率難以釐定，故本集團使用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額的增加反映利息的增加，並因租賃付款而減少。此外，倘有任何修改、租期變更、租賃付款變更(例如指數或利率變動導致對未來租賃付款出現變動)或購買相關資產的選擇權評估的變更，則重新計量租賃負債的賬面值。

本集團的租賃負債計入其他應付款項及應計費用內。

2.4 Summary of Significant Accounting Policies (continued)

Leases (continued)

Group as a lessee (continued)

(b) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis.

Lease payments on short-term leases and leases of low-value assets that are not capitalised are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in profit or loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised in profit or loss in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases. At the commencement date, the cost of the leased asset is capitalised at the present value of the lease payments and related payments (including the initial direct costs), and presented as a receivable at an amount equal to the net investment in the lease. The finance income on the net investment in the lease is recognised in profit or loss so as to provide a constant periodic rate of return over the lease terms.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 短期租賃及低價值資產租賃

本集團對其樓宇及設備短期租賃(即自開始日期起計租期為12個月或以下且並不包含購買權之租賃)應用確認短期租賃豁免。倘本集團就低價值資產訂立租賃,則本集團決定是否按個別租賃基準將租賃資本化。

短期租賃及低價值資產租賃並未撥作資本的租賃付款在租賃期內按直線法確認為開支。

本集團作為出租人

當本集團作為出租人時,其於租賃開始時(或出現租賃修訂時)將其各項租賃分類為經營租賃或融資租賃。

本集團並未轉讓資產所有權所附帶的絕大部分風險及回報的租賃歸類為經營租賃。倘合約包括租賃及非租賃部分,本集團根據相對獨立的售價基準將合約代價分配予各部分。租金收入於租期內按直線法列賬,並計入損益內。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值,並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間於損益確認。

轉移承租人相關資產所有權附帶的絕大部分風險及回報的租賃入賬為融資租賃。於開始日期,租賃資產的成本按租賃付款及相關付款(包括初始直接成本)的現值資本化,並按相等於租賃投資淨額的應收款項呈列。有關租賃的財務收入於損益確認,以得出租期內的不變週期收費率。

本集團為中間出租人時,轉租乃參考主租賃產生的使用權資產分類為融資租賃或經營租賃。倘主租賃為本集團將資產負債表確認豁免應用於其中的短期租賃,則本集團將轉租分類為經營租賃。

2.4 Summary of Significant Accounting Policies (continued)

Properties under development

Properties under development are stated at the lower of cost and net realisable value and comprise construction costs, borrowing costs, professional fees, payments for land use rights and other costs directly attributable to such properties incurred during the development period. Net realisable value is estimated by the directors based on the prevailing market prices on an individual property basis.

Properties under development are classified as current assets unless the construction of the relevant property development project is expected to complete beyond the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Sales deposits/instalments received and receivable from purchasers in respect of the pre-sale of properties under development prior to completion of the development are included in contract liabilities.

When the right-of-use assets relate to interests in leasehold land held as properties under development, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for properties under development.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total land and building costs attributable to unsold properties. Net realisable value is estimated by the directors based on the prevailing market prices on an individual property basis.

When the right-of-use assets relate to interests in leasehold land held as properties held for sale, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for properties held for sale.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 主要會計政策概要(續)

發展中物業

發展中物業按成本與可變現淨值兩者中較低者列賬，包括建築成本、借貸成本、專業費用、土地使用權款項及於發展期間產生之該等物業直接應佔的其他成本。可變現淨值由董事按個別物業基準根據當前市價作出估計。

發展中物業分類為流動資產，除非相關物業發展項目之建設預計在正常運營週期外完工。完工後，物業轉撥至持作出售的已完成物業。

於發展項目完成前就預售發展中物業向買家已收及應收的銷售按金／分期付款計入合約負債。

倘使用權資產與持作發展中物業之租賃土地權益相關，則隨後根據本集團有關發展中物業之政策按成本與可變現淨值兩者中較低者列賬。

持作出售物業

持作出售物業按成本與可變現淨值兩者中較低者列賬。成本按未出售物業應佔土地及樓宇總成本之分攤比例釐定。可變現淨值由董事按個別物業基準根據當前市價估計。

倘使用權資產與持作出售物業之租賃土地權益相關，則隨後根據本集團有關持作出售物業之政策按成本與可變現淨值兩者中較低者列賬。

存貨

存貨按成本與可變現淨值兩者中較低者列賬。成本按加權平均基準釐定，而就在製品及製成品而言，則包括直接材料、直接勞工及按適當比例計算的製造費用。可變現淨值乃根據估計售價減去預期達致完成及出售時產生的任何估計成本計算。

2.4 Summary of Significant Accounting Policies (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2.4 主要會計政策概要(續)

投資及其他財務資產

初始確認及計量

財務資產於初始確認時分類為其後按攤銷成本、按公平值計入其他全面收益及按公平值計入損益計量。

初始確認財務資產分類取決於財務資產的合約現金流特徵，以及本集團管理財務資產的業務模式。除不包含重大融資組成部分的應收貿易賬款或本集團已應用實際權宜方法不調整重大融資組成部分影響的應收貿易賬款外，本集團初步按其公平值計量財務資產，且倘財務資產並非按公平值計入損益，則計入交易成本。不包含重大融資組成部分的應收貿易賬款或本集團已應用實際權宜方法的應收貿易賬款按依照下文「收益確認」所載政策根據香港財務報告準則第15號釐定的交易價格計量。

財務資產需要令現金流量僅為償還本金及利息（「僅為償還本金及利息」），方可分類為按攤銷成本計量或按公平值經其他全面收益入賬之財務資產。現金流量並非僅可用作償還本金及未償還本金利息的財務資產分類為按公平值經損益計量，而不論業務模式。

本集團管理財務資產的業務模式指本集團如何管理其財務資產以產生現金流量。業務模式釐定現金流量是否因收取合約現金流量、出售財務資產或因前述兩者而引起。分類為按攤銷成本計量的財務資產乃於以持有財務資產為目標的業務模式內持有，旨在收取合約現金流量，而分類為按公平值經其他全面收益計量之財務資產則於以持有作收取合約現金流量及出售為目標的業務模式內持有。並非於上述業務模式內持有之財務資產分類為按公平值經損益計量。

所有以常規方式購買及出售的財務資產於交易日（即本集團承諾購買或出售該資產當日）確認。以常規方式購買或出售指需要於一般按規例或市場慣例設定的期限內交付資金的財務資產購買或出售。

2.4 Summary of Significant Accounting Policies (continued)

Investments and other financial assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要(續)

投資及其他財務資產(續)

其後計量

財務資產的後續計量取決於其分類如下：

按攤銷成本計量的財務資產(債務工具)

按攤銷成本計量的財務資產其後使用實際利率法計量，並可予減值。倘資產終止確認、修訂或減值，則收益及虧損會於損益確認。

按公平值經其他全面收益入賬之財務資產(債務工具)

就按公平值經其他全面收益入賬之債務工具而言，利息收入、外匯重估及減值虧損或撥回於損益確認，計算方式與計算按攤銷成本計量的財務資產者相同。餘下公平值變動於其他全面收益確認。於終止確認後，於其他全面收益確認的累計公平值變動劃轉至損益。

按公平值經其他全面收益入賬之財務資產(股權投資)

於初始確認後，倘股權投資符合香港會計準則第32號*金融工具：呈列*項下的股權定義，且並非持作買賣，本集團可選擇不可撤回地將該股權投資分類為指定按公平值經其他全面收益入賬之股權投資。分類按個別工具基準而定。

該等財務資產的收益及虧損從不劃轉至損益。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則股息會於損益確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分財務資產成本則作別論，在此情況下，有關收益會入賬為其他全面收益。指定按公平值經其他全面收益入賬之股權投資毋須進行減值評估。

2.4 Summary of Significant Accounting Policies (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and certain investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 主要會計政策概要(續)

投資及其他財務資產(續)

其後計量(續)

按公平值經損益入賬之財務資產

按公平值經損益入賬之財務資產乃於綜合財務狀況表按公平值列賬，而公平值變動淨額則於損益確認。

該類別包括本集團並無不可撤回地選擇分類為按公平值經其他全面收益入賬之衍生工具及若干投資。分類為按公平值經損益入賬之股權投資股息亦於付款權確立時在損益內確認為其他收入。有關股息的經濟利益可能會流向本集團，而股息的金額則可可靠計量。

於混合合約(連帶財務負債或非財務主合約)嵌入之衍生工具獨立於主合約，且作為獨立衍生工具入賬，條件為經濟特徵及風險與主合約並無緊密關係；擁有與嵌入式衍生工具相同條款之獨立工具符合衍生工具之定義；且混合合約並非按公平值經損益計量。嵌入式衍生工具按公平值計量，而其公平值變動於損益確認。僅在合約條款出現變動而將重大修改另行需要之現金流量或財務資產從按公平值經損益計量類別中重新分類時，方會進行重新評估。

於混合合約(包含財務資產主合約)嵌入之衍生工具不會獨立入賬。財務資產主合約連同嵌入式衍生工具須全部分類為按公平值經損益入賬之財務資產。

2.4 Summary of Significant Accounting Policies (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.4 主要會計政策概要(續)

財務資產的終止確認

財務資產(或一項財務資產的一部分或一組同類財務資產的一部分,如適用)主要在下列情況終止確認(即自本集團之綜合財務狀況表移除):

- 從該項資產取得現金流量的權利經已逾期;或
- 本集團轉讓從該項資產取得現金流量的權利,或已根據一項「轉付」安排,承擔在未有嚴重延緩的情況下,向第三方全額支付所收取的現金流量的責任;並(a)本集團已轉讓該項資產的絕大部份風險及回報;或(b)本集團並無轉讓或保留該項資產的絕大部份風險及回報,但已轉讓該項資產的控制權。

倘本集團轉讓其從該項資產取得現金流量的權利或訂立轉付安排,則評估是否及多大幅度保留該項資產所有權的風險及回報。倘其並無轉讓或保留該項資產的絕大部份風險及回報,亦無轉讓該項資產的控制權,本集團繼續確認轉讓資產,以本集團之持續參與為限。在此情況下,本集團亦確認相關負債。轉讓資產及相關負債以反映本集團所保留之權利與義務為基礎進行計量。

本集團以擔保形式就已轉讓資產作出持續參與,該已轉讓資產乃以該項資產之原賬面值及本集團可能需要支付之最高代價金額兩者之較低者計量。

財務資產減值

本集團對並非所持按公平值經損益入賬之所有債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定,並以原實際利率的近似值折現。預期現金流量將包括出售所持抵押品的現金流量或組成合約條款的其他信貸增級。

2.4 Summary of Significant Accounting Policies (continued)

Impairment of financial assets (continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

財務資產減值(續)

一般方法

預期信貸虧損分兩個階段進行確認。就自初始確認後的信貸風險並無重大變動之信貸風險而言，對於未來12個月之可能違約事件產生之信貸虧損作出預期信貸虧損撥備(12個月預期信貸虧損)。就自初始確認後的信貸風險已出現重大增加之該等信貸風險而言，須對預期於風險之餘下年期之信貸虧損作出虧損撥備，而不論違約時間(全期預期信貸虧損)。

於各報告日期，本集團評估金融工具之信貸風險是否已自初始確認後大幅增加。於作出評估時，本集團將金融工具於報告日期發生違約風險與金融工具於初始確認日期發生違約風險進行比較，並考慮毋須過度耗費成本或努力而取得之合理可靠之資料，包括過往及前瞻性資料。

就按公平值經其他全面收益入賬之債務投資而言，本集團應用低信貸風險簡化方法。於各報告日期，本集團利用毋須付出成本或努力即可獲得的所有合理可靠資料評估債務投資是否被認為有低信貸風險。於作出該評估時，本集團重新評估債務投資的外部信貸評級。此外，當合約付款逾期30日時，本集團認為信貸風險大幅增加。

倘合約付款逾期90日，則本集團將財務資產視作違約。然而，在若干情況下，當內部或外部資料反映，在沒有計及任何現有增信措施前，本集團不大可能悉數收取未償還合約款項，則本集團亦可認為財務資產違約。倘無法合理預期收回合約現金流量，則撇銷財務資產。

2.4 Summary of Significant Accounting Policies (continued)

Impairment of financial assets (continued)

General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and net investments in sub-leases which apply the simplified approach as detailed below.

- | | | |
|---------|---|--|
| Stage 1 | – | Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs |
| Stage 2 | – | Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |
| Stage 3 | – | Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs |

Simplified approach

For trade receivables and net investments in sub-leases that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables and net investments in sub-leases that contain a significant financing component, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

2.4 主要會計政策概要(續)

財務資產減值(續)

一般方法(續)

按公平值經其他全面收益入賬之債務投資及按攤銷成本列賬之財務資產須根據一般方法作出減值並就計量預期信貸虧損於以下階段內分類，惟應用下文詳述之簡化方法的貿易應收款項及分租投資淨額除外。

- | | | |
|------|---|--|
| 第一階段 | – | 自初始確認起信貸風險並無大幅增加且按等同於12個月預期信貸虧損之金額計量虧損撥備之金融工具 |
| 第二階段 | – | 自初始確認起信貸風險已大幅增加而並非為信貸減值財務資產及按等同於全期預期信貸虧損之金額計量虧損撥備之金融工具 |
| 第三階段 | – | 於報告日期為信貸減值(惟並非購買或最初信貸減值)及按等同於全期預期信貸虧損之金額計量虧損撥備之金融工具 |

簡化方法

就不包含重大融資組成部份或當本集團應用實際權宜方法而不調整重大融資組成部份之影響之貿易應收款項及分租投資淨額而言，本集團於計算預期信貸虧損時應用簡化方法。根據簡化方法，本集團並無追蹤信貸風險的變動，反而於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

就包含重大融資成分的貿易應收款項及分租投資淨額而言，本集團會計政策選擇採用簡化方法根據上述政策計量預期信貸虧損。

2.4 Summary of Significant Accounting Policies (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals, lease liabilities, interest-bearing bank and other borrowings, derivative financial liabilities, unsecured notes and convertible notes.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in HKFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

2.4 主要會計政策概要(續)

財務負債

初始確認及計量

財務負債於初始確認時分類為按公平值經損益入賬之財務負債、貸款及借款及應付款項(如適用)。

所有財務負債按公平值初始確認，而貸款和借款及應付款項則會扣除直接歸屬之交易成本。

本集團之財務負債包括貿易應付款項、計入其他應付款項及應計費用之財務負債、租賃負債、計息銀行及其他借款、衍生財務負債、無抵押票據及可換股債券。

其後計量

財務負債按其分類之其後計量如下：

按公平值經損益入賬之財務負債

按公平值經損益入賬之財務負債包括持作交易用途的財務負債及於初始確認時指定為按公平值經損益入賬之財務負債。

倘財務負債產生之目的為於近期購回，則該財務負債應分類為持作交易用途。此分類亦包括本集團所訂立根據香港財務報告準則第9號所界定之對沖關係當中不被指定為對沖工具之衍生金融工具。獨立嵌入式衍生工具亦分類為持作交易用途，除非其被指定為有效的對沖工具則另作別論。持作交易用途的負債虧損或收益於損益確認。於損益確認之公平值收益或虧損淨額並不包括任何向該等財務負債所扣除之任何利息。

於初始確認時指定為按公平值經損益入賬之財務負債在初始確認日期且僅在符合香港財務報告準則第9號之標準時指定。指定按公平值經損益入賬之負債收益或虧損於損益確認，惟本集團自身信貸風險產生之收益或虧損於其他全面收益呈列且其後不會重新分類至損益。於損益確認之公平值收益或虧損淨額並不包括於該等財務負債扣除之任何利息。

2.4 Summary of Significant Accounting Policies (continued)

Financial liabilities (continued)

Subsequent measurement (continued)

Financial liabilities at amortised cost (loans and payables)

After initial recognition, financial liabilities are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Unsecured notes and convertible notes

If the conversion option of convertible notes and the early redemption option of unsecured notes and convertible notes exhibit characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the unsecured notes and convertible notes is measured at fair value and presented as part of derivative financial instruments included in financial assets/liabilities at fair value through profit or loss. Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs are apportioned between the liability and derivative components of the unsecured notes and convertible notes based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognised. The portion of the transaction costs relating to the liability component is recognised initially as a reduction of the liability. The portion relating to the derivative component is recognised immediately in profit or loss.

2.4 主要會計政策概要(續)

財務負債

其後計量(續)

按攤銷成本計量的財務負債(貸款及應付款項)

於初始確認後，財務負債隨後以實際利率法按攤銷成本計量，除非折現影響為不重大，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其收益及虧損在損益確認。

攤銷成本乃經計及收購之任何折讓或溢價，以及屬於實際利率組成部份之費用或成本後計算。實際利率攤銷包含在損益的融資成本中。

財務擔保合約

本集團發出的財務擔保合約為要求付款以彌償持有人因指定債務人未能按照債務工具條款於到期時付款而招致的損失的合約。財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i) 根據「財務資產減值」所載政策釐定的預期信貸虧損撥備；及(ii) 初始確認的金額減(若適用)已確認的累計收入金額。

無抵押票據以及可換股票據

倘可換股票據之換股權以及無抵押票據及可換股票據之提前贖回權顯示嵌入式衍生工具之特徵，則與其負債部分分開入賬。於初始確認時，無抵押票據及可換股票據之衍生工具部分以公平值計量，並列作衍生金融工具之一部分(包括按公平值經損益入賬之財務資產及負債)。任何超過初始確認為衍生工具部分之所得款項確認為負債部分。於工具初始確認時，交易成本按所得款項分配到負債及衍生工具部分的比例分配到無抵押票據及可換股票據之負債及衍生工具部分。交易成本中與負債部分相關之部分初步確認為負債削減。與衍生工具部分相關之部分即時於損益確認。

2.4 Summary of Significant Accounting Policies (continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments included in financial assets/liabilities at fair value through profit or loss, such as interest rate swaps, to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances.

- Where the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.

2.4 主要會計政策概要(續)

財務負債的終止確認

財務負債於相關責任解除或取消或屆滿時終止確認。

倘現有財務負債被同一貸款人以幾乎完全不同的條款提供的另一項負債替換，或現有負債的條款作出重大修訂，則有關交換或修訂被視為終止確認原有負債及確認新負債處理，而各自賬面值的差額於損益內確認。

金融工具抵銷

倘有抵銷已確認金額之現有可執行法定權利，且擬以淨額結算或同時變現該財務資產和清償該財務負債時，財務資產與財務負債可相互抵銷，並以相互抵銷後的淨額在綜合財務狀況表內列示。

衍生金融工具

初步確認及其後計量

本集團使用計入按公平值經損益入賬之財務資產／負債如利率掉期為利率風險對沖。衍生金融工具先按其合約生效日期之公平值確認，其後以公平值重新計算。若衍生金融工具之公平值為正數值，均以資產列賬，若為負數值，則確認為負債。

衍生工具公平值變動產生的收益或虧損即時於損益內確認，惟現金流量對沖的有效部分於其他全面收益確認，其後對沖項目在影響損益時重新分類至損益。

流動和非流動分類

未被指定為有效對沖工具中的衍生工具根據具體的事實和情況劃分為流動、非流動或者分為流動和非流動兩部分。

- 如果本集團預計報告日後連續12個月以上持有一項經濟套期的衍生工具(且未使用套期會計)，該衍生工具被劃分為非流動(或分為流動和非流動兩部分)以和基礎項目保持一致。
- 與主合同不密切相關的嵌入式衍生工具的劃分需和主合同的現金流保持一致。

2.4 Summary of Significant Accounting Policies (continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above; and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 主要會計政策概要(續)

現金及現金等同項目

就綜合現金流量表而言，現金及現金等同項目，包括手頭現金以及活期存款，以及流動性強並可兌換為已知金額現金且所涉價值變動風險不高而一般自取得起三個月內到期的短期投資，減去作為本集團現金管理組成部份的按要求償還的銀行透支。

就綜合財務狀況表而言，現金及現金等同項目包括手頭現金以及銀行存款，包括用途不受限制之定期存款。

撥備

倘因過往事件導致現時承擔責任(法定或推定責任)，且日後可能須流出資源以履行責任，並能可靠估計責任之數額，則確認撥備。

倘折現之影響屬重大，就撥備確認之金額乃預期日後為履行有關責任所需開支於報告期末之現值。已折現現值金額隨時間流逝而有所增加，有關增幅將計入損益之融資成本內。

於業務合併中確認之或然負債初始按公平值計量，隨後按以下兩者中的較高者計量：(i)根據上述條款之一般政策確認的金額；及(ii)初始確認的金額減(若適用)根據相關收益確認政策確認的收入金額。

所得稅

所得稅包括即期及遞延稅項。與損益外已確認項目有關的所得稅於損益外確認，並於其他全面收益或直接於權益中確認。

即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局的金額計算，以截至報告期末已頒佈或大致頒佈的稅率(及稅法)為基礎及經考慮本集團經營所處國家的詮釋及現行慣例。

遞延稅項採用負債法對所有於報告期末就資產及負債的稅基與用於財務報告的賬面值引致的暫時差額作出撥備。

2.4 Summary of Significant Accounting Policies (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項負債乃就所有應課稅暫時性差額確認，惟以下情況除外：

- 因業務合併以外的交易(交易當時並不影響會計溢利或應課稅溢利或虧損者)下首次確認的商譽或資產或負債所產生的遞延稅項負債；及
- 當遞延稅項負債產生自業務合併以外交易當中初始確認商譽或資產或負債，而進行有關交易時不影響會計溢利或應課稅溢利或虧損。

所有可扣減暫時性差額及未動用稅項抵免與任何未動用稅務虧損結轉，均被確認為遞延稅項資產。倘可能具有應課稅溢利抵銷可扣減暫時性差額，以及可動用結轉之未動用稅項抵免及稅務虧損，則會確認遞延稅項資產，惟以下情況除外：

- 因有關可扣減暫時性差額之遞延稅項資產源自初始確認一項交易中之資產或負債，而有關交易(非為業務合併)進行時不會影響會計溢利或應課稅溢利或虧損；及
- 就與附屬公司及聯營公司投資相關的可扣減暫時性差額而言，遞延稅項資產僅在暫時性差額可能於可見將來撥回，及應課稅溢利可予動用於抵銷暫時性差額時方予確認。

於各報告期末審閱遞延稅項資產之賬面值，並在不再可能有足夠應課稅溢利以動用全部或部份遞延稅項資產時，相應扣減該賬面值。未確認遞延稅項資產會於各報告期末重新評估，並在成為可能有足夠應課稅溢利以收回全部或部份遞延稅項資產時予以確認。

遞延稅項資產及負債乃根據預計該遞延稅項資產變現時或遞延稅項負債清償時所適用的稅率計量，該稅率乃基於截至報告期末已頒佈或大致頒佈的稅率(及稅法)釐定。

2.4 Summary of Significant Accounting Policies (continued)

Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2.4 主要會計政策概要(續)

所得稅(續)

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一課稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同課稅實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補貼

政府補貼於有合理保證確定可收取補貼且滿足一切附帶條件時按公平值確認。若補貼與費用項目相關，則於將該項補貼用於擬補貼成本支銷期間有系統地確認為收入。

收益確認

來自客戶合約之收益

來自客戶合約之收益於貨物或服務的控制權轉移至客戶時確認，金額反映本集團預期就交換該等貨物或服務而有權獲得的代價。

倘合約代價包含可變金額，則代價根據本集團於就交換向客戶轉讓貨物或服務時將享有的代價金額進行估計。可變代價於合約開始時估計並受到限制，直至與可變代價相關的不確定性於其後解除時，有關累計已確認收入金額的重大收入撥回極可能不會產生時方可解除。

倘合約中包含為客戶提供超過一年轉移貨品或服務的重大融資利益之融資成分，則收益按應收金額之現值計量，並使用訂立合約時本集團與客戶的單獨融資交易中反映之折現率折現。倘合約中包含為本集團提供超過一年重大融資利益之融資成分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。就客戶付款與承諾的貨品或服務轉移之間的期限為一年或以下的合約而言，交易價不會因重大融資成分之影響而調整，而是採用香港財務報告準則第15號實際權宜方法。

2.4 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(a) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of goods.

Some contracts for the sale of Chinese and Western pharmaceutical and health food products provide customers with rights of return. The rights of return gives rise to variable consideration:

Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(b) Sale of properties

Revenue from the sale of properties is recognised at the point in time when the purchasers obtain the physical possession and/or the legal title of the completed property and the Group has the present right to payment and the collection of the consideration is probable.

(c) Provision of management, promotion and property ancillary services

Revenue from the provision of management, promotion and property ancillary services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

(d) Commission income from the agricultural exchange markets

Commission income from the agricultural exchange markets is recognised at the point in time when the services are rendered in accordance with the terms of the agreement.

收益確認(續)

來自客戶合約之收益(續)

(a) 銷售貨物

銷售貨物之收益於資產控制權轉讓予客戶之時間點確認，通常為交付貨物之時。

部分中西藥及保健食品產品銷售合約為客戶提供退貨權。退貨權引發可變代價：

退貨權

就向客戶提供於指定期限內享有退回貨物權利的合約而言，採用預期估值法估計將不予以退回的貨物，原因為該方法最佳預測本集團將有權享有的可變代價金額。採用香港財務報告準則第15號有關限制估計可變代價的規定，以釐定可計入交易價內的可變代價金額。就預期將予退回的貨物而言，退款負債而非收入得以確認。退貨權資產(及相應調整銷售成本)亦就自客戶收回產品的權利確認。

(b) 銷售物業

銷售物業的收益於買方取得已落成物業的實際支配及／或法定業權，而本集團擁有收取付款之現有權利並有可能收取代價時確認。

(c) 提供管理、宣傳及物業配套服務

提供管理、宣傳及物業配套服務的收益於預定期間以直線法確認，因為客戶同時收取及消耗本集團提供的利益。

(d) 農產品交易市場之佣金收入

農產品交易市場之佣金收入於根據所簽署協議之條款提供服務的時間點確認。

2.4 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Costs of obtaining contracts

Incremental costs of obtaining a contract were those costs that the Group incurs to obtain a contract with a customer it would not have been incurred if the contract had not been obtained e.g., sales commission to sales agents. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Right-of-return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods and any potential decreases in the value of the returned goods. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned goods.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.4 主要會計政策概要(續)

收益確認(續)

來自其他來源之收益

租金收入按時間比例基準於租期內確認。不取決於指數或利率的可變租賃付款在發生期間確認為收入。

其他收入

利息收入根據實際利率法按應計基準應用可將金融工具預期期限的估計未來現金回報準確折現為財務資產賬面淨值的比率計算。

股息收入在確定股東有權收取該款項，與股息相關的經濟利益很可能流入本集團且股息的金額能夠可靠計量時確認。

合約負債

合約負債於本集團轉移相關貨品或服務前已收客戶款項或付款到期(以較早者為準)時確認。合約負債在本集團於履行合約(即將相關貨品或服務的控制權轉讓予客戶)時確認為收益。

取得合約之成本

取得合約之增量成本為本集團就取得客戶合約而產生且倘未能取得合約則不會產生的成本(例如給予銷售代理的銷售佣金)。倘有關收益的成本將在未來報告期間確認，而成本預期可收回，取得合約之增量成本會於產生時撥充資本。取得合約之其他成本在產生時支銷。

退貨權資產

退貨權資產確認為收回預期將由客戶退回的貨品的權利。該資產按退回貨品的前賬面值，減收回貨品的任何預期成本以及退回貨品價值的任何潛在跌幅計量。本集團就預期退貨水平的任何修訂以及退回貨品價值的任何額外跌幅更新資產的計量。

退款負債

退款負債確認為退回已收(或應收)客戶的若干或全部代價的責任，並按本集團最終預期需退回予客戶的金額計量。本集團於各報告期末更新其退款負債估計(及交易價格的相應變動)。

2.4 Summary of Significant Accounting Policies (continued)

Share-based payments

The Company and CAP each operate a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a trinomial model, further details of which are given in note 34 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 主要會計政策概要(續)

以股份為基礎之付款

為激勵和獎勵為本集團業務成就作出貢獻之合資格參與者，本公司及中國農產品各自實行購股權計劃。本集團之僱員(包括董事)通過以股份為基礎之付款方式取得薪酬，而僱員通過提供服務作為權益工具之代價(「以權益結算之交易」)。

僱員進行之以權益結算之交易成本，參照其於授予日之公平值計量。公平值由外部估值師採用三項式定價模式釐定，進一步詳情載於財務報表附註34。

在滿足表現及／或服務條件之期間，於僱員福利開支確認以權益結算之交易成本並同時相應增加權益。在各報告期末至歸屬日期就以權益結算之交易確認之累計開支反映歸屬期屆滿之程度及本集團對最終歸屬之權益工具數量的最佳估計。於期內自損益扣除或計入損益之金額指於期初及期終確認之累計開支變動。

釐定獎勵的授出日期公平值時，不會計及服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終將歸屬的權益工具數量的最佳估計。市場表現條件反映於授出日期公平值內。獎勵所附帶但並無相關服務要求的任何其他條件被視為非歸屬條件。除非亦有服務及／或表現條件，否則非歸屬條件反映於獎勵的公平值內，並將即時支銷獎勵。

基於未能達成非市場表現及／或服務條件而最終並無歸屬的獎勵不會確認開支。倘獎勵包括市場或非歸屬條件，交易將被視為歸屬處理，而不論市場或非歸屬條件是否達成，惟所有其他表現及／或服務條件須已達成。

倘以權益結算之獎勵之條款經修訂，則在達成獎勵原定條款情況下，至少須猶如條款並無經修訂者確認開支。此外，任何增加以股份為基礎付款的公平總值，或以其他方式為僱員帶來利益的任何修訂於修訂當日確認為開支。

2.4 Summary of Significant Accounting Policies (continued)

Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute to a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 主要會計政策概要(續)

以股份為基礎之付款(續)

倘若以權益結算之獎勵被註銷，其應被視為已於註銷日期歸屬，而尚未就有關獎勵確認之任何開支，均應立刻確認。這包括非歸屬條件為本集團或僱員所控制但尚未達成之任何獎勵。然而，若授予新獎勵代替已註銷之獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵應被視為對原獎勵之修訂，處理方法如前段所述。

計算每股盈利時，未行使購股權之攤薄影響反映為額外股份攤薄。

其他僱員福利

退休金計劃

本集團根據《強制性公積金計劃條例》為合資格參與界定供款強制性公積金退休福利計劃(「強積金計劃」)的僱員經營一項強積金計劃。根據強積金計劃規則，須按僱員基本薪金的某個百分比作出供款，並於供款成為應付時在損益內扣除。強積金計劃的資產與本集團資產分開並由獨立管理基金持有。本集團所作僱主供款於向強積金計劃作出時全數歸屬予僱員。

本集團於中國內地營業的附屬公司的僱員須參加由地方市政府經營的中央退休金計劃。該等附屬公司須按其工資成本的若干百分比向中央退休金計劃供款。根據中央退休金計劃規則，有關供款於成為應付時在損益內扣除。

借貸成本

直接因收購、建造或生產合資格資產(即須長時間準備方可作擬定用途或銷售之資產)而產生的借貸成本，作為此等資產成本之一部分撥充資本。當資產已大致備妥作擬定用途或出售時，借貸成本將會停止撥充資本。為合資格資產取得之特定借貸在其尚未用於有關用途時作為暫時性投資而賺取之投資收入於可作資本化之借貸成本內扣除。所有其他借貸成本在產生期間列為支出。借貸成本包括實體因借入資金所產生之利息及其他成本。

2.4 Summary of Significant Accounting Policies (continued)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.4 主要會計政策概要(續)

股息

末期股息經股東於股東大會批准時確認為負債。建議末期股息於財務報表附註披露。

由於本公司之組織章程大綱及細則授權董事宣派中期股息，故中期股息同時獲建議及宣派。因此，中期股息於建議及宣派時，即時確認為負債。

外幣

該等財務報表以本公司的功能貨幣港元呈列。本集團內各實體釐定其各自的功能貨幣，而各實體的財務報表項目乃以該功能貨幣計量。本集團內各實體所記錄之外幣交易初步按其各自於交易日期適用的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債，按有關功能貨幣於報告期末的適用匯率換算。因貨幣項目結算或兌換產生的差額均會於損益確認。

以外幣按歷史成本計量的非貨幣項目，採用初始交易日期的匯率換算。以外幣按公平值計量的非貨幣項目，採用公平值計量當日的匯率換算。換算按公平值計量之非貨幣項目產生之收益或虧損之處理方式與確認該項目公平值變動之收益或虧損一致(即於其他全面收益或損益中確認其公平值收益或虧損之項目的匯兌差額亦分別於其他全面收益或損益中確認)。

於釐定初始確認與預付代價相關之非貨幣資產或非貨幣負債終止確認時的有關資產、開支或收入之匯率時，初始交易日期為本集團初始確認因預付代價產生之非貨幣資產或非貨幣負債之日期。倘存在多筆預付款項或預收款項，則本集團會釐定每筆預付款項或預收款項之交易日期。

2.4 Summary of Significant Accounting Policies (continued)

Foreign currencies (continued)

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their profit or loss and other comprehensive income are translated into Hong Kong dollars at the exchange rates that approximate to those prevailing at the dates of the transactions. The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. Significant Accounting Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

2.4 主要會計政策概要(續)

外幣(續)

若干海外附屬公司及聯營公司的功能貨幣均為港元以外的貨幣。於報告期末，該等實體的資產與負債按報告期末的現行匯率換算為港元，其損益及其他全面收益則按與交易日期現行匯率相若者換算為港元。因此而產生的匯兌差額於其他全面收益中確認並累計計入匯兌儲備。出售海外業務時，與該特定海外業務有關的其他全面收益部分於損益確認。

任何因收購海外業務產生之商譽及任何由於收購所產生之資產及負債賬面值之公平值調整均視為海外業務之資產及負債及以收市匯率換算。

就綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期的適用匯率換算為港元。海外附屬公司於整個年度產生的經常性現金流量則按年內的加權平均匯率換算為港元。

3. 主要會計估計

於編製本集團財務報表時，管理層須作出會影響收益、開支、資產及負債之呈報金額及其有關披露及或然負債之披露之判斷、估計及假設。該等假設及估計之不明朗因素可能導致需要對未來有關資產或負債之賬面值作出重大調整。

估計不明朗因素

下文為於報告期末有關日後的主要假設及其他主要估計的不明朗因素，其涉及導致下個財政年度對資產及負債賬面值作出重大調整的重大風險。

3. Significant Accounting Estimates (continued)

Estimation uncertainty (continued)**Valuation of investment properties**

Investment properties including commercial and industrial properties in Hong Kong and agricultural produce exchange markets in Mainland China are revalued at the end of the reporting period on a market value, existing use basis by independent professionally qualified valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of the reporting period are used. Further details of the valuation are included in note 15 to the financial statements.

Net realisable value of properties under development and properties held for sale

Properties under development and properties held for sale are stated at the lower of cost and net realisable value. The cost of each unit is determined using the weighted average method. The estimated net realisable value is assessed at the end of the reporting period on a market value, existing use basis by independent professionally qualified valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of the reporting period are used.

Impairment of non-financial non-current assets (other than goodwill)

The Group assesses whether there are any indicators of impairment of all non-financial non-current assets (including the right-of-use assets) at the end of each reporting period.

Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

3. 主要會計估計(續)

估計不明朗因素(續)**投資物業估值**

投資物業(包括位於香港之商業及工業物業以及位於中國內地之農產品交易市場)於報告期末由獨立專業合資格估值師按市場價值及現有用途基準重新估值。有關估值乃基於若干假設，受限於不明朗因素及可能與實際結果有重大差異。於作出估計時，有關判斷已考慮到活躍市場內類似物業的現行價格的資料，及使用主要以各報告期末的市場狀況為基礎的假設。有關估值之進一步詳情載於財務報表附註15。

發展中物業及持作出售物業之可變現淨值

發展中物業及持作出售物業按成本與可變現淨值兩者中較低者列賬。各單位之成本按加權平均方法釐定。估計可變現淨值於報告期末由獨立專業合資格估值師按市值、現有用途基準評估。有關估值乃根據若干假設計算，而有關假設受不確定因素影響，且可能與實際結果存在重大差異。作出估計時，會考慮類似物業於活躍市場之現價資料，並使用主要以報告期末之市況為基準的假設。

非財務非流動資產(除商譽外)之減值

本集團在各報告期末評估全部非財務非流動資產(包括使用權資產)是否有任何減值跡象。

其他非財務資產於有跡象顯示賬面值可能無法收回時進行減值測試。

3. Significant Accounting Estimates (continued)

Estimation uncertainty (continued)

Impairment of non-financial non-current assets (other than goodwill) (continued)

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, properties under development, properties held for sale, investment properties and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less costs for disposing of the asset. When value in use is calculated to assess for impairment, management applies assumptions to prepare cash flow forecast, i.e., discount rate, growth rate for the asset or cash-generating unit to calculate the present value of those cash flows.

The carrying value of an item of property, plant and equipment (including right-of-use assets) is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with the accounting policy as disclosed in note 2.4 to the financial statements. Given that the carrying amount of the net assets of the Group is more than the Company's market capitalisation, while evidence is available from internal reporting that indicates that the economic performance of both the Chinese pharmaceutical and health food products cash-generating unit (the "**Chinese Pharmaceutical CGU**") and Western pharmaceutical and health food products cash-generating unit (the "**Western Pharmaceutical CGU**") (together, the "**CGUs**") are better than expected, the directors of the Company performed an impairment assessment of the property, plant and equipment relating to the CGUs to determine their recoverable amounts. The recoverable amount of an item of property, plant and equipment or a CGU is calculated as the higher of its fair value less costs to disposal and value in use, the calculations of which involve the use of estimates.

3. 主要會計估計(續)

估計不明朗因素(續)

非財務非流動資產(除商譽外)之減值(續)

當顯示有減值存在或當資產需要每年作減值測試(不包括存貨、財務資產、發展中物業、持作出售物業、投資物業及遞延稅項資產)，則估計資產之可收回金額。資產之可收回金額以資產或現金產生單位之使用價值與其公平值減出售成本的較高者計算，及以個別資產釐定，除非資產主要依靠其他資產或資產組別而本身無產生現金流入，該情況下，可收回金額由資產所屬之現金產生單位釐定。公平值減出售成本根據按公平原則進行具有約束力的類似資產出售交易所獲得的數據或可觀察市場價格減去出售資產的成本而計算。當計算使用價值以評估減值時，管理層應用假設編製現金流量預測，即貼現率、資產或現金產生單位增長率，以計算該等現金流量的現值。

倘事件或情況變化顯示賬面值可能無法根據財務報表附註2.4所披露之會計政策收回，則會檢討物業、廠房及設備項目(包括使用權資產)之賬面值有否減值。鑒於本集團的資產淨值賬面值超過本公司的市值，加上內部報告有證據顯示中藥及保健食品現金產生單位(「**中藥現金產生單位**」)以及西藥及保健食品現金產生單位(「**西藥現金產生單位**」)(統稱「**現金產生單位**」)的經濟表現較預期好，本公司董事對與現金產生單位有關之物業、廠房及設備進行減值評估，以釐定其可收回金額。物業、廠房及設備項目或現金產生單位之可收回金額按其公平值減出售成本及使用價值之較高者計算，計算時涉及使用估計。

4. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) production and sale of Chinese pharmaceutical and health food products – manufacture, processing and sale of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of “Wai Yuen Tong” and a range of products manufactured using selected medicinal materials with traditional prescriptions, mainly in Mainland China and Hong Kong;
- (b) production and sale of Western pharmaceutical and health food products – manufacture, processing and sale of Western pharmaceutical products and personal care products under the brand names of “Madame Pearl’s” and “Pearl’s”, respectively;
- (c) property investment – investment in commercial and industrial premises for rental income; and
- (d) management and sale of properties in agricultural produce exchange markets.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/loss before tax except that other income and gains, net, finance costs, fair value gains/losses on financial assets and liabilities at fair value through profit or loss, net, head office and corporate income and expenses, loss on disposal of investment in an associate, loss on disposal/redemption of debt investments at fair value through other comprehensive income, net and loss on disposal of financial assets at fair value through profit or loss are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 營運分部資料

就管理而言，本集團按產品及服務分為各業務單位，並有四個可報告之營運分部如下：

- (a) 生產及銷售中藥及保健食品產品 – 主要於中國內地及香港製造、加工及銷售傳統中藥，包括以「位元堂」品牌出售之中藥產品，以及一系列以精選藥材配以傳統配方製成之產品；
- (b) 生產及銷售西藥及保健食品產品 – 生產、加工及銷售「佩夫人」及「佩氏」品牌之西藥產品及個人護理產品；
- (c) 物業投資 – 投資於商務及工業物業以獲得租金收入；及
- (d) 管理及銷售農產品交易市場之物業。

管理層分開監控本集團營運分部之業績，旨在作出有關資源分配及表現評估之決定。分部表現按可報告分部之溢利／虧損作出評估，即計量經調整除稅前溢利／虧損。經調整除稅前溢利／虧損之計量與本集團除稅前溢利／虧損一致，惟其他收入及收益淨額、融資成本、按公平值經損益入賬之財務資產及負債之公平值收益／虧損淨額、總公司及企業收入及開支、出售於一間聯營公司之投資虧損、出售／贖回按公平值經其他全面收益入賬之債務投資之虧損淨額及出售按公平值經損益入賬之財務資產之虧損均不計入有關計量。

各分部間之銷售及轉撥乃經參考向第三方銷售所採用之售價並按當時現行市價進行。

Notes to Financial Statements (Continued)

財務報表附註(續)

4. Operating Segment Information (continued)

Segment revenue and results Year ended 31 March

4. 營運分部資料(續)

分部收益及業績 截至三月三十一日止年度

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及 保健食品產品		Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及 保健食品產品		Property investment 物業投資		Management and sale of properties in agricultural produce exchange markets 管理及銷售農產品 交易市場之物業		Eliminations 對銷		Total 總計	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Segment revenue:	分部收益:												
Sales to external customers	銷售予外部客戶	512,568	453,380	41,273	25,669	7,101	8,704	830,469	620,812	-	-	1,391,411	1,108,565
Intersegment sales	分部間銷售	41	1,206	1,818	-	13,083	12,388	-	-	(14,942)	(13,594)	-	-
Total	總計	512,609	454,586	43,091	25,669	20,184	21,092	830,469	620,812	(14,942)	(13,594)	1,391,411	1,108,565
Segment results	分部業績	(19,448)	(860)	(18,997)	(42,391)	(30,952)	(25,649)	75,559	33,551	-	-	6,162	(35,349)
Other income and gains, net	其他收入及收益，淨額											144,869	120,629
Unallocated income and expense, net	未分配收入及開支，淨額											(29,483)	(49,072)
Finance costs	融資成本											(95,695)	(107,724)
Fair value gains/(losses) on financial assets and liabilities at fair value through profit or loss, net	按公平值經損益入賬之財務資產及負債之公平值收益/(虧損)，淨額											(31,693)	6,601
Loss on disposal of investment in an associate	出售一間聯營公司之投資虧損											-	(237,740)
Loss on disposal/redemption of debt investments at fair value through other comprehensive income, net	出售/贖回按公平值經其他全面收益入賬之債務投資之虧損，淨額											(40,865)	(476)
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值經損益入賬之財務資產之虧損											(599)	-
Loss before tax	除稅前虧損											(47,304)	(303,131)
Income tax expense	所得稅開支											(40,519)	(148,132)
Loss for the year	年度虧損											(87,823)	(451,263)

Notes to Financial Statements (Continued)

財務報表附註(續)

4. Operating Segment Information (continued)

Other segment information

Year ended 31 March

4. 營運分部資料(續)

其他分部資料

截至三月三十一日止年度

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及 保健食品產品		Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及 保健食品產品		Property investment 物業投資		Management and sale of properties in agricultural produce exchange markets 管理及銷售農產品 交易市場之物業		Eliminations 對銷		Total 總計	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Other segment information:	其他分部資料:												
Interest income	利息收入	-	-	-	-	-	-	-	-	(15,376)	(24,571)	(15,376)	(24,571)
Capital expenditure (note)	資本開支(附註)	6,391	9,356	340	140	-	47,646	70,858	31,589	5	710	77,594	89,441
Depreciation	折舊	65,265	50,812	11,504	11,448	8,261	7,810	17,612	17,113	5,155	5,440	107,797	92,623
Fair value losses/(gains) on financial assets and liabilities at fair value through profit or loss, net	按公平值經損益入賬 之財務資產及負 債之公平值虧損/ (收益)-淨額	-	-	-	-	-	-	(6,067)	2,082	37,760	(8,683)	31,693	(6,601)
Net losses from fair value adjustments for owned investment properties	所擁有投資物業之公 平值調整虧損淨 額	-	-	-	-	33,453	20,830	49,800	11,226	-	-	83,253	32,056
Net losses from fair value adjustments for sub-leased investment properties	分租投資物業之公平 值調整虧損淨額	-	-	-	-	-	-	3,764	2,976	-	-	3,764	2,976
Loss on disposal/redemption of debt investments at fair value through other comprehensive income, net	出售/贖回按公平值 經其他全面收益 入賬之債務投資 之虧損-淨額	-	-	-	-	-	-	-	-	40,865	476	40,865	476
Loss on disposal of financial assets at fair value through profit or loss	出售按公平值經損益 入賬之財務資產 之虧損	-	-	-	-	-	-	-	-	599	-	599	-
Loss on disposal of items of property, plant and equipment, net	出售物業、廠房及設備 項目之虧損- 淨額	778	237	-	-	-	-	5,577	-	-	-	6,355	237
Gain on disposal of investment properties, net	出售投資物業之收益- 淨額	-	-	-	-	-	-	(150)	-	(8,019)	-	(8,169)	-
Impairment losses/(reversal of impairment losses) on financial assets, net	財務資產減值虧損/ (減值虧損撥回)- 淨額	5,175	(1,158)	(44)	31	-	-	2,849	41,404	4,895	350	12,875	40,627
Impairment losses/(reversal of impairment losses) on property, plant and equipment, net	物業、廠房及設備減 值虧損/(減值 虧損撥回)- 淨額	96	8,020	(8,226)	4,074	1,735	9,820	-	-	-	-	(6,395)	21,914
Investments in associates	於聯營公司之投資	3,804	2,832	-	-	-	-	-	-	-	-	3,804	2,832
Share of profits and losses of associates	分佔聯營公司溢利及 虧損	(1,572)	(485)	-	-	-	-	-	-	-	(4,169)	(1,572)	(4,654)
Loss on disposal of investment in an associate	出售於一間聯營公司 之投資虧損	-	-	-	-	-	-	-	-	-	237,740	-	237,740
Allowance for obsolete inventories	陳舊存貨撥備	2,247	792	2,723	3,955	-	-	-	-	-	-	4,970	4,747

Note: Capital expenditure includes additions to investment properties and property, plant and equipment (excluding the additions of leased buildings included in right-of-use assets).

附註：資本開支包括新增之投資物業及物業、廠房及設備(不包括新增計入使用權資產的租賃樓宇)。

Notes to Financial Statements (Continued)

財務報表附註(續)

4. Operating Segment Information (continued)

Geographical information

(a) Revenue from external customers

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Hong Kong	香港	417,994	373,494
Mainland China	中國內地	929,120	716,463
Macau	澳門	40,554	17,236
Others	其他	3,743	1,372
		1,391,411	1,108,565

The revenue information above is based on the locations of the customers.

(b) Non-current assets

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Hong Kong	香港	1,160,730	1,221,727
Mainland China	中國內地	3,341,909	3,238,817
Macau	澳門	20,068	11,686
		4,522,707	4,472,230

The non-current assets information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

During the years ended 31 March 2022 and 2021, no revenue from transactions with a single external customer amounted to 10% or more of the total revenue of the Group.

4. 營運分部資料(續)

地區資料

(a) 來自外部客戶之收益

2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
417,994	373,494
929,120	716,463
40,554	17,236
3,743	1,372
1,391,411	1,108,565

上述收益資料乃按客戶所在地區劃分。

(b) 非流動資產

2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
1,160,730	1,221,727
3,341,909	3,238,817
20,068	11,686
4,522,707	4,472,230

上述非流動資產資料乃按資產所在地區劃分，且不包括金融工具及遞延稅項資產。

有關主要客戶之資料

截至二零二二年及二零二一年三月三十一日止年度，並無來自與單一外部客戶交易之收益佔本集團收益總額的10%或以上。

5. Revenue and Other Income and Gains, Net

An analysis of the Group's revenue and other income and gains, net is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收益	1,180,132	935,858
Revenue from other sources	來自其他來源之收益		
Gross rental income from investment property operating leases	投資物業經營租賃之租金收入總額	211,279	172,707
		1,391,411	1,108,565

5. 收益及其他收入及收益，淨額

本集團收益及其他收入及收益，淨額之分析如下：

Revenue from contracts with customers

(i) Disaggregated revenue information
For the year ended 31 March 2022

Segments

來自客戶合約之收益

(i) 分拆收益資料
截至二零二二年三月三十一日止年度
分部

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Management and sale of properties in agricultural produce exchange markets 管理及銷售農產品交易市場之物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Types of goods or services	貨物或服務類別				
-Sale of goods	-銷售貨物	507,223	41,273	11,429	559,925
-Management and promotion services	-管理及宣傳服務	5,345	-	-	5,345
-Sale of properties	-銷售物業	-	-	418,564	418,564
-Commission income from agricultural produce exchange markets	-農產品交易市場之佣金收入	-	-	94,909	94,909
-Agricultural produce exchange market ancillary services	-農產品交易市場之配套服務	-	-	101,389	101,389
Total revenue from contracts with customers	來自客戶合約之收益總額	512,568	41,273	626,291*	1,180,132
Geographical markets	地區市場				
Hong Kong	香港	388,093	22,800	-	410,893
Mainland China	中國內地	84,271	14,380	626,291	724,942
Macau	澳門	36,461	4,093	-	40,554
Others	其他	3,743	-	-	3,743
Total revenue from contracts with customers	來自客戶合約之收益總額	512,568	41,273	626,291*	1,180,132
Timing of revenue recognition	收益確認時間				
Goods or services transferred at a point in time	於某一時間點轉移貨物或服務	507,223	41,273	524,902	1,073,398
Services transferred over time	隨時間轉移服務	5,345	-	101,389	106,734
Total revenue from contracts with customers	來自客戶合約之收益總額	512,568	41,273	626,291*	1,180,132

* Gross rental income from investment property operating leases of HK\$204,178,000 (2021: HK\$164,003,000) that was attributable to the management and sale of properties in agricultural produce exchange markets segment was not included in the above disclosure.

* 上述披露並無計入歸屬於管理及銷售農產品交易市場之物業分部的投資物業經營租賃之租金收入總額204,178,000港元(二零二一年：164,003,000港元)。

Notes to Financial Statements (Continued)

財務報表附註(續)

5. Revenue and Other Income and Gains, Net (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 March 2021

Segments

	Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Management and sale of properties in agricultural produce exchange markets 農產品交易市場之物業管理 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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Types of goods or services	貨物或服務類別				
-Sale of goods	- 銷售貨物	449,226	25,669	41,961	516,856
-Management and promotion services	- 管理及宣傳服務	4,154	-	-	4,154
-Sale of properties	- 銷售物業	-	-	233,183	233,183
-Commission income from agricultural produce exchange markets	- 農產品交易市場之佣金收入	-	-	83,276	83,276
-Agricultural produce exchange markets ancillary services	- 農產品交易市場之配套服務	-	-	98,389	98,389
Total revenue from contracts with customers	來自客戶合約之收益總額	453,380	25,669	456,809*	935,858
Geographical markets	地區市場				
Hong Kong	香港	357,756	7,034	-	364,790
Mainland China	中國內地	79,237	16,414	456,809	552,460
Macau	澳門	15,015	2,221	-	17,236
Others	其他	1,372	-	-	1,372
Total revenue from contracts with customers	來自客戶合約之收益總額	453,380	25,669	456,809*	935,858
Timing of revenue recognition	收益確認時間				
Goods or services transferred at a point in time	於某一時間點轉移貨物或服務	449,226	25,669	358,420	833,315
Services transferred over time	隨時間轉移服務	4,154	-	98,389	102,543
Total revenue from contracts with customers	來自客戶合約之收益總額	453,380	25,669	456,809*	935,858

5. 收益及其他收入及收益，淨額(續)

來自客戶合約之收益(續)

(i) 分拆收益資料(續)

截至二零二一年三月三十一日

止年度

分部

Notes to Financial Statements (Continued)

財務報表附註(續)

5. Revenue and Other Income and Gains, Net (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

For the year ended 31 March 2022

Segments

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Management and sale of properties in agricultural produce exchange markets 農產品交易市場之物業 管理 & 銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收益				
External customers	外部客戶	512,568	41,273	626,291*	1,180,132
Intersegment sales	分部間銷售	41	1,818	–	1,859
Segment revenue	分部收益	512,609	43,091	626,291*	1,181,991
Intersegment adjustments and eliminations	分部間調整及對銷	(41)	(1,818)	–	(1,859)
Total revenue from contracts with customers	來自客戶合約之收益總額	512,568	41,273	626,291*	1,180,132

For the year ended 31 March 2021

Segments

		Production and sale of Chinese pharmaceutical and health food products 生產及銷售中藥及保健食品產品 HK\$'000 千港元	Production and sale of Western pharmaceutical and health food products 生產及銷售西藥及保健食品產品 HK\$'000 千港元	Management and sale of properties in agricultural produce exchange markets 農產品交易市場之物業 管理 & 銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收益				
External customers	外部客戶	453,380	25,669	456,809*	935,858
Intersegment sales	分部間銷售	1,206	–	–	1,206
Segment revenue	分部收益	454,586	25,669	456,809*	937,064
Intersegment adjustments and eliminations	分部間調整及對銷	(1,206)	–	–	(1,206)
Total revenue from contracts with customers	來自客戶合約之收益總額	453,380	25,669	456,809*	935,858

Notes to Financial Statements (Continued)

財務報表附註(續)

5. Revenue and Other Income and Gains, Net (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	於報告期初計入合約負債之收益確認：		
Sale of goods	銷售貨物	9,991	8,173
Sale of properties	銷售物業	389,427	43,447
		399,418	51,620

(ii) Performance obligations

The following information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 120 days from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return which gives rise to variable consideration subject to constraint.

Management, promotion and property ancillary services

The performance obligation is satisfied over time as services are rendered.

Commission income from agricultural produce exchange markets

The performance obligation is satisfied upon the completion of the related sales transactions.

Sale of properties

The performance obligation is satisfied when the physical possession and/or the legal title of the property is obtained by the purchaser.

5. 收益及其他收入及收益，淨額(續)

來自客戶合約之收益(續)

(i) 分拆收益資料(續)

下表顯示於本報告期間收益確認之金額，其於報告期初計入合約負債，以及就過往期間完成之履約責任確認：

(ii) 履約責任

有關本集團履約責任的資料概述如下：

銷售貨物

履約責任於貨物交付時達成，且通常於交付後7至120日到期付款，惟新客戶通常須提前付款。部分合約向客戶提供退貨權，因而產生受限制的可變代價。

管理、宣傳及物業配套服務

履約責任於服務提供時達成。

農產品交易市場之佣金收入

履約責任於完成相關銷售交易時達成。

銷售物業

履約責任於買方取得物業的實際擁有權及／或法定業權時達成。

Notes to Financial Statements (Continued)

財務報表附註(續)

5. Revenue and Other Income and Gains, Net (continued) 5. 收益及其他收入及收益，淨額(續)

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Other income	其他收入		
Interest income on loans receivables	應收貸款之利息收入	4,486	3,798
Interest income on financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income	按公平值經損益入賬之財務資產及按公平值經其他全面收益入賬之財務資產之利息收入	6,842	16,284
Interest income on bank deposits	銀行存款之利息收入	4,048	4,489
Finance income on net investments in subleases	分租投資淨額之財務收入	555	705
Dividends from financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income	來自按公平值經損益入賬之財務資產及按公平值經其他全面收益入賬之財務資產之股息	9,414	4,383
Rental income from other properties	來自其他物業之租金收入	44,608	37,188
Government subsidies**	政府補貼**	2,166	26,673
Compensation from litigation judgement (note 42)	訴訟判決之賠償(附註42)	48,572	—
Others	其他	8,544	11,299
		129,235	104,819
Gains, net	收益，淨額		
Gain on modification/termination of lease contracts	修改／終止租賃合約之收益	491	13,737
Gain on disposal of investment properties, net	出售投資物業之收益，淨額	8,169	—
Exchange gains, net	匯兌收益，淨額	6,974	2,073
		15,634	15,810
Other income and gains, net	其他收入及收益，淨額	144,869	120,629

** For the year ended 31 March 2022, government subsidies represented the PRC government subsidies of HK\$2,166,000 granted to the Group by the local governmental authority in Mainland China for the business support on its investments in an agricultural produce exchange market in Mainland China ("Agricultural Produce Subsidies").

For the year ended 31 March 2021, government subsidies represented: (i) Agricultural Produce Subsidies of HK\$23,433,000; (ii) one-off subsidies of HK\$3,080,000 granted by the Anti-Epidemic Fund under The Government of the Hong Kong Special Administrative Region's Retail Sector Subsidy Scheme and Food Licence Holders Subsidy Scheme; and (iii) one-off subsidies of HK\$160,000 granted by The Government of the Macao Special Administrative Region's 10-Billion-Pataca Fund.

The Group has complied with all attached conditions before 31 March 2022 and 2021 and recognised these grants in profit or loss as "Other income and gains, net" in the respective accounting periods.

** 截至二零二二年三月三十一日止年度，政府補貼乃指本集團獲中國內地當地政府機關授予之中國政府補貼2,166,000港元，以作為其於中國內地投資農產品交易市場之業務支持(「農產品補貼」)。

截至二零二一年三月三十一日止年度，政府補貼乃指：(i)農產品補貼23,433,000港元；(ii)香港特別行政區政府零售業資助計劃及持牌食物業界別資助計劃下的防疫抗疫基金提供的一次性補貼3,080,000港元；及(iii)澳門特別行政區政府的百億抗疫援助基金提供的一次性補貼160,000港元。

本集團已於二零二二年及二零二一年三月三十一日前遵守所有附帶條件，並將有關補助在相應會計期間的損益中確認為「其他收入及收益，淨額」。

Notes to Financial Statements (Continued)

財務報表附註(續)

6. Other Expenses

An analysis of other expenses is as follows:

			2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Notes 附註			
Loss on disposal of items of property, plant and equipment		出售物業、廠房及設備項目之虧損	6,355	237
Loss on redemption of convertible notes	31	贖回可換股票據之虧損	—	3,933
Loss on disposal/redemption of debt investments at fair value through other comprehensive income, net		出售／贖回按公平值經其他全面收益入賬之債務投資之虧損，淨額	40,865	476
Loss on disposal of financial assets at fair value through profit or loss		出售按公平值經損益入賬之財務資產之虧損	599	—
Loss on disposal of investment in an associate	(a)	出售於一間聯營公司之投資之虧損	—	237,740
Impairment losses/(reversal of impairment losses) on property, plant and equipment, net	14	物業、廠房及設備之減值虧損／(減值虧損撥回)，淨額	(6,395)	21,914
			41,424	264,300

Note:

- (a) On 4 May 2020, Caister Limited (“**Caister**”), which is wholly and beneficially owned by the Chairman of the Company, Mr. Tang Ching Ho (“**Mr. Tang**”), requested the board of Easy One Financial Group Limited (“**Easy One**”, the then associate of the Group) to put forward a proposal of privatisation of Easy One at the cancellation consideration, comprising the cash consideration of HK\$0.3 per share of Easy One and the consideration shares on the basis of eight (8) ordinary shares of Wang On held by Caister, for each share of Easy One (the “**Proposal**”).

The Proposal was approved by the shareholders of Easy One at the court meeting held on 8 September 2020 and was sanctioned by the Bermuda Court on 17 September 2020. Loss on disposal of investment in an associate of HK\$237,740,000 was recognised in the consolidated statement of profit or loss and other comprehensive income. The Proposal became effective on 16 October 2020. Further details of the Proposal are set out in the Company's circular dated 24 July 2020.

6. 其他開支

其他開支分析如下：

附註：

- (a) 於二零二零年五月四日，由本公司主席鄧清河先生(「**鄧先生**」)全資實益擁有之Caister Limited(「**Caister**」)，要求易易壹金融集團有限公司(「**易易壹**」，本集團當時之聯營公司)董事會提出建議，以註銷代價將易易壹私有化，註銷代價包括現金代價每股易易壹股份0.3港元及代價股份，配發基準為每股易易壹股份獲發八(8)股Caister持有之宏安普通股(「**建議**」)。

建議已於二零二零年九月八日舉行之法院會議上經易易壹股東批准，並已於二零二零年九月十七日經百慕達法院核准。出售一間聯營公司的投資虧損237,740,000港元已於綜合損益表及其他全面收益表中確認。建議於二零二零年十月十六日生效。有關建議之進一步詳情載於本公司日期為二零二零年七月二十四日之通函。

Notes to Financial Statements (Continued)

財務報表附註(續)

7. Loss Before Tax

The Group's loss before tax is arrived at after charging/(crediting):

7. 除稅前虧損

本集團之除稅前虧損於扣除／(計入)下列各項後達致：

			2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Notes 附註			
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK\$4,970,000 (2021: HK\$4,747,000))	確認為開支之存貨成本(包括陳舊存貨撥備4,970,000港元(二零二一年：4,747,000港元))		329,948	338,909
Cost of properties sold	已售物業成本		352,932	224,745
Cost of services provided	所提供服務之成本		138,141	99,629
Research and development costs	研究及開發成本		1,302	4,972
Lease payments not included in the measurement of lease liabilities	未計入租賃負債計量之租賃付款	16(c)	12,398	13,044
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	16(c)	(3,860)	(6,888)
Auditor's remuneration	核數師酬金		5,580	5,600
Depreciation of owned assets	所擁有資產折舊	14	61,000	58,999
Depreciation of right-of-use assets	使用權資產折舊	14	46,797	33,624
			107,797	92,623
Employee benefit expense (excluding directors' remuneration (note 9)): Wages and salaries and other benefits*	僱員福利開支(不包括董事酬金(附註9))：工資、薪金及其他福利*		204,769	204,044
Equity-settled share option expense	以股權結算的購股權開支		1,139	—
Pension scheme contributions**	退休金計劃供款**		8,981	6,890
			214,889	210,934
Foreign exchange differences, net	匯兌差額，淨額		(6,974)	(2,073)
Impairment losses/(reversal of impairment losses) on financial assets, net:	財務資產減值虧損／(減值虧損撥回)，淨額：			
Trade receivables	貿易應收款項	22	5,381	(1,160)
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之財務資產	24	31	(646)
Debt investments at fair value through other comprehensive income	按公平值經其他全面收益入賬之債務投資	18	4,913	382
Loans and interest receivables	應收貸款及利息	23	2,550	42,051
			12,875	40,627
Gross rental income	租金收入總額		(255,887)	(209,895)
Less: Direct outgoing expense	減：直接支出		87	656
			(255,800)	(209,239)
Net fair value losses on sub-leased investment properties***	分租投資物業之公平值虧損，淨額***	15	3,764	2,976

Notes to Financial Statements (Continued)

財務報表附註(續)

7. Loss Before Tax (continued)

- * Wage subsidies of HK\$26,986,000 granted by the Employment Support Scheme under the Anti-Epidemic Fund for the use of paying wages of employees from June to November 2020 had been received during the year ended 31 March 2021. The amount was recognised in profit or loss and had been offset with the employee benefit expenses.
- ** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.
- *** The expense is included in "Cost of services provided" above.

8. Finance Costs

An analysis of finance costs is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借貸之利息	59,372	53,631
Interest on lease liabilities	租賃負債之利息	4,838	6,303
Interest on unsecured notes	無抵押票據之利息	23,049	21,529
Interest on convertible notes	可換股票據之利息	8,436	26,261
		95,695	107,724

9. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") issued by the Stock Exchange, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Fees	袍金	996	791
Other emoluments for executive directors:	執行董事之其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	9,450	11,108
Performance-related bonuses*	與表現掛鉤之花紅*	1,044	354
Pension scheme contributions	退休金計劃供款	54	108
		10,548	11,570
		11,544	12,361

- * Certain executive directors of the Company are entitled to bonus payments which are determined with reference to the Group's operating results, individual performance of the directors and comparable market practices during each of the years.

7. 除稅前虧損(續)

- * 截至二零二一年三月三十一日止年度，本集團已收取防疫抗疫基金的保就業計劃批出用作支付二零二零年六月至十一月僱員工資的工資補貼26,986,000港元。有關金額已於損益確認，並與僱員福利開支抵銷。
- ** 並無遭沒收供款可供本集團以僱主身份用於扣減現有供款水平。
- *** 該開支計入上文「所提供服務之成本」。

8. 融資成本

融資成本之分析如下：

9. 董事酬金

根據聯交所頒佈的聯交所證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第二部披露年內的董事酬金如下：

- * 本公司若干執行董事有權享有花紅，而花紅乃參考各年度本集團經營業績、董事個別表現及可供比較之市場慣例所釐定。

9. Directors' Remuneration (continued)

The remuneration paid to executive directors and independent non-executive directors during the year was as follows:

9. 董事酬金(續)

年內，已付執行董事及獨立非執行董事之酬金如下：

		Fees	Salaries, allowances and benefits in kind	Performance-related bonuses	Pension scheme contributions	Total remuneration
		袍金 HK\$'000 千港元	薪金、津貼及 實物利益 HK\$'000 千港元	與表現掛鈎之花紅 HK\$'000 千港元	退休金計劃供款 HK\$'000 千港元	薪酬總額 HK\$'000 千港元
2022	二零二二年					
Executive directors:	執行董事：					
Mr. Tang	鄧先生	240	7,800	650	18	8,708
Ms. Tang Wai Man	鄧蕙敏女士	-	1,050	224	18	1,292
Ms. Law Man Yee, Anita	羅敏儀女士	-	600	170	18	788
		240	9,450	1,044	54	10,788
Independent non-executive directors:	獨立非執行董事：					
Mr. Leung Wai Ho	梁偉浩先生	184	-	-	-	184
Mr. Siu Man Ho, Simon	蕭文豪先生	184	-	-	-	184
Mr. Cho Wing Mou	曹永牟先生	184	-	-	-	184
Mr. Li Ka Fai, David	李家輝先生	204	-	-	-	204
		756	-	-	-	756
Total	總計	996	9,450	1,044	54	11,544
2021	二零二一年					
Executive directors:	執行董事：					
Mr. Tang	鄧先生	35	7,800	325	18	8,178
Mr. Chan Chun Hong, Thomas*	陳振康先生*	-	1,585	-	33	1,618
Ms. Tang Mui Fun**	鄧梅芬女士**	-	1,102	-	36	1,138
Ms. Tang Wai Man	鄧蕙敏女士	-	551	29	18	598
Ms. Law Man Yee, Anita***	羅敏儀女士***	-	70	-	3	73
		35	11,108	354	108	11,605
Independent non-executive directors:	獨立非執行董事：					
Mr. Leung Wai Ho	梁偉浩先生	184	-	-	-	184
Mr. Siu Man Ho, Simon	蕭文豪先生	184	-	-	-	184
Mr. Cho Wing Mou	曹永牟先生	184	-	-	-	184
Mr. Li Ka Fai, David	李家輝先生	204	-	-	-	204
		756	-	-	-	756
Total	總計	791	11,108	354	108	12,361

* Resigned as a director on 8 February 2021.

** Resigned as a director on 31 March 2021.

*** Appointed as a director on 8 February 2021.

* 於二零二一年二月八日辭任董事。

** 於二零二一年三月三十一日辭任董事。

*** 於二零二一年二月八日獲委任為董事。

There were no other emoluments payable to the independent non-executive directors during the year (2021: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration for the years ended 31 March 2022 and 2021.

年內，並無其他應付獨立非執行董事之酬金(二零二一年：無)。

截至二零二二年及二零二一年三月三十一日止年度，概無董事放棄或同意放棄任何酬金的安排。

Notes to Financial Statements (Continued)

財務報表附註(續)

10. Five Highest Paid Employees

The five highest paid employees during the year included two (2021: two) directors, details of whose remuneration are disclosed in note 9 above. Details of the remuneration for the year of the remaining three (2021: three) non-director, highest paid employees are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,875	3,274
Discretionary bonuses	酌情發放之花紅	147	92
Pension scheme contributions	退休金計劃供款	47	52
		3,069	3,418

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

10. 五名最高薪僱員

年內，五名最高薪僱員包括兩名(二零二一年：兩名)董事，其酬金詳情於上文附註9披露。餘下三名(二零二一年：三名)非董事最高薪僱員的年內酬金詳情如下：

非董事最高薪僱員之人數及酬金介乎以下範圍：

		Number of employees 僱員人數	
		2022 二零二二年	2021 二零二一年
Nil to HK\$1,000,000	零至1,000,000港元	2	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	3

11. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2021: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates. The provision for PRC land appreciation tax ("LAT") is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

11. 所得稅

香港利得稅於年內按香港產生之估計應課稅溢利按稅率16.5%(二零二一年：16.5%)作出撥備。其他地區之應課稅溢利之稅項已按本集團營運業務所在國家／司法權區的現行稅率計算。中國土地增值稅(「土地增值稅」)撥備乃按相關中國法律及法規所載規定作出估計。土地增值稅已按增值的累進稅率作出撥備，並扣除若干可扣減項目。

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Current – Hong Kong	本期 – 香港		
Charge for the year	本年度支出	2,155	1,707
Current – other jurisdiction	本期 – 其他司法權區		
Charge for the year	本年度支出	96,235	126,902
LAT	土地增值稅	28,863	8,819
Overprovision in prior years	過往年度超額撥備	(15,686)	(234)
Deferred taxation (note 32)	遞延稅項(附註32)	(71,048)	10,938
Total tax charge for the year	本年度稅項總支出	40,519	148,132

Notes to Financial Statements (Continued)

財務報表附註(續)

11. Income Tax (continued)

A reconciliation of the tax credit applicable to loss before tax at the statutory/applicable rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

11. 所得稅(續)

根據本公司及其大部份附屬公司所在司法權區的法定／適用稅率計算除稅前虧損適用的稅項抵免與根據實際稅率計算的稅項開支對賬如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Loss before tax	除稅前虧損	(47,304)	(303,131)
Tax at the statutory/applicable tax rates of different countries/jurisdictions	按不同國家／司法權區之法定／適用稅率計算之稅項	(5,382)	(56,435)
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項作出之調整	(15,686)	(234)
Profits and losses attributable to associates	聯營公司應佔之溢利及虧損	(259)	(768)
Income not subject to tax	毋須課稅收入	(17,069)	(27,323)
Expenses not deductible for tax	不可扣稅開支	16,084	152,466
Tax losses utilised from previous periods	運用過往期間之稅項虧損	(3,089)	(2,924)
Tax losses not recognised	未確認稅項虧損	50,103	33,789
Utilisation of deductible temporary differences previously not recognised	運用過往未確認之可扣稅暫時差額	(6,148)	(6,720)
Deductible temporary differences not recognised	未確認之可扣稅暫時差額	458	29,747
Effect of tax concession	稅務優惠之影響	(140)	(80)
Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries	10%的預扣稅對本集團中國附屬公司可分配溢利的影響	—	20,000
LAT provided	土地增值稅撥備	28,863	8,819
Tax effect on LAT	土地增值稅的稅務影響	(7,216)	(2,205)
Tax charge at the Group's effective rate	以本集團實際稅率計算之稅項支出	40,519	148,132

For the year ended 31 March 2022, the weighted average applicable tax rate was 11.4% (2021: 18.6%). The change in the weighted average applicable rate was resulted from changes in the profitability of the Group in the respective jurisdictions.

截至二零二二年三月三十一日止年度，加權平均適用稅率為11.4%（二零二一年：18.6%）。加權平均適用稅率的變動乃由於本集團在相關司法權區的盈利能力出現變動。

For the year ended 31 March 2021, the share of tax attributable to associates amounting to HK\$652,000 is included in "Share of profits and losses of associates" in the consolidated statement of profit or loss and other comprehensive income.

截至二零二一年三月三十一日止年度，分佔聯營公司之稅項652,000港元已計入綜合損益及其他全面收益表內之「分佔聯營公司溢利及虧損」。

12. Dividends

The board of directors does not recommend the payment of any dividends in respect of the year ended 31 March 2022 (2021: Nil).

13. Loss per Share Attributable to Ordinary Equity Holders of the Parent

The calculation of the basic loss per share for the year ended 31 March 2022 is based on the loss for the year attributable to owners of the parent of HK\$108,912,000 (2021: HK\$375,995,000), and the weighted average number of ordinary shares in issue during the year of 1,231,642,888 (2021: 1,231,642,888).

No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2022 in respect of a dilution as the impact of the share options issued by CAP and the convertible notes issued by CAP outstanding either had no dilutive effect or an anti-dilutive effect on the basic loss per share amount presented.

No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2021 in respect of a dilution as the impact of the share options of the Company and the convertible notes issued by CAP outstanding either had no dilutive effect or an anti-dilutive effect on the basic loss per share amount presented.

12. 股息

董事會不建議就截至二零二二年三月三十一日止年度派付任何股息(二零二一年：無)。

13. 母公司普通權益持有人應佔每股虧損

截至二零二二年三月三十一日止年度的每股基本虧損乃根據母公司擁有人應佔本年度虧損108,912,000港元(二零二一年：375,995,000港元)及本年度已發行普通股加權平均數1,231,642,888股(二零二一年：1,231,642,888股)計算。

由於中國農產品發行的購股權及中國農產品發行的尚未轉換可換股票據對呈列的每股基本虧損概無攤薄效果或具有反攤薄效果，故並無對截至二零二二年三月三十一日止年度呈列的每股基本虧損金額作出攤薄調整。

由於本公司購股權及中國農產品發行的尚未轉換可換股票據對所呈報之每股基本虧損概無攤薄效果或具有反攤薄效果，故並無對截至二零二一年三月三十一日止年度呈列的每股基本虧損金額作出攤薄調整。

14. Property, Plant and Equipment

14. 物業、廠房及設備

		Owned assets 所擁有資產						Right-of-use assets 使用權資產				
				Plant and machinery	Furniture, fixtures and office equipment 傢俬及 辦公室設備	Motor vehicles	Computer equipment	Total	Leasehold land	Buildings	Total	Total
		Buildings	Leasehold improvements									
		樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	辦公設備 HK\$'000 千港元	汽車 HK\$'000 千港元	電腦設備 HK\$'000 千港元	總計 HK\$'000 千港元	租賃土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	總計 HK\$'000 千港元	總計 HK\$'000 千港元
31 March 2022	二零二二年 三月三十一日											
At 1 April 2021:	於二零二一年四月一日：											
Cost	成本	698,411	93,665	97,696	64,204	7,327	28,274	989,577	226,482	215,544	442,026	1,431,603
Accumulated depreciation and impairment	累計折舊及減值	(115,039)	(67,600)	(38,734)	(29,597)	(1,966)	(17,819)	(270,755)	(48,248)	(150,825)	(199,073)	(469,828)
Net carrying amount	賬面淨值	583,372	26,065	58,962	34,607	5,361	10,455	718,822	178,234	64,719	242,953	961,775
At 1 April 2021, net of accumulated depreciation and impairment	於二零二一年四月一日， 扣除累計折舊及減值	583,372	26,065	58,962	34,607	5,361	10,455	718,822	178,234	64,719	242,953	961,775
Additions	添置	1,225	3,764	923	17,666	616	1,842	26,036	-	72,297	72,297	98,333
Depreciation provided during the year	年內計提折舊	(22,297)	(12,539)	(9,223)	(11,589)	(1,391)	(3,961)	(61,000)	(6,379)	(40,418)	(46,797)	(107,797)
Reversal of impairment/ (impairment)	減值撥回/(減值)	20,086	(1,266)	-	(174)	-	(71)	18,575	2,044	(14,224)	(12,180)	6,395
Disposal/written-off	出售/撇銷	-	(894)	(175)	(5,261)	(488)	(420)	(7,238)	-	-	-	(7,238)
Lease modification/revision of a lease term	租賃修改/租期修訂	-	-	-	-	-	-	-	-	(2,127)	(2,127)	(2,127)
Exchange realignment	匯兌調整	2,756	452	-	1,337	155	308	5,008	1,143	908	2,051	7,059
At 31 March 2022, net of accumulated depreciation and impairment	於二零二二年 三月三十一日， 扣除累計折舊及減值	585,142	15,582	50,487	36,586	4,253	8,153	700,203	175,042	81,155	256,197	956,400
At 31 March 2022:	於二零二二年 三月三十一日：											
Cost	成本	703,291	94,391	98,372	76,514	6,676	30,028	1,009,272	227,791	183,308	411,099	1,420,371
Accumulated depreciation and impairment	累計折舊及減值	(118,149)	(78,809)	(47,885)	(39,928)	(2,423)	(21,875)	(309,069)	(52,749)	(102,153)	(154,902)	(463,971)
Net carrying amount	賬面淨值	585,142	15,582	50,487	36,586	4,253	8,153	700,203	175,042	81,155	256,197	956,400

Notes to Financial Statements (Continued)

財務報表附註(續)

14. Property, Plant and Equipment (continued)

14. 物業、廠房及設備(續)

		Owned assets 所擁有資產						Right-of-use assets 使用權資產			
		Buildings 樓宇	Leasehold improvements 租賃裝修	Plant and machinery 廠房及機器	Furniture, fixtures and office equipment 傢俬及辦公室設備	Motor vehicles 汽車	Computer equipment 電腦設備	Total 總計	Leasehold land 租賃土地	Buildings 樓宇	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 March 2021	二零二一年三月三十一日										
At 1 April 2020:	於二零二零年四月一日:										
Cost	成本	705,351	78,167	97,661	57,618	6,082	20,757	965,636	200,359	170,168	1,336,163
Accumulated depreciation and impairment	累計折舊及減值	(76,808)	(54,853)	(29,824)	(21,167)	(1,552)	(13,834)	(198,038)	(40,123)	(123,062)	(361,223)
Net carrying amount	賬面淨值	628,543	23,314	67,837	36,451	4,530	6,923	767,598	160,236	47,106	974,940
At 1 April 2020, net of accumulated depreciation and impairment	於二零二零年四月一日，扣除累計折舊及減值	628,543	23,314	67,837	36,451	4,530	6,923	767,598	160,236	47,106	974,940
Additions	添置	2,216	14,279	535	6,930	1,821	6,869	32,650	26,066	42,966	101,682
Depreciation provided during the year	年內計提折舊	(22,058)	(12,268)	(9,238)	(10,461)	(1,173)	(3,801)	(58,999)	(5,700)	(27,924)	(92,623)
Impairment	減值	(18,867)	(199)	-	-	-	-	(19,066)	(2,848)	-	(21,914)
Disposal/written off	出售/撇銷	(2,594)	-	(172)	(735)	(146)	(1)	(3,648)	(837)	-	(4,485)
Lease modification/revision of a lease term	租賃修改/租期修訂	-	-	-	-	-	-	-	-	1,634	1,634
Transfer to investment properties	轉撥至投資物業	(8,403)	-	-	-	-	-	(8,403)	(712)	-	(9,115)
Exchange realignment	匯兌調整	4,535	939	-	2,422	329	465	8,690	2,029	937	11,656
At 31 March 2021, net of accumulated depreciation and impairment	於二零二一年三月三十一日，扣除累計折舊及減值	583,372	26,065	58,962	34,607	5,361	10,455	718,822	178,234	64,719	961,775
At 31 March 2021:	於二零二一年三月三十一日:										
Cost	成本	698,411	93,665	97,696	64,204	7,327	28,274	989,577	226,482	215,544	1,431,603
Accumulated depreciation and impairment	累計折舊及減值	(115,039)	(67,600)	(38,734)	(29,597)	(1,966)	(17,819)	(270,755)	(48,248)	(150,825)	(469,828)
Net carrying amount	賬面淨值	583,372	26,065	58,962	34,607	5,361	10,455	718,822	178,234	64,719	961,775

At 31 March 2022, certain of the Group's owned buildings with an aggregate carrying amount of HK\$168,799,000 (2021: HK\$175,692,000), leasehold land, which is included in right-of-use assets, with an aggregate carrying amount of HK\$134,846,000 (2021: HK\$114,450,000) and furniture and equipment of HK\$3,340,000 (2021: HK\$3,852,000) were pledged to secure general banking facilities granted to the Group (note 30).

於二零二二年三月三十一日，本集團賬面總值168,799,000港元(二零二一年：175,692,000港元)之若干自用樓宇及賬面總值134,846,000港元(二零二一年：114,450,000港元)計入使用權資產之若干租賃土地以及傢俬及設備3,340,000港元(二零二一年：3,852,000港元)，已為取得授予本集團之一般銀行信貸作出抵押(附註30)。

14. Property, Plant and Equipment (continued)

As at 31 March 2022, the Group had property, plant and equipment, before current year impairment, of HK\$865,174,000 (2021: HK\$891,275,000) relating to the Chinese Pharmaceutical CGU and Western Pharmaceutical CGU. As mentioned in note 3 to the financial statements, given that the carrying amount of the net assets of the Group is more than the Company's market capitalisation, while evidence is available from internal reporting that indicates that the economic performance of CGUs are better than expected, an impairment assessment has been performed. For the purpose of impairment assessment of property, plant and equipment, each individual retail store is identified as a separate CGU.

For the year ended 31 March 2022, as a result of the impairment assessment, impairment losses of HK\$1,796,000, HK\$174,000, HK\$71,000 and HK\$14,224,000 were recognised based on value in use in respect of the leasehold improvements, furniture, fixtures and office equipment, computer equipment and buildings included in right-of-use assets, respectively, of certain retail stores which continued to underperform during the year ended 31 March 2022 and were therefore fully impaired (2021: Nil). The discount rate applied to the cash flow projections was 12.0%.

For the year ended 31 March 2022, as a result of the impairment assessment, impairment losses of HK\$3,430,000 and reversal of impairment losses of HK\$1,695,000 (2021: impairment losses of HK\$7,222,000 and HK\$2,598,000) were recognised based on fair value less costs of disposal in respect of the owned buildings and leasehold land of certain retail stores due to the decrease/increase (2021: decrease) in the respective recoverable amount of those retail stores for the year ended 31 March 2022. As at 31 March 2022, the aggregate carrying amount of property, plant and equipment amounting to HK\$193,400,000 (2021: HK\$195,200,000) represented the recoverable amount of owned retail stores of the Group for which an impairment loss has been recognised or reversed during the years. The recoverable amount was determined based on the fair value less costs of disposal under direct comparison approach determined by an independent professionally qualified valuer, which took into account current prices of properties of similar locations and conditions and other unobservable inputs, and accordingly the fair value measurement was categorised within Level 3 of the fair value hierarchy.

14. 物業、廠房及設備(續)

於二零二二年三月三十一日，本集團擁有與中藥現金產生單位以及西藥現金產生單位有關之物業、廠房及設備(扣除本年度減值前)865,174,000港元(二零二一年：891,275,000港元)。如財務報表附註3所述，鑒於本集團的資產淨值賬面值超過本公司的市值，加上內部報告有證據顯示現金產生單位的經濟表現較預期好，本集團已進行減值評估。就物業、廠房及設備之減值評估而言，各個零售店均被確定為獨立的現金產生單位。

截至二零二二年三月三十一日止年度，由於進行減值評估，故已根據截至二零二二年三月三十一日止年度表現持續欠佳的若干零售店之租賃裝修、傢俬、裝置及辦公室設備、電腦設備以及計入使用權資產的樓宇使用價值分別確認減值虧損1,796,000港元、174,000港元、71,000港元及14,224,000港元，並已全面減值(二零二一年：無)。現金流量預測適用之折現率為12.0%。

截至二零二二年三月三十一日止年度，由於減值評估，已根據公平值減若干零售店舖之自用樓宇及租賃土地的出售成本確認減值虧損3,430,000港元及減值虧損撥回1,695,000港元(二零二一年：減值虧損7,222,000港元及2,598,000港元)，此乃由於截至二零二二年三月三十一日止年度，該等零售店舖的相關可收回金額減少／增加(二零二一年：減少)。於二零二二年三月三十一日，物業、廠房及設備的賬面總值為193,400,000港元(二零二一年：195,200,000港元)，即本集團的自用零售店的可收回金額，年內已就此確認或撥回減值虧損。可收回金額乃根據獨立專業合資格估值師釐定之直接比較法按照公平值減出售成本，並經考慮類似位置及狀況之物業之當前價格及其他不可觀察輸入數據釐定，因此公平值計量歸入公平值層級的第三級。

Notes to Financial Statements (Continued)

財務報表附註(續)

14. Property, Plant and Equipment (continued)

In addition, reversal of impairment losses of HK\$23,516,000, HK\$530,000 and HK\$349,000 (2021: impairment losses of HK\$11,645,000, HK\$199,000 and HK\$250,000) were recognised for the year ended 31 March 2022 in respect of the owned buildings, leasehold improvements and leasehold land of the Group's manufacturing facility respectively due to the increase in the recoverable amounts as evidence is available from internal reporting that indicates the economic performance of CGUs is better (2021: worse) than expected. As at 31 March 2022, the aggregated carrying amount of HK\$376,000,000 (2021: HK\$358,000,000) represented the aggregated recoverable amount of these assets for which impairment losses have been recognised or reversed during the years. The recoverable amount was determined based on the fair value less costs of disposal under depreciated replacement cost approach determined by an independent professionally qualified valuer which took into account current prices of properties of similar locations and conditions and other unobservable inputs, and accordingly the fair value measurement was categorised within Level 3 of the fair value hierarchy.

Below is a summary of the valuation techniques used and the key input to the valuation of property, plant and equipment:

14. 物業、廠房及設備(續)

此外，截至二零二二年三月三十一日止年度，由於可收回金額增加(內部報告證據顯示現金產生單位的經濟表現較預期好(二零二一年：較預期差))，已就本集團生產設施之自用樓宇、租賃裝修以及租賃土地分別確認減值虧損撥回23,516,000港元、530,000港元及349,000港元(二零二一年：減值虧損11,645,000港元、199,000港元及250,000港元)。於二零二二年三月三十一日，賬面總值376,000,000港元(二零二一年：358,000,000港元)為本集團年內已確認或撥回減值虧損的資產之可收回總額。可收回金額乃按照公平值減出售成本基於獨立專業合資格估值師釐定之折舊重置成本法，並經考慮類似位置及狀況之物業之當前價格及其他不可觀察輸入數據釐定，因此公平值計量歸入公平值層級的第三級。

下表概述物業、廠房及設備估值所採用之估值方法及主要輸入數據：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	
			2022 二零二二年	2021 二零二一年
Commercial properties 商用物業	Direct comparison method 直接比較法	Price per square foot 每平方米呎價格	HK\$9,000 to HK\$137,000 9,000港元至137,000港元	HK\$8,000 to HK\$143,000 8,000港元至143,000港元
Manufacturing facilities 生產設施	Depreciated replacement cost method 折舊重置成本法	Construction cost per square metre 每平方米建築成本	HK\$28,329 28,329港元	HK\$24,819 24,819港元

A significant increase/(decrease) in the price per square foot in isolation would result in a significantly higher/(lower) recoverable amount of the property, plant and equipment. A significant increase/(decrease) in the construction cost per square metre in isolation would result in a significantly higher/(lower) recoverable amount of the property, plant and equipment.

每平方米價格單獨大幅上升/(下降)將導致物業、廠房及設備可收回金額大幅增加/(減少)。每平方米建築成本單獨大幅上升/(下降)將導致物業、廠房及設備可收回金額大幅增加/(減少)。

15. Investment Properties

15. 投資物業

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Carrying amount at beginning of year	年初賬面值	3,507,623	3,190,791
Additions during the year	年內添置	51,558	30,725
Transfer from owner-occupied property	自用物業轉撥	-	85,800
Transfer to properties under development	轉撥至發展中物業	(3,205)	-
Disposals during the year	年內出售	(35,802)	-
Accrued rent-free rental income	應計免租租金收入	(147)	32
Net losses from fair value adjustments for owned properties	所擁有物業公平值調整之虧損淨額	(83,253)	(32,056)
Net losses from fair value adjustments for sub-leased properties	分租物業公平值調整之虧損淨額	(3,764)	(2,976)
Exchange realignment	匯兌調整	129,493	235,307
Carrying amount at end of year	年末賬面值	3,562,503	3,507,623

The Group's investment properties are commercial and industrial properties in Hong Kong and agricultural produce exchange markets in Mainland China. The investment properties were revalued by Asset Appraisal Limited and RHL Appraisal Limited, independent professionally qualified valuers, at 31 March 2022, respectively. The finance department of the Group has a team that reviews the valuation performed by the independent valuers for financial reporting purposes and reports directly to the senior management of the Company. Discussions of valuation processes and results are held between management and the valuers twice a year when the valuation is performed for interim and annual financial reporting. At the end of each reporting period, the finance department holds discussion with the independent valuers to verify major inputs to the independent valuation reports. The finance department also assesses property valuation movements when comparing to the prior year valuation reports.

本集團投資物業為位於香港之商業及工業物業及位於中國內地之農產品交易市場。於二零二二年三月三十一日，投資物業由獨立專業合資格估值師中誠達資產評估顧問有限公司及永利行評估顧問有限公司分別重新估值。本集團財務部設有團隊審閱獨立估值師就財務申報目的所進行的估值，並直接向本公司高級管理層報告。管理層與估值師於就中期及年度財務申報進行估值的年度，每年舉行兩次有關估值程序及結果的討論。於各報告期末，財務部門與獨立估值師進行商討，以核實獨立估值報告的主要輸入數據。財務部門亦與過往年度估值報告比較，評估物業估值變動。

Notes to Financial Statements (Continued)

財務報表附註(續)

15. Investment Properties (continued)

The investment properties are leased to third parties under operating leases, further details of which are included in note 16 to the financial statements.

At 31 March 2022, the Group's owned investment properties with an aggregate carrying value of HK\$1,946,740,000 (2021: HK\$1,385,453,000) and certain rental income generated therefrom were pledged to secure the general banking facilities granted to the Group (note 30).

As at 31 March 2022, certain investment properties of the Group situated in Mainland China, with an aggregate carrying amount of HK\$475,418,000 (2021: HK\$371,174,000), did not have the property certificates registered under the names of the respective subsidiaries of the Group. In the opinion of the Company's directors, the risk of the Group not being able to obtain the legal titles for the relevant properties is low and the Group will continue to complete the ownership registration of the investment properties.

Further particulars of the Group's investment properties are included on page 227.

Fair value hierarchy

The recurring fair value measurement for all the commercial and industrial properties and agricultural produce exchange markets of the Group uses significant unobservable inputs (Level 3) and details of their movements are disclosed below.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2021: Nil).

15. 投資物業(續)

投資物業乃以經營租賃形式出租予第三方，進一步詳情載於財務報表附註16。

於二零二二年三月三十一日，本集團抵押賬面總值為1,946,740,000港元(二零二一年：1,385,453,000港元)之所擁有投資物業及該等投資物業所得若干租金收入，以取得授予本集團之一般銀行信貸(附註30)。

於二零二二年三月三十一日，本集團位於中國內地賬面總值為475,418,000港元(二零二一年：371,174,000港元)之若干投資物業並未取得登記在本集團相關附屬公司名下的產權證。本公司董事認為，本集團無法取得相關物業法定業權之風險甚低，而本集團將繼續完成投資物業所有權登記事宜。

本集團投資物業的進一步詳情載於第227頁。

公平值層級

本集團所有商業及工業物業及農產品交易市場的經常性公平值計量均採用重大不可觀察輸入數據(第三級)，有關變動詳情於下文披露。

年內，第一級與第二級之間之公平值計量概無轉移，亦無轉入或轉出第三級(二零二一年：無)。

15. Investment Properties (continued)

Fair value hierarchy (continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

15. 投資物業(續)

公平值層級(續)

分類為公平值層級第三級的公平值計量之對賬：

		Commercial properties	Industrial property	Agricultural produce exchange markets	Total
		商用物業 HK\$'000 千港元	工業物業 HK\$'000 千港元	農產品 交易市場 HK\$'000 千港元	總計 HK\$'000 千港元
Carrying amount at 1 April 2020	於二零二零年四月一日之賬面值	351,700	–	2,839,091	3,190,791
Accrued rent-free rental income	應計免租租金收入	10	22	–	32
Additions during the year	年內添置	21,198	–	9,527	30,725
Transfer from owner-occupied property	自用物業轉撥	–	85,800	–	85,800
Net losses from fair value adjustments for owned properties	所擁有物業公平值調整之虧損淨額	(17,009)	(3,822)	(11,225)	(32,056)
Net losses from fair value adjustments for sub-leased properties	分租物業公平值調整之虧損淨額	–	–	(2,976)	(2,976)
Exchange realignment	匯兌調整	–	–	235,307	235,307
Carrying amount at 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及二零二一年四月一日之賬面值	355,899	82,000	3,069,724	3,507,623
Accrued rent-free rental income	應計免租租金收入	(136)	(11)	–	(147)
Additions during the year	年內添置	–	–	51,558	51,558
Disposals during the year	年內出售	(20,200)	–	(15,602)	(35,802)
Transfer to properties under development	轉撥至發展中物業	–	–	(3,205)	(3,205)
Net gains/(losses) from fair value adjustments for owned properties	所擁有物業公平值調整之收益/(虧損)淨額	(37,464)	4,011	(49,800)	(83,253)
Net losses from fair value adjustments for sub-leased properties	分租物業公平值調整之虧損淨額	–	–	(3,764)	(3,764)
Exchange realignment	匯兌調整	–	–	129,493	129,493
Carrying amount at 31 March 2022	於二零二二年三月三十一日之賬面值	298,099	86,000	3,178,404	3,562,503

Notes to Financial Statements (Continued)

財務報表附註(續)

15. Investment Properties (continued)

Fair value hierarchy (continued)

Set out below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

15. 投資物業(續)

公平值層級(續)

下表概述投資物業估值所採用之估值方法及主要輸入數據：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	
			2022 二零二二年	2021 二零二一年
Commercial properties 商用物業	Direct comparison method 直接比較法	Price per square foot 每平方米呎價格	HK\$58,000 to HK\$96,000 58,000港元至96,000港元	HK\$42,000 to HK\$112,000 42,000港元至112,000港元
Industrial property 工業物業	Direct comparison method 直接比較法	Price per square foot 每平方米呎價格	HK\$3,992 3,992港元	HK\$3,806 3,806港元
Agricultural produce exchange markets 農產品交易市場	Direct comparison method and investment method 直接比較法及投資法	Price per square foot 每平方米呎價格	HK\$384 to HK\$389 384港元至389港元	HK\$352 to HK\$367 352港元至367港元
		Estimated rental value per square foot and per month 每月每平方米呎估計租金價值	HK\$143 to HK\$1,131 143港元至1,131港元	HK\$115 to HK\$1,052 115港元至1,052港元
		Capitalisation rate 資本化率	7% to 9% 7%至9%	7% to 9% 7%至9%

As at 31 March 2022, the valuations of investment properties were based on either the investment method which capitalises the rent receivables from the existing tenancies and the potential reversionary market rent of the properties or the direct comparison method by reference to comparable market transactions.

A significant increase/(decrease) in the price per square foot in isolation would result in a significantly higher/(lower) fair value of the investment properties. A significant increase/(decrease) in the estimated rental value per square foot in isolation would result in a significantly higher/(lower) fair value of the investment properties. A significant increase/(decrease) in the capitalisation rate in isolation would result in a significantly lower/(higher) fair value of the investment properties.

於二零二二年三月三十一日，投資物業乃根據投資法(即將物業的現行租賃應收之租金及潛在復歸市場租金資本化)或直接比較法(即參考可資比較市場交易)進行估值。

每平方米呎價格單獨大幅上升/(下降)將導致投資物業公平值大幅增加/(減少)。估計每平方米呎租金價值單獨大幅上升/(下降)將導致投資物業公平值大幅增加/(減少)。資本化率單獨大幅上升/(下降)將導致投資物業公平值大幅減少/(增加)。

16. Leases

The Group as a lessee

The Group has lease contracts for various items of leasehold land, buildings and equipment used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 27 to 68 years, and no ongoing payments will be made under the terms of these land leases. Leases of office properties generally have lease terms of 5 to 6 years, while retail shops generally have lease terms between 2 and 6 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are disclosed in note 14 to the financial statements.

(b) Lease liabilities

The carrying amounts of lease liabilities (included under other payables and accruals) and the movements during the year are as follows:

16. 租賃

本集團作為承租人

本集團訂有供營運使用之多項租賃土地、樓宇及設備之租賃合約。本集團已提前作一次性付款以向業主收購租期為27至68年的租賃土地，而根據該等土地租賃之條款，將不會繼續支付任何款項。辦公室物業租賃之租期通常為5至6年，零售店舖之租期則通常介乎2至6年。其他設備之租期通常為12個月或以下及／或個別價值較低。目前訂有若干包含續租及終止選擇權和可變租賃付款之租賃合約，有關詳情進一步論述如下。

(a) 使用權資產

本集團使用權資產之賬面值及年內變動於財務報表附註14披露。

(b) 租賃負債

租賃負債(計入其他應付款項及應計費用項下)之賬面值及年內變動如下：

		HK\$'000 千港元
Carrying amount as at 1 April 2020	於二零二零年四月一日之賬面值	141,437
New leases	新訂租賃	46,538
Accretion of interest recognised during the year	年內確認之累增利息	6,303
Payments	付款	(68,671)
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	(6,888)
Reassessment of a lease term arising from a decision not to exercise the extension option	因決定不行使延期選擇權而重新評估租期	(11,430)
Lease modification	租賃修訂	(673)
Exchange realignment	匯兌調整	2,027
Carrying amount at 31 March 2021 and 1 April 2021	於二零二一年三月三十一日至二零二一年四月一日之賬面值	108,643
New leases	新訂租賃	84,195
Accretion of interest recognised during the year	年內確認之累增利息	4,838
Payments	付款	(69,180)
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	(3,860)
Revision of a lease term arising from a change in the non-cancellable period of a lease	因租賃不可註銷期間變動而產生之租期修訂	(1,145)
Lease modification	租賃修訂	(1,473)
Exchange realignment	匯兌調整	1,034
Carrying amount at 31 March 2022	於二零二二年三月三十一日之賬面值	123,052

Notes to Financial Statements (Continued)

財務報表附註(續)

16. Leases (continued)

The Group as a lessee (continued)

(b) Lease liabilities (continued)

The carrying amounts of lease liabilities (included under other payables and accruals) and the movements during the year are as follows: (continued)

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Analysed into:	分析為：		
Within one year	一年內	50,883	55,558
In the second year	第二年	36,036	28,535
In the third to fifth years, inclusive	第三至五年(包括首尾兩年)	32,164	21,739
Beyond five years	五年以上	3,969	2,811
Carrying amount at 31 March	於三月三十一日之賬面值	123,052	108,643

The maturity analysis of undiscounted lease liabilities is disclosed in note 45 to the financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest on lease liabilities	租賃負債之利息	4,838	6,303
Depreciation charge of right-of-use assets	使用權資產之折舊開支	46,797	33,624
Expense relating to short-term leases (included in selling and distribution expenses)	與短期租賃相關之開支(計入銷售及分銷開支)	3,487	5,132
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃相關之開支(計入行政開支)	897	765
Variable lease payments not included in the measurement of lease liabilities (included in selling and distribution expenses)	未計入租賃負債計量之可變租賃付款(計入銷售及分銷開支)	8,014	7,147
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	(3,860)	(6,888)
Gain on modification/termination of lease contracts	修訂／終止租賃合約之收益	(491)	(13,737)
Impairment of right-of-use assets	使用權資產減值	12,180	2,848
Total amount recognised in profit or loss	於損益確認之總額	71,862	35,194

16. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債(續)

租賃負債(計入其他應付款項及應計費用項下)之賬面值及年內變動如下:(續)

(c) 於損益確認之租賃相關金額如下:

16. Leases (continued)

The Group as a lessee (continued)

(d) Extension and termination options

The Group has leases with remaining lease terms ranging from less than 1 year to 16 years (2021: 1 year to 17 years). The leases containing extension and termination options are managed locally and vary in terms. The Group has included extension or termination options in the measurement of the lease obligations when it is reasonably certain to exercise the options.

(e) Variable lease payments

The Group leased a number of retail stores which contain variable lease payment terms that are based on the Group's turnover generated from the retail shops. There are also minimum annual base rental arrangements for these leases. The amounts of the fixed and variable lease payments recognised in profit or loss for the current year for these leases are HK\$27,942,000 and HK\$8,014,000 (2021: HK\$25,315,000 and HK\$7,147,000), respectively.

- (f) The total cash outflow for leases is disclosed in note 37(c) to the financial statements.

The Group as a lessor

(i) Operating leases

The Group leases its properties consisting of 5 (2021: 5) commercial properties, 1 (2021: 1) industrial property in Hong Kong and 11 (2021: 11) agricultural produce exchange markets in Mainland China under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits. Rental income recognised by the Group during the year was HK\$255,887,000 (2021: HK\$209,895,000), details of which are included in note 5 to the financial statements.

At 31 March 2022, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within one year	一年內	222,531	211,696
After one year but within two years	一年後但兩年內	83,937	81,755
After two years but within three years	兩年後但三年內	23,597	16,227
After three years but within four years	三年後但四年內	9,632	7,230
After four years but within five years	四年後但五年內	5,116	5,089
After five years	五年後	12,762	12,264
		357,575	334,261

16. 租賃(續)

本集團作為承租人(續)

(d) 續租及終止選擇權

本集團訂有剩餘租期介乎少於1年至16年(二零二一年:1年至17年)之租賃。包含續租及終止選擇權之租賃按各自不同地點管理及條款有所不同。當本集團合理確定行使續租或終止選擇權時,租賃責任之計量計入有關權利。

(e) 可變租賃付款

本集團租賃多間零售店舖,其中包含根據本集團零售店營業額計算之可變租賃付款條款。該等租賃亦訂有最低年度基本租金安排。本年度就該等租賃於損益確認之固定及可變租賃付款分別為27,942,000港元及8,014,000港元(二零二一年:25,315,000港元及7,147,000港元)。

- (f) 租賃之現金流出總額於財務報表附註37(c)披露。

本集團作為出租人

(i) 經營租賃

本集團根據經營租賃安排出租其物業,當中包括5項(二零二一年:5項)位於香港之商業物業及1項(二零二一年:1項)工業物業,以及11項(二零二一年:11項)位於中國內地之農產品交易市場。該等租賃之條款通常要求租戶支付保證金。本集團年內確認之租金收入為255,887,000港元(二零二一年:209,895,000港元),有關詳情載於財務報表附註5。

於二零二二年三月三十一日,本集團根據與租戶訂立之不可撤銷經營租賃於未來期間之應收未折現租賃付款如下:

Notes to Financial Statements (Continued)

財務報表附註(續)

16. Leases (continued)

The Group as a lessor (continued)

(ii) Finance leases

The Group sub-leased office premises to its fellow subsidiaries and 4 (2021: 3) retail shops to its franchisees under finance lease arrangements, with leases negotiated for terms of 3 years (2021: 2 to 3 years). The terms of the leases require the tenants to pay security deposits.

The carrying amounts of net investments in subleases and the movements during the year are as follows:

		HK\$'000 千港元
Carrying amount at 1 April 2020	於二零二零年四月一日之賬面值	20,145
Additions arising from new leases	因新訂租賃而添置	4,058
Accretion of finance income recognised during the year	年內確認之累增財務收入	705
Proceeds from subleases	分租所得款項	(11,560)
Carrying amount at 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及二零二一年四月一日之賬面值	13,348
Additions arising from new leases	因新訂租賃而添置	11,381
Accretion of finance income recognised during the year	年內確認之累增財務收入	555
Proceeds from subleases	分租所得款項	(10,599)
Carrying amount at 31 March 2022	於二零二二年三月三十一日之賬面值	14,685

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Analysed into:	分析為：		
Current portion	流動部分	5,592	8,852
Non-current portion	非流動部分	9,093	4,496
Carrying amount at 31 March	於三月三十一日之賬面值	14,685	13,348

16. 租賃(續)

本集團作為出租人(續)

(ii) 融資租賃

本集團根據融資租賃安排向其同系附屬公司分租辦公物業及向加盟商分租4間(二零二一年: 3間)零售店舖, 協定期限3年(二零二一年: 2至3年)。租賃條款要求租戶支付保證金。

分租投資淨額之賬面值及年內變動如下:

16. Leases (continued)

The Group as a lessor (continued)

(ii) Finance leases (continued)

At 31 March 2022, the undiscounted lease payments receivable by the Group in future periods under non-cancellable finance leases with its tenants are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within one year	一年內	5,880	9,268
After one year but within two years	一年後但兩年內	3,426	3,597
After two years but within three years	兩年後但三年內	958	1,023
		10,264	13,888

In addition to the above, the annual contingent rental is calculated on a percentage of the turnover of the store.

16. 租賃(續)

本集團作為出租人(續)

(ii) 融資租賃(續)

於二零二二年三月三十一日，本集團根據與租戶訂立之不可撤銷融資租賃於未來期間之應收未折現租賃付款如下：

除上述者外，年度或然租金按店舖營業額之百分比計算。

17. Investments in Associates

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Cost of investments in associates:	於聯營公司之投資成本：		
Unlisted shares, at cost	非上市股份，按成本	4,331	4,331
Less: Impairment losses recognised	減：已確認減值虧損	(831)	(831)
		3,500	3,500
Share of post-acquisition profits/(losses), net of dividends received	應佔收購後溢利／(虧損)，扣除已收取股息	304	(668)
		3,804	2,832

The Group's trade receivable balances with the associates are disclosed in note 22 to the financial statements.

17. 於聯營公司之投資

本集團與聯營公司之貿易應收款項結餘於財務報表附註22披露。

Notes to Financial Statements (Continued)

財務報表附註(續)

17. Investments in Associates (continued)

The following table illustrates the aggregate summarised financial information of the Group's associates that are not individually material:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Share of the associates' profits and losses for the year	應佔聯營公司本年度溢利及虧損	1,572	485
Share of the associates' total comprehensive income	應佔聯營公司全面收益總額	1,572	485
Dividend received	已收股息	600	3,873
Aggregate carrying amount of the Group's investments in associates	本集團於聯營公司之投資之總賬面值	3,804	2,832

17. 於聯營公司之投資(續)

下表說明本集團聯營公司個別不重大的匯總財務資料概要：

18. Financial Assets at Fair Value Through Other Comprehensive Income

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Listed equity investments, at fair value	上市股權投資，按公平值	(i), (ii), (iii)	147,126	146,857
Listed debt investments, at fair value	上市債務投資，按公平值	(ii), (iii), (iv)	19,839	124,378
Unlisted debt investment, at fair value	非上市債務投資，按公平值	(iii), (iv)	-	11,580
			166,965	282,815
Portion classified as current assets	分類為流動資產部分		(19,839)	(47,944)
Non-current portion	非流動部分		147,126	234,871

Notes:

- (i) The above equity investments are investments in companies listed on the Stock Exchange and were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year ended 31 March 2022, the Group received dividends in the amount of HK\$5,531,000 (2021: HK\$4,334,000) from the equity investments designated at fair value through other comprehensive income and recognised them in profit or loss.

The Group's listed equity investments consist of investment in Wang On of HK\$120,172,000 (2021: HK\$113,305,000). The remaining are shares of certain companies listed in Hong Kong. The fair value of each of these companies represents less than 1% of the net assets of the Group as at 31 March 2022 and 2021.

- (ii) Assuming the portfolio of the Group's listed equity investments and listed debt investments remained unchanged, the market values of the Group's listed equity investments and listed debt investments at fair value through other comprehensive income at the date of approval of these financial statements were HK\$148,452,000 and HK\$19,420,000, respectively.

附註：

- (i) 上述股權投資為對聯交所上市公司的投資。由於本集團認為該等投資屬於戰略性質，因此已不可撤銷地指定按公平值經其他全面收益入賬。

截至二零二二年三月三十一日止年度，本集團自指定按公平值經其他全面收益入賬之股權投資收取5,531,000港元(二零二一年：4,334,000港元)股息，並於損益確認。

本集團的上市股權投資包括於宏安之投資120,172,000港元(二零二一年：113,305,000港元)。其餘為若干香港上市公司的股份。於二零二二年及二零二一年三月三十一日，該等公司各自的公平值佔本集團資產淨值少於1%。

- (ii) 假設本集團之上市股權投資及上市債務投資組合維持不變，本集團按公平值經其他全面收益入賬之上市股權投資及上市債務投資於該等財務報表獲批准日期的市值分別為148,452,000港元及19,420,000港元。

18. Financial Assets at Fair Value Through Other Comprehensive Income (continued)

Notes: (continued)

- (iii) At 31 March 2022, certain of the Group's equity investments and debt investments at fair value through other comprehensive income of HK\$54,081,000 (2021: HK\$54,817,000) and HK\$19,839,000 (2021: HK\$135,958,000), respectively, were pledged to secure general banking facilities granted to the Group (note 30).

- (iv) Impairment assessment of debt investments at fair value through other comprehensive income

As at 31 March 2022, except for a defaulted listed debt investment of HK\$1,825,000 (2021: HK\$1,788,000) which was categorised within Stage 3 and a listed debt investment of HK\$2,649,000 (2021: Nil) which was categorised within Stage 2, none of the listed debt investments were overdue and all of them were categorised within Stage 1 for the assessment of expected credit losses.

An impairment analysis is performed at each reporting date by considering the expected credit losses, which are estimated by applying the probability of default approach with reference to risk of default and loss given default of the issuers or comparable companies. As at 31 March 2022, the probability of default applied ranged from 2.8% to 100% (2021: 0.2% to 100%) and the loss given default ranged from 63.0% to 92.4% (2021: 56.5% to 73.8%).

The movements in the loss allowance for the impairment of debt investments at fair value through other comprehensive income are as follows:

18. 按公平值經其他全面收益入賬之財務資產(續)

附註：(續)

- (iii) 於二零二二年三月三十一日，本集團抵押若干按公平值經其他全面收益入賬之股權投資及債務投資分別54,081,000港元(二零二一年：54,817,000港元)及19,839,000港元(二零二一年：135,958,000港元)，以取得授予本集團之一般銀行信貸(附註30)。

- (iv) 按公平值經其他全面收益入賬之債務投資之減值評估

於二零二二年三月三十一日，除違約上市債務投資1,825,000港元(二零二一年：1,788,000港元)分類為第三階段及上市債務投資2,649,000港元(二零二一年：無)分類為第二階段外，其他上市債務投資概無逾期，且就預期信貸虧損的評估而言，所有該等債務投資均分類為第一階段。

於各報告日期透過考慮預期信貸虧損進行減值分析，而預期信貸虧損乃透過應用違約概率法並參考違約風險和發行人或可資比較公司違約時的虧損進行估算。於二零二二年三月三十一日，違約概率介乎2.8%至100%(二零二一年：0.2%至100%)，違約虧損介乎63.0%至92.4%(二零二一年：56.5%至73.8%)。

按公平值經其他全面收益入賬之債務投資之減值虧損撥備變動如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
At beginning of year	於年初	10,021	10,165
Assets derecognised	終止確認之資產	(699)	(526)
Impairment losses, net (note 7)	減值虧損，淨額(附註7)		
Changes in risk parameters	風險參數變動	4,913	112
New investments purchased	購買新投資	-	270
		4,913	382
At end of year	於年末	14,235	10,021

Notes to Financial Statements (Continued)

財務報表附註(續)

19. Properties Under Development

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Properties under development expected to be completed:	預期落成之發展中物業：		
Within the normal operating cycle included under current assets	於正常營運週期內列作流動資產	189,944	68,528
Properties under development expected to be completed within the normal operating cycle and recovered:			
預期於正常營運週期內落成及收回之發展中物業：			
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within one year	一年內	17,816	–
After one year	一年後	172,128	68,528
		189,944	68,528

19. 發展中物業

20. Properties Held for Sale

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Carrying amount at 31 March	於三月三十一日之賬面值	1,490,847	1,886,497

Notes:

- (i) At 31 March 2022, the Group's properties held for sale with an aggregate carrying value of HK\$501,572,000 (2021: HK\$565,032,000) were pledged to secure the Group's general banking facilities (note 30).
- (ii) During the year ended 31 March 2021, a write-down of properties held for sale of HK\$6,326,000 was charged to profit or loss, which was related to two agricultural produce exchange markets in Mainland China with aggregate carrying value of HK\$166,531,000 as at 31 March 2021.
- (iii) Further particulars of the Group's properties held for sale are included on page 227.

附註：

- (i) 於二零二二年三月三十一日，本集團抵押賬面總值為501,572,000港元（二零二一年：565,032,000港元）之持作出售物業，以取得授予本集團之一般銀行信貸（附註30）。
- (ii) 截至二零二一年三月三十一日止年度，持作出售物業撇減6,326,000港元於損益扣除，與中國內地於二零二一年三月三十一日之總賬面值為166,531,000港元的兩個農產品交易市場有關。
- (iii) 本集團持作出售物業之進一步詳情載於第227頁。

21. Inventories

21. 存貨

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Raw materials and consumables	原料及消費品	69,443	56,958
Work in progress	半製成品	4,612	3,529
Finished goods	製成品	114,124	102,183
		188,179	162,670

22. Trade Receivables

22. 貿易應收款項

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Trade receivables	貿易應收款項	79,515	71,542
Less: Accumulated impairment	減：累計減值	(16,169)	(18,242)
		63,346	53,300

The Group's trading terms with its customers are mainly on credit. The credit period ranges from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables are amounts due from the Group's associates of HK\$6,828,000 (2021: HK\$8,181,000) which are repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

本集團與其客戶的貿易條款主要為信貸。信貸期介乎7日至120日。各客戶均設有最高信用限額，而有關信用限額會定期審閱。本集團對尚未結清的應收款項維持嚴密監控以將信貸風險減至最低。逾期款項會由高級管理層定期審閱。基於以上所述及本集團的貿易應收款項涉及眾多不同客戶，故並無重大信貸風險集中。本集團並無就貿易應收款項結餘持有任何抵押品或其他信貸保證。貿易應收款項為免息。

本集團貿易應收款項中包括應收本集團聯營公司之款項6,828,000港元(二零二一年：8,181,000港元)，其須根據與給予本集團主要客戶相若的信貸條款償還。

貿易應收款項於報告期末根據發票日期及扣除虧損撥備後之賬齡分析如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within 1 month	1個月以內	36,209	25,272
1 to 3 months	1至3個月	7,172	8,186
3 to 6 months	3至6個月	8,267	10,167
Over 6 months	超過6個月	11,698	9,675
		63,346	53,300

Notes to Financial Statements (Continued)

財務報表附註(續)

22. Trade Receivables (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
At beginning of year	於年初	18,242	18,801
Impairment losses/(reversal of impairment losses), net	減值虧損／(減值虧損撥回)，淨額	5,381	(1,160)
Exchange realignment	匯兌調整	547	624
Amount written off as uncollectible	已撇銷之無法收回款項	(8,001)	(23)
At end of year	於年末	16,169	18,242

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 March 2022

		Past due 逾期					Total 總計
		Current 即期	Within 1 month 1個月以內	1 to 3 months 1至3個月	3 to 6 months 3至6個月	Over 6 months 超過6個月	
Expected credit loss rate	預期信貸虧損率	2%	4%	4%	6%	65%	20%
Gross carrying amount (HK\$'000)	總賬面值(千港元)	42,339	5,551	4,900	3,776	22,949	79,515
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	703	197	211	239	14,819	16,169

As at 31 March 2021

		Past due 逾期					Total 總計
		Current 即期	Within 1 month 1個月以內	1 to 3 months 1至3個月	3 to 6 months 3至6個月	Over 6 months 超過6個月	
Expected credit loss rate	預期信貸虧損率	0.6%	2%	2%	2%	99%	25%
Gross carrying amount (HK\$'000)	總賬面值(千港元)	34,497	7,863	9,166	2,239	17,777	71,542
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	212	151	201	50	17,628	18,242

22. 貿易應收款項(續)

貿易應收款項之減值虧損撥備變動如下：

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於因就具有類似虧損模式的多個客戶分部進行分組而逾期的日數計算(即按地理區域、產品類型、客戶類型及評級)。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事件、目前狀況及未來經濟狀況預測的合理及可靠資料。一般而言，倘逾期超過一年及並無可強制執行活動，將撇銷貿易應收款項。

下表載列本集團利用撥備矩陣得出的貿易應收款項的信貨風險資料：

於二零二二年三月三十一日

於二零二一年三月三十一日

23. Loans and Interest Receivables

23. 應收貸款及利息

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Loans receivables	應收貸款	(i), (ii)	56,616	51,955
Interest receivables	應收利息		19,865	23,183
Less: Impairment allowance	減：減值撥備	(iii)	76,481 (45,613)	75,138 (44,837)
Less: Portion classified as non-current assets	減：分類為非流動資產部分		30,868 (13,340)	30,301 —
Portion classified as current assets	分類為流動資產部分		17,528	30,301

Notes:

附註：

- (i) As at 31 March 2022, these loans receivables were stated at amortised cost at effective interest rates ranging from 1% to 12% (2021: 1% to 12%) per annum. The credit terms of these loans receivables range from 1 year to 6 years (2021: 1 year to 6 years).
- (ii) As at 31 March 2022, except for loans receivables of HK\$13,340,000 (2021: Nil) with maturity over one year, the remaining loans receivables are either overdue or with maturity within one year, and they have been classified as current assets accordingly.
- (iii) The movements in the loss allowance for impairment of loans and interest receivables are as follows:
- (i) 於二零二二年三月三十一日，該等應收貸款按攤銷成本列賬，實際年利率介乎1至12厘（二零二一年：1至12厘）。該等應收貸款之信貸期介乎一年至六年（二零二一年：一年至六年）。
- (ii) 於二零二二年三月三十一日，除應收貸款13,340,000港元（二零二一年：無）於一年後到期外，其餘應收貸款均已逾期或於一年內到期，遂已分類為流動資產。
- (iii) 應收貸款及利息的減值虧損撥備變動如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
At beginning of year	於年初	44,837	1,290
Impairment losses, net	減值虧損，淨額	2,550	42,051
Exchange realignment	匯兌調整	1,876	1,496
Amount written off as uncollectible	已撇銷之無法收回款項	(3,650)	—
At end of year	於年末	45,613	44,837

As at 31 March 2022, except for loans and interest receivables with gross amounts of HK\$1,922,000 and HK\$58,351,000 (2021: HK\$1,656,000 and HK\$57,475,000) for which had a significant increase in credit risk since initial recognition and were categorised within Stage 2 and Stage 3 for the assessment of expected credit losses, respectively, none of the loans and interest receivables were overdue and all of them were categorised within Stage 1 for the measurement of expected credit losses.

An impairment analysis is performed at each reporting date by considering the expected credit losses, which are estimated by applying the probability of default approach with reference to the risk of default and loss given default of the borrowers or comparable companies. As at 31 March 2022, the probability of default applied ranged from 0.2% to 100% (2021: 0.2% to 100%) and the loss given default ranged from 56.8% to 80.9% (2021: 56.5% to 78.0%).

於二零二二年三月三十一日，除總額為1,922,000港元及58,351,000港元（二零二一年：1,656,000港元及57,475,000港元）之應收貸款及利息自初始確認以來之信貸風險顯著增加及就預期信貸虧損評估而言分別分類為第二及第三階段外，應收貸款及利息概無逾期，且就預期信貸虧損的計量而言，所有該等應收貸款及利息均分類為第一階段。

於各報告日期透過考慮預期信貸虧損進行減值分析，而預期信貸虧損乃透過應用違約概率法並參考違約風險和借款人或可資比較公司違約時的虧損進行估算。於二零二二年三月三十一日，違約概率介乎0.2%至100%（二零二一年：0.2%至100%），違約虧損介乎56.8%至80.9%（二零二一年：56.5%至78.0%）。

Notes to Financial Statements (Continued)

財務報表附註(續)

24. Prepayments, Deposits and Other Receivables

24. 預付款項、按金及其他應收款項

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Prepayments	預付款項	31,610	30,418
Deposits paid for the acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金	3,040	3,040
Rental and other deposits	租金及其他按金	114,933	102,353
Other receivables	其他應收款項	84,442	124,018
Right-of-return assets	退貨權資產	1,301	1,393
Cost of obtaining contracts	取得合約之成本	25,524	66,781
Total prepayments, deposits and other receivables	預付款項、按金及其他應收款項總額	260,850	328,003
Less: Impairment allowance	減：減值撥備	(288)	(237)
		260,562	327,766
Less: Portion classified as non-current assets	減：分類為非流動資產的部分	(16,558)	(19,134)
Portion classified as current assets	分類為流動資產的部分	244,004	308,632

Cost of obtaining contracts represented the prepaid sales commission paid in connection with the sales of properties. The Group has capitalised the amounts paid and will charge them to profit or loss as selling and distribution expenses when the revenue from the related property sale is recognised. During the year ended 31 March 2022, sales commission of HK\$30,063,000 was charged to profit or loss (2021: HK\$4,082,000).

獲取合約之成本指就銷售物業所支付的預付銷售佣金。本集團已資本化所支付金額並於相關物業銷售所得收益確認時列作銷售及分銷開支自損益扣除。截至二零二二年三月三十一日止年度，銷售佣金30,063,000港元自損益扣除(二零二一年：4,082,000港元)。

Deposits and other receivables mainly represent rental deposits, deposits with vendors and receivables from counterparties which have no history of default. The financial assets included in the above balances were not overdue and categorised in Stage 1 for the measurement of expected credit losses, except for the balance of HK\$14,327,000 (2021: HK\$14,274,000) which was categorised within Stage 2 for the measurement of expected credit losses. Where applicable, an impairment analysis is performed at each reporting date by considering the expected credit losses, which are estimated by applying the probability of default approach with reference to the risks of default of the counterparties. As at 31 March 2022, the probability of default applied ranged from 0.2% to 2.0% (2021: 0.2% to 1.6%) and the loss given default was estimated to approximately range from 56.8% to 63.0% (2021: 56.5% to 62.9%).

按金及其他應收款項主要指租金按金、給予賣方之按金及來自沒有違約記錄之交易對手之應收款項。計入上述結餘之財務資產並無逾期，並就預期信貸虧損的計量而言分類為第一階段，惟餘額14,327,000港元(二零二一年：14,274,000港元)就預期信貸虧損的計量而言分類為第二階段。在適用情況下，於各報告日期透過考慮預期信貸虧損進行減值分析，而預期信貸虧損乃透過應用違約概率法並參考交易對手的違約風險進行估算。於二零二二年三月三十一日，違約概率介乎0.2%至2.0%(二零二一年：0.2%至1.6%)及估計違約虧損介乎約56.8%至63.0%(二零二一年：56.5%至62.9%)。

Notes to Financial Statements (Continued)

財務報表附註(續)

24. Prepayments, Deposits and Other Receivables (continued)

The movements in the loss allowance for the impairment of financial assets included in prepayments, deposits and other receivables are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
At beginning of year	於年初	237	835
Impairment losses/(reversal of impairment losses), net	減值虧損／(減值虧損撥回)淨額	31	(646)
Exchange realignment	匯兌調整	20	48
At end of year	於年末	288	237

24. 預付款項、按金及其他應收款項(續)

計入預付款項、按金及其他應收款項之財務資產減值虧損撥備變動如下：

25. Financial Assets/Liabilities at Fair Value Through Profit or Loss

Financial assets

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Unlisted funds, at fair value	非上市基金，按公平值	(a)	99,644	98,672
Listed equity investments, at fair value	上市股權投資，按公平值	(b)	112	67
Derivative component of unsecured notes	無抵押票據之衍生工具部分	29	9,849	3,864
Interest rate swaps	利率掉期	(c)	135	—
			109,740	102,603
Less: Portion classified as non-current assets	減：分類為非流動資產部分		(135)	—
Portion classified as current assets	分類為流動資產部分		109,605	102,603

25. 按公平值經損益入賬之財務資產／負債

財務資產

Financial liabilities

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Derivative component of convertible notes	可換股票據之衍生工具部分	31	—	37
Interest rate swaps	利率掉期	(c)	—	810
			—	847
Less: Portion classified as non-current liabilities	減：分類為非流動負債部分		—	(810)
Portion classified as current liabilities	分類為流動負債部分		—	37

財務負債

Notes to Financial Statements (Continued)

財務報表附註(續)

25. Financial Assets/Liabilities at Fair Value Through Profit or Loss (continued)

Notes:

- (a) The above unlisted fund investments were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

Except for the unlisted funds with a fair value of HK\$99,644,000 (2021: HK\$58,600,000) as at 31 March 2022 that are determined based on the quoted market prices provided by fund administrators with reference to prices derived from the over-the-counter market, the fair value of the remaining unlisted funds was determined with reference to valuations performed by CHFT Advisory and Appraisal Limited, an independent professionally qualified valuer, at 31 March 2022 and 2021, based on the discounted cash flow model by applying observable inputs including interest rates and the value of the underlying asset.

At the end of the reporting period, the unlisted fund investments that are denominated in USD, other than the functional currencies of the respective group entities, amounted to HK\$99,644,000 (2021: HK\$98,672,000).

- (b) The above equity investments were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.
- (c) At 31 March 2022, the Group had several interest rate swaps with a notional amount of HK\$50,000,000. The Group pays interest at a fixed rate of 1.08% and receives interest at a variable rate of 1-month HIBOR. These interest rate swaps will mature over the next 2 years (2021: 3 years) and are used to manage its interest rate exposures arising from bank loans at floating rates.

These interest rate swaps are not designated for hedge purposes and are measured at fair value through profit or loss. Changes in the fair value of the non-hedging interest rate derivatives amounting to HK\$945,000 were credited to profit or loss during the year (2021: HK\$810,000 were charged to profit or loss during the year).

- (d) At 31 March 2022, certain of the Group's unlisted funds at fair value through profit or loss of HK\$65,963,000 (2021: Nil) was pledged to secure general banking facilities granted to the Group (note 30).

25. 按公平值經損益入賬之財務資產／負債(續)

附註：

- (a) 上述非上市基金投資被強制分類為按公平值經損益入賬之財務資產，原因為有關投資的合約現金流量並非僅為償還本金及利息。

除於二零二二年三月三十一日之非上市基金之公平值99,644,000港元(二零二一年：58,600,000港元)根據由基金管理人提供之所報市價經參考源自場外交易市場之價格後釐定，餘下非上市基金之公平值乃經參考由獨立專業合資格估值師華坊諮詢評估有限公司於二零二二年及二零二一年三月三十一日基於應用可觀察輸入數據(包括利率及相關資產價值)折現現金流量模型進行之估值釐定。

於報告期末，以有關集團實體功能貨幣以外之貨幣美元計值之非上市基金投資為99,644,000港元(二零二一年：98,672,000港元)。

- (b) 上述股權投資分類為按公平值經損益入賬之財務資產，原因為本集團並無選擇經其他全面收益確認公平值收益或虧損。
- (c) 於二零二二年三月三十一日，本集團訂立了若干名義本金額為50,000,000港元之利率掉期。本集團按固定利率1.08%支付利息，並按相當於一個月香港銀行同業拆息之浮動利率收取利息。該等利率掉期將於未來兩年(二零二一年：三年)內到期，並用於管理按浮動利率計息之銀行貸款產生之利率風險。

該等利率掉期並未設定為對沖目的，並按公平值計入損益。年內，非對沖利率衍生工具之公平值變動945,000港元已計入損益(二零二一年：年內，810,000港元已於損益扣除)。

- (d) 於二零二二年三月三十一日，本集團若干按公平值經損益入賬之非上市基金65,963,000港元(二零二一年：無)已為取得授予本集團之一般銀行信貸作出抵押(附註30)。

26. Cash and Cash Equivalents, Restricted Bank Balances and Pledged Deposits

26. 現金及現金等同項目、受限制銀行結餘以及已抵押存款

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘		513,450	454,363
Time deposits	定期存款		35,257	75,173
			548,707	529,536
Less: Restricted bank balances	減：受限制銀行結餘	(a)	(7,311)	(22,302)
Pledged deposits	已抵押存款	(b)	(31,250)	–
Cash and cash equivalents	現金及現金等同項目		510,146	507,234

Notes:

- (a) According to the relevant mortgage facility agreements signed by certain subsidiaries of the Group with their banks, the subsidiaries are required to place at designated bank accounts certain amounts as deposits for potential default of mortgage loans advanced to property purchasers. The deposits can only be used for payments for construction costs of the relevant properties. These guarantee deposits will be released after the property ownership certificates of the relevant properties are passed to the banks.
- (b) As at 31 March 2022, the bank balances amounting to HK\$31,250,000 (2021: Nil) were pledged to a bank to secure certain bank borrowings granted to the Group (note 30).

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to HK\$442,946,000 (2021: HK\$374,443,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and six months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposits rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

附註：

- (a) 按照本集團若干附屬公司與其銀行訂立之相關按揭貸款協議，該等附屬公司須存放一定金額於指定銀行賬戶作為按金，為可能拖欠按揭貸款之物業買家提供擔保。按金僅可用於支付相關物業之建築成本。該項保證金存款將於相關物業之房產證呈交銀行後予以解除。
- (b) 於二零二二年三月三十一日，銀行結餘31,250,000港元(二零二一年：無)已抵押予一間銀行以取得授予本集團之若干銀行借貸(附註30)。

於報告期末，本集團以人民幣計值之現金及銀行結餘為442,946,000港元(二零二一年：374,443,000港元)。人民幣不可自由兌換為其他貨幣。然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換為其他貨幣。

銀行存款按根據每日銀行存款利率計算之浮動利率賺取利息。短期定期存款之存款期為介乎一天至六個月，視本集團之即時現金需求而定，並按相關短期定期存款利率賺取利息。銀行結餘及定期存款均存放於近期無違約歷史且信譽良好之銀行。

27. Trade Payables

27. 貿易應付款項

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Trade payables	貿易應付款項	86,357	72,204

Notes to Financial Statements (Continued)

財務報表附註(續)

27. Trade Payables (continued)

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within 1 month	1個月以內	22,339	15,134
1 to 3 months	1至3個月	9,753	9,039
3 to 6 months	3至6個月	9,328	9,073
Over 6 months	超過6個月	44,937	38,958
		86,357	72,204

The trade payables are non-interest-bearing and have an average term of 30 to 180 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

27. 貿易應付款項(續)

貿易應付款項於報告期末根據發票日期之賬齡分析如下：

貿易應付款項為免息，平均期限為30至180日。本集團已訂有財務風險管理政策，確保所有應付款項於指定信貸期限內支付。

28. Other Payables and Accruals/Contract Liabilities

28. 其他應付款項及應計費用／合約負債

		Notes 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Receipts in advance	預收款項		243,961	234,864
Rental and other deposits received	已收租金及其他按金		102,107	100,638
Contract liabilities	合約負債	(a)	242,967	596,568
Refund liabilities	退款負債		1,934	1,939
Other payables	其他應付款項	(b)	281,664	332,906
Accruals	應計費用		89,255	86,809
Lease liabilities	租賃負債	16(b)	123,052	108,643
			1,084,940	1,462,367
Less: Portion classified as non-current liabilities	減：分類為非流動負債部分		(72,589)	(56,089)
Portion classified as current liabilities	分類為流動負債部分		1,012,351	1,406,278
Represented by:	指：			
Contract liabilities	合約負債		242,967	596,568
Current portion of other payables and accruals	其他應付款項及應計費用之流動部分		769,384	809,710
Portion classified as current liabilities	分類為流動負債部分		1,012,351	1,406,278

28. Other Payables and Accruals/Contract Liabilities (continued)

Notes:

(a) Details of contract liabilities are as follows:

	31 March 2022 二零二二年 三月三十一日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元	1 April 2020 二零二零年 四月一日 HK\$'000 千港元
Advances received from customers 向客戶收取的墊款			
Sale of goods 銷售貨物	9,240	9,991	8,173
Sale of properties 銷售物業	233,727	586,577	540,656
	242,967	596,568	548,829

Contract liabilities include advances received from customers in relation to sales of Chinese and Western pharmaceutical and health food products and advances from buyers in connection with the Group's pre-sales of properties.

(b) Other payables are non-interest-bearing and are normally settled within one year.

28. 其他應付款項及應計費用／合約負債(續)

附註：

(a) 合約負債詳情如下：

合約負債包括就銷售中西藥及保健食品產品向客戶收取的墊款及有關本集團預售物業來自買家的墊款。

(b) 其他應付款項不計息，通常在一年內結清。

29. Unsecured Notes

	Contractual interest rate (%) per annum 合約年利率(%)	Maturity 到期日	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Unsecured Notes 2024, liability component 二零二四年無抵押票據，負債部分	1%	2024 二零二四年	219,497	199,348

On 19 May 2014, CAP established a HK\$1,000,000,000 medium term note program. The notes issued under the program are listed on the Stock Exchange by way of debt issue to professional investors only. CAP further announced that interest on the notes will be payable annually in arrears at the interest rate of 1% per annum.

CAP has totally issued 40 batches of notes with the principal amount of HK\$400,000,000 which bear interest at 1% per annum on 30 May 2014, 11 June 2014, 25 June 2014, 2 July 2014, 10 July 2014, 18 July 2014, 28 July 2014, 29 July 2014, 26 August 2014, 30 September 2014, 6 October 2014 and 7 October 2014, respectively (the "Unsecured Notes 2024"). The entire Unsecured Notes 2024 will mature on 30 September 2024.

於二零一四年五月十九日，中國農產品設立1,000,000,000港元之中期票據計劃。根據計劃發行之票據以僅向專業投資者發行債券的方式於聯交所上市。中國農產品進一步宣佈票據利息將按年期後支付，年利率為1%。

中國農產品已分別於二零一四年五月三十日、二零一四年六月十一日、二零一四年六月二十五日、二零一四年七月二日、二零一四年七月十日、二零一四年七月十八日、二零一四年七月二十八日、二零一四年七月二十九日、二零一四年八月二十六日、二零一四年九月三十日、二零一四年十月六日及二零一四年十月七日合共發行40批本金額為400,000,000港元年利率為1%之票據(「二零二四年無抵押票據」)。二零二四年無抵押票據將全部於二零二四年九月三十日到期。

Notes to Financial Statements (Continued)

財務報表附註(續)

29. Unsecured Notes (continued)

Details of the Unsecured Notes 2024 are as follows:

Redemption period by CAP: Three specified redemption dates from 31 December 2023 to 30 June 2024

Redemption amount on the maturity date: 96.85% of the principal amount

CAP has repurchased and cancelled the Unsecured Notes 2024 in an aggregate principal amount of HK\$110,000,000 in prior years. Accordingly, a principal amount of HK\$290,000,000 remained outstanding as at 31 March 2022 (2021: HK\$290,000,000).

The interest expenses on the Unsecured Notes 2024 were calculated using the effective interest method by using the effective interest rate of 11.1%.

The fair value of the unsecured notes had been split into the liability and derivative components at initial recognition and their movements are as follows:

29. 無抵押票據(續)

二零二四年無抵押票據之詳情如下：

中國農產品之贖回期間：三個指定贖回日期由二零二三年十二月三十一日至二零二四年六月三十日

於到期日之贖回金額：本金額之96.85%

於過往年度，中國農產品已購回及註銷本金總額110,000,000港元之二零二四年無抵押票據。故此，於二零二二年三月三十一日，本金額290,000,000港元(二零二一年：290,000,000港元)尚未償還。

二零二四年無抵押票據之利息開支採用實際利率為11.1%之實際利率法計算。

無抵押票據之公平值於初始確認時已拆分為負債及衍生工具部分，其變動如下：

		Unsecured Notes 2024 二零二四年無抵押票據		
		Liability component	Derivative component	Total
		負債部分	衍生工具部分	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
			(note 25)	
			(附註25)	
At 1 April 2020	於二零二零年四月一日	181,220	(6,220)	175,000
Accretion of interest	累增利息	21,028	—	21,028
Interest paid	已付利息	(2,900)	—	(2,900)
Fair value loss	公平值虧損	—	2,356	2,356
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日 及二零二一年四月一日	199,348	(3,864)	195,484
Accretion of interest	累增利息	23,049	—	23,049
Interest paid	已付利息	(2,900)	—	(2,900)
Fair value gain	公平值收益	—	(5,985)	(5,985)
At 31 March 2022	於二零二二年三月三十一日	219,497	(9,849)	209,648

Notes to Financial Statements (Continued)

財務報表附註(續)

30. Interest-Bearing Bank and Other Borrowings

30. 計息銀行及其他借貸

	2022 二零二二年			2021 二零二一年		
	Contractual interest rate (%) 合約利率(%)	Maturity 年期	HK\$'000 千港元	Contractual interest rate (%) 合約利率(%)	Maturity 年期	HK\$'000 千港元
Current:						
流動：						
Bank loans – secured 銀行貸款 – 有抵押	HIBOR+(1.5 to 2) 香港銀行同業拆息 + (1.5厘至2厘)	On demand 於接獲要求時	132,350	HIBOR+(1.5 to 2) 香港銀行同業拆息 + (1.5厘至2厘)	On demand 於接獲要求時	162,000
Bank loans – secured 銀行貸款 – 有抵押	HIBOR+ (1.56 to 1.85)/ RMB base lending rate + (0 to 3)/ 2.60 to 7.35 香港銀行同業拆息 + (1.56厘至1.85厘)/ 人民幣基準貸款利率 + (0厘至3厘)/ 2.60厘至7.35厘	2022–2023 二零二二年至 二零二三年	437,912	HIBOR+ (1.56 to 1.75)/ RMB base lending rate + (0 to 1.85)/ 0.86 to 7.35 香港銀行同業拆息 + (1.56厘至1.75厘)/ 人民幣基準貸款利率 + (0厘至1.85厘)/ 0.86厘至7.35厘	2021–2022 二零二一年至 二零二二年	466,736
Other loan – unsecured 其他貸款 – 無抵押						
– Loan from a fellow subsidiary – 來自一間同系附屬公司之貸款	10 10厘	2022 二零二二年	70,000	N/A 不適用	N/A 不適用	–
			640,262			628,736
Non-current:						
非流動：						
Bank loans – secured 銀行貸款 – 有抵押	HIBOR+1.56/ RMB base lending rate + (0 to 2.11)/ 5.50 to 7.35 香港銀行同業拆息 +1.56厘/ 人民幣基準貸款利率 + (0厘至2.11厘)/ 5.50厘至7.35厘	2023–2029 二零二三年至 二零二九年	821,403	HIBOR+1.56/ RMB base lending rate + (0 to 1.85)/ 5.50 to 7.35 香港銀行同業拆息 +1.56厘/ 人民幣基準貸款利率 + (0厘至1.85厘)/ 5.50厘至7.35厘	2022–2029 二零二二年至 二零二九年	626,092
Other loan – unsecured 其他貸款 – 無抵押						
– Loan from a fellow subsidiary – 來自一間同系附屬公司之貸款	N/A 不適用	N/A 不適用	–	10 10厘	2022 二零二二年	75,000
			821,403			701,092
			1,461,665			1,329,828

Notes to Financial Statements (Continued)

財務報表附註(續)

30. Interest-Bearing Bank and Other Borrowings (continued) 30. 計息銀行及其他借貸(續)

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Analysed into:	經分析為：		
Bank loans repayable:	按下列年期償還之銀行貸款：		
Within one year or on demand (Note (a))	一年內或於接獲要求時 (附註(a))	570,262	628,736
In the second year	第二年	192,263	99,736
In the third to fifth years, inclusive	第三至五年 (包括首尾兩年)	592,156	309,085
Beyond five years	五年以上	36,984	217,271
		1,391,665	1,254,828
Other loan repayable:	按下列年期償還之其他貸款：		
Within one year	一年內	70,000	–
In the second year	第二年	–	75,000
		70,000	75,000
		1,461,665	1,329,828

Notes:

- (a) As further explained in note 45 to the financial statements, the Group's term loans with an aggregate amount of HK\$130,000,000 (2021: HK\$162,000,000) containing an on-demand clause have been classified as current liabilities of which HK\$41,400,000 (2021: HK\$41,400,000) are repayable within one year based on the respective loan agreements. For the purpose of the above analysis, the loans are included within current interest-bearing bank and other borrowings and analysed into bank and other borrowings repayable within one year or on demand.

At the end of the reporting period, the maturity profile of interest-bearing bank and other borrowings based on the scheduled repayment dates set out in the loan agreements is as follows:

附註：

- (a) 誠如財務報表附註45所進一步闡釋，本集團總額為130,000,000港元(二零二一年：162,000,000港元)之定期貸款載有於接獲要求時還款條款，已分類為流動負債，其中41,400,000港元(二零二一年：41,400,000港元)根據各自的貸款協議須於一年內償還。就上述分析而言，該等貸款計入流動計息銀行及其他借貸內，並按一年內或於接獲要求時償還之銀行及其他借貸進行分析。

於報告期末，計息銀行及其他借貸根據貸款協議所載之計劃還款日期劃分之到期日組合如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Bank loans repayable:	按下列年期償還之銀行貸款：		
Within one year	一年內	481,662	508,136
In the second year	第二年	274,903	141,136
In the third to fifth years, inclusive	第三至五年(包括首尾兩年)	598,116	388,285
Beyond five years	五年以上	36,984	217,271
		1,391,665	1,254,828
Other loan repayable:	按下列年期償還之其他貸款：		
Within one year	一年內	70,000	–
In the second year	第二年	–	75,000
		70,000	75,000
		1,461,665	1,329,828

30. Interest-Bearing Bank and Other Borrowings (continued)

Notes: (continued)

- (b) Certain bank loans of the Group are secured by the Group's property, plant and equipment (note 14), owned investment properties and certain rental income generated therefrom (note 15), financial assets at fair value through other comprehensive income (note 18), properties held for sale (note 20), financial assets at fair value through profit or loss (note 25) and pledged deposits (note 26).
- (c) As at 31 March 2022, except for the bank loans of HK\$337,232,000 (2021: HK\$331,943,000) and other loan of HK\$70,000,000 (2021: HK\$75,000,000) from a fellow subsidiary which bear interest at fixed rates, all bank loans bear interest at floating interest rates.
- (d) The carrying amounts of the Group's bank and other borrowings which are denominated in the following currencies are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
HK\$	港元	761,990	885,519
RMB	人民幣	699,675	444,309
		1,461,665	1,329,828

31. Convertible Notes

On 19 October 2016, CAP issued convertible notes in an aggregate principal amount of HK\$500,000,000 which bear interest at 7.5% per annum (the "CN 2021"). The CN 2021 will mature after 5 years from the date of issuance and can be convertible into ordinary shares of CAP at any time between the date of issuance of the CN 2021 and the maturity date. The CN 2021 are convertible at a conversion price of HK\$0.4 per share.

The interest for the years ended 31 March 2022 and 2021 was calculated by applying an effective interest rate of 11.48% to the liability component.

On 27 November 2020, the Company served partial redemption notices pursuant to the terms and conditions for the early redemption of the CN 2021 for an aggregate amount of HK\$130,000,000. Loss on redemption of convertible notes of HK\$3,933,000 was recognised and included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2021.

30. 計息銀行及其他借貸(續)

附註：(續)

- (b) 本集團若干銀行貸款乃以本集團之物業、廠房及設備(附註14)、所擁有投資物業及其產生之若干租金收入(附註15)、按公平值經其他全面收益入賬之財務資產(附註18)、持作出售物業(附註20)、按公平值經損益入賬之財務資產(附註25)及已抵押存款(附註26)作抵押。
- (c) 於二零二二年三月三十一日，除銀行貸款337,232,000港元(二零二一年：331,943,000港元)及來自一間同系附屬公司之其他貸款70,000,000港元(二零二一年：75,000,000港元)乃按固定利率計息外，所有銀行貸款均以浮動利率計息。
- (d) 本集團以下列貨幣計值之銀行及其他借貸之賬面值如下：

31. 可換股票據

於二零一六年十月十九日，中國農產品發行本金總額為500,000,000港元並按年利率7.5%計息之可換股票據(「二零二一年可換股票據」)。二零二一年可換股票據將於發行日期起計五年後到期，並可於二零二一年可換股票據發行日期起至到期日止期間隨時轉換為中國農產品普通股。二零二一年可換股票據可按換股價每股0.4港元予以轉換。

截至二零二二年及二零二一年三月三十一日止年度之利息乃就負債部分採用11.48%之實際利率計算。

於二零二零年十一月二十七日，本公司根據條款及條件發出部分贖回通知，以提前贖回二零二一年可換股票據合共130,000,000港元。截至二零二一年三月三十一日止年度，贖回可換股票據之虧損3,933,000港元已獲確認並計入綜合損益及其他全面收益表列作「其他開支」。

Notes to Financial Statements (Continued)

財務報表附註(續)

31. Convertible Notes (continued)

On 18 October 2021, the outstanding CN 2021 were fully redeemed by CAP.

The fair value of the CN 2021 had been split into the liability and derivative components at initial recognition and their movements are as follows:

		Liability component 負債部分 HK\$'000 千港元	Derivative component 衍生工具 部分 HK\$'000 千港元 (note 25) (附註25)	Total 總計 HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	249,814	621	250,435
Accretion of interest	累增利息	7,849	–	7,849
Early redemption	提早贖回	(125,762)	(305)	(126,067)
Fair value gain	公平值收益	–	(279)	(279)
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日 及二零二一年四月一日	131,901	37	131,938
Accretion of interest	累增利息	2,899	–	2,899
Redemption upon maturity	到期時贖回	(134,800)	–	(134,800)
Fair value gain	公平值收益	–	(37)	(37)
At 31 March 2022	於二零二二年三月三十一日	–	–	–

31. 可換股票據(續)

於二零二一年十月十八日，中國農產品已悉數贖回尚未償還之二零二一年可換股票據。

二零二一年可換股票據之公平值於初始確認時已拆分為負債及衍生工具部分，其變動如下：

32. Deferred Tax

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

		Withholding tax for dividend 股息預扣稅 HK\$'000 千港元	Depreciation allowance in excess of related depreciation 超過相關折舊之折舊免稅額 HK\$'000 千港元	Revaluation of properties 物業重估 HK\$'000 千港元	Fair value adjustment arising from acquisition of subsidiaries 因收購附屬公司而作出公平值調整 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	–	30,368	477,577	152,965	660,910
Deferred tax charged/(credited) to profit or loss during the year	年內於損益表扣除/(計入)之遞延稅項	20,000	(1,183)	3,850	(13,443)	9,224
Deferred tax charged to other comprehensive income during the year	年內於其他全面收益扣除之遞延稅項	–	582	–	–	582
Exchange realignment	匯兌調整	–	–	30,934	9,073	40,007
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及二零二一年四月一日	20,000	29,767	512,361	148,595	710,723
Deferred tax charged/(credited) to profit or loss during the year	年內於損益表扣除/(計入)之遞延稅項	(20,000)	4,145	(21,291)	(30,166)	(67,312)
Exchange realignment	匯兌調整	–	–	21,710	6,194	27,904
At 31 March 2022	於二零二二年三月三十一日	–	33,912	512,780	124,623	671,315

32. 遞延稅項

年內遞延稅項負債及資產之變動如下：

遞延稅項負債

32. Deferred Tax (continued)

Deferred tax assets

		Loss available for offsetting against future taxable profits 可用作抵銷未來 應課稅溢利之 虧損 HK\$'000 千港元	Depreciation in excess of related depreciation allowance 超過相關折舊 免稅額之折舊 HK\$'000 千港元	Impairment of financial assets 財務資產減值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	26,384	48	610	27,042
Deferred tax charged to profit or loss during the year	年內於損益表扣除之 遞延稅項	(1,349)	–	(365)	(1,714)
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日 及二零二一年四月一日	25,035	48	245	25,328
Deferred tax credited/(charged) to profit or loss during the year	年內於損益表計入/(扣除) 之遞延稅項	3,826	–	(90)	3,736
At 31 March 2022	於二零二二年三月三十一日	28,861	48	155	29,064

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

就呈報目的而言，若干遞延稅項資產及負債已在綜合財務狀況表內抵銷。以下為本集團的遞延稅項結餘就財務報告目的而言作出的分析：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的 遞延稅項資產淨值	48	48
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的 遞延稅項負債淨額	(642,299)	(685,443)
		(642,251)	(685,395)

At the end of the reporting period, the Group has unused tax losses arising in Hong Kong of HK\$919,018,000 (2021: HK\$882,865,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Except for tax losses of HK\$174,915,000 (2021: HK\$151,727,000) have been recognised as deferred tax assets, deferred tax assets have not been recognised in respect of the remaining amount of HK\$744,103,000 (2021: HK\$731,138,000) due to the unpredictability of future profit streams. The Group also has unused tax losses arising in Mainland China and Macau with an aggregate amount of HK\$522,936,000 (2021: HK\$455,024,000) that will expire in one to five years for offsetting against future taxable profits.

於報告期末，本集團有於香港產生之未動用稅項虧損為919,018,000港元(二零二一年：882,865,000港元)，可無限期用作抵銷出現虧損之公司之未來應課稅溢利。除稅項虧損174,915,000港元(二零二一年：151,727,000港元)已確認為遞延稅項資產外，由於未來溢利來源不可預計，故此未有就餘額約744,103,000港元(二零二一年：731,138,000港元)確認遞延稅項資產。本集團亦有於中國內地及澳門產生之未動用稅項虧損合共522,936,000港元(二零二一年：455,024,000港元)，可用作抵銷未來應課稅溢利，並將於一至五年內屆滿。

Notes to Financial Statements (Continued)

財務報表附註(續)

32. Deferred Tax (continued)

Deferred tax assets (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately HK\$286,044,000 at 31 March 2022 (2021: HK\$326,748,000). In the opinion of the directors, the Company is able to control the timing of the reversal of the temporary difference and, accordingly, the Group has taken into consideration, among others, the probability the temporary difference being reversed in the foreseeable future, and recognised for withholding taxes that would be payable in the foreseeable future on distribution of unremitted earnings by the Company's subsidiaries established in Mainland China in respect of earnings generated.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

33. Share Capital

Shares

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Authorised:	法定：		
60,000,000,000 ordinary shares of HK\$0.01 each	60,000,000,000股 每股0.01港元之普通股	600,000	600,000
Issued and fully paid:	已發行及繳足：		
1,231,642,888 ordinary shares of HK\$0.01 each	1,231,642,888股 每股0.01港元之普通股	12,316	12,316

Share options

Details of the Company's share option scheme are set out in note 34 to the financial statements.

32. 遞延稅項(續)

遞延稅項資產(續)

根據中國企業所得稅法，於中國內地成立之外商投資企業向海外投資者宣派之股息須繳付10%的預扣稅。該項規定於二零零八年一月一日起生效，適用於二零零七年十二月三十一日後賺取之盈利。倘中國內地與海外投資者所處司法權區訂有稅務條約，則可能適用較低預扣稅率。就本集團而言，適用稅率為5%或10%。因此，本集團須就其於中國內地成立之附屬公司就自二零零八年一月一日起產生之盈利分派之股息繳付預扣稅。

於二零二二年三月三十一日，與尚未確認遞延稅項負債之中國內地附屬公司之投資有關之暫時差額合共約286,044,000港元(二零二一年：326,748,000港元)。董事認為，本公司能控制撥回暫時差額之時機，因此，本集團已考慮(其中包括)於可預見未來撥回暫時差額之可能性，及於可預見未來，當本公司於中國內地註冊成立之附屬公司就其產生之盈利分派未匯出盈利時，確認暫時差額為應付預扣所得稅。

本公司向其股東派付股息並無附帶任何所得稅影響。

33. 股本

股份

購股權

本公司之購股權計劃之詳情載於財務報表附註34。

34. Share Option Scheme

The Company's Share Option Scheme

The share option scheme adopted by the Company on 18 September 2003 (the **"2003 Scheme"**) was terminated with the approval by the shareholders of the Company at the annual general meeting held on 22 August 2013 and a new share option scheme of the Company (the **"2013 Scheme"**) was approved to be adopted by the shareholders of the Company on 22 August 2013. The 2013 Scheme will remain in force for a period of 10 years from that day, unless otherwise terminated earlier by shareholders in a general meeting. As a result, the Company can no longer grant any further options under the 2003 Scheme.

Upon the termination of the 2003 Scheme, no share options were granted thereunder but the subsisting share options granted prior to the termination will continue to be valid and exercisable during the prescribed exercise period in accordance with the terms of the 2003 Scheme.

The 2013 Scheme is for the primary purpose of providing incentives or rewards to selected eligible persons for their contribution or potential contribution to the Company and its subsidiaries.

Pursuant to the 2013 Scheme, the board of directors may grant options to directors and eligible employees of the Company or its subsidiaries to let them subscribe for shares in the Company at a consideration equal to the higher of the closing price of the shares of the Company on the Stock Exchange at the date of offer of grant and the average closing price of the shares of the Company on the Stock Exchange for the five trading days immediately preceding the date of grant of the options.

Options granted must be taken up within 30 days from the date of grant, upon payment of HK\$1. Options may be exercised at any time from the date of grant of the share options up to the tenth anniversary of the date of grant as determined by the directors at their discretion.

The maximum number of shares of the Company in respect of which options may be granted, when aggregated with any other share option scheme of the Company, shall not exceed 30% of the issued share capital of the Company from time to time excluding any shares issued upon the exercise of options granted pursuant to the 2013 Scheme. Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2013 Scheme shall not exceed 10% of the shares in issue as at the date of approval of the 2013 Scheme.

34. 購股權計劃

本公司之購股權計劃

本公司在二零零三年九月十八日採納的購股權計劃(「**二零零三年計劃**」)於二零一三年八月二十二日舉行之股東週年大會上經本公司股東批准而終止，而本公司新購股權計劃(「**二零一三年計劃**」)已獲本公司股東於二零一三年八月二十二日批准採納。二零一三年計劃自該日起十年內有效，惟由股東於股東大會提早終止則作別論。因此，本公司不能再根據二零零三年計劃進一步授出任何購股權。

二零零三年計劃終止後，其項下概無授出任何購股權，惟在終止前已授出的現有購股權將繼續有效，並可根據二零零三年計劃之條款在指定行使期內行使。

二零一三年計劃主要旨在鼓勵或獎勵對本公司及其附屬公司作出貢獻或將可作出貢獻之選定合資格人士。

根據二零一三年計劃，董事會可向本公司或其附屬公司之董事及合資格僱員授出可認購本公司股份之購股權，代價相當於提呈授出購股權當日本公司股份於聯交所之收市價或緊接授出購股權當日前五個交易日本公司股份於聯交所之平均收市價之較高者。

授出之購股權須於授出日期起計30日內接納，於接納時須繳付1港元。購股權可自董事酌情釐定的授出日期起至授出日期滿十週年止期間隨時行使。

本公司可授出購股權涉及之股份數目上限，連同根據本公司任何其他購股權計劃授出之購股權所涉及之股份數目，不得超過本公司不時已發行股本之30% (不包括因行使根據二零一三年計劃授出之購股權而發行之任何股份)。不論上述各項，因行使根據二零一三年計劃授出惟尚未行使之所有購股權而可發行之股份，不得超過採納二零一三年計劃獲批准當日之已發行股份之10%。

Notes to Financial Statements (Continued)

財務報表附註(續)

34. Share Option Scheme (continued)

The Company's Share Option Scheme (continued)

The total number of shares in respect of which options may be granted to an eligible person under the 2013 Scheme is not permitted to exceed 1% of the aggregate number of shares for the time being issued and issuable under the 2013 Scheme.

No share option has been granted as at 31 March 2022 and 2021 since the adoption of the 2013 Scheme.

The following share options were outstanding under the 2003 Scheme during the year ended 31 March 2021:

		2021 二零二一年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At beginning of year	於年初	7.420	16
Expired during the year	於年內屆滿	7.420	(16)
At end of year	於年末		—

There were no share options granted or exercised during the years ended 31 March 2022 and 2021.

There was no share-based payment recognised during the years ended 31 March 2022 and 2021.

There were no outstanding share options outstanding under the 2003 Scheme as at 31 March 2022 and 2021.

34. 購股權計劃(續)

本公司之購股權計劃(續)

根據二零一三年計劃可授予合資格人士之購股權所涉及之股份總數，不得超過根據二零一三年計劃當時已發行及可發行股份總數之1%。

自採納二零一三年計劃起，於二零二二年及二零二一年三月三十一日概無授出購股權。

根據二零零三年計劃，以下購股權於截至二零二一年三月三十一日止年度尚未行使：

截至二零二二年及二零二一年三月三十一日止年度，概無授出或行使任何購股權。

截至二零二二年及二零二一年三月三十一日止年度，概無確認以股份為基礎的付款。

於二零二二年及二零二一年三月三十一日，概無二零零三年計劃之購股權仍尚未行使。

34. Share Option Scheme (continued)

CAP's Share Option Scheme

CAP adopted a share option scheme (the "CAP 2012 Scheme") on 3 May 2012 whereby the directors of CAP are authorised, at their discretion, to invite selected eligible persons (the "CAP Participants") to take up options for their contribution to CAP. The CAP 2012 Scheme will remain in force for 10 years. Under the CAP 2012 Scheme, the board of directors of CAP ("CAP Board") may grant options to the CAP Participants to subscribe for shares in CAP for a consideration of HK\$1 for each lot of share options granted. The exercise price is to be determined by the CAP Board and shall not be less than the highest of:

- (a) the official closing price of the shares of CAP as stated in the daily quotations sheet of the Stock Exchange on the offer date which must be a business day (and for this purpose, shall be taken to be the date of the CAP Board meeting at which the CAP Board proposes to grant the options);
- (b) the average of the official closing prices of the shares of CAP as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the offer date; and
- (c) the nominal value of a share of CAP.

Pursuant to the CAP 2012 Scheme, the maximum number of shares in CAP in respect of which options may be granted when aggregated with any other share option scheme of CAP is not permitted to exceed 995,306,782 shares, representing 10% of the issued share capital of CAP as at the date of this report. Subject to the issue of a circular and the approval of the shareholders of CAP in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the CAP Board may refresh the limit at any time to 10% of the total number of CAP's shares in issue as at the date of approval by the shareholders of CAP in general meeting. Notwithstanding the foregoing, the shares of CAP which may be issued upon exercise of all outstanding options granted and yet to be exercised under the CAP 2012 Scheme and any other share option schemes of CAP at any time shall not exceed 30% of CAP's shares in issue from time to time.

34. 購股權計劃(續)

中國農產品之購股權計劃

根據中國農產品於二零一二年五月三日採納之購股權計劃(「中國農產品二零一二年計劃」)，中國農產品董事獲授權可酌情邀請所挑選合資格人士(「中國農產品參與者」)就彼等對中國農產品之貢獻而接納購股權。中國農產品二零一二年計劃將維持十年有效。根據中國農產品二零一二年計劃，中國農產品之董事會(「中國農產品董事會」)可向中國農產品參與者授出購股權，每手獲授予認購中國農產品股份之購股權之代價為1港元。行使價將由中國農產品董事會釐定，並不得低於以下各項之最高者：

- (a) 中國農產品股份於購股權授出當日須為營業日(且就此而言，須作為中國農產品董事會建議授出購股權之中國農產品董事會會議當日)在聯交所每日報價表所列之正式收市價；
- (b) 中國農產品股份於緊接授出購股權當日前五個營業日在聯交所每日報價表所列之正式收市價平均數；及
- (c) 中國農產品股份面值。

根據中國農產品二零一二年計劃，連同中國農產品任何其他購股權，中國農產品計劃可授出之購股權所涉及之中國農產品股份最高數目不得超過995,306,782股，即中國農產品於本報告日期已發行股本之10%。中國農產品董事會可隨時將限額重新釐定為於中國農產品股東於股東大會上批准當日中國農產品已發行股份總數之10%，惟須刊發通函及中國農產品股東於股東大會上批准及／或遵守上市規則不時訂明之其他規定。儘管有上述規定，因行使中國農產品二零一二年計劃及中國農產品任何其他購股權項下所有已授出但未行使之購股權而可予發行之中國農產品股份，於任何時候均不得超過中國農產品不時已發行股份之30%。

34. Share Option Scheme (continued)

CAP's Share Option Scheme (continued)

The number of shares of CAP in respect of which options may be granted to the CAP Participants in any 12-month period up to and including the date of grant shall not exceed 1% of the total number of CAP's shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the approval of the shareholders of CAP in general meeting. The participant and his associates (as defined in the Listing Rules) are abstained from voting and/or other requirements prescribed under the Listing Rules from time to time. Options granted to substantial shareholders of CAP or independent non-executive directors of CAP in excess of 0.1% of CAP's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by CAP's shareholders.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the CAP Board is empowered to impose, at its discretion, any such minimum period at the time of grant of any particular option. The period during which an option may be exercised will be determined by the CAP Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant.

No options under the CAP 2012 Scheme have been granted, exercised or cancelled or have lapsed during the year ended 31 March 2021.

On 2 January 2022, CAP granted share options to the chief executive officer and certain employees of CAP Group, the exercise of which will entitle the holders to subscribe for an aggregate of 226,000,000 shares of HK\$0.01 each in the share capital of CAP.

The following share options were outstanding under the CAP 2012 Scheme during the year:

		2022 二零二二年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At beginning of year	於年初	—	—
Granted during the year	於年內授出	0.118	226,000
At end of year	於年末	0.118	226,000

34. 購股權計劃(續)

中國農產品之購股權計劃(續)

倘於授出日期(包括該日)前任何十二個月期間內，可能向中國農產品參與者授出之購股權涉及之中國農產品股份數目不得超出授出日期中國農產品已發行股份總數之1%。進一步授出超過該1%限額之購股權，須待中國農產品股東於股東大會上批准。中國農產品參與者及其聯繫人士(定義見上市規則)須放棄投票及／或遵守上市規則不時訂明之其他規定。倘授予中國農產品主要股東或中國農產品獨立非執行董事之購股權超過中國農產品股本之0.1%，或其價值超過5,000,000港元，則須經中國農產品股東事先批准。

概無明文規定購股權須持有任何最短期限方可行使，惟中國農產品董事會有權酌情於授出任何個別購股權時施加任何最短期限。中國農產品董事會可全權酌情釐定可行使購股權之期間，惟購股權概不可於授出日期起計十年以後行使。

截至二零二一年三月三十一日止年度，中國農產品二零一二年計劃項下概無購股權獲授出、行使或註銷或已失效。

於二零二二年一月二日，中國農產品向中國農產品集團主要行政人員及若干僱員授出購股權，其行使賦予持有人權利認購中國農產品股本中合共226,000,000股每股0.01港元之股份。

根據中國農產品二零一二年計劃，以下購股權於年內尚未行使：

34. Share Option Scheme (continued)

CAP's Share Option Scheme (continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2022

Number of options 購股權數目 '000 千份	Exercise price* 行使價* HK\$ per share 每股港元	Exercise period 行使期
45,200	0.118	3.1.2025 to 2.1.2032 二零二五年一月三日至二零三二年一月二日
45,200	0.118	3.1.2026 to 2.1.2032 二零二六年一月三日至二零三二年一月二日
45,200	0.118	3.1.2027 to 2.1.2032 二零二七年一月三日至二零三二年一月二日
45,200	0.118	3.1.2028 to 2.1.2032 二零二八年一月三日至二零三二年一月二日
45,200	0.118	3.1.2029 to 2.1.2032 二零二九年一月三日至二零三二年一月二日
226,000		

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in CAP's share capital.

The fair value of the share options granted during the year was HK\$21,915,000 (HK\$0.097 each) (2021: Nil), of which the Group recognised a share option expense of HK\$1,139,000 (2021: Nil) during the year ended 31 March 2022.

34. 購股權計劃(續)

中國農產品之購股權計劃(續)

於報告期末尚未行使之購股權之行使價及行使期如下：

二零二二年

* 購股權之行使價可於供股或紅股發行或中國農產品股本中發生其他類似變動時予以調整。

於年內授出購股權之公平值為21,915,000港元(每股0.097港元)(二零二一年：無)，其中截至二零二二年三月三十一日止年度，本集團確認購股權開支1,139,000港元(二零二一年：無)。

Notes to Financial Statements (Continued)

財務報表附註(續)

34. Share Option Scheme (continued)

CAP's Share Option Scheme (continued)

The fair value of equity-settled share options granted during the year was estimated as at the date of grant using a trinomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

		2022 二零二二年
Dividend yield (%)	股息率(%)	—
Expected volatility (%)	預期波幅(%)	97.03
Historical volatility (%)	歷史波幅(%)	97.03
Risk-free interest rate (%)	無風險利率(%)	1.44
Expected life of options (year)	預期有效年期(年)	10
Weighted average share price (HK\$ per share)	加權平均股價(每股港元)	0.118

Expected volatility was determined by using the historical volatility of CAP's share price over the approximately previous 10 years. The expected life used in the model has been adjusted, based on the directors' best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

No other feature of the options granted was incorporated into the measurement of fair value.

At the date of approval of these financial statements, CAP had 226,000,000 share options outstanding under the CAP 2012 Scheme.

34. 購股權計劃(續)

中國農產品之購股權計劃(續)

於年內授出以股份結算之購股權之公平值於授出日期使用三項式模型估計，當中已計及授出購股權之條款及條件。下表載列所用模型之輸入數據：

預期波幅使用過往大約10年內中國農產品股價的過往波幅釐定。模型所用預期年期已根據董事的最佳估計就不可轉讓、行使限制及行為考量的影響予以調整。

計算公平值時概無列入授出購股權的其他特質。

於批准該等財務報表當日，中國農產品根據中國農產品二零一二年計劃有226,000,000份尚未行使購股權。

35. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 89 and 90 of the consolidated financial statements.

(i) Special reserve

The special reserve of the Group represents the difference between the nominal value of ordinary shares issued by the Company and the aggregate nominal value of the issued ordinary share capital of the subsidiaries acquired pursuant to a group reorganisation in 1995.

(ii) Contributed surplus

The contributed surplus represents the credits arising from the capital reduction effected by the Company less the amount utilised for the purpose of the bonus issue of shares by the Company.

(iii) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to the share capital when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited after the vesting period.

(iv) Reserve funds

Pursuant to the relevant laws and regulations in Mainland China, a portion of the profits of the Company's subsidiaries in Mainland China has been transferred to the reserve funds which are restricted to use.

(v) Other reserve

The other reserve represents the Group's share of other reserve of its associate. During the year ended 31 March 2021, other reserve had been transferred to retained profits upon the completion of disposal of an associate.

(vi) Capital reserve

Capital reserve represents the difference between the amounts of net consideration and the carrying values of non-controlling interests acquired or disposed of.

35. 儲備

本集團於本年度及過往年度之儲備及其變動之金額呈列於綜合財務報表第89及90頁之綜合權益變動表。

(i) 特別儲備

本集團之特別儲備指本公司已發行普通股之面值與根據一九九五年因集團重組所收購之附屬公司已發行普通股股本之總面值兩者之差額。

(ii) 實繳盈餘

實繳盈餘指本公司實行股本削減產生之盈餘減去本公司因紅股發行所使用之款額。

(iii) 購股權儲備

購股權儲備包括已授出但未行使的購股權公平值，詳述於財務報表附註2.4有關以股份為基礎之付款的會計政策。該金額將於相關購股權獲行使時轉撥至股本，或倘相關購股權於歸屬期後到期或被沒收，則轉撥至保留溢利。

(iv) 儲備基金

根據中國內地相關法律及法規，本公司於中國內地之附屬公司之部分溢利已轉撥至儲備基金，而儲備基金的使用受到限制。

(v) 其他儲備

其他儲備指本集團分佔其聯營公司之其他儲備。截至二零二一年三月三十一日止年度，其他儲備已於完成出售一間聯營公司後轉撥至保留溢利。

(vi) 資本儲備

資本儲備指所收購或出售的非控股權益代價淨值及賬面值之間的差額。

Notes to Financial Statements (Continued)

財務報表附註(續)

36. Partly-Owned Subsidiaries with Material Non-Controlling Interests

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

		2022 二零二二年	2021 二零二一年
Percentage of equity interest held by non-controlling interests: CAP	非控股權益持有之股權百分比： 中國農產品	46.63%	46.63%
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Profit/(loss) for the year allocated to non-controlling interests of CAP	中國農產品非控股權益獲分配之本年度溢利／(虧損)	21,184	(75,208)
Accumulated balances of non-controlling interests of CAP at the reporting date	於報告日期中國農產品非控股權益之累計結餘	1,440,104	1,380,220

The following tables illustrate the summarised financial information of the CAP Group. The amounts disclosed are before any inter-company eliminations:

36. 擁有重大非控股權益之部分擁有附屬公司

擁有重大非控股權益之本集團附屬公司詳情載述如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Revenue for the year	年內收益	830,469	619,716
Loss for the year	年內虧損	(16,609)	(212,332)
Other comprehensive income for the year	年內其他全面收益	130,104	134,702
Total comprehensive income/(loss) for the year	年內全面收益／(虧損)總額	113,495	(77,630)
Net cash flows from operating activities	經營業務所得之現金流量淨額	160,216	321,693
Net cash flows used in investing activities	投資活動所用之現金流量淨額	(105,655)	(21,291)
Net cash flows used in financing activities	融資活動所用之現金流量淨額	(43,827)	(243,040)
Net increase in cash and cash equivalents	現金及現金等同項目增加淨額	10,734	57,362

下表闡述中國農產品集團之財務資料概要。披露之金額為扣除任何集團內公司間對銷前之金額：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Current assets	流動資產	2,380,679	2,685,114
Non-current assets	非流動資產	3,275,543	2,147,498
Current liabilities	流動負債	(1,885,439)	(1,780,793)
Non-current liabilities	非流動負債	(1,338,488)	(1,191,956)

37. Notes to the Consolidated Statement of Cash Flows

(a) Major non-cash transactions

The Group has the following major non-cash transactions during the year:

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$72,297,000 and HK\$84,195,000 (2021: HK\$42,966,000 and HK\$46,538,000), respectively, in respect of lease arrangements for leasehold land and buildings.

(b) Changes in liabilities arising from financing activities

37. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團有下列主要非現金交易：

年內，本集團就租賃土地及樓宇之租賃安排之使用權資產及租賃負債之非現金添置分別為72,297,000港元及84,195,000港元(二零二一年：42,966,000港元及46,538,000港元)。

(b) 融資活動產生之負債變動

		Bank and other borrowings 銀行及其他借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Unsecured notes 無抵押票據 HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	1,369,725	141,437	250,435	181,220
Changes from financing cash flows	融資現金流量變動	(74,114)	(68,671)	(130,000)	(2,900)
New leases	新訂租賃	-	46,538	-	-
Lease modification	租賃修訂	-	(673)	-	-
Interest expense	利息開支	-	6,303	7,849	21,028
Loss on redemption of convertible notes	贖回可換股票據之虧損	-	-	3,933	-
Fair value gain on derivative components of convertible notes	可換股票據之衍生工具部分之公平值收益	-	-	(279)	-
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	-	(6,888)	-	-
Reassessment of a lease term arising from a decision not to exercise the extension option	因決定不行使延期選擇權而重新評估租期	-	(11,430)	-	-
Foreign exchange movement	外匯波動	34,217	2,027	-	-
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及二零二一年四月一日	1,329,828	108,643	131,938	199,348
Changes from financing cash flows	融資現金流量變動	109,504	(69,180)	(134,800)	(2,900)
New leases	新訂租賃	-	84,195	-	-
Lease modification	租賃修訂	-	(1,473)	-	-
Interest expense	利息開支	-	4,838	2,899	23,049
COVID-19-related rent concessions from lessors	出租人所提供與新型冠狀病毒肺炎有關的租金寬免	-	(3,860)	-	-
Revision of a lease term arising from a change in the non-cancellable period of a lease	因租賃不可註銷期間變動而產生之租期修訂	-	(1,145)	-	-
Fair value gain on derivative components of convertible notes	可換股票據之衍生工具部分之公平值收益	-	-	(37)	-
Foreign exchange movement	外匯波動	22,333	1,034	-	-
At 31 March 2022	於二零二二年三月三十一日	1,461,665	123,052	-	219,497

Notes to Financial Statements (Continued)

財務報表附註(續)

37. Notes to the Consolidated Statement of Cash Flows (continued)

(c) Total cash inflow/(outflow) for leases

The total cash inflow/(outflow) for leases included in the statement of cash flows is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Within operating activities	經營業務	2,061	5,404
Within financing activities	融資活動	(69,180)	(68,671)
		(67,119)	(63,267)

38. Pledge of Assets

Details of the Group's assets pledged for the Group's bank and other loans are included in note 30 to the financial statements.

39. Commitments

The Group had the following capital commitments at the end of the reporting period:

37. 綜合現金流量表附註(續)

(c) 租賃現金流入／(流出)總額

計入現金流量表之租賃現金流入／(流出)總額如下：

38. 資產抵押

為本集團銀行及其他貸款作抵押的本集團資產詳情載於財務報表附註30。

39. 承擔

於報告期末，本集團之資本承擔如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未計提撥備：		
– Property, plant and equipment	– 物業、廠房及設備	14,360	5,780
– Properties under development	– 發展中物業	16,693	326
– Properties held for sale	– 持作出售物業	61,508	62,046
– Investment properties	– 投資物業	180,289	174,405
		272,850	242,557

40. Related Party Transactions

(a) Transactions with related parties

In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

40. 關聯方交易

(a) 與關聯方之交易

除該等財務報表其他部份詳述之交易外，本集團於年內與關聯方進行以下重大交易：

			2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Notes 附註			
Wang On and its subsidiaries (other than the Group)	宏安及其附屬公司 (除本集團外)			
– Rental income earned by the Group*	– 本集團賺取之租金收入*	(i)	2,924	2,733
– Finance income on net investments in subleases	– 分租投資淨額之財務收入	(vi)	345	602
– Sales of pharmaceutical products by the Group*	– 本集團銷售藥品*	(ii)	8,245	4,628
– Recognition of a right-of-use asset**	– 確認使用權資產**	(iv)	3,996	1,351
– Interest expense on a loan incurred by the Group	– 本集團產生之貸款利息開支	(iii)	7,433	7,500
– Management fees incurred by the Group	– 本集團產生之管理費	(i)	585	1,155
Associates	聯營公司			
– Sales of Chinese pharmaceutical products by the Group	– 本集團銷售中藥產品	(ii)	22,144	24,270
– Rental income earned by the Group	– 本集團賺取之租金收入	(i)	1,720	1,642
– Finance income on net investments in subleases	– 分租投資淨額之財務收入	(v)	165	73
– Management and promotion fees earned by the Group	– 本集團賺取之管理費及宣傳費	(i)	1,044	1,076
Easy One and its subsidiaries, a group of companies controlled by Mr. Tang	易易壹及其附屬公司，由鄧先生控制的公司集團			
– Interest expense on convertible notes	– 可換股票據之利息開支	(i)	3,462	10,199
– Recognition of a right-of-use asset	– 確認使用權資產	(vii)	313	–

Notes:

- (i) The transactions were based on terms mutually agreed between the Group and the related parties.
- (ii) The sales to the related parties were made according to the published prices and conditions that the Group offered to its customers.
- (iii) The interest was charged by a related party on a loan advanced to the Group. Details of the terms of the relevant loan are set out in note 30 to the financial statements.

附註：

- (i) 該等交易乃根據本集團與關聯方相互協定之條款進行。
- (ii) 對關聯方作出之銷售乃根據本集團向其客戶提供之已公佈價格及條件進行。
- (iii) 關聯方就墊付予本集團之貸款收取利息。相關貸款之條款之詳情載於財務報表附註30。

Notes to Financial Statements (Continued)

財務報表附註(續)

40. Related Party Transactions (continued)

(a) Transactions with related parties (continued)

Notes: (continued)

- (iv) On 2 June 2021, the Group entered into a three-year lease agreement with a fellow subsidiary in respect of leasing a retail premise for the Group's retail operation. The amount of rent payable by the Group under the lease was HK\$115,000 per month, which was determined with reference to the prevailing market conditions in the vicinity. At the commencement date of the lease, the Group recognised a right-of-use asset and a lease liability of HK\$3,996,000 and HK\$3,912,000, respectively. (2021: On 1 June 2020, the Group entered into a three-year lease agreement with a fellow subsidiary in respect of leasing a retail premise for the Group's retail operation. The amount of rent payable by the Group under the lease was HK\$38,000 per month, which was determined with reference to the prevailing market conditions in the vicinity. At the commencement date of the lease, the Group recognised a right-of-use asset and a lease liability of HK\$1,351,000 and HK\$1,267,000, respectively.)
- (v) The Group entered into certain sub-licensing agreements with certain associates in respect of the sub-licensing of certain retail premises. The aggregate amount of rent payable by the associates under the sub-licensing agreement was HK\$211,000 per month, which was determined with reference to terms mutually agreed between the Group and the associates.
- (vi) The Group entered into certain sub-licensing agreements with two fellow subsidiaries in respect of the sub-licensing of office premises. The aggregate amount of rent payable by the fellow subsidiaries under the sub-licensing agreement was HK\$619,000 per month, which was determined with reference to terms mutually agreed between the Group and the fellow subsidiaries.
- (vii) On 20 April 2021, the Group entered into a three-year lease agreement with a subsidiary of Easy One, in respect of leasing a premise for the Group's retail operation. The average amount of rent payable by the Group under the lease is HK\$9,317 per month, which was determined with reference to the prevailing market conditions in the vicinity. At the commencement date of the lease, the Group recognised a right-of-use asset and a lease liability of HK\$313,000.
- * These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.
- ** These related party transactions also constitute connected transactions as defined in Chapter 14A of the Listing Rules.

40. 關聯方交易(續)

(a) 與關聯方之交易(續)

附註：(續)

- (iv) 於二零二一年六月二日，本集團與同系附屬公司就本集團零售業務租賃零售物業訂立三年期租賃協議。本集團根據租賃應付的租金金額為每月115,000港元，此乃經參考鄰近地區當前市場狀況而釐定。於租賃開始日期，本集團確認使用權資產及租賃負債分別為3,996,000港元及3,912,000港元。(二零二一年：於二零二零年六月一日，本集團與同系附屬公司就本集團零售業務租賃零售物業訂立三年期租賃協議。本集團根據租賃應付的租金金額為每月38,000港元，此乃經參考鄰近地區當前市場狀況而釐定。於租賃開始日期，本集團確認使用權資產及租賃負債分別為1,351,000港元及1,267,000港元。)
- (v) 本集團與若干聯營公司就分租若干零售物業訂立若干分租協議。聯營公司根據分租協議應付的租金總額為每月211,000港元，此乃經參考本集團與聯營公司共同協定之條款而釐定。
- (vi) 本集團與兩間同系附屬公司就分租辦公物業訂立若干分租協議。同系附屬公司根據分租協議應付的租金總額為每月619,000港元，此乃經參考本集團與同系附屬公司共同協定之條款而釐定。
- (vii) 於二零二一年四月二十日，本集團與易易壹之附屬公司就本集團零售業務租賃物業訂立三年期租賃協議。本集團根據租賃應付的平均租金金額為每月9,317港元，此乃經參考鄰近地區當前市場狀況而釐定。於租賃開始日期，本集團確認使用權資產及租賃負債313,000港元。
- * 該等關聯方交易亦構成持續關連交易(定義見上市規則第14A章)。
- ** 該等關聯方交易亦構成關連交易(定義見上市規則第14A章)。

40. Related Party Transactions (continued)

(b) Compensation of key management personnel of the Group

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Fees	袍金	996	791
Short term employment benefits	短期僱員福利	12,386	14,291
Post-employment benefits	離職後福利	82	159
Total	總計	13,464	15,241

The above compensation of key management personnel includes the directors' remuneration, details of which are set out in note 9 to the financial statements.

上述主要管理人員之酬金包括董事酬金，詳情載於財務報表附註9。

(c) Outstanding balance with related parties

Details of the Group's trade balances due from associates as at the end of the reporting period are disclosed in note 22 to the financial statements.

(c) 關連方未償還餘額

本集團於報告期末應收聯營公司之貿易餘額之詳情於財務報表附註22披露。

41. Financial Guarantees

As at 31 March 2022, the Group provided guarantees of approximately HK\$45,474,000 (2021: HK\$56,787,000) to customers in favour of certain banks for the loans provided by the banks to the customers of the properties sold. Pursuant to the terms of the guarantees, in the event of default on mortgage payments by these purchasers before the expiry of the guarantees, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks, net of any sales proceeds as described below.

Pursuant to the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans, in the event of default on mortgage repayments by these purchasers, the banks are entitled to take over the legal titles and will realise the pledged properties through open auction or other appropriate means. The Group is responsible for repaying the banks when the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon the issuance of real estate ownership certificates to the purchasers.

The fair value of the guarantees is not significant and the directors of the Company consider that in the event of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalties.

41. 財務擔保

於二零二二年三月三十一日，本集團就若干銀行向所出售物業之客戶提供之貸款以該等銀行為受益人向客戶提供擔保約45,474,000港元(二零二一年：56,787,000港元)。根據擔保條款，倘該等買家於擔保屆滿前欠付按揭款項，則本集團有責任償還違約買家欠付銀行之未償還按揭本金連同累計利息及罰款，扣除下文所述之任何銷售所得款項。

根據上述安排，相關物業已抵押予銀行作為按揭貸款的抵押品。倘該等買家欠付按揭還款，則銀行有權接管法定業權，並將透過公開拍賣或其他適當方式變現已抵押物業。倘物業拍賣所得款項無法涵蓋未償還按揭本金連同累計利息及罰款，則本集團有責任向銀行償還有關款項。

本集團之擔保期自授出相關按揭貸款當日開始至向買家出具房地產所有權證當日為止。

擔保之公平值並不重大。本公司董事認為，倘未能如約付款，則相關物業之可變現淨值可涵蓋未償還按揭本金連同累計利息及罰款。

42. Litigations

In 2007, the CAP Group acquired Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited ("**Baisazhou Agricultural**") from independent third parties, Ms. Wang Xiu Qun ("**Ms. Wang**") and Wuhan Tian Jiu Industrial and Commercial Development Co. Ltd ("**Tian Jiu**") for their respective 70% and 20% interests in Baisazhou Agricultural (the "**Baisazhou Acquisition**").

Since 2011, the CAP Group has been involved in a number of civil proceedings in Mainland China and Hong Kong. The key civil proceedings in Mainland China and Hong Kong in respect of the Baisazhou Acquisition are set out below:

In Mainland China, proceedings concerning Ms. Wang, Tian Jiu and the CAP Group:

In May 2015, Ms. Wang and Tian Jiu commenced proceedings against the PRC Ministry of Commerce ("**MOFCOM**") in the Beijing Second Intermediate People's Court, seeking, inter alia, a direction that MOFCOM revoke its approval in respect of the Baisazhou Acquisition.

It is alleged by Ms. Wang and Tian Jiu that:

- a) Baisazhou Agricultural forged share transfer agreements (the "**Contended Agreements**") in relation to the Baisazhou Acquisition wherein the related consideration was understated and the manner of settlement of the consideration was inaccurately described;
- b) Baisazhou Agricultural forged the related documentation for filing with MOFCOM and the Hubei Administration For Industry and Commerce (the "**Hubei AIC**"), and that such documentation and the Contended Agreement involved forged signatures; and
- c) MOFCOM and the Hubei AIC approved the Baisazhou Acquisition and processed the related filings on the basis of the above documents that are allegedly forged.

In December 2015, the Beijing Second Intermediate People's Court directed MOFCOM to reconsider its approval decision. In May 2016, MOFCOM decided that its approval issued in relation to the Contended Agreements shall not be revoked and shall remain to be in force (the "**Reconsidered Decision**").

In August 2016, Ms. Wang and Tian Jiu commenced administrative proceedings against MOFCOM in the Beijing Second Intermediate People's Court seeking to set aside the Reconsidered Decision. In March 2017, the Beijing Second Intermediate People's Court dismissed the application of Ms. Wang and Tian Jiu (the "**31 March Judgement**"). On 20 December 2018, the Beijing Higher People's Court upheld the 31 March Judgement (the "**20 December Judgement**"). Ms. Wang and Tian Jiu applied to the Supreme People's Court for a retrial and for dismissal of (i) the 31 March Judgement, and (ii) the 20 December Judgement, but this application was dismissed by the Supreme People's Court on 29 December 2020.

42. 訴訟

於二零零七年，中國農產品集團向獨立第三方王秀群女士(「**王女士**」)及武漢天九工貿發展有限公司(「**天九**」)收購彼等分別於武漢白沙洲農副產品大市場有限公司(「**白沙洲農副產品**」)之70%及20%權益(「**白沙洲收購事項**」)。

自二零一一年起，中國農產品集團於中國內地及香港涉及多項民事訴訟。於中國內地及香港有關白沙洲收購事項之主要民事訴訟載列如下：

於中國內地，有關王女士、天九及中國農產品集團之訴訟：

於二零一五年五月，王女士及天九於北京市第二中級人民法院對中國商務部(「**商務部**」)提出訴訟，尋求法院(其中包括)指示商務部撤銷其就白沙洲收購事項之批准。

王女士及天九聲稱：

- a) 白沙洲農副產品偽造有關白沙洲收購事項之股份轉讓協議(「**爭議協議**」)，此協議內相關代價被低報，且對代價支付方式之描述亦不準確；
- b) 白沙洲農副產品偽造於商務部及湖北工商行政管理局(「**湖北工商局**」)存檔之相關文件，並指控有關文件及爭議協議涉及偽造簽名；及
- c) 商務部與湖北工商局根據上述被指控偽造的文件批准白沙洲收購事項及處理相關文檔。

於二零一五年十二月，北京市第二中級人民法院指示商務部重新考慮其批准決定。於二零一六年五月，商務部決定其就爭議協議發出的批准將不予撤銷並繼續有效(「**經重新考慮決定**」)。

於二零一六年八月，王女士及天九於北京市第二中級人民法院對商務部提出行政訴訟，尋求法院撤銷經重新考慮決定。於二零一七年三月，北京市第二中級人民法院駁回王女士及天九之申請(「**三月三十一日判決**」)。於二零一八年十二月二十日，北京市高級人民法院就三月三十一日判決維持原判(「**十二月二十日判決**」)。王女士及天九向最高人民法院申請重審及駁回(i)三月三十一日判決，及(ii)十二月二十日判決，惟有關申請於二零二零年十二月二十九日被最高人民法院駁回。

42. Litigations (continued)

In Mainland China, proceedings concerning Ms. Wang, Tian Jiu and the CAP Group: (continued)

As advised by the CAP Group's PRC legal advisor, the approval issued by MOFCOM in 2007 in relation to the Contended Agreements shall not be revoked and remain to be in force, and the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural.

In May 2015, the CAP Group commenced legal proceedings against Ms. Wang and Tian Jiu in the Higher People's Court of Hubei Province ("Hubei Court") seeking, inter alia, declarations and orders that the sales and purchase agreements for the Baisazhou Acquisition (the "SPA") have been legally made, and that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM (which were subsequently withdrawn in April 2019 in light of the decisions in respect of the MOFCOM approvals). Ms. Wang and Tian Jiu filed their counterclaim for, inter alia, the return of the CAP Group's 90% interest in Baisazhou Agricultural, which was dismissed by the Hubei Court in December 2019 (the "**23 December Judgement**").

In January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgement. On 29 March 2021, the CAP Group received the judgement of the Supreme Court dated 29 December 2020 (the "**29 December Judgement**") which upheld the 23 December Judgement and dismissed the appeal of Ms. Wang and Tian Jiu. As advised by the PRC legal advisors of the CAP Group, according to the 23 December Judgement and the 29 December Judgement, the CAP Group continues to be the legal and beneficial owner of Baisazhou Agricultural.

In Hong Kong, CAP as plaintiff against Ms. Wang and Tian Jiu as defendants:

In 2011, CAP issued a Writ of Summons in the Court of First Instance in the High Court of Hong Kong (the "CFI") against Ms. Wang and Tian Jiu. CAP (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA. Ms. Wang and Tian Jiu counterclaimed for, amongst others, an order that CAP shall cause and/or procure the shares in Baisazhou Agricultural to be transferred back to Ms. Wang and Tian Jiu.

42. 訴訟(續)

於中國內地，有關王女士、天九及中國農產品集團之訴訟：(續)

據中國農產品集團的中國法律顧問所告知，商務部於二零零七年就有關爭議協議發出之批准將不予撤銷並繼續有效，且中國農產品集團仍為白沙洲農副產品之合法實益擁有人。

於二零一五年五月，中國農產品集團於湖北省高級人民法院(「湖北法院」)對王女士及天九提出法律訴訟，尋求法院(其中包括)宣佈及頒令白沙洲收購事項之買賣協議(「買賣協議」)為合法訂立，且王女士及天九須協助白沙洲農副產品履行買賣協議之下其須向商務部報送的合約義務(隨後已鑑於有關商務部批准之決定而於二零一九年四月撤回)。王女士及天九提出反申索，尋求(其中包括)取回中國農產品集團於白沙洲農副產品之90%權益，惟於二零一九年十二月被湖北法院駁回(「十二月二十三日判決」)。

於二零二零年一月，王女士及天九就十二月二十三日判決提出上訴。於二零二一年三月二十九日，中國農產品集團收到最高法院日期為二零二零年十二月二十九日的判決(「十二月二十九日判決」)，就十二月二十三日判決維持原判，並駁回王女士及天九之上訴。據中國農產品集團的中國法律顧問所告知，根據十二月二十三日判決及十二月二十九日判決，中國農產品集團繼續為白沙洲農副產品之法定及實益擁有人。

於香港，中國農產品(作為原告)針對王女士及天九(作為被告)提出之訴訟：

於二零一一年，中國農產品於香港高等法院原訟法庭(「原訟法庭」)向王女士及天九發出傳票令狀。由於王女士及天九(作為賣方)違反買賣協議多項條文，中國農產品(作為買方)向彼等尋求損害賠償。王女士及天九提出反申索，尋求法院(其中包括)頒令中國農產品導致及／或促成白沙洲農副產品之股份轉回王女士及天九。

Notes to Financial Statements (Continued)

財務報表附註(續)

42. Litigations (continued)

In Hong Kong, CAP as plaintiff against Ms. Wang and Tian Jiu as defendants: (continued)

In 2012, CAP obtained a court order from the CFI to the effect that undertakings (the “**Undertakings**”) were given by Ms. Wang and Tian Jiu not to (i) indorse, assign, transfer or negotiate the two instruments (purportedly described as promissory notes in the SPA) (the “**Instruments**”); and (ii) enforce payment in relation to the SPA by presentation of the Instruments until the final determination of these proceedings or further court order. Pursuant to the Undertakings, the Instruments will no longer fall due for payment by CAP on 5 December 2012.

The CFI handed down its judgement on 18 January 2021 awarding damages in favour of CAP for sums exceeding the sum owed under the Instruments. The CFI also ordered that the damages awarded to CAP be set-off by the sum owed under the Instruments, and that Ms. Wang and Tian Jiu not be allowed to enforce the Instruments against CAP. In effect, CAP is not required to make any payment under the Instruments to Ms. Wang or Tian Jiu. CAP is seeking legal advice for the recovery of the balance of the damages awarded to it. Further, as the counterclaim of Ms. Wang and Tian Jiu was dismissed, CAP continues to be the legal and beneficial owner of Baisazhou Agricultural.

Prosecution commenced in the PRC by Wuhan Jiangnan District People’s Procuratorate against the former director of Baisazhou Agricultural, Mr. Zhou Jiu Ming

According to the judgement of Hubei Wuhan Jiangnan District People’s Court (“**Jiangnan Court**”) dated 19 November 2021 (the “**19 November Judgement**”), the former director of Baisazhou Agricultural, Mr. Zhou Jiu Ming (“**Mr. Zhou**”), during the period of 2009 under the employment of Baisazhou Agricultural, instructed other associated personnel of Baisazhou Agricultural to unlawfully misappropriate funds of Baisazhou Agricultural in the sum of RMB40,000,000 for his personal use. Wuhan Jiangnan District People’s Procuratorate commenced prosecution against Mr. Zhou for a penalty. Jiangnan Court ordered in the 19 November Judgement that: (1) Mr. Zhou was guilty of misappropriation of funds and was sentenced to five years of imprisonment; (2) Mr. Zhou shall return the misappropriated funds of RMB40,000,000 to Baisazhou Agricultural in accordance with the law.

According to the judgement of Hubei Wuhan Intermediate People’s Court (“**Wuhan Court**”) dated 11 January 2022 (the “**11 January Judgement**”), Wuhan Court ordered that the appeal by Mr. Zhou against the 19 November Judgement be dismissed. The 11 January Judgement is final.

The case has now come to an end.

42. 訴訟(續)

於香港，中國農產品(作為原告)針對王女士及天九(作為被告)提出之訴訟：(續)

於二零一二年，中國農產品接獲原訟法庭之法院命令，致使王女士及天九作出承諾(「**承諾**」)，指彼等將不會(i)對兩份文據(據稱是買賣協議之承兌票據)(「**文據**」)背書、分配、轉讓或磋商；及(ii)就買賣協議出具文據以強制付款，直至有關訴訟得到最終裁決或進一步發出法院命令為止。根據承諾，中國農產品無需因文據到期而需於二零一二年十二月五日付款。

原訟法庭於二零二一年一月十八日作出判決，中國農產品獲判超出文據項下所欠款項之金額之損害賠償。原訟法庭亦頒令中國農產品獲判之損害賠償須由文據項下所欠之款項抵銷，而王女士及天九不得對中國農產品強制執行文據。故此，中國農產品無需根據文據向王女士或天九作出任何付款。中國農產品正就取回其獲判之損害賠償之餘額尋求法律意見。此外，由於王女士及天九之反申索已被駁回，故中國農產品繼續為白沙洲農副產品的合法實益擁有人。

武漢市江漢區人民檢察院在中國對白沙洲農副產品前任董事周九明先生提出檢控

根據湖北省武漢市江漢區人民法院(「**江漢法院**」)日期為二零二一年十一月十九日的判決(「**十一月十九日判決**」)，白沙洲農副產品前任董事周九明先生(「**周先生**」)於二零零九年受僱於白沙洲農副產品期間，指示白沙洲農副產品的其他相關人員非法挪用白沙洲農副產品資金，總額為人民幣40,000,000元，供其個人使用。武漢市江漢區人民檢察院對周先生提出檢控，施以處罰。江漢法院於十一月十九日判決內下令：(1)周先生犯下挪用資金罪，判處監禁五年；(2)周先生應根據法律將挪用的資金人民幣40,000,000元歸還白沙洲農副產品。

根據湖北省武漢市中級人民法院(「**武漢法院**」)日期為二零二二年一月十一日的判決(「**一月十一日判決**」)，武漢法院下令駁回周先生對十一月十九日判決的上訴。一月十一日判決屬最終判決。

該案現審理完結。

42. Litigations (continued)

Prosecution commenced in the PRC by Wuhan Jiangnan District People's Procuratorate against the former director of Baisazhou Agricultural, Mr. Zhou Jiu Ming (continued)

On 1 March 2022, Baisazhou Agricultural received the sum of RMB40,000,000 returned by Mr. Zhou. Compensation from litigation judgement of HK\$48,572,000 was recognised and included in "Other income and gains, net" in the consolidated statement of profit or loss and other comprehensive income.

Further details regarding the civil proceedings of the CAP Group can be found in the interim/annual reports and announcements issued by CAP.

42. 訴訟(續)

武漢市江漢區人民檢察院在中國對白沙洲農副產品前任董事周九明先生提出檢控(續)

於二零二二年三月一日，白沙洲農副產品收到周先生退還的人民幣40,000,000元。來自訴訟判決的賠償48,572,000港元已經確認，並於綜合損益及其他全面收益表的「其他收入及收益淨額」中入賬。

有關中國農產品集團的民事訴訟之進一步詳情可於中國農產品發佈之中期／年度報告及公佈查閱。

43. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

43. 按類別劃分的金融工具

於報告期末各類別之金融工具之賬面值如下：

31 March 2022
Financial assets

二零二二年三月三十一日
財務資產

		Financial assets at fair value through profit or loss				Total
		按公平值經損益入賬之財務資產				
		Financial assets at fair value through other comprehensive income	Designated as such upon initial recognition	Mandatorily designated as such	Financial assets at amortised cost	
按公平值經其他 全面收益入賬之 財務資產		於首次確認後 如此指定	強制如此指定	按攤銷成本之 財務資產	總計	
HK\$'000		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元		千港元	千港元	千港元	千港元	
Listed equity investments	上市股權投資	147,126	112	-	-	147,238
Listed debt investments	上市債務投資	19,839	-	-	-	19,839
Unlisted funds	非上市基金	-	-	99,644	-	99,644
Derivative component of unsecured notes	無抵押票據之 衍生工具部分	-	-	9,849	-	9,849
Interest rate swaps	利率掉期	-	-	135	-	135
Trade receivables	貿易應收款項	-	-	-	63,346	63,346
Net investments in subleases	分租投資淨額	-	-	-	14,685	14,685
Loans and interest receivables	應收貸款及利息	-	-	-	30,868	30,868
Financial assets included in prepayments, deposits, and other receivables	計入預付款項、按金及 其他應收款項之 財務資產	-	-	-	170,868	170,868
Pledged deposits	已抵押存款	-	-	-	31,250	31,250
Restricted bank balances	受限制銀行結餘	-	-	-	7,311	7,311
Cash and cash equivalents	現金及現金等同項目	-	-	-	510,146	510,146
		166,965	112	109,628	828,474	1,105,179

Notes to Financial Statements (Continued)

財務報表附註(續)

43. Financial Instruments by Category (continued)

31 March 2022 (continued)

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本之財務負債 HK\$'000 千港元
Trade payables	貿易應付款項	86,357
Financial liabilities included in other payables and accruals (excluding lease liabilities)	計入其他應付款項及應計費用之財務負債(租賃負債除外)	383,771
Lease liabilities	租賃負債	123,052
Unsecured notes	無抵押票據	219,497
Interest-bearing bank and other borrowings	計息銀行及其他借款	1,461,665
		2,274,342

31 March 2021

Financial assets

二零二二年三月三十一日(續)

財務負債

二零二一年三月三十一日

財務資產

		Financial assets at fair value through profit or loss 按公平值經損益入賬之財務資產				Total 總計 HK\$'000 千港元
		Financial assets at fair value through other comprehensive income 按公平值經其他全面收益入賬之財務資產 HK\$'000 千港元	Designated as such upon initial recognition 於首次確認後如此指定 HK\$'000 千港元	Mandatorily designated as such 強制如此指定 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本之財務資產 HK\$'000 千港元	
Listed equity investments	上市股權投資	146,857	67	–	–	146,924
Listed debt investments	上市債務投資	124,378	–	–	–	124,378
Unlisted debt investment	非上市債務投資	11,580	–	–	–	11,580
Unlisted funds	非上市基金	–	–	98,672	–	98,672
Derivative component of unsecured notes	無抵押票據之衍生工具部分	–	–	3,864	–	3,864
Trade receivables	貿易應收款項	–	–	–	53,300	53,300
Net investments in subleases	分租投資淨額	–	–	–	13,348	13,348
Loans and interest receivables	應收貸款及利息	–	–	–	30,301	30,301
Financial assets included in prepayments, deposits, and other receivables	計入預付款項、按金及其他應收款項之財務資產	–	–	–	143,309	143,309
Restricted bank balances	受限制銀行結餘	–	–	–	22,302	22,302
Cash and cash equivalents	現金及現金等同項目	–	–	–	507,234	507,234
		282,815	67	102,536	769,794	1,155,212

43. Financial Instruments by Category (continued)

31 March 2021 (continued)

Financial liabilities

		Financial liabilities at fair value through profit or loss mandatorily designated as such 強制如此指定 按公平值經損益入 賬之財務負債 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本之 財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	貿易應付款項	–	72,204	72,204
Financial liabilities included in other payables and accruals (excluding lease liabilities)	計入其他應付款項及應計費用之財務負債 (租賃負債除外)	–	433,544	433,544
Lease liabilities	租賃負債	–	108,643	108,643
Unsecured notes	無抵押票據	–	199,348	199,348
Interest-bearing bank and other borrowings	計息銀行及其他借款	–	1,329,828	1,329,828
Convertible notes	可換股票據	–	131,901	131,901
Derivative component of convertible notes	可換股票據之衍生工具部分	37	–	37
Interest rate swaps	利率掉期	810	–	810
		847	2,275,468	2,276,315

43. 按類別劃分的金融工具(續)

二零二一年三月三十一日(續)

財務負債

44. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those carrying amounts that reasonably approximate to fair values, are as follows:

44. 金融工具之公平值及公平值等級

本集團金融工具(賬面值與公平值合理相若的金融工具除外)之賬面值及公平值如下：

		Carrying amounts 賬面值		Fair values 公平值	
		31 March 2022 二零二二年 三月三十一日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元	31 March 2022 二零二二年 三月三十一日 HK\$'000 千港元	31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行及其他借貸	1,461,665	1,329,828	1,498,839	1,349,925
Unsecured notes	無抵押票據	219,497	199,348	195,630	204,010
Convertible notes	可換股票據	–	131,901	–	133,982
		1,681,162	1,661,077	1,694,469	1,687,917

Management has assessed that the fair values of cash and cash equivalents, restricted bank balances, pledged deposits, trade receivables, net investments in subleases, financial assets included in prepayments, deposits and other receivables, loans and interest receivables, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

管理層已評估現金及現金等同項目、受限制銀行結餘、已抵押存款、貿易應收款項、分租投資淨額、計入預付款項、按金及其他應收款項之財務資產、應收貸款及利息、貿易應付款項及計入其他應付款項及應計費用之財務負債之公平值與其賬面值相若，主要原因是該等工具的到期期限較短。

44. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The Group's finance department headed by the directors of the Company are responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the director and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the director. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 March 2022 were assessed to be insignificant. The fair values of the liability portion of the convertible notes and unsecured notes are estimated by discounting the expected future cash flows using an equivalent market interest rate for similar securities with consideration of the Group's own non-performance risk.

The fair values of listed equity investments and listed debt investments are based on quoted market prices. The fair values of unlisted fund investments are determined based on the quoted market prices provided by fund administrators with reference to prices derived from the over-the-counter market. The fair values of unlisted debt investments at fair value through other comprehensive income have been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The directors of the Company believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The fair value of the embedded derivatives in unsecured notes is determined by valuation techniques and based on assumptions on market conditions existing at the end of the reporting period. The valuation model requires the input of subjective assumptions, including the expected volatility, discount rate, risk-free rate and mean reversion.

44. 金融工具之公平值及公平值等級(續)

本集團之財務部門由本公司董事帶領，負責就金融工具之公平值計量制定政策及程序。財務部門直接向董事及審核委員會匯報。於各報告日期，財務部門分析金融工具價值之動向，並決定估值中採用之主要輸入數據。董事審閱及批准估值，並與審核委員會就中期及年度財務申報每年進行兩次有關估值程序及結果的討論。

財務資產及負債之公平值以自願交易方在當前交易中(強迫或清盤出售除外)該工具可據此作交換之金額入賬。

公平值估計所採用的方法及假設載列如下：

計息銀行及其他借貸的非流動部分之公平值乃以目前市面類似年期、信貸風險及剩餘期限的工具的利率經折現預期未來現金流量計算。於二零二二年三月三十一日，本集團計息銀行及其他借貸的不履約風險導致之公平值變動被評估為並不重大。可換股票據及無抵押票據的負債部分之公平值乃以類似證券的相等市場利率經折現預期未來現金流量計算，且已考慮本集團的不履約風險。

上市股權投資及上市債務投資之公平值乃按照市場報價釐定。非上市基金投資之公平值乃參考場外交易市場價格按照基金管理人提供的市場報價釐定。按公平值經其他全面收益入賬之非上市債務投資使用折現現金流量估值模型估算公平值，採用的假設並非由可觀察市價或利率支持。本公司董事相信，透過估值方法得出的估計公平值(計入綜合財務狀況表)及公平值的有關變動(計入損益及其他全面收益)乃屬合理，且為於報告期末的最適當價值。

無抵押票據之嵌入式衍生工具之公平值乃經估值方法及基於報告期末現行市況之假設釐定。該估值模式需要主觀假設輸入數據，包括預期波幅、折現率、無風險利率及均值回歸。

44. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 March 2022 and 2021:

44. 金融工具之公平值及公平值等級(續)

以下為於二零二二年及二零二一年三月三十一日金融工具估值之重大不可觀察輸入數據概要及定量敏感度分析：

	Valuation technique 估值方法	Significant unobservable input 重大不可觀察輸入數據	Range 幅度	Sensitivity of fair value to the input 公平值對輸入數據之敏感度
As at 31 March 2022				
於二零二二年三月三十一日				
A derivative component from unsecured notes classified as financial assets at fair value through profit or loss 分類為按公平值經損益入賬之財務資產之無抵押票據之衍生工具部分	Hull-white one factor trinomial model 赫爾懷特單一因素三項式定價模式	Volatility 波幅	73.8%	1% increase/(decrease) in volatility would have no material impact on the fair value 波幅增加/(減少)1%不會對公平值造成重大影響
		Discount rate 折現率	14.7%	1% increase/(decrease) in discount rate would have no material impact on the fair value 折現率增加/(減少)1%不會對公平值造成重大影響
		Mean reversion 均值回歸	0.6%	1% increase/(decrease) in mean reversion would have no material impact on the fair value 均值回歸增加/(減少)1%不會對公平值造成重大影響
As at 31 March 2021				
於二零二一年三月三十一日				
A derivative component from unsecured notes classified as financial assets at fair value through profit or loss 分類為按公平值經損益入賬之財務資產之無抵押票據之衍生工具部分	Hull-white one factor trinomial model 赫爾懷特單一因素三項式定價模式	Volatility 波幅	0.3%	1% increase/(decrease) in volatility would have no material impact on the fair value 波幅增加/(減少)1%不會對公平值造成重大影響
		Discount rate 折現率	11.7%	1% increase/(decrease) in discount rate would have no material impact on the fair value 折現率增加/(減少)1%不會對公平值造成重大影響
		Mean reversion 均值回歸	24.6%	1% increase/(decrease) in mean reversion would have no material impact on the fair value 均值回歸增加/(減少)1%不會對公平值造成重大影響

Notes to Financial Statements (Continued)

財務報表附註(續)

44. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

44. 金融工具之公平值及公平值等級(續)

公平值等級

下表說明本集團金融工具之公平值計量等級：

按公平值計量之資產：

		Fair value measurement using 使用下列各項之公平值計量			Total 總計 HK\$'000 千港元
		Quoted prices in active markets (Level 1) 於活躍市場之報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	
As at 31 March 2022	於二零二二年三月三十一日				
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產：				
Listed equity investments	上市股權投資	147,126	-	-	147,126
Listed debt investments	上市債務投資	19,839	-	-	19,839
Financial assets at fair value through profit or loss:	按公平值經損益入賬之財務資產：				
Unlisted funds	非上市基金	-	99,644	-	99,644
Listed equity investment	上市股權投資	112	-	-	112
Derivative component of unsecured notes	無抵押票據之衍生工具部分	-	-	9,849	9,849
Interest rate swaps	利率掉期	-	135	-	135
		167,077	99,779	9,849	276,705
As at 31 March 2021	於二零二一年三月三十一日				
Financial assets at fair value through other comprehensive income:	按公平值經其他全面收益入賬之財務資產：				
Listed equity investments	上市股權投資	146,857	-	-	146,857
Listed debt investments	上市債務投資	124,378	-	-	124,378
Unlisted debt investments	非上市債務投資	11,580	-	-	11,580
Financial assets at fair value through profit or loss:	按公平值經損益入賬之財務資產：				
Unlisted funds	非上市基金	-	58,600	40,072	98,672
Listed equity investment	上市股權投資	67	-	-	67
Derivative component of unsecured notes	無抵押票據之衍生工具部分	-	-	3,864	3,864
		282,882	58,600	43,936	385,418

44. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

The movements in fair value measurements in Level 3 during the years are as follows:

		HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	20,185
Additions	添置	38,796
Loss recognised in profit or loss	於損益確認之虧損	(1,080)
Transfer from Level 3 to Level 1 (note)	由第三級轉移至第一級(附註)	(13,965)
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及 二零二一年四月一日	43,936
Disposal	出售	(15,876)
Loss recognised in profit or loss	於損益中確認之虧損	(18,211)
At 31 March 2022	於二零二二年三月三十一日	9,849

Note: The transfer from Level 3 to Level 1 was due to the resumption of share trading of an equity investment at fair value through other comprehensive income during the year ended 31 March 2021. The Group's policy is to recognise transfers into and transfers out of Level 3 as at the date of event or change in circumstances that caused the transfer.

公平值等級(續)

按公平值計量之資產:(續)

於以下年度,第三級公平值計量之變動如下:

附註:由第三級轉移至第一級乃由於按公平值經其他全面收益入賬之股權投資之股份於截至二零二一年三月三十一日止年度恢復買賣。本集團的政策為於導致轉移之情況出現變動當日確認轉入或轉出第三級之轉移。

Liabilities measured at fair value

The Group did not have any financial liabilities measured at fair value as at 31 March 2022.

按公平值計量之負債

本集團於二零二二年三月三十一日並無任何按公平值計量的財務負債。

Fair value measurement using 使用下列各項之公平值計量				
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
於活躍市場之報價 (第一級)	重大可觀察 輸入數據 (第二級)	重大不可觀察 輸入數據 (第三級)		總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元

As at 31 March 2021

於二零二一年三月三十一日

Financial liabilities at fair value through profit or loss: 按公平值經損益入賬之

財務負債:

Derivative component of convertible notes	可換股票據之				
	衍生工具部分	-	-	37	37
Interest rate swaps	利率掉期	-	810	-	810
		-	810	37	847

Notes to Financial Statements (Continued)

財務報表附註(續)

44. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

Liabilities measured at fair value (continued)

The movements in fair value measurements in Level 3 during the years are as follows:

		HK\$'000 千港元
At 1 April 2020	二零二零年四月一日	621
Early redemption	提前贖回	(305)
Gain recognised in profit or loss	於損益確認之收益	(279)
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及 二零二一年四月一日	37
Gain recognised in profit or loss upon maturity	於到期後於損益中確認之收益	(37)
At 31 March 2022	於二零二二年三月三十一日	-

44. 金融工具之公平值及公平值等級(續)

公平值等級(續)

按公平值計量之負債(續)

於以下年度，第三級公平值計量之變動如下：

45. Financial Risk Management Objectives and Policies

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of net debt, which includes unsecured notes, bank and other borrowings and convertible notes disclosed in notes 29, 30 and 31 to the financial statements, net of cash and cash equivalents and pledged deposits and equity attributable to owners of the parent, which comprises issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

45. 財務風險管理目標及政策

本集團管理其資本以確保本集團各實體可持續經營，同時透過優化債務及權益的平衡盡量增加股東回報。本集團整體策略較去年維持不變。

本集團資本結構包括債務淨額(包括於財務報表附註29、30及31披露之無抵押票據、銀行及其他借貸及可換股票據)，扣除現金及現金等同項目、已抵押存款以及母公司擁有人應佔權益(包括已發行股本及儲備)。

本公司董事每半年審閱資本結構。就有關審閱而言，董事計及有關資本之成本及與各類別資本相關之風險。根據董事建議，本集團將透過發行新股份、購回股份及發行新債務或贖回現有債務，平衡其整體資本架構。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, loans and interest receivables, financial assets included in prepayments, deposits and other receivables, financial assets at fair value through profit or loss, net investments in subleases, financial assets at fair value through other comprehensive income, cash and cash equivalents, pledged deposits, restricted bank balances, trade payables, financial liabilities at fair value through profit or loss, bank and other borrowings, unsecured notes, convertible notes and financial liabilities included in other payables and accruals. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risks (currency risk, interest rate risk and price risk), liquidity risk and credit risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Market risks

(i) Currency risk

The Company and several subsidiaries of the Company have foreign currency sales and purchases and foreign currency bank deposits, which expose the Group to foreign currency risk. Substantially most of the Group's bank deposits and interest-bearing bank and other borrowings are denominated in the relevant group entities' functional currencies. Substantially most of the Group's sales and purchases are denominated in the relevant group entities' functional currencies.

The Group currently does not implement hedging activities to hedge against foreign currency exposure.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策

本集團之主要金融工具包括貿易應收款項、應收貸款及利息、計入預付款項、按金及其他應收款項之財務資產、按公平值經損益入賬之財務資產、分租投資淨額、按公平值經其他全面收益入賬之財務資產、現金及現金等同項目、已抵押存款、受限制銀行結餘、貿易應付款項、按公平值經損益入賬之財務負債、銀行及其他借貸、無抵押票據、可換股票據及計入其他應付款項及應計費用之財務負債。該等金融工具之詳情於相關附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及價格風險)、流動資金風險及信貸風險。有關如何減低該等風險之政策載於下文。管理層管理及監察相關風險以確保及時有效實施適當措施。

本集團須承受之市場風險或其管理及計量有關風險之方式並無重大變動。

市場風險

(i) 貨幣風險

本公司及其多間附屬公司以外幣進行的買賣以及外幣銀行存款令本集團面臨外匯風險。本集團絕大部分銀行存款及計息銀行及其他貸款以有關集團實體之功能貨幣計值。本集團絕大部分買賣均以有關集團實體之功能貨幣計值。

本集團現時並無進行對沖活動對沖外匯風險。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Market risks (continued)

(i) Currency risk (continued)

Sensitivity analysis

The Group is mainly exposed to the foreign exchange rate fluctuation of the foreign currencies stated above against the functional currencies of the respective group entities.

If the RMB exchange rate had increased/decreased by 5% and other variables were held constant, the Group's loss for the year ended 31 March 2022 would have decreased/increased by HK\$51,000 (2021: HK\$80,000).

The Group's exposures to currency risk of other currencies are considered insignificant by the directors and therefore no sensitivity analysis has been prepared.

(ii) Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank borrowings (see note 30 to the financial statements) and bank deposits (see note 26 to the financial statements) at prevailing market interest rates. The Group monitors the movement in interest rates on an ongoing basis and will consider hedging significant interest rate risk should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of one to three months Hong Kong Interbank Offered Rate. To manage its interest cost, the Group has entered into interest rate swaps in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

本集團主要面臨上述外幣兌各集團實體功能貨幣之外匯波動風險。

倘人民幣匯率上升／下跌5%而所有其他變數維持不變，本集團截至二零二二年三月三十一日止年度之虧損將減少／增加51,000港元(二零二一年：80,000港元)。

董事認為本集團其他貨幣之貨幣風險並不重大，因此並無編製敏感度分析。

(ii) 利率風險

本集團現金流量利率風險主要與浮息銀行借貸(見財務報表附註30)及按當前市場利率計息之銀行存款(見財務報表附註26)有關。本集團現正持續監察利率變動，並將於有需要時考慮對沖重大利率風險。

有關本集團財務負債利率風險之詳情載於本附註流動資金風險管理一節。本集團現金流量利率風險主要集中於一至三個月香港銀行同業拆息之波幅。為管理其利息成本，本集團已訂立利率掉期，據此，本集團同意按特定周期參照協定名義本金額計算之固定及浮動利息金額之差額進行對換。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Market risks (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings and bank deposits at the end of the reporting period (after taking into account the effect of the interest rate swaps). The analysis is prepared assuming that the amount of liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had increased/decreased by 50 basis points and all other variables were held constant, the Group's loss for the year ended and the total equity as at 31 March 2022 would have increased/decreased and decreased/increased by HK\$4,047,000 and HK\$4,047,000, respectively (2021: HK\$3,332,000 and HK\$3,332,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

The Group's sensitivity to interest rates has increased during the current year mainly due to the increase in variable-rate interest-bearing bank and other borrowings.

The Group's exposures to interest rate risk on bank balances are considered insignificant by the directors and therefore no sensitivity analysis has been prepared.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析

以下敏感度分析乃根據浮息銀行借貸及銀行存款於報告期末(經考慮利率掉期之影響)面對之利率風險釐定。分析乃假設報告期末的未償還負債於整個年度尚未償還而編製。向主要管理人員內部匯報利率風險時採用50個基點增減,反映管理層對利率合理可能出現之變動之評估。

倘利率增加/減少50個基點而所有其他變數維持不變,本集團年度之虧損及於二零二二年三月三十一日的總權益將分別增加/減少及減少/增加4,047,000港元及4,047,000港元(二零二一年:3,332,000港元及3,332,000港元)。此乃主要由於本集團就浮息銀行借貸面對之利率風險。

本集團對利率之敏感度於本年度上升,主要由於浮息計息銀行及其他借貸增加所致。

董事認為本集團面臨之銀行結餘利率風險並不重大,故並無編製敏感度分析。

Notes to Financial Statements (Continued)

財務報表附註(續)

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Market risks (continued)

(iii) Price risk

Price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments included in financial assets at fair value through other comprehensive income (note 18) and financial assets at fair value through profit or loss (note 25) as at 31 March 2022. The Group's listed investments are listed on the Stock Exchange and are valued at quoted market prices at the end of the reporting period.

The market equity index for the Stock Exchange at the close of business of the nearest trading day in the year to the end of the reporting period, and its respective highest and lowest points during the year are as follows:

		31 March 2022 二零二二年 三月三十一日	High/low 2022 二零二二年 高/低點	31 March 2021 二零二一年 三月三十一日	High/low 2021 二零二一年 高/低點
Hong Kong – Hang Seng Index	香港 – 恒生指數	21,997	29,491/ 18,235	28,378	31,183/ 22,520

The Group manages its exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these financial investments.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

市場風險(續)

(iii) 價格風險

價格風險是指因股權指數水平及個別證券之價值變動以致股本證券公平值下降之風險。於二零二二年三月三十一日，本集團因計入按公平值經其他全面收益入賬之財務資產(附註18)及按公平值經損益入賬之財務資產(附註25)的個別股權投資而面臨股權價格風險。本集團之上市投資主要在聯交所上市，並以報告期末之市場報價進行估值。

最接近報告期末的交易日營業時間結束時，聯交所之市場股權指數及其年內最高點及最低點如下：

本集團透過密切監控或會對該等財務投資造成影響之價格變動及市場行情變動來管理其承受之風險。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Market risks (continued)

(iii) Price risk (continued)

Sensitivity analysis

The following table demonstrates the sensitivity to every 10% increase/decrease in the fair values of the listed equity investments with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, for the listed equity investments included in financial assets at fair value through other comprehensive income, the impact is deemed to be on the fair value reserve (non-recycling).

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

市場風險(續)

(iii) 價格風險(續)

敏感度分析

下表展示於其他變數保持不變並且未計算稅項影響前，上市股權投資於報告期末之賬面值，對其公平值10%增加／減少之敏感度。就本分析而言，對計入按公平值經其他全面收益入賬之財務資產的上市股權投資之影響被視作對公平值儲備(不可劃轉)之影響。

		Carrying amount of equity investments 股權投資之 賬面值 HK\$'000 千港元	Decrease/ (increase) in loss before tax 除稅前虧損 減少/(增加) HK\$'000 千港元	Increase/ (decrease) in other components of equity 股權之其他部分 增加/(減少) HK\$'000 千港元
2022	二零二二年			
Equity investments listed in Hong Kong:	於香港上市之股權投資：			
-Financial assets at fair value through profit or loss	-按公平值經損益入賬之財務資產	112	11/(11)	-
-Financial assets at fair value through other comprehensive income	-按公平值經其他全面收益入賬之財務資產	147,126	-	14,713/(14,713)
2021	二零二一年			
Equity investments listed in Hong Kong:	於香港上市之股權投資：			
-Financial assets at fair value through profit or loss	-按公平值經損益入賬之財務資產	67	7/(7)	-
-Financial assets at fair value through other comprehensive income	-按公平值經其他全面收益入賬之財務資產	146,857	-	14,686/(14,686)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

流動資金風險

管理流動資金風險方面，本集團監控及維持管理層認為充裕之現金及現金等同項目水平，以為本集團營運提供資金及減低現金流量波動影響。管理人員監察銀行借貸運用，並確保遵從貸款契約。

Notes to Financial Statements (Continued)

財務報表附註(續)

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates of all financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest cash flows are at floating rates, the undiscounted amount is derived from the interest rate at the end of the reporting period.

		On demand or less than 1 year 按要求或少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total undiscounted cash flows 未折現現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 March 2022	於二零二二年三月三十一日					
Trade payables	貿易應付款項	86,357	–	–	86,357	86,357
Other payables and accruals (excluding lease liabilities)	其他應付款項及應計費用 (租賃負債除外)	383,351	420	–	383,771	383,771
Lease liabilities	租賃負債	55,471	71,717	5,537	132,725	123,052
Bank and other borrowings – variable rates (note)	銀行及其他借貸 – 浮息 (附註)	443,430	680,443	–	1,123,873	1,054,433
Bank and other borrowings – fixed rates (note)	銀行及其他借貸 – 定息 (附註)	272,335	163,667	39,412	475,414	407,232
Unsecured notes	無抵押票據	2,900	286,665	–	289,565	219,497
		1,243,844	1,202,912	44,949	2,491,705	2,274,342
As at 31 March 2021	於二零二一年三月三十一日					
Trade payables	貿易應付款項	72,204	–	–	72,204	72,204
Other payables and accruals (excluding lease liabilities)	其他應付款項及應計費用 (租賃負債除外)	430,540	3,004	–	433,544	433,544
Lease liabilities	租賃負債	59,819	54,932	4,556	119,307	108,643
Bank and other borrowings – variable rates (note)	銀行及其他借貸 – 浮息 (附註)	484,143	310,578	168,279	963,000	922,885
Bank and other borrowings – fixed rates (note)	銀行及其他借貸 – 定息 (附註)	189,059	230,546	57,043	476,648	406,943
Unsecured notes	無抵押票據	2,900	289,565	–	292,465	199,348
Convertible notes	可換股票據	139,750	–	–	139,750	131,901
		1,378,415	888,625	229,878	2,496,918	2,275,468

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表

下表詳列本集團財務負債剩餘合約年期。此表根據本集團最早須償還日期之財務負債未折現現金流量編製。所有財務負債之到期日乃基於協定還款日期。

下表包括利息及本金現金流量。如利息現金流量為浮息，未折現金額則來自報告期末之利率。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

Note:

Included in interest-bearing bank loans of the Group are term loans with an aggregate principal amounted to HK\$130,000,000 (2021: HK\$162,000,000), of which the respective loan agreements contain a repayment on-demand clause giving the bank the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the total amount is classified as "on demand".

Notwithstanding the above clause, the directors do not believe that these loans will be called in their entirety within 12 months, and they consider that the loans will be repaid in accordance with the maturity dates as set out in the respective loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the Group's compliance with the loan covenants; the lack of events of default, and the fact that the Group has made all previously scheduled repayments on time. In accordance with the terms of these loans, the contractual undiscounted payments are as follows:

		Within 1 year 一年內 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2022	二零二二年三月三十一日	44,228	90,128	134,356
31 March 2021	二零二一年三月三十一日	44,123	123,747	167,870

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表(續)

附註：

本集團計息銀行貸款包括本金總額130,000,000港元(二零二一年：162,000,000港元)的定期貸款，其中各自貸款協議載有按要求償還條文，賦予銀行有無條件權力隨時催繳貸款，因此，就上述到期情況而言，全數金額已分類為「按要求償還」。

儘管有上述條款規定，但董事並不認為，該等貸款將於12個月內全部收回，而彼等認為該等貸款將根據各自貸款協議所載的各自的到期日償還。是次評估乃考慮到下列方面方才進行：本集團於財務報表批准日期的財務狀況；本集團遵守貸款契約；未發生違約事件；以及本集團已按時償還所有先前的計劃還款。根據該等協議條款，合約未折現付款如下：

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In order to minimise the credit risk on trade receivables and prepayments, deposits and other receivables, the management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk is significantly reduced.

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

信貸風險

本集團僅與經認可且信譽良好的第三方進行交易。本集團政策為所有有意以信用方式進行交易的客戶均須遵守信用認證程序。為減低貿易應收款項及預付款項、按金及其他應收款項之信貸風險，本集團管理人員已授權專責小組負責釐定信貸額、審批信貸及其他監察程序，以確保採取跟進措施收回逾期債項。此外，本集團於報告期末檢討各個別應收款項之可收回金額，以確保已就不可收回金額作出足夠減值虧損撥備。就此，本公司董事認為信貸風險已顯著減低。

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Credit risk (continued)

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. For listed debt investments, the Group also monitors them by using external credit ratings. The amounts presented are gross carrying amounts for financial assets.

As at 31 March 2022

		12-month ECLs 12個月預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損			
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Listed debt investments at fair value through other comprehensive income — B to C	按公平值經其他全面收益入賬之上市債務投資 — B至C	15,365	2,649	1,825	-	19,839
Trade receivables*	貿易應收款項*	-	-	-	79,515	79,515
Net investments in subleases	分租投資淨額	-	-	-	14,685	14,685
Loans and interest receivables	應收貸款及利息	16,208	1,922	58,351	-	76,481
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之財務資產					
— Normal**	— 正常**	156,829	-	-	-	156,829
— Doubtful**	— 存疑**	-	14,327	-	-	14,327
Pledged deposits	已抵押存款	31,250	-	-	-	31,250
Restricted bank balances	受限制銀行結餘	7,311	-	-	-	7,311
Cash and cash equivalents	現金及現金等同項目	510,146	-	-	-	510,146
		737,109	18,898	60,176	94,200	910,383

a. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及年結階段

下表顯示基於本集團的信貸政策的信貸質素及最高信貸風險，主要基於逾期資料(除非其他資料可在毋須付出不必要成本或努力的情況下獲得)，及於三月三十一日的年結階段分類。本集團亦利用外部信貸評級監察上市債務投資。所呈列金額為財務資產總賬面值。

於二零二二年三月三十一日

Notes to Financial Statements (Continued)

財務報表附註(續)

45. Financial Risk Management Objectives and Policies (continued)

a. Financial risk management objectives and policies (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 March 2021

		12-month ECLs 12個月預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損				
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元	Total 總計 HK\$'000 千港元	
Listed debt investments at fair value through other comprehensive income — Ba to C	按公平值經其他全面收益入賬之上市債務投資 — Ba至C	122,590	—	1,788	—	124,378	
Unlisted debt investments at fair value through other comprehensive income — B	按公平值經其他全面收益入賬之非上市債務投資 — B	11,580	—	—	—	11,580	
Trade receivables*	貿易應收款項*	—	—	—	71,542	71,542	
Net investments in subleases	分租投資淨額	—	—	—	13,348	13,348	
Loans and interest receivables	應收貸款及利息	16,007	1,656	57,475	—	75,138	
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之財務資產						
— Normal**	— 正常**	129,272	—	—	—	129,272	
— Doubtful**	— 存疑**	—	14,274	—	—	14,274	
Restricted bank balances	受限制銀行結餘	22,302	—	—	—	22,302	
Cash and cash equivalents	現金及現金等同項目	507,234	—	—	—	507,234	
		808,985	15,930	59,263	84,890	969,068	

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22 to the financial statements.

** The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

45. 財務風險管理目標及政策(續)

a. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及年結階段(續)

於二零二一年三月三十一日

* 就本集團應用簡化方法計算減值之貿易應收款項而言，根據撥備矩陣計算之資料於財務報表附註22披露。

** 倘計入預付款項、按金及其他應收款項之財務資產尚未逾期及並無資料顯示財務資產自初始確認以來之信貸風險顯著增加，信貸質素被視為「正常」。否則，財務資產之信貸質素將被視為「存疑」。

45. Financial Risk Management Objectives and Policies (continued)

b. Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 2021.

The Group monitors capital using a net gearing ratio, which is net debt divided by equity attributable to owners of the parent of the Company. Net debt is calculated as the total of interest-bearing bank and other borrowings, unsecured notes and convertible notes, less cash and cash equivalents and pledged deposits. The gearing ratios as at the end of the reporting periods were as follows:

45. 財務風險管理目標及政策(續)

b. 資本管理

本集團資本管理的主要目標是保障本集團持續經營的能力，及維持健康資本比例，為業務提供支持及將股東價值最大化。

本集團因應經濟環境的轉變對資本架構進行管理及調整。本集團可調整向股東派付股息、資本返還予股東或發行新股份。截至二零二二年及二零二一年三月三十一日止年度內，資本管理的目標、政策或程序概無出現變動。

本集團利用負債比率(母公司擁有人應佔權益除以債務淨額)監控資本。債務淨額乃按計息銀行及其他借貸、無抵押票據及可換股票據之總額減現金及現金等同項目及已抵押存款計算。報告期末的負債比率如下：

			2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
	Notes 附註			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	1,461,665	1,329,828
Unsecured notes	無抵押票據	29	219,497	199,348
Convertible notes	可換股票據	31	—	131,901
Less: Cash and cash equivalents and pledged deposits	減：現金及現金等同項目及已抵押存款	26	(541,396)	(507,234)
Net debt	債務淨額		1,139,766	1,153,843
Equity attributable to owners of the parent	母公司擁有人應佔權益		2,515,798	2,565,325
Gearing ratio	負債比率		45%	45%

46. Events After the Reporting Period

Subsequent to the year ended 31 March 2022, on 3 May 2022, CAP proposed to enter into a loan agreement with Ping An Bank Co., Ltd. for a loan principal amount of RMB300 million (in its HKD equivalent) for a term of three years (the **"Ping An Loan"**). As a condition to the Ping An Loan, the Company is required to provide a financial guarantee (the **"Guarantee"**) in respect of the CAP's obligations under the Ping An Loan. The Guarantee provided by the Company constituted a connected transaction for the Company and Wang On under the Listing Rules. On 22 June 2022, the independent shareholders of the Company and Wang On approved the Guarantee at their respective special general meetings.

At the same special general meetings held on 22 June 2022, the independent shareholders of the Company and Wang On also approved the revolving credit facility to CAP, for an aggregate principal amount of HK\$576 million, in which HK\$506 million provided by Winning Rich Investments Limited (a wholly-owned subsidiary of the Group) and HK\$70 million provided by Double Leads Investments Limited (a fellow subsidiary of the Group), for a term of five years at the interest rate of 10% per annum. Such facility would expire on 2 May 2027.

46. 報告期後事項

截至二零二二年三月三十一日止年度後，於二零二二年五月三日，中國農產品擬與平安銀行股份有限公司訂立貸款協議，貸款本金額為人民幣300,000,000元(等值港元金額)，期限為三年(「平安貸款」)。作為平安貸款的一個條件，本公司須就平安貸款下的中國農產品之責任提供財務擔保(「擔保」)。本公司提供的擔保構成上市規則下本公司與宏安的關連交易。於二零二二年六月二十二日，本公司及宏安的獨立股東於其各自的股東特別大會上批准該擔保。

在二零二二年六月二十二日舉行的同一股東特別大會上，本公司及宏安的獨立股東亦批准授予中國農產品的循環貸款融資，其本金總額576,000,000港元，其中506,000,000港元由凱裕投資有限公司(本集團一間全資附屬公司)提供，及70,000,000港元由倍利投資有限公司(本集團一間同系附屬公司)提供，期限為五年，年利率為10%。該融資將於二零二七年五月二日屆滿。

Notes to Financial Statements (Continued)

財務報表附註(續)

47. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

47. 本公司財務狀況表

有關報告期末本公司財務狀況表之資料如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	—	—
Financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產	3,146	7,278
		3,146	7,278
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	2,911,535	3,055,289
Other receivables	其他應收款項	321	255
Cash and cash equivalents	現金及現金等同項目	2,114	5,339
		2,913,970	3,060,883
CURRENT LIABILITIES	流動負債		
Due to subsidiaries	應付附屬公司款項	770,268	940,678
Other payables and accruals	其他應付款項及應計費用	7,699	7,894
		777,967	948,572
NET CURRENT ASSETS	流動資產淨值	2,136,003	2,112,311
Net assets	資產淨值	2,139,149	2,119,589
EQUITY	權益		
Issued capital	已發行股本	12,316	12,316
Reserves (note)	儲備(附註)	2,126,833	2,107,273
Total equity	總權益	2,139,149	2,119,589

Tang Ching Ho
鄧清河
Director
董事

Tang Wai Man
鄧蕙敏
Director
董事

Notes to Financial Statements (Continued)

財務報表附註(續)

47. Statement of Financial Position of the Company (continued)

Note:

A summary of the Company's reserves is as follows:

47. 本公司財務狀況表(續)

附註：

本公司儲備概要載列如下：

		Share premium	Special reserve	Contributed surplus	Share option reserve	Fair value reserve (non-recycling)	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	特別儲備 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	公平值儲備 (不可劃轉) HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2020	於二零二零年四月一日	2,106,799	(27,150)	275,693	83	(1,888)	(49,674)	2,303,863
Loss for the year	本年度虧損	-	-	-	-	-	(196,343)	(196,343)
Other comprehensive loss for the year:	本年度其他全面虧損：							
Change in fair value of financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產之公平值變動	-	-	-	-	(247)	-	(247)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	(247)	(196,343)	(196,590)
Expiry of share options	購股權屆滿	-	-	-	(83)	-	83	-
At 31 March 2021 and 1 April 2021	於二零二一年三月三十一日及二零二一年四月一日	2,106,799	(27,150)	275,693	-	(2,135)	(245,934)	2,107,273
Profit for the year	本年度溢利	-	-	-	-	-	23,695	23,695
Other comprehensive loss for the year:	本年度其他全面虧損：							
Change in fair value of financial assets at fair value through other comprehensive income	按公平值經其他全面收益入賬之財務資產之公平值變動	-	-	-	-	(4,135)	-	(4,135)
Total comprehensive income/(loss) for the year	本年度全面收益/(虧損)總額	-	-	-	-	(4,135)	23,695	19,560
At 31 March 2022	於二零二二年三月三十一日	2,106,799	(27,150)	275,693	-	(6,270)	(222,239)	2,126,833

48. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 28 June 2022.

48. 批准刊發財務報表

財務報表已由董事會於二零二二年六月二十八日批准並授權刊發。

Particulars of Properties

物業詳情

Investment Properties

投資物業

Location 地址	Use 用途	Tenure 年期	Attributable interest of the Group 本集團之應佔權益
Wuhan Baisazhou Agri-Products Market, Special Nos.1 Qingling Street, Qingling Country, Hongshan District, Wuhan City, Hubei Province, the PRC 中國湖北省武漢市洪山區青菱鄉青菱街特一號 武漢白沙洲農副產品大市場	Agricultural produce exchange market 農產品交易市場	Medium term lease 中期租約	53%
Henan Luoyang Hong-Jin Agri-Products International Logistics Centre, West of Luoji Expressway, Laocheng District, Luoyang City, Henan Province, the PRC 中國河南省洛陽市老城區洛吉快速通道西側 洛陽宏進農副產品國際物流中心	Agricultural produce exchange market 農產品交易市場	Medium term lease 中期租約	53%
Xuzhou Agri-Products Centre Wholesale Market, East of Yingbin Avenue, Quanshan District, Xuzhou City, Jiangsu Province, the PRC 中國江蘇省徐州市泉山區迎賓大道東側 徐州農副產品中心批發市場	Agricultural produce exchange market 農產品交易市場	Medium term lease 中期租約	27%

Properties Held for Sale

持作出售物業

Location 地址	Approximate saleable floor area 概約可出售建築面積 (Square feet) (平方呎)	Use 用途	Attributable interest of the Group 本集團之應佔權益
China – ASEAN (Qinzhou) Agri-Products Market, North of Jinhaiwan West Avenue (Entrance of Nanbei Highway), Qinzhou City, Guangxi Zhuang Autonomous Region, the PRC 中國廣西壯族自治區欽州市金海灣西大街北側 (南北高速出入口)中國－東盟(欽州)農產品 大市場	1,673,000	Agricultural produce exchange market 農產品交易市場	53%

Five Year Financial Summary

五年財務概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

下文為本集團過往五個財政年度之業績與資產、負債及非控股權益摘要，下文乃摘錄自己公佈之經審核財務報表。

Results

業績

		Year ended 31 March 截至三月三十一日止年度				
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	1,391,411	1,108,565	620,741	751,443	845,781
Profit/(loss) before tax	除稅前溢利／ (虧損)	(47,304)	(303,131)	455,167	81,694	(114,887)
Income tax expense	所得稅開支	(40,519)	(148,132)	(17,199)	(7,448)	(2,281)
PROFIT/(LOSS) FOR THE YEAR	本年度溢利／ (虧損)	(87,823)	(451,263)	437,968	74,246	(117,168)
Attributable to:	以下人士應佔：					
Owners of the parent	母公司擁有人	(108,912)	(375,995)	438,548	74,627	(115,581)
Non-controlling interests	非控股權益	21,089	(75,268)	(580)	(381)	(1,587)
		(87,823)	(451,263)	437,968	74,246	(117,168)

Assets, Liabilities and Non-Controlling Interests

資產、負債及非控股權益

		At 31 March 截至三月三十一日止年度				
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total assets	總資產	7,597,713	7,964,526	7,730,183	3,454,670	3,656,461
Total liabilities	總負債	(3,637,102)	(4,014,177)	(3,736,796)	(1,006,581)	(1,096,436)
		3,960,611	3,950,349	3,993,387	2,448,089	2,560,025
Equity attributable to owners of the parent	母公司擁有人應佔權益	2,515,798	2,565,325	2,642,786	2,444,118	2,554,504
Non-controlling interests	非控股權益	1,444,813	1,385,024	1,350,601	3,971	5,521
		3,960,611	3,950,349	3,993,387	2,448,089	2,560,025



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